

ORDINANCE NO. 2026 ____ - ____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF CITY OF AUSTIN, TEXAS SPECIAL TAX REVENUE BONDS (CONVENTION CENTER PROJECT).

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

SECTION 1: DEFINITIONS.

Unless otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section for all purposes of this Ordinance shall have the respective meanings specified:

“Additional Bonds” means Additional Senior Lien Bonds or Additional Junior Lien Bonds issued by the City pursuant to Section 20 of this Ordinance, as applicable.

“Additional Junior Lien Bonds” means bonds secured wholly or partly by liens on the Pledged Revenues that are junior and subordinate to the lien on Pledged Revenues securing payment of the Senior Lien Bonds issued by the City pursuant to Section 20 of this Ordinance.

“Additional Junior Lien Obligations” means Junior Lien Obligations issued in accordance with the terms and conditions provided in Section 20 of this Ordinance.

“Additional Senior Lien Bonds” means bonds secured by a first and prior lien on the Pledged Revenues issued by the City pursuant to Section 20 of this Ordinance.

“Additional Senior Lien Obligations” means Senior Lien Obligations issued in accordance with the terms and conditions provided in Section 20 of this Ordinance.

“Administrative Expenses” means the fees, expenses and indemnification liabilities payable to the persons to whom fees and expenses incurred directly in connection with the Bonds and Credit Agreement Obligations issued hereunder are owed, including but not limited to the reasonable fees, expenses, other charges and

33 disbursements of the Trustee, the Paying Agent/Registrar, Credit
34 Providers, the rebate analyst, the remarketing agents, the tender agents,
35 and the broker-dealers including those of their respective officers,
36 directors members, attorneys, agents, advisors and employees, and of
37 which the City is given actual notice at least thirty (30) days prior to the
38 due date thereof.

39 “Annual Debt Service Requirement” means the principal and interest
40 Requirements due on Outstanding Senior Lien Bonds or Outstanding
41 Junior Lien Bonds, as applicable, during any Fiscal Year or other period
42 as specified in an ordinance authorizing the issuance of any Additional
43 Bonds, as applicable.

44 “Authorized Official” means, individually and/or collectively, each of
45 the Mayor, the City Manager, the Chief Financial Officer, the Director
46 of Financial Services, and the Treasurer of the City.

47 “Average Annual Debt Service” means an amount which, at the time of
48 computation, is derived by dividing the total Debt Service Requirement
49 on all outstanding Senior Lien Bonds or Junior Lien Bonds, as
50 applicable, to be paid over a period of years as the same is scheduled to
51 become due and payable by the number of years taken into account in
52 determining the total Debt Service Requirement, including any
53 redemption premiums.

54 “Base Year” means the calendar year beginning January 1, 2024.

55 “Base Year Amount” means the amount of Hotel Associated Revenues
56 collected within the PFZ during the calendar year in which the City
57 designated the PFZ, such year being the Base Year.

58 “Bond Act” means, collectively, Subchapter A of Chapter 1504, as
59 amended, Texas Government Code, Chapter 1371, as amended, Texas
60 Government Code, and Chapter 351, as amended, Texas Tax Code.

61 “Bond Date” means the initial date of delivery for any series of Bonds
62 issued pursuant to the provisions of this Ordinance.

63 “Bond Year” – means the period of time that commences on the day
64 following the interest payment date on the Bonds occurring in
65 November of any year and ending on the interest payment date on the
66 Bonds occurring in November of the following year.

67 “Bonds” means the Series 2026 Senior Lien Bonds and the Series 2026
68 Junior Lien Bonds authorized by this Ordinance and any Additional
69 Senior Lien Bonds or Junior Lien Bonds issued pursuant to the
70 provision of an ordinance authorizing their issuance.

71 “Business Day” means any day other than (a) a Saturday or Sunday, (b)
72 a day on which banks located in the cities in which the designated office
73 of the Paying Agent/Registrar is located are required or authorized by
74 law or executive order to close, (c) a day on which the New York Stock
75 Exchange is closed, or (d) a day on which the payment system of the
76 Federal Reserve System is not operational.

77 “City” means the City of Austin, Texas, and, where appropriate, the
78 City Council.

79 “Closing Date” means the date of the initial delivery of a series of
80 Bonds issued and delivered to the initial purchasers.

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

82 “Comptroller” means the Texas Comptroller of Public Accounts.

83 “Convention Center Project” means the capital improvement project
84 generally described as the demolition, construction, reconstruction and
85 expansion to the City’s convention center.

86 “Credit Agreement” has the meaning set forth in Chapter 1371, as
87 amended, Texas Government Code.

88 “Credit Agreement Obligations” mean amounts payable by the City
89 under and pursuant to a Credit Agreement other than amounts payable
90 as Administrative Expenses.

91 “Credit Provider” means the issuer or provider of a Credit Agreement.

92 “Debt Service Requirements” of any series of bonds for any particular
93 Bond Year, means an amount equal to the sum of the principal of and
94 interest and any redemption premium on the bonds then Outstanding
95 which will become due and owing during the Bond Year; subject,
96 however, to adjustment as provided in Section 18.

97 “Debt Service Reserve Fund Policy” means any surety bond or
98 insurance policy issued by a provider having a rating in the two highest

99 generic rating categories in effect at the time of issuance, issued to the
100 City for the benefit of the Owners of the Bonds to satisfy any part of
101 the Senior Lien Reserve Fund Requirement or the Junior Lien Reserve
102 Fund Requirement, as provided in Section 17 herein.

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

105 “Fiscal Year” means the City’s fiscal year, which is currently October
106 1 to September 30.

107 “Fitch” means Fitch Ratings, Inc., a corporation organized and existing
108 under and by virtue of the laws of the State of New York, and its
109 successors and assigns, except that if such corporation shall be
110 dissolved or liquidated or shall no longer perform the functions of a
111 securities rating agency, then the term “Fitch” shall be deemed to refer
112 to any other nationally recognized securities rating agency selected by
113 the City.

114 “Government Obligations” mean (i) direct noncallable obligations of
115 the United States of America, including obligations the principal of and
116 interest on which are unconditionally guaranteed by the United States
117 of America, (ii) noncallable obligations of an agency or instrumentality
118 of the United States, including obligations unconditionally guaranteed
119 or insured by the agency or instrumentality and on the date of their
120 acquisition or purchase by the City are rated as to investment quality by
121 a nationally recognized investment rating firm not less than AAA or its
122 equivalent, (iii) noncallable obligations of a state or an agency or a
123 county, municipality, or other political subdivision of a state that have
124 been refunded and on the date of their acquisition or purchase by the
125 City, are rated as to investment quality by a nationally recognized
126 investment rating firm not less than AAA or its equivalent, and (iv) any
127 other then authorized securities or obligations under applicable State
128 law that may be used to defease obligations such as the Bonds.

129 “Holder” or “Owner” means, when used with respect to any Bond (or
130 Parity Bond), the person or entity in whose name such Bond (or Parity
131 Bond) is registered in the Security Register. Any reference to a
132 particular percentage or proportion of the Holders or Owners shall
133 mean the Holders or Owners at a particular time of the specified

134 percentage or proportion in aggregate principal amount of all Bonds
135 then Outstanding under this Ordinance.

136 “Hotel Associated Revenues” shall mean, all as and to the extent
137 received by the City from the Comptroller pursuant to the authority of
138 Section 351.1015(e), as amended, Texas Tax Code:

- 139 i. the revenue collected from hotels within the PFZ for the PFZ
140 Term resulting from the State sales and use taxes imposed under
141 Chapter 151, as amended, Texas Tax Code (the “State Sales Tax
142 Revenues”);
- 143 ii. the revenue collected from hotels within the PFZ for the PFZ
144 Term resulting from the State hotel occupancy taxes imposed
145 under Chapter 156, as amended, Texas Tax Code (the “State
146 Hotel Tax Revenue”);
- 147 iii. the revenue collected from hotels within the PFZ for the PFZ
148 Term resulting from the State mixed beverage taxes imposed
149 under Section 183.041, as amended, Texas Tax Code (excluding
150 amounts that are paid or allocated to the City and Travis County
151 by the Comptroller pursuant to Section 183.051(b), as amended,
152 Texas Tax Code) (the “State Mixed Beverage Sales Tax
153 Revenues”); and
- 154 iv. the revenue collected from hotels within the PFZ for the PFZ
155 Term resulting from the State mixed beverage gross receipts tax
156 imposed under Section 183.021, as amended, Texas Tax Code
157 (excluding amounts that are paid or allocated to the City and
158 Travis County by the Comptroller pursuant to Section
159 183.051(b), as amended, Texas Tax Code) (the “State Mixed
160 Beverage Gross Receipts Tax Revenues”).

161 “Hotel Occupancy Tax” means the tax, levied by the City pursuant to
162 the Tax Act, on the cost of occupancy of any sleeping room furnished
163 by any hotel located within the corporate limits of the City, in which
164 the cost of occupancy is \$2.00 or more each day, which tax is currently
165 levied at a rate of 9% of the consideration paid by the occupant of the
166 sleeping room to the hotel.

167 “Junior Lien Bonds” means the Series 2026 Junior Lien Bonds and
168 Additional Bonds issued by the City pursuant to Section 20(d) of this

169 Ordinance secured wholly or partly by liens on the Pledged Revenues
170 that are junior and subordinate to the lien on Pledged Revenues securing
171 payment of the Senior Lien Bonds, but on parity with the Series 2026
172 Junior Lien Bonds.

173 “Junior Lien Debt Service Fund” means the Fund referenced in
174 Section 14 of this Ordinance for the payment of the Debt Service
175 Requirements on the Junior Lien Obligations.

176 “Junior Lien Obligations” mean at any time all (i) Junior Lien Bonds,
177 (ii) all Reimbursement Obligations, and (iii) any future obligation of
178 the City under Credit Agreements or other agreements to the extent
179 such obligations are secured by a lien on Pledged Revenues on an equal
180 and ratable basis with the lien securing the Junior Lien Bonds.

181 “Junior Lien Reserve Fund” means the Fund referenced in Section 17
182 of this Ordinance to provide a reserve amount for the payment of Junior
183 Lien Bonds.

184 “Junior Lien Reserve Fund Requirement” means the least of (i) 10% of
185 the Outstanding principal amount of the Junior Lien Bonds or (ii) the
186 maximum annual Debt Service Requirements scheduled to occur in the
187 then current and each future Fiscal Year for all Junior Lien Bonds at
188 any time Outstanding, or (iii) the maximum amount in a reasonably
189 required reserve fund that can be invested without restriction as to yield
190 pursuant to Subsection (d) of section 148 of Code, and regulations
191 promulgated under Subsection (d) of section 148 of the Code.

192 “Moody’s” means Moody’s Investors Service, Inc., a corporation
193 organized and existing under and by virtue of the laws of the State of
194 Delaware, and its successors and assigns, except that if such
195 corporation shall be dissolved or liquidated or shall no longer perform
196 the functions of a securities rating agency, then the term “Moody’s”
197 shall be deemed to refer to any other nationally recognized securities
198 rating agency selected by the City.

199 “Ordinance” means this Ordinance No. 2026[____]-[____] and all
200 exhibits, appendices, amendments and supplements.

201 “Outstanding”, when used with reference to any Senior Lien Bonds or
202 Junior Lien Bonds, means, as of a particular date, all Senior Lien Bonds
203 or Junior Lien Bonds delivered except: (a) any such Senior Lien Bonds

204 or Junior Lien Bonds paid, discharged or canceled by or on behalf of
205 the City at or before the particular date; (b) any Senior Lien Bonds and
206 Junior Lien Bonds defeased pursuant to the defeasance provisions of
207 the authorizing ordinance, or otherwise defeased as permitted by
208 applicable law; and (c) any Senior Lien Bonds or Junior Lien Bonds in
209 lieu of or in substitution for, which another obligation is delivered
210 pursuant to the ordinances authorizing the issuance of the Senior Lien
211 Bonds or Junior Lien Bonds.

212 “Parity Obligations” means Senior Lien Obligations or Junior Lien
213 Obligations issued which are secured wholly or partly by liens on the
214 Pledged Revenues that are on parity with any outstanding Senior Lien
215 Bonds or Junior Lien Bonds, as applicable.

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

219 “Pledged 2.0% Expansion Hotel Occupancy Tax Revenues” mean that
220 portion of the revenues derived by the City from the Hotel Occupancy
221 Tax which is equal to at least 2% of the consideration paid by occupants
222 of sleeping rooms furnished by hotels located within the corporate
223 limits of the City, in which the cost of occupancy is \$2.00 or more each
224 day, levied in accordance with the provisions of Section 351.1065,
225 Texas Tax Code, as amended.

226 “Pledged 4.5% Hotel Occupancy Tax Revenues” mean that portion of
227 the revenues derived by the City from the Hotel Occupancy Tax which
228 is equal to at least 4.5% of the consideration paid by occupants of
229 sleeping rooms furnished by hotels located within the corporate limits
230 of the City, in which the cost of occupancy is \$2.00 or more each day,
231 levied in accordance with the provisions of Section 351.003, Texas Tax
232 Code, as amended.

233 “Pledged PFZ Revenues” mean, all as and to the extent received by the
234 City from the Comptroller pursuant to the authority of Section
235 351.1015(f), as amended, Texas Tax Code, the amount in any calendar
236 year by which the Hotel Associated Revenues exceed the Base Year
237 Amount.

238 “Pledged PFZ Revenues Receipts Account” means the account
239 referenced in Section 15 of this Ordinance for the receipt of Pledged
240 PFZ Revenues received by the City from the Comptroller.

241 “Pledged Revenues” mean, individually or collectively, (i) the Pledged
242 4.5% Hotel Occupancy Tax Revenues, (ii) the Pledged 2.0%
243 Expansion Hotel Occupancy Tax Revenues, (iii) the Pledged PFZ
244 Revenues, (iv) interest and other income realized from the investment
245 of amounts on deposit in the funds and accounts to be maintained
246 pursuant to this Ordinance to the extent such interest and other income
247 are required to be transferred or credited to the Tax Fund, and (v) any
248 additional revenue, receipts or income, other than ad valorem tax
249 revenue, hereafter pledged to the Bonds in accordance with Section
250 21(b) of this Ordinance and in the Pricing Certificate.

251 “Pricing Certificate” means one or more certificates containing the final
252 pricing information from the pricing of each Series 2026 Bond
253 authorized by this Ordinance and executed by an Authorized Official,
254 which completes the sale of any respective Series 2026 Bond.

255 “Prior Ordinance” means Ordinance No. 20251023-009 adopted by
256 City on October 23, 2025.

257 “Project Financing Zone” or “PFZ” means the “Project Financing Zone
258 Number One, City of Austin, Texas” designated by the City pursuant
259 to Section 351.1015, as amended, Texas Tax Code, and pursuant to
260 Ordinance No. 20241212-005, approved by the City Council of the City
261 on December 12, 2024, but effective as of December 23, 2024 and
262 expires on December 23, 2054 (the “PFZ Term”).

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

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

269 “Rating Confirmation Notice” means, with respect to an action that
270 affects the Bonds, a writing from each Rating Agency confirming that
271 the rating(s) issued by such Rating Agency on such series of Bonds will

272 not be lowered or withdrawn as a result of the action proposed to be
273 taken.

274 “Refunded Obligations” means any Subordinate Lien Obligations
275 outstanding prior to the Bond Date of the Series 2026 Bonds.

276 “Reimbursement Obligation” means any obligation entered into by the
277 City in connection with any Bond pursuant to which the City obligates
278 itself to reimburse a bank, insurer, surety or other entity for amounts
279 paid or advanced by such party pursuant to a letter of credit, line of
280 credit, standby bond purchase agreement, credit facility, liquidity
281 facility, insurance policy, surety bond or other similar credit agreement,
282 guaranty or liquidity agreement to secure any portion of principal of,
283 interest on or purchase price of any Bond or reserves in connection
284 therewith or otherwise relating to any Bond. The City’s obligations
285 under a Guaranty Agreement, its obligations under a liquidity facility,
286 and its obligations to reimburse a credit facility provider for amounts
287 paid under a credit facility constitute Reimbursement Obligations.

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

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

295 “Senior Lien Bonds” means the Series 2026 Senior Lien Bonds and
296 Additional Senior Lien Bonds secured by a lien on the Pledged
297 Revenues on parity with the Series 2026 Senior Lien Bonds.

298 “Senior Lien Debt Service Fund” means the Fund referenced in
299 Section 14 of this Ordinance for the payment of the Debt Service
300 Requirements on the Senior Lien Obligations.

301 “Senior Lien Obligations” means at any time all (i) Senior Lien Bonds,
302 (ii) all Reimbursement Obligations relating to the Senior Lien Bonds,
303 and (iii) any future obligation of the City under Credit Agreements or
304 other agreements to the extent such obligations are secured by a lien on
305 Pledged Revenues on an equal and ratable basis with the lien securing
306 the Senior Lien Bonds.

307 “Senior Lien Reserve Fund” means the Fund referenced in Section 17
308 of this Ordinance to provide a reserve amount for the payment of Senior
309 Lien Bonds.

310 “Senior Lien Reserve Fund Requirement” means the least of (i) 10% of
311 the Outstanding principal amount of the Senior Lien Bonds or (ii) the
312 maximum annual Debt Service Requirements scheduled to occur in the
313 then current and each future Fiscal Year for all Senior Lien Bonds at
314 any time Outstanding, or (iii) the maximum amount in a reasonably
315 required reserve fund that can be invested without restriction as to yield
316 pursuant to Subsection (d) of section 148 of Code, and regulations
317 promulgated under Subsection (d) of section 148 of the Code.

318 “Series 2026 Bonds” means, collectively, the Series 2026 Junior Lien
319 Bonds and the Series 2026 Senior Lien Bonds.

320 “Series 2026 Junior Lien Bonds” means the “CITY OF AUSTIN,
321 TEXAS JUNIOR LIEN SPECIAL TAX REVENUE BONDS, SERIES
322 2026 (CONVENTION CENTER PROJECT)” authorized pursuant to
323 this Ordinance.

324 “Series 2026 Senior Lien Bonds” means the “CITY OF AUSTIN,
325 TEXAS SENIOR LIEN SPECIAL TAX REVENUE BONDS, SERIES
326 2026 (CONVENTION CENTER PROJECT)” authorized pursuant to
327 this Ordinance.

328 “S&P” means S&P Global Ratings, organized and existing under and
329 by virtue of the laws of the State of New York, and its successors and
330 assigns, except that if such corporation shall be dissolved or liquidated
331 or shall no longer perform the functions of a securities rating agency,
332 then the term “S&P” shall be deemed to refer to any other nationally
333 recognized securities rating agency selected by the City after
334 consultation with the Remarketing Agent, if any, and the Broker-
335 Dealer, if any.

336 “Subordinate Lien Obligations” means any bonds, notes or other
337 obligations issued by the City secured wholly or partly by liens on the
338 Pledged Revenues that are subordinate to the lien on Pledged Revenues
339 securing payment of any Outstanding Senior Lien Obligations and
340 Outstanding Junior Lien Obligations.

341 “Tax Act” means Chapter 351, as amended, Texas Tax Code.

342 “Transfer Date” means each February 14, May 14, August 14, and
343 November 14, beginning on the first such date occurring after the
344 delivery of the bonds.

345 “Transfer Period” means the period of time beginning on any Transfer
346 Date and ending on the day immediately preceding the next succeeding
347 Transfer Date.

348 “Variable Rate Obligations” mean any obligation pursuant to which the
349 City is to pay interest at an interest rate that is not fixed for the life of
350 the obligation and any obligation, such as an interest rate exchange
351 agreement or other Credit Agreement, pursuant to which the City is to
352 make payments the amounts of which are not known at the time the
353 obligation is issued or incurred.

354 **SECTION 2: AUTHORIZATION-DESIGNATION-PRINCIPAL**
355 **AMOUNT - PURPOSE - DATE.** Special revenue bonds of the City, payable solely
356 from the sources and secured in the manner provided in this Ordinance, shall be and
357 are authorized to be issued in one or more series in the not to exceed aggregate
358 principal amount set forth in Section 4 of this Ordinance, to be designated and bear
359 the title “CITY OF AUSTIN, TEXAS [SENIOR/JUNIOR] LIEN SPECIAL TAX
360 REVENUE BONDS, SERIES 2026 (CONVENTION CENTER PROJECT)” (the
361 “Series 2026 Bonds”), for the purpose of (a) demolition, construction, reconstruction
362 and expansion of the City’s Convention Center, (b) refunding the Refunded
363 Obligations, and (c) paying costs of issuance, in conformity with the Constitution
364 and laws of the State of Texas, including the Bond Act.

365 **SECTION 3: FULLY REGISTERED**
366 **OBLIGATIONS - AUTHORIZED DENOMINATIONS - STATED**
367 **MATURITIES - BOND DATE - INTEREST RATES.** The Series 2026 Bonds
368 are issuable in fully registered form only; shall be dated the Bond Date, shall be in
369 denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity),
370 and the Series 2026 Bonds shall become due and payable on November 15 in each
371 of the years and in principal amounts (the “Stated Maturities”) and bear interest at
372 per annum rates in accordance with details of the Series 2026 Bonds as set forth in
373 the Pricing Certificate.

374
375 The Series 2026 Bonds shall accrue interest on the unpaid principal amounts from
376 date and at the rate(s) per annum as specified in the Pricing Certificate (calculated
377 on the basis of a 360-day year of twelve 30-day months), and such interest shall be
378 payable on May 15 and November 15 in each year (each an Interest Payment Date),

379 commencing on the date specified in the Pricing Certificate, until maturity or prior
380 redemption.

381 **SECTION 4: DELEGATION OF AUTHORITY TO**
382 **AUTHORIZED OFFICIAL.**

383 As authorized by Chapter 1371, as amended, Texas Government Code, any
384 Authorized Official is authorized to act on behalf of the City in selling and delivering
385 the Series 2026 Bonds in one or more series, as new money, refunding or
386 combination new money and refunding bonds and carrying out the other procedures
387 specified in this Ordinance, including determining the aggregate principal amount
388 of the Series 2026 Bonds, the security and lien priority of any or all of the Pledged
389 Revenues pledged as security for any series of Series 2026 Bonds, the date of the
390 Series 2026 Bonds, any additional or different designation or title by which the
391 Series 2026 Bonds shall be known, the price at which the Series 2026 Bonds will be
392 sold, the years in which the Series 2026 Bonds will mature, the principal amount to
393 mature in each of such years, the rate of interest to be borne by each such maturity,
394 the first interest payment date, the price and terms upon and at which the Series 2026
395 Bonds shall be subject to redemption prior to maturity at the option of the City, as
396 well as any mandatory sinking fund redemption provisions, the designation of a
397 paying agent/registrar, the terms of any bond insurance or reserve fund surety policy
398 applicable to the Series 2026 Bonds, and all other matters relating to the issuance,
399 sale, and delivery of one or more Series 2026 Bonds all of which shall be specified
400 in the Pricing Certificate pertaining to the applicable Series 2026 Bonds, provided
401 that:

402 (i) the aggregate original principal amount of any series of Series 2026
403 Bonds shall not exceed \$1,350,000,000;

404 (ii) the true interest cost rate for any series of Series 2026 Bonds shall not
405 exceed 7.5%; and

406 (iii) the maximum maturity for any series of Series 2026 Bonds shall not
407 extend beyond November 15, 2065.

408 The execution of a Pricing Certificate shall evidence the sale date of each
409 Series 2026 Bond by the City to the Purchasers (defined in (b) of this Section).

410 (b) In establishing the aggregate principal amount of any series of Series
411 2026 Bonds, the Authorized Official shall establish an amount not exceeding the
412 amount authorized in Subsection (a)(i) above, which shall be sufficient in amount to
413 provide for the purposes for which the Series 2026 Bonds are authorized and to pay

414 costs of issuing the Series 2026 Bonds. The Series 2026 Bonds shall be sold by
415 negotiated sale to the underwriter(s) named in the Pricing Certificate (the
416 “Purchasers”), at such price and with and subject to such terms as set forth in the
417 Pricing Certificate. A finding or determination made by the Authorized Official
418 acting under authority of this Ordinance with respect to all matters relating to the
419 sale of the Series 2026 Bonds shall have the same force and effect as a finding or
420 determination made by the City Council.

421 **SECTION 5: TERMS OF PAYMENT-PAYING AGENT/
422 REGISTRAR.** The principal of, premium, if any, and the interest on the Series
423 2026 Bonds, due and payable by reason of maturity, redemption or otherwise, shall
424 be payable only to the registered owners or holders of the Series 2026 Bonds (the
425 “Holders”) appearing on the registration and transfer books (the “Security Register”)
426 maintained by the Paying Agent/Registrar and the payment shall be in any coin or
427 currency of the United States of America, which at the time of payment is legal
428 tender for the payment of public and private debts, and shall be without exchange or
429 collection charges to the Holders.

430 The selection and appointment of the Paying Agent/Registrar for the Bonds
431 shall be provided in the Pricing Certificate. The Security Register shall at all times
432 be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as
433 provided in this Ordinance, in accordance with the terms and provisions of a “Paying
434 Agent/Registrar Agreement”, substantially in the form attached as **Exhibit A** and
435 such reasonable rules and regulations as the Paying Agent/Registrar and the City
436 may prescribe. Each Authorized Official is authorized to execute and deliver such
437 Agreement in connection with the delivery of the Series 2026 Bonds. The City
438 covenants to maintain and provide a Paying Agent/Registrar at all times until the
439 Series 2026 Bonds are paid and discharged, and any successor Paying
440 Agent/Registrar shall be a bank, trust company, financial institution or other entity
441 qualified and authorized to serve in such capacity and perform the duties and services
442 of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the
443 Series 2026 Bonds, the City agrees to promptly cause a written notice to be sent to
444 each Holder by United States Mail, first class postage prepaid; this notice shall also
445 give the address of the new Paying Agent/Registrar.

446 The principal of and premium, if any, on the Series 2026 Bonds are payable
447 at the Stated Maturities or redemption of the Series 2026 Bonds, only upon
448 presentation and surrender of the Series 2026 Bonds to the Paying Agent/Registrar
449 at its designated offices (the “Designated Payment/Transfer Office”). Interest on the
450 Series 2026 Bonds shall be paid by the Paying Agent/Registrar to the Holders whose
451 names appear in the Security Register at the close of business on the Record Date

452 (the [last Business Day] of the month preceding each interest payment date) and
453 interest payments shall be made (i) by check sent by United States Mail, first class
454 postage prepaid, to the address of the Holder recorded in the Security Register or (ii)
455 by such other method, acceptable to the Paying Agent/Registrar, requested by, and
456 at the risk and expense of, the Holder. If the date for the payment of the principal of
457 or interest on the Series 2026 Bonds shall be a day other than a Business Day, then
458 the date for that payment shall be the next succeeding day which is a Business Day;
459 and payment on this date shall have the same force and effect as if made on the
460 original date payment was due.

461 In the event of a non-payment of interest on one or more Stated Maturities on
462 a scheduled payment date, which non-payment shall continue for thirty (30) days
463 thereafter, a new record date for such interest payment for such Stated Maturity or
464 Maturities (a “Special Record Date”) will be established by the Paying
465 Agent/Registrar, if and when funds for the payment of such interest have been
466 received from the City. Notice of the Special Record Date and of the scheduled
467 payment date of the past due interest (which shall be 15 days after the Special Record
468 Date) shall be sent at least five (5) Business Days prior to the Special Record Date
469 by United States Mail, first class postage prepaid, to the address of each Holder of
470 such maturity or maturities appearing on the Security Register at the close of
471 business on the last Business Day next preceding the date of mailing of such notice.

472 **SECTION 6: REDEMPTION.**

473 (a) Redemption. The Series 2026 Bonds may be subject to redemption
474 prior to Stated Maturity in accordance with details of the Bonds as set forth in a
475 Pricing Certificate.

476 (b) Exercise of Redemption Option. At least forty-five (45) days prior to a
477 redemption date for the Series 2026 Bonds (unless a shorter notification period is
478 satisfactory to the Paying Agent/Registrar), the City shall notify the Paying
479 Agent/Registrar of the decision to redeem Series 2026 Bonds, the principal amount
480 of each Stated Maturity to be redeemed, and the date of redemption. The decision
481 of the City to exercise the right to redeem Series 2026 Bonds shall be entered in the
482 minutes of the governing body of the City.

483 (c) Selection of Series 2026 Bonds for Redemption. If less than all
484 Outstanding Series 2026 Bonds of the same Stated Maturity are to be redeemed on
485 a redemption date, the Paying Agent/Registrar shall treat such Series 2026 Bonds as
486 representing the number of Bonds Outstanding, which is obtained by dividing the

487 principal amount of such Series 2026 Bonds by \$5,000, and shall select the Series
488 2026 Bonds to be redeemed within such Stated Maturity by lot.

489 (d) Notice of Redemption. Not less than thirty (30) days prior to a
490 redemption date for the Series 2026 Bonds, a notice of redemption shall be sent by
491 United States Mail, first class postage prepaid, in the name of the City and at the
492 City's expense, to each Holder of a Series 2026 Bond to be redeemed in whole or in
493 part at the address of the Holder appearing on the Security Register at the close of
494 business on the Business Day next preceding the date of mailing such notice, and
495 any notice of redemption so mailed shall be conclusively presumed to have been
496 given irrespective of whether received by the Holder.

497 All notices of redemption shall (i) specify the date of redemption for the Series
498 2026 Bonds, (ii) identify the Series 2026 Bonds to be redeemed and, in the case of
499 a portion of the principal amount to be redeemed, the principal amount to be
500 redeemed, (iii) state the redemption price, (iv) state that the Series 2026 Bonds, or
501 the portion of the principal amount to be redeemed, shall become due and payable
502 on the redemption date specified, and the interest on the Series 2026 Bonds, or on
503 the portion of the principal amount of the Series 2026 Bonds to be redeemed, shall
504 cease to accrue from and after the redemption date, and (v) specify that payment of
505 the redemption price for the Series 2026 Bonds, or the principal amount to be
506 redeemed, shall be made at the Designated Payment/Transfer Office of the Paying
507 Agent/Registrar only upon presentation and surrender by the Holder. If a Series
508 2026 Bond is subject by its terms to prior redemption and has been called for
509 redemption and notice of redemption has been given or waived as provided in this
510 Ordinance, that Series 2026 Bond (or the principal amount to be redeemed) shall
511 become due and payable, and interest shall cease to accrue from and after the
512 redemption date, provided moneys sufficient for the payment of these Series 2026
513 Bonds (or of the principal amount thereof to be redeemed) at the then applicable
514 redemption price are held for the purpose of such payment by the Paying
515 Agent/Registrar.

516 (e) Conditional Notice of Redemption. With respect to any optional
517 redemption of the Series 2026 Bonds, unless moneys sufficient to pay the principal
518 of and premium, if any, and interest on the Series 2026 Bonds to be redeemed shall
519 have been received by the Paying Agent/Registrar prior to the giving of notice of
520 redemption, the notice may state that the redemption is conditional upon the receipt
521 of the moneys by the Paying Agent/Registrar on or prior to the date fixed for such
522 redemption, or upon the satisfaction of any prerequisites set forth in such notice of
523 redemption; and, if such prerequisites are not made or sufficient moneys are not
524 received, such notice shall be of no force and effect, the City shall not redeem such

525 Series 2026 Bonds and the Paying Agent/Registrar shall give notice, in the manner
526 in which the notice of redemption was given, to the effect that the Series 2026 Bonds
527 have not been redeemed.

528 **SECTION 7: REGISTRATION - TRANSFER - EXCHANGE OF**
529 **BONDS - PREDECESSOR BONDS.** The Paying Agent/Registrar shall obtain,
530 record, and maintain in the Security Register the name and address of each Holder
531 of the Series 2026 Bonds issued under of this Ordinance. Any Series 2026 Bond
532 may, in accordance with its terms and the terms of this Ordinance, be transferred or
533 exchanged for Series 2026 Bonds of other authorized denominations upon the
534 Security Register by the Holder, in person or by his authorized agent, upon surrender
535 of such Series 2026 Bond to the Paying Agent/Registrar for cancellation,
536 accompanied by a written instrument of transfer or request for exchange executed
537 by the Holder or by his authorized agent, in form satisfactory to the Paying
538 Agent/Registrar.

539 Upon surrender for transfer of any Series 2026 Bond (other than the Initial
540 Series 2026 Bond(s) authorized in Section 10 of this Ordinance) at the Designated
541 Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar
542 shall register and deliver, in the name of the designated transferee or transferees, one
543 or more new Series 2026 Bonds, executed on behalf of, and furnished by, the City
544 of authorized denominations and of like Stated Maturity and of a like aggregate
545 principal amount as the Series 2026 Bond or Series 2026 Bonds surrendered for
546 transfer.

547 At the option of the Holder, Series 2026 Bonds (other than the Initial Series
548 2026 Bond(s) authorized in Section 10 of this Ordinance) may be exchanged for
549 other Series 2026 Bonds of authorized denominations and having the same Stated
550 Maturity, bearing the same rate of interest and of like aggregate principal amount as
551 the Series 2026 Bonds surrendered for exchange, upon surrender of the Series 2026
552 Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying
553 Agent/Registrar. Whenever any Series 2026 Bonds are surrendered for exchange,
554 the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf
555 of, and furnished by, the City, to the Holder requesting the exchange.

556 All Series 2026 Bonds issued upon any such transfer or exchange shall be
557 delivered at the Designated Payment/Transfer Office of the Paying Agent/Registrar,
558 or sent by United States Mail, first class postage prepaid, to the Holder and, upon
559 the delivery thereof, the same shall be valid obligations of the City, evidencing the
560 same obligation to pay, and entitled to the same benefits under this Ordinance, as the
561 Series 2026 Bonds surrendered in such transfer or exchange.

562 All transfers or exchanges of Series 2026 Bonds pursuant to this Section shall
563 be made without expense or service charge to the Holder, except as otherwise
564 provided in this Ordinance, and except that the Paying Agent/Registrar shall require
565 payment by the Holder requesting such transfer or exchange of any tax or other
566 governmental charges that are required to be paid for the transfer or exchange.

567 Series 2026 Bonds cancelled by reason of an exchange or transfer pursuant to
568 this Ordinance are defined to be “Predecessor Series 2026 Bonds,” evidencing all or
569 a portion of the same obligation to pay evidenced by the Series 2026 Bond or Series
570 2026 Bonds registered and delivered in the exchange or transfer. Additionally, the
571 term “Predecessor Series 2026 Bonds” includes any mutilated, lost, destroyed, or
572 stolen Series 2026 Bond for which a replacement Series 2026 Bond has been issued,
573 registered and delivered in lieu of the Series 2026 Bond pursuant to Section 23 of
574 this Ordinance and such new replacement Series 2026 Bond shall be deemed to
575 evidence the same obligation as the mutilated, lost, destroyed, or stolen Series 2026
576 Bond.

577 Neither the City nor the Paying Agent/Registrar shall be required to transfer
578 or exchange any Series 2026 Bond called for redemption, in whole or in part, within
579 45 days of the date fixed for redemption of such Series 2026 Bond; however, this
580 limitation of transfer shall not be applicable to an exchange by the Holder of the
581 unredeemed balance of a Series 2026 Bond called for redemption in part.

582 **SECTION 8: BOOK-ENTRY ONLY TRANSFERS AND**
583 **TRANSACTIONS.** Notwithstanding the provisions contained in Sections 5, 6 and
584 7 of this Ordinance relating to the payment, redemption and transfer/exchange of the
585 Series 2026 Bonds, the City approves and authorizes the use of the “Book-Entry
586 Only” securities clearance, settlement and transfer system provided by The
587 Depository Trust Company (“DTC”), a limited purpose trust company organized
588 under the laws of the State of New York, in accordance with the operational
589 arrangements referenced in the Blanket Issuer Letter of Representations, by and
590 between the City and DTC (the “Depository Agreement”).

591 Pursuant to the Depository Agreement and the rules of DTC, the Series 2026
592 Bonds shall be deposited with DTC, who shall hold the Series 2026 Bonds for its
593 participants (the “DTC Participants”). While the Series 2026 Bonds are held by
594 DTC under the Depository Agreement, the Holder of the Series 2026 Bonds on the
595 Security Register for all purposes, including payment and notices, shall be Cede &
596 Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or
597 owner of each Series 2026 Bond (the “Beneficial Owners”) being recorded in the
598 records of DTC and DTC Participants.

599 In the event DTC determines to discontinue serving as securities depository
600 for the Series 2026 Bonds or otherwise ceases to provide book-entry clearance and
601 settlement of securities transactions in general or the City determines that DTC is
602 incapable of properly discharging its duties as securities depository for the Series
603 2026 Bonds, the City covenants and agrees with the Holders to cause Series 2026
604 Bonds to be printed in definitive form and provide for Series 2026 Bond certificates
605 to be issued and delivered to DTC Participants and Beneficial Owners, as the case
606 may be. Thereafter, the Series 2026 Bonds in definitive form shall be assigned,
607 transferred and exchanged on the Security Register maintained by the Paying
608 Agent/Registrar and payment of such Series 2026 Bonds shall be made in
609 accordance with the provisions of Sections 5, 6, and 7 of this Ordinance.

610 **SECTION 9: EXECUTION - REGISTRATION.** The Series 2026
611 Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under
612 its seal reproduced or impressed on the Series 2026 Bonds and countersigned by the
613 City Clerk. The signature of these officers on the Series 2026 Bonds may be manual
614 or facsimile. Series 2026 Bonds bearing the manual or facsimile signatures of
615 individuals who are or were the proper officers of the City on the Bond Date shall
616 be deemed to be executed on behalf of the City, notwithstanding that any of these
617 individuals shall cease to hold office at the time of delivery of the Series 2026 Bonds
618 to the initial purchaser(s) and with respect to Series 2026 Bonds delivered in
619 subsequent exchanges and transfers, all as authorized and provided in Chapter 1201,
620 as amended, Texas Government Code.

621 No Series 2026 Bond shall be entitled to any right or benefit under this
622 Ordinance, or be valid or obligatory for any purpose, unless there appears on such
623 Series 2026 Bond either a certificate of registration substantially in the form
624 provided in Section 11(c), manually executed by the Comptroller or an authorized
625 agent, or a certificate of registration substantially in the form provided in
626 Section 11(d), manually executed by an authorized officer, employee or
627 representative of the Paying Agent/Registrar, and either such certificate upon any
628 Series 2026 Bond signed shall be conclusive evidence, and the only evidence, that
629 such Series 2026 Bond has been certified, registered and delivered.

630 **SECTION 10: INITIAL SERIES 2026 BOND(S).** For Each Series
631 2026 Bond shall be initially issued either (i) as a single fully registered bond in the
632 total principal amount and with principal installments to become due and payable all
633 as set forth in the Pricing Certificate applicable to such Series 2026 Bond, or (ii) as
634 multiple fully registered bonds, being one bond for each year of maturity in the
635 applicable principal amount and denomination and to be numbered consecutively
636 from T-1 and upward (the "Initial Bond(s)") and, in either case, the Initial Bond(s)

637 shall be registered in the name of the initial purchaser(s) or the designee thereof.
638 The Initial Bond(s) shall be the Series 2026 Bonds submitted to the Office of the
639 Attorney General of the State of Texas for approval, certified and registered by the
640 Office of the Comptroller of Public Accounts of the State of Texas and delivered to
641 the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying
642 Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the
643 purchaser's designee, shall cancel the Initial Bond(s) delivered and exchange them
644 for definitive Series 2026 Bonds of authorized denominations, Stated Maturities,
645 principal amounts and bearing applicable interest rates for transfer and delivery to
646 the Holders named at the addresses the Holders identified all pursuant to and in
647 accordance with such written instructions from the initial purchaser(s), or the
648 purchaser's designee, and such other information and documentation as the Paying
649 Agent/Registrar may reasonably require.

650 **SECTION 11: FORMS.** (a) Forms Generally. The Series 2026 Bonds,
651 the Registration Certificate of the Comptroller of Public Accounts of the State of
652 Texas, the Certificate of Registration, and the form of Assignment to be printed on
653 each of the Series 2026 Bonds, shall be substantially in the forms set forth in this
654 Section with such appropriate insertions, omissions, substitutions, and other
655 variations as are permitted or required by this Ordinance and may have such letters,
656 numbers, or other marks of identification (including identifying numbers and letters
657 of the Committee on Uniform Securities Identification Procedures of the American
658 Bankers Association) and such legends and endorsements (including legends
659 reflecting the purchase of insurance for payment of the Series 2026 Bonds and any
660 reproduction of an opinion of counsel) on the Series 2026 Bonds as may be
661 established by the City or determined by the officers executing such Bonds as
662 evidenced by their execution. Any portion of the text of any Series 2026 Bonds may
663 be set forth on the Series 2026 Bond, with an appropriate reference on the face of
664 the Series 2026 Bond.

665 The definitive Series 2026 Bonds and the Initial Bond(s) shall be printed,
666 lithographed, engraved, typewritten, photocopied or otherwise reproduced in any
667 other similar manner, all as determined by the officers executing such Series 2026
668 Bonds as evidenced by their execution.

(b) Form of Definitive Bond.

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AUSTIN, TEXAS
[[SENIOR/JUNIOR] LIEN SPECIAL TAX REVENUE BONDS, SERIES 2026
(AUSTIN CONVENTION CENTER PROJECT)]

Bond Date: _____ Interest Rate: _____ Stated Maturity: _____ CUSIP No.: _____
[_____] [____], _____% [November] [15], _____
2026 20[_____]

Registered Owner:

Principal Amount: DOLLARS

The City of Austin (the "City"), a body corporate and municipal corporation in the Counties of Travis, Williamson and Hays, State of Texas, for value received, hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, solely from the revenues identified in this Bond, on the Stated Maturity date specified above the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid Principal Amount hereof from the Closing Date at the per annum rate of interest specified above; such interest being payable on May 15 and November 15 of each year, commencing [May 15, 2027], until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor; provided, however, while this Bond is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record

700 Date”, which is the last Business Day of the month next preceding each interest
701 payment date, and interest shall be paid by the Paying Agent/Registrar by check sent
702 United States Mail, first class postage prepaid, to the address of the registered owner
703 recorded in the Security Register on the Record Date or by such other method
704 acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense
705 of, the registered owner. If the date for the payment of the principal of or interest on
706 the Bonds shall be a day other than a Business Day, then the date for such payment
707 shall be the next succeeding day which is a Business Day; and payment on such date
708 shall have the same force and effect as if made on the original date payment was
709 due. All payments of principal of, premium, if any, and interest on this Bond shall
710 be without exchange or collection charges to the registered owner hereof and in any
711 coin or currency of the United States of America which at the time of payment is
712 legal tender for the payment of public and private debts.

713 This Bond is one of the series specified in its title issued in the aggregate
714 principal amount of \$[] (the “Bonds”) for the purpose of (a) demolition,
715 construction, reconstruction and expansion of the City’s Convention Center, (b)
716 refunding Refunded Obligations, and (c) paying costs of issuance, under and in strict
717 conformity with the Constitution and laws of the State of Texas, including Chapter
718 1504, as amended, Texas Government Code, Chapter 1371, as amended, Texas
719 Government Code, and Chapter 351, as amended, Texas Tax Code, and pursuant to
720 an Ordinance adopted by the governing body of the City (the “Ordinance”).

721 The Bonds maturing on the dates identified below (the “Term Bonds”) are
722 subject to mandatory redemption prior to maturity with funds on deposit in the
723 [Senior Lien/Junior Lien] Debt Service Fund established and maintained for the
724 payment of such Bonds in the Ordinance, and shall be redeemed in part prior to
725 maturity at the price of par and accrued interest on such Bonds to the date of
726 redemption, and without premium, on the dates and in the principal amounts as
727 follows:

<u>Term Bonds due</u>		<u>Term Bonds due</u>	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
15, 20	\$,000	15, 20	\$,000
15, 20*	\$,000	15, 20	\$,000
		15, 20*	\$,000

729 The particular Term Bonds of a stated maturity to be redeemed on each
730 redemption date shall be chosen by lot by the Paying Agent/Registrar; provided,
731 however, that the principal amount of Term Bonds for a stated maturity required to
732 be redeemed on a mandatory redemption date may be reduced, at the option of the
733 City, by the principal amount of Term Bonds of like stated maturity which, at least
734 50 days prior to the mandatory redemption date, (1) shall have been acquired by the
735 City at a price not exceeding the principal amount of such Term Bonds plus accrued
736 interest to the date of purchase, and delivered to the Paying Agent/Registrar for
737 cancellation or (2) shall have been redeemed pursuant to the optional redemption
738 provisions appearing below and not previously credited against a mandatory
739 redemption requirement.

740 The Bonds maturing on and after [November] [15], 20[___] may be redeemed
741 prior to their Stated Maturities, at the option of the City, in whole or in part in
742 principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated
743 Maturity by lot by the Paying Agent/Registrar), on [November] [15], 20[___] or any
744 date thereafter, at the redemption price of par, together with accrued interest to the
745 date of redemption.

746 At least thirty days prior to the date fixed for any redemption of Bonds, the
747 City shall cause a written notice of such redemption to be sent by United States Mail,
748 first class postage prepaid, to the registered owners of each Bond to be redeemed at
749 the address shown on the Security Register and subject to the terms and provisions
750 relating thereto contained in the Ordinance. If a Bond (or any portion of its principal
751 sum) shall have been called for redemption and notice of such redemption given,
752 then upon such redemption date such Bond (or the portion of its principal sum to be
753 redeemed) shall become due and payable, and interest thereon shall cease to accrue
754 from and after the redemption date therefor, provided moneys for the payment of the
755 redemption price and the interest on the principal amount to be redeemed to the date
756 of redemption are held for the purpose of such payment by the Paying
757 Agent/Registrar.

758 In the event a portion of the principal amount of a Bond is to be redeemed and
759 the registered owner is someone other than Cede & Co., payment of the redemption
760 price of such principal amount shall be made to the registered owner only upon
761 presentation and surrender of such Bond to the Designated Payment/Transfer Office
762 of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest
763 rate in any authorized denominations provided by the Ordinance for the then
764 unredeemed balance of the principal sum thereof will be issued to the registered
765 owner, without charge. If a Bond is selected for redemption, in whole or in part, the
766 City and the Paying Agent/Registrar shall not be required to transfer such Bond to

767 an assignee of the registered owner within 45 days of the redemption date therefor;
768 provided, however, such limitation on transferability shall not be applicable to an
769 exchange by the registered owner of the unredeemed balance of a Bond redeemed
770 in part.

771 The Bonds are special obligations of the City payable solely from and,
772 together with the other Parity Obligations executed and delivered in connection with
773 the issuance of the Bonds, equally and ratably secured by a [senior/junior] parity lien
774 on and pledge of, the Pledged Revenues in the manner provided in the Ordinance.
775 Additionally, the Bonds shall be equally and ratably secured by a lien on the funds,
776 if any, deposited to the credit of the [Senior Lien/Junior Lien] Debt Service Fund
777 and the [Senior Lien/Junior Lien] Reserve Fund in accordance with the terms of the
778 Ordinance. The Bonds do not constitute a legal or equitable pledge, charge, lien or
779 encumbrance upon any property of the City, except with respect to the Pledged
780 Revenues. The holder hereof shall never have the right to demand payment of this
781 obligation out of any funds raised or to be raised by ad valorem taxation.

782 Subject to satisfying the terms and conditions prescribed therefor, the City has
783 reserved the right to issue additional revenue obligations payable from and equally
784 and ratably secured by a parity lien on and pledge of the Pledged Revenues, in the
785 same manner and to the same extent as the Bonds.

786 Reference is hereby made to the Ordinance, a copy of which is on file in the
787 Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the
788 provisions of which the Holder by the acceptance hereof hereby assents, for
789 definitions of terms; the description of and the nature and extent of the security for
790 the Bonds; the Pledged Revenues pledged to the payment of the Bonds; the nature
791 and extent and manner of enforcement of the lien and pledge securing the payment
792 of the Bonds; the terms and conditions for the issuance of additional revenue
793 obligations; the terms and conditions relating to the transfer or exchange of this
794 Bond; the conditions upon which the Ordinance may be amended or supplemented;
795 the rights, duties, and obligations of the City and the Paying Agent/Registrar; the
796 terms and provisions upon which the liens, pledges, charges and covenants made in
797 the Ordinance may be discharged at or prior to the Stated Maturity of this Bond, and
798 this Bond deemed to be no longer Outstanding thereunder; and for the other terms
799 and provisions contained in the Ordinance. Capitalized terms used in this Bond have
800 the same meanings assigned in the Ordinance.

801 This Bond, subject to certain limitations contained in the Ordinance, may be
802 transferred on the Security Register only upon its presentation and surrender at the
803 Designated Payment/Transfer Office of the Paying Agent/Registrar, with the

804 Assignment hereon endorsed by, or accompanied by a written instrument of transfer
805 in form satisfactory to the Paying Agent/Registrar executed by, the registered owner
806 hereof, or his authorized agent. When a transfer on the Security Register occurs,
807 one or more new fully registered Bonds of the same Stated Maturity, of authorized
808 denominations, bearing the same rate of interest, and of the same aggregate principal
809 amount will be issued by the Paying Agent/Registrar to the designated transferee or
810 transferees.

811 The City and the Paying Agent/Registrar, and any agent of either, may treat
812 the registered owner hereof whose name appears on the Security Register (i) on the
813 Record Date as the owner entitled to payment of interest hereon, (ii) on the date of
814 surrender of this Bond as the owner entitled to payment of principal hereof at its
815 Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as
816 the owner for all other purposes, and neither the City nor the Paying Agent/Registrar,
817 or any agent of either, shall be affected by notice to the contrary. In the event of
818 non-payment of interest on one or more maturities on a scheduled payment date,
819 which non-payment shall have continued for thirty (30) days thereafter, a new record
820 date for such interest payment for such maturity or maturities (a "Special Record
821 Date") will be established by the Paying Agent/Registrar, if and when funds for the
822 payment of such interest have been received from the City. Notice of the Special
823 Record Date and of the scheduled payment date of the past due interest (which shall
824 be 15 days after the Special Record Date) shall be sent at least five (5) Business Days
825 prior to the Special Record Date by United States Mail, first class postage prepaid,
826 to the address of each Holder of such maturity or maturities appearing on the
827 Security Register at the close of business on the last Business Day next preceding
828 the date of mailing of such notice.

829 It is hereby certified, recited, represented and covenanted that the City is an
830 organized and legally existing municipal corporation under and pursuant to the
831 Constitution and laws of the State of Texas; that the issuance of the Bonds is
832 authorized by law; that all acts, conditions and things required to exist and be done
833 precedent to and in the issuance of the Bonds to render the same lawful and valid
834 obligations of the City have been properly done, have happened and have been
835 performed in regular and due time, form and manner as required by the Constitution
836 and laws of the State of Texas and the Ordinance; that the Bonds do not exceed any
837 constitutional or statutory limitation; and that due provision has been made for the
838 payment of the Bonds by a pledge of the Pledged Revenues. In case any provision
839 in this Bond or any application thereof shall be invalid, illegal, or unenforceable, the
840 validity, legality, and enforcement of the remaining provisions and applications shall
841 not in any way be affected or impaired thereby. The terms and provisions of this

842 Bond and the Ordinance shall be construed in accordance with and shall be governed
843 by the laws of the State of Texas.

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

846 CITY OF AUSTIN, TEXAS
847
848

849 _____
850 Mayor

851 COUNTERSIGNED:
852
853

854 _____
855 City Clerk
856

857 (SEAL)
858

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

861 REGISTRATION CERTIFICATE OF
862 COMPTROLLER OF PUBLIC ACCOUNTS

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

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

866 WITNESS my signature and seal of office this _____.

867 _____
868 [Acting] Comptroller of Public Accounts
869 of the State of Texas

870 (SEAL)

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

873 REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

880 The designated office of the Paying Agent/Registrar in [____],
881 [____] is the Designated Payment/Transfer Office for this Bond.

882 [____],
883 as Paying Agent/Registrar

884 Registration date: _____ By _____
885 _____ Authorized Signature

886 (e) Form of Assignment.

887 ASSIGNMENT

888 FOR VALUE RECEIVED the undersigned sells,
889 assigns, and transfers unto (Print or typewrite name, address, and zip code of
890 transferee): _____

891 _____
892 (Social Security or other identifying number (_____
893 _____) the within Bond and all rights under this Bond, and
894 irrevocably constitutes and appoints _____
895 attorney to transfer the within Bond on the books kept for registration of the Bonds,
896 with full power of substitution in the premises.

DATED:

Signature guaranteed:

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

897 (f) The Initial Bond(s) shall be in the form set forth in paragraph (b) of this
898 Section, except that the form of a single fully registered Initial Bond shall be
899 modified as follows:
900

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

REGISTERED
NO. T-1

REGISTERED
\$[_____]

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AUSTIN, TEXAS
[SENIOR/JUNIOR] LIEN SPECIAL TAX REVENUE BONDS, SERIES 2026
(AUSTIN CONVENTION CENTER PROJECT)”

Bond Date:

[_____] [____],
2026

Registered Owner: BofA Securities, Inc.

Principal Amount: [_____] DOLLARS

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

YEAR	PRINCIPAL INSTALLMENTS	INTEREST RATE(S)
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(Information to be inserted from schedule in Section 2 hereof).

(or so much thereof as shall not have been prepaid prior to maturity) and to pay interest on the unpaid principal amounts hereof from the Closing Date at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on May 15 and November 15 of each year, commencing [May 15, 2027], until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof, by [_____] (the “Paying Agent/Registrar”), upon presentation and surrender, at its designated offices in [_____] [_____] (the “Designated Payment/Transfer Office”). Interest

927 is payable to the registered owner of this Bond whose name appears on the “Security
928 Register” maintained by the Paying Agent/Registrar at the close of business on the
929 “Record Date”, which is the last Business Day of the month next preceding each
930 interest payment date, and interest shall be paid by the Paying Agent/Registrar by
931 check sent United States Mail, first class postage prepaid, to the address of registered
932 owner recorded in the Security Register on the Record Date or by such other method
933 acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense
934 of, the registered owner. All payments of principal of, premium, if any, and interest
935 on this Bond shall be without exchange or collection charges to the owner or holder
936 hereof and in any coin or currency of the United States of America which at the time
937 of payment is legal tender for the payment of public and private debts.

938 **SECTION 12: PLEDGE AND SOURCE OF PAYMENT.**

939 (a) The Series 2026 Senior Lien Bonds and other Senior Lien Obligations
940 shall constitute special obligations of the City payable from and equally and ratably
941 secured by senior lien on the Pledged Revenues, as set forth in the Pricing
942 Certificate. Such Pledged Revenues, or other lawfully available funds of the City,
943 shall, in the manner provided in this Ordinance, be set aside for and pledged to the
944 payment of the Senior Lien Obligations, and all expenses of providing for their full
945 and timely payment in accordance with their terms, in the Senior Lien Debt Service
946 Fund and the Senior Lien Reserve Fund as provided in this Ordinance. The City
947 grants a lien on the Pledged Revenues and Senior Lien Debt Service Fund to secure
948 the payment of principal of and premium, if any, and interest on the Senior Lien
949 Bonds and all other payments due on the Senior Lien Obligations; and the City
950 further grants a lien on the Senior Lien Reserve Fund to secure the payment of
951 principal of and premium, if any, and interest on the Senior Lien Bonds. Except as
952 otherwise expressly provided by their terms, all Senior Lien Obligations shall be in
953 all respects on a parity with and of equal dignity with one another. The liens granted
954 under this Ordinance shall be valid and binding and fully perfected after the date of
955 adoption of this Ordinance without physical delivery or transfer of control of the
956 Pledged Revenues, the filing of this Ordinance or any other act; all as provided in
957 Chapter 1208 of the Texas Government Code. The Holders of the Senior Lien Bonds
958 and the beneficiaries of the other Senior Lien Obligations shall never have the right
959 to demand payment of the principal of, interest on or any redemption premium on
960 the Senior Lien Bonds (or payment of other amounts owed by the City in respect of
961 other Senior Lien Obligations) out of any funds raised or to be raised by taxation,
962 other than the Pledged Revenues.

963 (b) The Series 2026 Junior Lien Bonds and other Junior Lien Obligations
964 shall constitute special obligations of the City payable from and equally and ratably

965 secured by a junior lien on the Pledged Revenues junior and subordinate to the lien
966 and pledge of the Pledged Revenues pledged to the payment of the Senior Lien
967 Obligations, as set forth in the Pricing Certificate. Such Pledged Revenues, or other
968 lawfully available funds of the City, shall, in the manner provided in this Ordinance,
969 be set aside for and pledged to the payment of the Junior Lien Obligations, and all
970 expenses of providing for their full and timely payment in accordance with their
971 terms, in the Junior Lien Debt Service Fund and the Junior Lien Reserve Fund as
972 provided in this Ordinance. Subject to the senior and prior lien on the Pledged
973 Revenues securing the Senior Lien Obligations, the City grants a lien on the Pledged
974 Revenues and Junior Lien Debt Service Fund to secure the payment of principal of
975 and premium, if any, and interest on the Junior Lien Bonds and all other payments
976 due on the Junior Lien Obligations; and the City further grants a lien on the Junior
977 Lien Reserve Fund to secure the payment of principal of and premium, if any, and
978 interest on the Junior Lien Bonds. Except as otherwise expressly provided by their
979 terms, all Junior Lien Obligations shall be in all respects on a parity with and of
980 equal dignity with one another. The liens granted under this Ordinance shall be valid
981 and binding and fully perfected after the date of adoption of this Ordinance without
982 physical delivery or transfer of control of the Pledged Revenues, the filing of this
983 Ordinance or any other act; all as provided in Chapter 1208 of the Texas Government
984 Code. The Holders of the Junior Lien Bonds and the beneficiaries of the other Junior
985 Lien Obligations shall never have the right to demand payment of the principal of,
986 interest on or any redemption premium on the Junior Lien Bonds (or payment of
987 other amounts owed by the City in respect of other Junior Lien Obligations) out of
988 any funds raised or to be raised by taxation, other than the Pledged Revenues.

989 (c) If Texas law is amended at any time while any Series 2026 Bonds are
990 Outstanding such that the pledge of the Pledged Revenues granted by the City under
991 this Section 12 is to be subject to the filing requirements of Chapter 9, Business &
992 Commerce Code, or other law, then to preserve to the registered owners of the Series
993 2026 Bonds the perfection of the security interest in said pledge, the City agrees to
994 take such measures as it determines are reasonable and necessary under Texas law
995 to comply with the applicable filing requirements to continue the perfection of such
996 security interest.

997 **SECTION 13: LEVY OF HOTEL OCCUPANCY TAX.**

998 The City has levied, and while any Series 2026 Bonds remain Outstanding the
999 City levies and covenants that it shall continue to levy, a Hotel Occupancy Tax on
1000 the cost of occupancy of any sleeping room furnished by any hotel within the
1001 corporate limits of the City, in which the cost of occupancy is \$2.00 or more each
1002 day, at a rate of at least 9% of the consideration paid by the occupant of the sleeping

1008 **SECTION 14: SPECIAL FUNDS.**

1009 (a) Special Funds. The following special funds and accounts are hereby
1010 created and established and shall be maintained while any of the Obligations remain
1011 Outstanding:

1012 (1) Convention Center Hotel Occupancy Tax Fund (“Tax
1013 Fund”);

1014 (a) Convention Center Hotel Occupancy Tax 4.5% Account;

1015 (b) Convention Center Hotel Occupancy Tax 2% Account;

1016 (2) Project Financing Zone Revenue Fund (“PFZ Revenue
1017 Fund”);

1018 (a) Pledged PFZ Revenues Receipts Account;

1019 (3) Senior Lien Debt Service Fund;

1020 (4) Junior Lien Debt Service Fund;

1021 (5) Senior Lien Reserve Fund; and

1022 (6) Junior Lien Reserve Fund.

1023 Such funds and accounts may also include any additional accounts or
1024 subaccounts as may from time to time be designated by the City, including
1025 specifically rebate accounts or subaccounts for accumulating rebatable arbitrage
1026 payable to the federal government, provided such accounts or subaccounts are not
1027 inconsistent with this Ordinance.

1028 (b) Special PFZ Revenue Funds. The City confirms the designation of the
1029 PFZ effective December 23, 2024 and the establishment of a suspense account by
1030 the Comptroller where the Pledged PFZ Revenues collected by the Comptroller are
1031 being deposited pursuant to the terms and conditions of Section 351.1015, as
1032 amended, Texas Tax Code. The City shall cause amounts representing Pledged PFZ
1033 Revenues to be transferred to the PFZ Revenue Fund [monthly] as soon as
1034 practicable following the City’s receipt of such Pledged PFZ Revenues from the
1035 Texas Comptroller of Public Accounts, after the City’s reporting and reconciliation
1036 procedures.

SECTION 15: FLOW OF FUNDS.

(a) Flow of Funds Regarding Pledged 4.5% Hotel Occupancy Tax Revenues and Pledged 2.0% Expansion Hotel Occupancy Tax Revenues. The City covenants and agrees that all Pledged 4.5% Hotel Occupancy Tax Revenues and Pledged 2.0% Expansion Hotel Occupancy Tax Revenues shall be deposited as received into the Tax Fund. Money from time to time credited to the Tax Fund shall be applied as follows in the following order of priority:

First, to transfer to the Senior Lien Debt Service Fund all amounts necessary to provide for the payment of Senior Lien Obligations.

Second, to transfer to the Senior Lien Reserve Fund the amounts required pursuant to Section 17 of this Ordinance.

Third, to transfer to the Junior Lien Debt Service Fund all amounts necessary to provide for the payment of Junior Lien Obligations.

Fourth, to transfer to the Junior Lien Reserve Fund the amounts required pursuant to Section 17 of this Ordinance.

Fifth, to the payment of all Subordinate Lien Obligations secured under this Ordinance on a *pari passu* basis.

Sixth, for any lawful purpose under the Tax Act.

(b) Flow of Funds Regarding Pledged PFZ Revenues. The City covenants and agrees that all receipts and revenues collected and received by the Comptroller pertaining to the Pledged PFZ Revenues and deposited by the Comptroller into a suspense account pursuant to the terms and conditions of Section 351.1015, as amended, Texas Tax Code, and transferred over to the City shall be deposited in the Pledged PFZ Revenues Receipts Account. Following the issuance of the Series 2026 Bonds and while any Bonds remain Outstanding, money from time to time credited to the Pledged PFZ Revenues Receipts Account shall be applied as follows in the following order of priority:

1068 First, to transfer to the Senior Lien Debt Service Fund all
1069 amounts necessary to provide for the payment of Senior Lien
1070 Obligations.

1071 Second, to transfer to the Senior Lien Reserve Fund the amounts
1072 required pursuant to Section 17 of this Ordinance.

1073 Third, to transfer to the Junior Lien Debt Service Fund all
1074 amounts necessary to provide for the payment of Junior Lien
1075 Obligations.

1076 Fourth, to transfer to the Junior Lien Reserve Fund the amounts
1077 required pursuant to Section 17 of this Ordinance.

1078 Fifth, to the payment of all Subordinate Lien Obligations secured
1079 under this Ordinance on a *pari passu* basis.

1080 Sixth, for any lawful purpose under the Tax Act.

1081 **SECTION 16: DEBT SERVICE FUND.**

1082 (a) The City covenants and agrees that before each Interest Payment Date, stated
1083 maturity date and mandatory redemption date for the Senior Lien Obligations (and
1084 before the dates payments are due on other Senior Lien Obligations) there shall be
1085 deposited into the Senior Lien Debt Service Fund, which is to be an eligible account
1086 held for the benefit of the Senior Lien Obligations, from the Pledged Revenues, an
1087 amount equal to one hundred percent (100%) of the amount required to fully pay the
1088 amount then due and payable on the Senior Lien Obligations, and such deposits shall
1089 be made in substantially equal quarterly installments (based on the total Annual Debt
1090 Service Requirements to be paid on the Senior Lien Obligations divided by the
1091 number of Transfer Dates to occur during the period covered by such calculation)
1092 on or before each Transfer Date, beginning on the first Transfer Date to occur after
1093 the delivery of the Series 2026 Senior Lien Bonds.

1094 In addition, on each Transfer Date, the City covenants and agrees to cause to
1095 be deposited into the Senior Lien Debt Service Fund from the Pledged Revenues an
1096 amount calculated to pay all expenses of providing for the full and timely payment
1097 of the principal of, premium, if any, and interest on the Senior Lien Obligations in
1098 accordance with their terms, including without limitation, all fees charged or
1099 incurred for paying agent/registrar services rendered in connection with the Senior
1100 Lien Obligations.

1101 Money credited to the Senior Lien Debt Service Fund shall be used solely for
1102 the purpose of paying on a *pari passu* basis (except as otherwise provided) principal
1103 (at maturity or prior redemption or to purchase Senior Lien Obligations issued as
1104 term bonds in the open market to be credited against mandatory redemption
1105 requirements), interest and redemption premiums on Senior Lien Obligations and all
1106 other amounts due on other Senior Lien Obligations, plus all other charges, costs and
1107 expenses relating to such payment, including those described in the preceding
1108 paragraph. On the Business Day immediately preceding each payment due date for
1109 the Senior Lien Obligations, the City shall transfer from the Senior Lien Debt
1110 Service Fund and Senior Lien Reserve Fund, if necessary, to the appropriate paying
1111 agent/registrar amounts equal to the amounts due on the Senior Lien Obligations on
1112 such date.

1113 The City may establish and utilize such accounts within the Senior Lien Debt
1114 Service Fund as it may, from time to time, deem appropriate.

1115 (b) The City covenants and agrees that before each Interest Payment Date, stated
1116 maturity date and mandatory redemption date for the Junior Lien Obligations (and
1117 before the dates payments are due on other Junior Lien Obligations) there shall be
1118 deposited into the Junior Lien Debt Service Fund, which is to be an eligible account
1119 held for the benefit of the Junior Lien Obligations, from the Pledged Revenues, an
1120 amount equal to one hundred percent (100%) of the amount required to fully pay the
1121 amount then due and payable on the Junior Lien Obligations, and such deposits shall
1122 be made in substantially equal quarterly installments (based on the total Annual Debt
1123 Service Requirements to be paid on the Junior Lien Obligations divided by the
1124 number of Transfer Dates to occur during the period covered by such calculation)
1125 on or before each Transfer Date, beginning on the first Transfer Date to occur after
1126 the delivery of the Series 2026 Junior Lien Bonds.

1127 In addition and subject to the transfer of amounts into the Senior Lien Debt
1128 Service Fund, on each Transfer Date, the City covenants and agrees to cause to be
1129 deposited into the Junior Lien Debt Service Fund from the Pledged Revenues an
1130 amount calculated to pay all expenses of providing for the full and timely payment
1131 of the principal of, premium, if any, and interest on the Junior Lien Obligations in
1132 accordance with their terms, including without limitation, all fees charged or
1133 incurred for paying agent/registrar services rendered in connection with the Junior
1134 Lien Obligations.

1135 Money credited to the Junior Lien Debt Service Fund shall be used solely for
1136 the purpose of paying on a *pari passu* basis (except as otherwise provided) principal
1137 (at maturity or prior redemption or to purchase Junior Lien Obligations issued as

1138 term bonds in the open market to be credited against mandatory redemption
1139 requirements), interest and redemption premiums on Junior Lien Obligations and all
1140 other amounts due on other Junior Lien Obligations, plus all other charges, costs and
1141 expenses relating to such payment, including those described in the preceding
1142 paragraph. On the Business Day immediately preceding each payment due date for
1143 the Junior Lien Obligations, the City shall transfer from the Junior Lien Debt Service
1144 Fund and Junior Lien Reserve Fund, if necessary, to the appropriate paying
1145 agent/registrar amounts equal to the amounts due on the Junior Lien Obligations on
1146 such date.

1147 The City may establish and utilize such accounts within the Junior Lien Debt
1148 Service Fund as it may, from time to time, deem appropriate.

1149 **SECTION 17: RESERVE FUND.**

1150 (a) The Senior Lien Reserve Fund has been established for the benefit of
1151 the Senior Lien Obligations. The City shall establish and maintain a balance in the
1152 Senior Lien Reserve Fund equal to the Senior Lien Reserve Fund Requirement. In
1153 addition to or in lieu of cash on deposit in the Senior Lien Reserve Fund, the Senior
1154 Lien Reserve Fund Requirement may be funded by a Reserve Fund Surety Bond
1155 issued by an insurance company or other entity that is rated as of the date of
1156 acquisition of the Reserve Fund Surety Bond (either for the long term unsecured
1157 debt of the issuer of such Reserve Fund Surety Bond or for obligations insured,
1158 secured or guaranteed by such issuer) in either of the two highest letter categories
1159 by two major municipal securities credit rating services.

1160 (1) By reason of the issuance of the Series 2026 Senior Lien
1161 Bonds, the total amount to be accumulated and maintained as the Senior
1162 Lien Reserve Fund Requirement will be determined in conjunction with
1163 the sale of the Series 2026 Senior Lien Bonds. As reflected in the
1164 Pricing Certificate, the Senior Lien Reserve Requirement will be
1165 funded in full on the date of the delivery of the Series 2026 Senior Lien
1166 Bonds with proceeds of sale of the Series 2026 Senior Lien Bonds
1167 and/or a Reserve Fund Surety Bond.

1168 (2) In any Transfer Period in which the Senior Lien Reserve
1169 Fund contains less than the Senior Lien Reserve Fund Requirement, or
1170 in which the City is obligated to repay or reimburse any issuer of a
1171 Reserve Fund Surety Bond (in the event such Reserve Fund Surety
1172 Bond is drawn upon), then after making all required transfers to the
1173 Senior Lien Debt Service Fund, there shall be transferred into the

1174 Senior Lien Reserve Fund from the available Pledged Revenues on
1175 each Transfer Date amounts necessary to reestablish the Senior Lien
1176 Reserve Fund Requirement and satisfy any repayment obligations to
1177 the issuer of any Reserve Fund Surety Bond. After such amount has
1178 been accumulated in the Senior Lien Reserve Fund and after satisfying
1179 any repayment obligation to any Reserve Fund Surety Bond issuer and
1180 so long thereafter as such fund contains such amount and all such
1181 repayment obligations have been satisfied, no further transfers shall be
1182 required to be made, and any excess amounts in such fund may be
1183 transferred to the Senior Lien Debt Service Fund. But, if and whenever
1184 the balance in the Senior Lien Reserve Fund is reduced below the
1185 Senior Lien Reserve Fund Requirement, or any Reserve Fund Surety
1186 Bond repayment obligations arise, transfers to the Senior Lien Reserve
1187 Fund shall be resumed and continued in the manner stated above to
1188 restore the Senior Lien Reserve Fund Requirement and to pay such
1189 reimbursement obligations.

1190 (3) The Senior Lien Reserve Fund shall be used to pay the
1191 principal of and interest on the Senior Lien Obligations at any time
1192 when there is not sufficient money available in the Senior Lien Debt
1193 Service Fund for such purpose and to make any payments required to
1194 satisfy repayment obligations to issuers of Reserve Fund Surety Bonds,
1195 and may also be used to make the final payments for the retirement or
1196 defeasance of the Senior Lien Obligations.

1197 (4) If an Authorized Official determines that doing so would
1198 be in the best interest of the City, the Senior Lien Reserve Fund
1199 Requirement may be funded wholly or partly by a Reserve Fund Surety
1200 Bond selected by an Authorized Official (the "Surety Bond Issuer").
1201 An Authorized Official may approve the terms and form of the Reserve
1202 Fund Surety Bond and of a guaranty or other agreement pursuant to
1203 which the City is obligated to pay premiums, fees, and reimbursement
1204 obligations owing to the Surety Bond Issuer (a "Reimbursement
1205 Agreement"). In connection with a Reserve Fund Surety Bond and any
1206 Additional Senior Lien Bonds, the City, the Paying Agent/Registrar and
1207 the Surety Bond Issuer may approve procedures providing for a
1208 reasonable allocation among Reserve Fund Surety Bonds and funds
1209 held in the Senior Lien Reserve Fund to make payments on Senior Lien
1210 Bonds and to provide for repayments to Surety Bond Issuers.

1211 (b) The Junior Lien Reserve Fund has been established for the benefit of
1212 the Junior Lien Obligations. The City shall establish and maintain a balance in the
1213 Junior Lien Reserve Fund equal to the Junior Lien Reserve Fund Requirement. In
1214 addition to or in lieu of cash on deposit in the Junior Lien Reserve Fund, the Junior
1215 Lien Reserve Fund Requirement may be funded by a Reserve Fund Surety Bond
1216 issued by an insurance company or other entity that is rated as of the date of
1217 acquisition of the Reserve Fund Surety Bond (either for the long term unsecured
1218 debt of the issuer of such Reserve Fund Surety Bond or for obligations insured,
1219 secured or guaranteed by such issuer) in either of the two highest letter categories
1220 by two major municipal securities credit rating services.

1221 (1) By reason of the issuance of the Series 2026 Junior Lien
1222 Bonds, the total amount to be accumulated and maintained as the Junior
1223 Lien Reserve Fund Requirement will be determined in conjunction with
1224 the sale of the Series 2026 Junior Lien Bonds. As reflected in the
1225 Pricing Certificate, the Junior Lien Reserve Requirement will be funded
1226 in full on the date of the delivery of the Series 2026 Junior Lien Bonds
1227 with proceeds of sale of the Series 2026 Junior Lien Bonds and/or a
1228 Reserve Fund Surety Bond.

1229 (2) In any Transfer Period in which the Junior Lien Reserve
1230 Fund contains less than the Junior Lien Reserve Fund Requirement, or
1231 in which the City is obligated to repay or reimburse any issuer of a
1232 Reserve Fund Surety Bond (in the event such Reserve Fund Surety
1233 Bond is drawn upon), then after making all required transfers to the
1234 Junior Lien Debt Service Fund, there shall be transferred into the Junior
1235 Lien Reserve Fund from the available Pledged Revenues on each
1236 Transfer Date amounts necessary to reestablish the Junior Lien Reserve
1237 Fund Requirement and satisfy any repayment obligations to the issuer
1238 of any Reserve Fund Surety Bond. After such amount has been
1239 accumulated in the Junior Lien Reserve Fund and after satisfying any
1240 repayment obligation to any Reserve Fund Surety Bond issuer and so
1241 long thereafter as such fund contains such amount and all such
1242 repayment obligations have been satisfied, no further transfers shall be
1243 required to be made, and any excess amounts in such fund may be
1244 transferred to the Junior Lien Debt Service Fund. But, if and whenever
1245 the balance in the Junior Lien Reserve Fund is reduced below the Junior
1246 Lien Reserve Fund Requirement, or any Reserve Fund Surety Bond
1247 repayment obligations arise, transfers to the Junior Lien Reserve Fund
1248 shall be resumed and continued in the manner stated above to restore

1249 the Junior Lien Reserve Fund Requirement and to pay such
1250 reimbursement obligations.

1251 (3) The Junior Lien Reserve Fund shall be used to pay the
1252 principal of and interest on the Junior Lien Obligations at any time
1253 when there is not sufficient money available in the Junior Lien Debt
1254 Service Fund for such purpose and to make any payments required to
1255 satisfy repayment obligations to issuers of Reserve Fund Surety Bonds,
1256 and may also be used to make the final payments for the retirement or
1257 defeasance of the Junior Lien Obligations.

1258 (4) If an Authorized Official determines that doing so would be in
1259 the best interest of the City, the Junior Lien Reserve Fund Requirement may
1260 be funded wholly or partly by a Reserve Fund Surety Bond selected by an
1261 Authorized Official (the "Surety Bond Issuer"). An Authorized Official may
1262 approve the terms and form of the Reserve Fund Surety Bond and
1263 Reimbursement Agreement. In connection with a Reserve Fund Surety Bond
1264 and any Additional Junior Lien Bonds, the City, the Paying Agent/Registrar
1265 and the Surety Bond Issuer may approve procedures providing for a
1266 reasonable allocation among Reserve Fund Surety Bonds and funds held in
1267 the Junior Lien Reserve Fund to make payments on Junior Lien Obligations
1268 and to provide for repayments to Surety Bond Issuers.

1269 **SECTION 18: DEFICIENCIES IN FUNDS OR ACCOUNTS.** If on
1270 any Transfer Date there shall not be transferred into any fund or account maintained
1271 pursuant to this Ordinance the full amounts required in this Ordinance, amounts
1272 equivalent to such deficiency shall be set apart and transferred to such fund or
1273 account from the first available and unallocated Pledged Revenues, and such transfer
1274 shall be in addition to the amounts otherwise required to be transferred to such fund
1275 or account on any succeeding Transfer Date or Transfer Dates.

1276 **SECTION 19: INVESTMENT OF FUNDS; TRANSFER OF**
1277 **INVESTMENT INCOME.**

1278 (a) Money in all funds shall, at the option of the City, be invested in the
1279 manner provided by Texas law and the City's investment policy; except all such
1280 deposits and investments shall be made in such manner that the money required to
1281 be expended from any fund will be available at the proper time or times. All such
1282 investments shall be valued no less frequently than the last Business Day of the
1283 City's Fiscal Year at market value, except that any direct obligations of the United
1284 States of America - State and Local Government Series shall be continuously valued

1285 at their par value or principal face amount. For purposes of maximizing investment
1286 returns, money in such funds may be invested, together with money in other funds
1287 or with other money of the City, in common investments or in a common pool of
1288 such investments maintained by the City at an official depository of the City or in
1289 any fund or investment vehicle permitted by Texas law, which shall not be
1290 considered to be a loss of the segregation of such money or funds if safekeeping
1291 receipts, certificates of participation or other documents clearly evidencing the
1292 investment or investment pool in which such money is invested and the share
1293 purchased with such money or owned by such funds are held by or on behalf of each
1294 such fund. If and to the extent necessary, such investments or participations in these
1295 funds shall be promptly sold to prevent any default.

1296 (b) All interest and income derived from deposits and investments credited
1297 to the Senior Lien Debt Service Fund, the Junior Lien Debt Service Fund, the Senior
1298 Lien Reserve Fund and the Junior Lien Reserve Fund shall remain a part of the fund
1299 from which such investment was made, and such investment interest and income
1300 shall reduce by like amount any required transfer to such funds from the Pledged
1301 Revenues, except at any time when the Senior Lien Reserve Fund has on deposit an
1302 amount more than the Senior Lien Reserve Fund Requirement, all investment
1303 interest and income received on any investment of funds in such fund shall be
1304 deposited to the credit of the Senior Lien Debt Service Fund and when the Junior
1305 Lien Reserve Fund has on deposit an amount more than the Junior Lien Reserve
1306 Fund Requirement, all investment interest and income received on any investment
1307 of funds in such fund shall be deposited to the credit of the Junior Lien Debt Service
1308 Fund.

1309 (c) Notwithstanding anything to the contrary contained in this Ordinance,
1310 any interest and income derived from deposits and investments of any amounts
1311 credited to any fund or account may be (i) transferred into any rebate account or
1312 subaccount and (ii) paid to the federal government if in the opinion of nationally
1313 recognized bond counsel such payment is required to comply with any covenant
1314 contained in an order, resolution or ordinance to prevent interest on any Bonds from
1315 being includable within the gross income of the owners thereof for federal income
1316 tax purposes.

1317 **SECTION 20: ADDITIONAL BONDS**

1318 (a) No Prior Lien Bonds. The City covenants that it will not issue any
1319 additional bonds or other obligations payable from and secured by a lien on and
1320 pledge of the Pledged Revenues that is senior to the lien securing the Senior Lien
1321 Obligations.

1322 (b) Refunding Bonds. The City expressly reserves the right to issue
1323 refunding bonds to refund all or a portion of the Senior Lien Obligations, Junior Lien
1324 Obligations, or refunding bonds previously issued to refund any Senior Lien
1325 Obligations or Junior Lien Obligations. Such refunding bonds may be secured by a
1326 lien on Pledged Revenues on a parity with or subordinate to the lien securing any
1327 Outstanding Bonds; provided, however, obligations issued which are junior and
1328 subordinate in all respects to the refunding bonds then being issued may be refunded
1329 with bonds on a prior lien level by meeting all terms and conditions for the issuance
1330 of such Additional Bonds as outlined in subsection (c) below.

1331 (c) Additional Senior Lien Bonds.

1332 In regard to the Pledged Revenues, the City reserves and retains
1333 the right to issue or incur additional obligations secured wholly or partly
1334 by a parity lien on such Pledged Revenues securing the Senior Lien
1335 Obligations, subject to the following:

1336 First, the City is in compliance with all covenants in ordinances
1337 authorizing the issuance of any Outstanding Senior Lien Bonds, is not
1338 in default in the performance and observance of any of the terms,
1339 provisions and conditions hereof and thereof, and the funds and
1340 accounts established for the payment and security of the Senior Lien
1341 Obligations then Outstanding contain the amounts then required to be
1342 deposited therein or the proceeds of the Additional Senior Lien Bonds
1343 then to be issued are to be used to cure any deficiency in the amounts
1344 on deposit to the credit of such funds or accounts, if any; and

1345 Second, it has secured from an independent certified public
1346 accountant a certificate evidencing his or her determination that (A)
1347 Pledged Revenues were, for the last completed Fiscal Year or for any
1348 consecutive 12-month period of the last 24 consecutive months prior to
1349 adoption of the ordinance authorizing issuance of the Additional Senior
1350 Lien Bond, equal to at least 1.50 times the maximum annual principal
1351 and interest requirements on Senior Lien Bonds, calculated on a fiscal
1352 year basis for all Senior Lien Bonds that will be Outstanding after
1353 issuance of the proposed Additional Senior Lien Bond; or (B) according
1354 to a feasibility report commissioned by the City, projected future
1355 collection and receipt of Pledged Revenues for the next consecutive 12-
1356 month period following the month of adoption of the ordinance
1357 authorizing the issuance of the Additional Senior Lien Bond are equal
1358 to at least 1.50 times the Average Annual Debt Service Requirement

1359 for Senior Lien Bonds, calculated on a fiscal year basis for all bonds
1360 that will be Outstanding after issuance of the proposed Additional
1361 Senior Lien Bond; and

1362 Third, provision is made in the ordinance authorizing the
1363 issuance of the Senior Lien Bonds for the complete funding of any
1364 required reserves for payment of principal of and interest on such
1365 Senior Lien Bonds as of their initial delivery.

1366 (d) Additional Junior Lien Bonds.

1367 In regard to the Pledged Revenues, the City reserves and retains
1368 the right to issue or incur additional obligations secured wholly or partly
1369 by a parity lien on such Pledged Revenues securing the Junior Lien
1370 Bonds, subject to the following:

1371 First, the City is in compliance with all covenants in ordinances
1372 authorizing the issuance of any Outstanding Junior Lien Bonds, is not
1373 in default in the performance and observance of any of the terms,
1374 provisions and conditions hereof and thereof, and the funds and
1375 accounts established for the payment and security of the Junior Lien
1376 Obligations then Outstanding contain the amounts then required to be
1377 deposited therein or the proceeds of the Additional Junior Lien Bonds
1378 then to be issued are to be used to cure any deficiency in the amounts
1379 on deposit to the credit of such funds or accounts, if any; and

1380 Second, it has secured from an independent certified public
1381 accountant a certificate evidencing his or her determination that (A)
1382 Pledged Revenues, were for the last completed Fiscal Year or for any
1383 consecutive 12-month period of the last 24 consecutive months prior to
1384 adoption of the ordinance authorizing issuance of the Additional Junior
1385 Lien Bond, equal to at least 1.05 times the maximum annual principal
1386 and interest requirements, calculated on a fiscal year basis for all Senior
1387 Lien Bonds and Junior Lien Bonds that will be Outstanding after
1388 issuance of the proposed Additional Junior Lien Bond; or (B) according
1389 to a feasibility report commissioned by the City, projected future
1390 collection and receipt of Pledged Revenues for the next consecutive 12-
1391 month period following the month of adoption of the ordinance
1392 authorizing issuance of the Additional Junior Lien Bond are equal to at
1393 least 1.00 times the Average Annual Debt Service Requirement for
1394 Senior Lien Bonds and Junior Lien Bonds, calculated on a fiscal year

1395 basis for all bonds that will be Outstanding after issuance of the
1396 proposed Additional Junior Lien Bond; and

1397 Third, provision is made in the ordinance authorizing the issuance of
1398 the Junior Lien Bonds for the complete funding of any required reserves
1399 for payment of principal of and interest on such Junior Lien Bonds as
1400 of their initial delivery.

1401 (e) Among the future obligations authorized to be issued or incurred
1402 pursuant to this Section 20 are Credit Agreements. The City may enter into such a
1403 Credit Agreement payable from and secured wholly or partly by a lien on Pledged
1404 Revenues if it obtains either (i) the consent from any Credit Facility Provider issuing
1405 a Credit Facility in support of the Bonds or (ii) written confirmation from each
1406 Rating Agency then rating the Parity Obligations at the request of the City that
1407 issuance of the Credit Agreement will not cause a withdrawal or reduction in the
1408 rating assigned to the Series 2026 Bonds. The City may secure its obligations under
1409 a future Credit Agreement by a lien on Pledged Revenues if such lien is on a parity
1410 with or subordinate to the lien securing the Parity Obligations.

1411 (f) If the City issues Variable Rate Obligations, it shall use the following
1412 procedures for purposes of determining the maximum and the average annual Debt
1413 Service Requirements of Variable Rate Obligations:

1414 (i) At the sole discretion of the City, such
1415 Variable Rate Obligations shall be deemed to bear interest
1416 at one of the following rates: (A) an interest rate equal to
1417 the average rate borne by such obligations (or by
1418 comparable debt if such obligations have not been
1419 outstanding during the preceding 24 months) for any
1420 24-month period ending within 30 days before the date of
1421 calculation; or (B) an interest rate equal to the 30-Year
1422 Tax-Exempt Revenue Bond Index rate as published in The
1423 Bond Buyer on any date selected by the City within 30
1424 days before the date of calculation. If such index is no
1425 longer published in The Bond Buyer, an index of tax-
1426 exempt revenue bonds with maturities of 20 years, or
1427 more, published in a financial newspaper or journal with
1428 national circulation may be selected by the City and used
1429 for this purpose.

1430 (ii) If the City has entered into a Credit
1431 Agreement in connection with an issue of obligations
1432 payable from and secured by Pledged Revenues and if
1433 Clause B of paragraph (f)(1)(i) above does not apply,
1434 (X) payments due under the Credit Agreement, from either
1435 the City or the other party to the Credit Agreement, shall
1436 be included in such calculation except to the extent that the
1437 payments are already taken into account in the debt service
1438 calculation, (Y) any payments that would otherwise be
1439 included under the debt service calculation which are to be
1440 replaced by payments under a Credit Agreement from
1441 either the City or the other party to the Credit Agreement
1442 shall be excluded from such calculation, and (Z) payments
1443 due under a Credit Agreement that are paid at a variable
1444 rate shall be deemed to be made at a fixed rate determined
1445 in a manner consistent with clause A of paragraph (c)(1)(i)
1446 above. For any calculation of historic data, only those
1447 payments actually made in the subject period shall be
1448 taken into account in making such calculation and for
1449 prospective calculations, only those payments reasonably
1450 expected to be made in the subject period shall be taken
1451 into account in making the calculation.

1452 (2) If the City has entered into a Credit Agreement to
1453 discharge or purchase any of its obligations payable from or secured by
1454 Pledged Revenues under arrangements where the City's obligation to
1455 repay the amounts advanced under the Credit Agreement for the
1456 discharge or purchase is payable over more than one year from the
1457 advance under the Credit Agreement, then the portion of the obligations
1458 committed to be discharged or purchased pursuant to the Credit
1459 Agreement shall be excluded from any calculation of debt service
1460 requirements, and the principal of and interest requirements that
1461 constitute the City's reimbursement obligation shall be added.

1462 (3) In determining the Pledged Revenues available to satisfy
1463 the coverage requirements of condition (c) or (d) above, as applicable,
1464 the City may take into consideration an increase in the portion of the
1465 Pledged Revenues that became effective during the coverage period
1466 and, for purposes of satisfying the above coverage tests, make a pro
1467 forma determination of the Pledged Revenues for the coverage period

1468 based on such increased portion of the Pledged Revenues being in effect
1469 for the entire coverage period.

1470 (4) Any Additional Bonds may bear any name or designation
1471 provided by the ordinance authorizing their issuance and may be issued
1472 in such form and manner as may be authorized by law. Furthermore,
1473 any such bonds may be secured by any other source of payment
1474 lawfully available for such purposes, including a Credit Agreement,
1475 financial guaranty insurance policy or similar credit or liquidity
1476 support. Any Reimbursement Obligation or obligation under a Credit
1477 Agreement may be secured by Pledged Revenues on a basis *pari passu*
1478 with the Senior Lien Obligations or Junior Lien Obligations, as
1479 appropriate.

1480 **SECTION 21: COVENANTS AND PROVISIONS RELATING TO**
1481 **ALL PARITY OBLIGATIONS**

1482 (a) Punctual Payment of Parity Obligations. The City covenants it will
1483 punctually pay or cause to be paid the interest and any premium on and principal of
1484 all Parity Obligations according to their terms and will faithfully do and perform,
1485 and at all times fully observe, any and all covenants, undertakings, stipulations and
1486 provisions contained in this Ordinance and in any other ordinance authorizing the
1487 issuance of such Parity Obligations.

1488 (b) Pledge and Encumbrance of Pledged Revenues. The City covenants
1489 and represents that it has the lawful power to create a lien on and to pledge the
1490 Pledged Revenues to secure the payment of the Parity Obligations and has lawfully
1491 exercised such power under the Constitution and laws of the State of Texas. The
1492 City further covenants and represents that, other than to the payment of the bonds
1493 and obligations authorized and reserved to be issued in this Ordinance, the Pledged
1494 Revenues are not and will not be made subject to any other lien, pledge or
1495 encumbrance to secure the payment of any debt or obligation of the City unless such
1496 lien, pledge or encumbrance is junior and subordinate to the lien and pledge securing
1497 payment of the Parity Obligations.

1498 (c) Bondholders' Remedies. This Ordinance shall constitute a contract
1499 between the City and the Holders of the Series 2026 Bonds from time to time
1500 Outstanding and the beneficiaries of other Parity Obligations and this Ordinance
1501 shall be and remain irrevocable until the Series 2026 Bonds and the other Parity
1502 Obligations shall be fully paid or discharged or provision for payment or discharge
1503 shall have been made as provided in this Ordinance. In the event of a default in the

1504 payment of the principal of or interest or any premium on any of the Series 2026
1505 Bonds or a default in the performance of any duty or covenant provided by law or in
1506 this Ordinance, each Holder of a Series 2026 Bond and each beneficiary of any Parity
1507 Obligation may pursue all legal remedies afforded by the Constitution and laws of
1508 the State of Texas to compel the City to remedy such default and to prevent further
1509 default or defaults. Without in any way limiting the generality of the preceding, it
1510 is expressly provided that each Holder of a Series 2026 Bond and each beneficiary
1511 of any Parity Obligation may at law or in equity, by suit, action, mandamus, or other
1512 proceedings, enforce and compel performance of all duties required to be performed
1513 by the City under this Ordinance, including the application of Pledged Revenues in
1514 the manner required in this Ordinance; provided, however, that no Holder of a Series
1515 2026 Bond and no beneficiary of a Parity Obligation shall ever have the right to
1516 demand payment of the principal of, interest on or any redemption premium on the
1517 Series 2026 Bonds or any payment on any Parity Obligation out of any funds raised
1518 or to be raised by taxation, other than the Pledged 4.5% Hotel Occupancy Tax
1519 Revenues and the Pledged 2.0% Expansion Hotel Occupancy Tax Revenues.

1520 (d) Satisfaction of Obligation of City. If the City shall pay or cause to be
1521 paid, or there shall otherwise be paid to the Holders, the principal of, premium, if
1522 any, and interest on the Series 2026 Bonds, at the times and in the manner stipulated
1523 in this Ordinance, then the pledge of the Pledged Revenues under this Ordinance and
1524 all other obligations of the City to the Holders shall cease, terminate, and become
1525 void and be discharged and satisfied.

1526 Series 2026 Bonds, or any principal amount(s) thereof, shall be deemed to
1527 have been paid within the meaning and with the effect expressed above in this
1528 Section when: (i) money sufficient to pay in full such Series 2026 Bonds or the
1529 principal amount(s) thereof at Stated Maturity, together with all interest due thereon,
1530 shall have been irrevocably deposited with and held in trust by the Paying
1531 Agent/Registrar, or an authorized escrow agent; and/or (ii) Government Securities
1532 shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an
1533 authorized escrow agent, which Government Securities mature as to principal and
1534 interest in such amounts and at such times as will insure the availability, without
1535 reinvestment, of sufficient money, together with any money deposited therewith, if
1536 any, to pay when due the principal of and interest on such Series 2026 Bonds, or the
1537 principal amount(s) thereof, on and prior to the Stated Maturity thereof. In the event
1538 of a defeasance of the Series 2026 Bonds, the City shall deliver a certificate from its
1539 financial advisor, the Paying Agent/Registrar, an independent accounting firm, or
1540 another qualified third party concerning the deposit of cash and/or Government
1541 Securities to pay, when due, the principal of, redemption premium (if any), and

1542 interest due on any defeased Series 2026 Bonds. To the extent applicable (if at all),
1543 the Issuer covenants that no deposit of money or Government Securities will be
1544 made under this Section and no use made of any such deposit which would cause
1545 the Series 2026 Bonds to be treated as arbitrage bonds within the meaning of
1546 section 148 of the Code.

1547 Any money so deposited with the Paying Agent/Registrar, and all income
1548 from Government Securities held in trust by the Paying Agent/Registrar, or an
1549 authorized escrow agent, pursuant to this Section which is not required for the
1550 payment of the Series 2026 Bonds, or any principal amount(s) thereof, or interest
1551 thereon with respect to which such money has been so deposited shall be remitted to
1552 the City or deposited as directed by the City. Furthermore, any money held by the
1553 Paying Agent/Registrar for the payment of the principal of and interest on the Series
1554 2026 Bonds and remaining unclaimed for a period of three (3) years after the Stated
1555 Maturity of the Series 2026 Bonds, such money was deposited and is held in trust to
1556 pay shall upon the request of the City be remitted to the City against a written receipt
1557 therefor, subject to the unclaimed property laws of the State of Texas.

1558 (e) Non-Business Days. In any case where the date of maturity of interest
1559 on or principal of the Series 2026 Bonds or the date fixed for redemption of any
1560 Series 2026 Bonds or the due date for the payment or performance of any obligation
1561 shall be other than a Business Day, then such payment need not be made on such
1562 due date but may be made on the next succeeding day which is a Business Day with
1563 the same force and effect as if made on the date of maturity or the date fixed for
1564 redemption or other due date, and no interest shall accrue for the period from the
1565 scheduled due date to the date of actual payment. If any Transfer Date shall not be
1566 a Business Day, then the transfer otherwise required to be made on such date
1567 pursuant to Section 16 shall be made on the next succeeding Business Day.

1568 **SECTION 22: ALTERATION OF RIGHTS AND DUTIES;**
1569 **AMENDMENT OF ORDINANCE.**

1570 (a) Alteration of Rights and Duties. The rights, duties, and obligations of
1571 the City and the Holders of the Series 2026 Bonds are subject in all respects to all
1572 applicable federal and state laws including, without limitation, the provisions of
1573 federal law regarding the composition of indebtedness of political subdivisions, as
1574 the same now exist or may be amended.

1575 (b) Amendment of Ordinance Without Consent. The City may, without the
1576 consent of or notice to any of the Holders of the Series 2026 Bonds, amend this
1577 Ordinance for any one or more of the following purposes:

1578 (1) to cure any ambiguity, defect, omission or inconsistent
1579 provision in this Ordinance or in the Series 2026 Bonds; or to comply
1580 with any applicable provision of law or regulation of federal agencies;
1581 provided, however, that such action shall not adversely affect the
1582 interests of the Holders of the Series 2026 Bonds;

1583 (2) to change the terms or provisions of this Ordinance to the
1584 extent necessary to prevent the interest on the Series 2026 Bonds from
1585 being includable within the gross income of the owners thereof for
1586 federal income tax purposes;

1587 (3) to grant to or confer upon the Holders of the Series 2026
1588 Bonds any additional rights, remedies, powers or authority that may
1589 lawfully be granted to or conferred upon the Holders of the Series 2026
1590 Bonds;

1591 (4) to add to the covenants and agreements of the City
1592 contained in this Ordinance other covenants and agreements of, or
1593 conditions or restrictions upon, the City or to surrender or eliminate any
1594 right or power reserved to or conferred upon the City in this Ordinance;

1595 (5) to amend any provisions relating to the issuance of
1596 Additional Bonds if the City first obtains a Rating Confirmation Notice
1597 with respect to such amendment; and

1598 (6) to subject to the lien and pledge of this Ordinance
1599 additional Pledged Revenues, provided such amendment does not cause
1600 any reduction in any rating assigned to the Series 2026 Bonds by any
1601 major municipal securities evaluation service then rating the Series
1602 2026 Bonds;

1603 provided, however, that if and to the extent required by a Credit Facility, Liquidity
1604 Facility, another Credit Agreement or other provision of this Ordinance, the City
1605 shall first obtain the consent of the Credit Facility Provider and any Liquidity
1606 Facility Provider to any such amendment pursuant to this Section 22.

1607 (c) Amendments of Ordinance Requiring Consent.

1608 (1) The City may at any time adopt one or more ordinances
1609 amending, modifying, adding to or eliminating any of the provisions of
1610 this Ordinance but, if such amendment is not of the character described
1611 in Section 22(b) of this Ordinance, only with the consent given in

1612 accordance with Section 22(d) of this Ordinance of the Holders of not
1613 fewer than a majority of the aggregate unpaid principal amount of the
1614 Parity Obligations then Outstanding and affected by such amendment,
1615 modification, addition, or elimination; provided, however, that nothing
1616 in this Section 22(c) shall permit (1) an extension of the maturity of the
1617 principal of or interest on any Series 2026 Bond issued hereunder, or
1618 (2) a reduction in the principal amount of any Series 2026 Bond or the
1619 rate of interest on any Series 2026 Bond or redemption price, or (3) a
1620 privilege or priority of any Series 2026 Bond or Series 2026 Bonds over
1621 any other Series 2026 Bond or Series 2026 Bonds, or (4) a reduction in
1622 the aggregate principal amount of the Series 2026 Bonds required for
1623 consent to such amendment.

1624 (2) If and to the extent required by a Credit Facility, Liquidity
1625 Facility, another Credit Agreement or other provision of this
1626 Ordinance, the City shall first obtain the consent of the Credit Facility
1627 Provider, and any Liquidity Provider to any such amendment pursuant
1628 to this Section 22(c).

1629 (d) Consent of Holders. Any consent required by Section 22(c) shall be
1630 considered given:

1631 (1) By all Holders of Outstanding Series 2026 Bonds if a
1632 Credit Facility is in effect, the Credit Facility Provider is not in default
1633 under the Credit Facility and the Credit Facility Provider has given its
1634 written consent to the amendments in writing,

1635 (2) By all Holders of Outstanding Series 2026 Bonds if the
1636 Series 2026 Bonds are remarketed following a mandatory tender of all
1637 Series 2026 Bonds and the substance of such amendment has been
1638 disclosed to the market in connection with such remarketing,

1639 (3) By all Holders of Outstanding Series 2026 Bonds if the
1640 Series 2026 Bonds are in an Auction Rate Mode and if written notice
1641 of the substance of the proposed amendment has been furnished to the
1642 Holders and if following such disclosure, there have occurred at least
1643 two consecutive Auctions and in each such Auction either Sufficient
1644 Clearing Bids existed or the Auction Rate determined was the Winning
1645 Bid Rate,

1646 (4) By any Holder in any number of concurrent writings of
1647 similar tenor, signed by such Holder or his authorized attorney. Proof
1648 of the execution of any such consent or of the writing appointing any
1649 such attorney and of the ownership of Parity Obligations, if made in the
1650 following manner, shall be sufficient for any of the purposes of this
1651 Ordinance, and shall be conclusive in favor of the City with regard to
1652 any action taken, suffered or omitted to be taken by the City under such
1653 instrument, namely:

1654 (i) the fact and date of the execution by any
1655 person of any such writing may be proved by the
1656 certificate of any officer in any jurisdiction who by law
1657 has power to take acknowledgments within such
1658 jurisdiction that the person signing such writing
1659 acknowledged before him the execution thereof, or by
1660 affidavit of any witness to such execution; and

1661 (ii) the fact of the ownership by any person of
1662 any Series 2026 Bond and the date of the ownership of
1663 same may be proved by a certificate executed by an
1664 appropriate officer of the Paying Agent/Registrar, stating
1665 that at the date thereof such Series 2026 Bond was
1666 registered in the name of such party in the Security
1667 Register.

1668 In lieu of the preceding the City may accept such other proofs of the preceding
1669 as it shall consider appropriate.

1670 Consents obtained pursuant to Section 22(d)(4) shall be valid only if given
1671 following the mailing of notice by or on behalf of the City requesting such consent
1672 and setting forth the substance of the amendment of this Ordinance in respect of
1673 which such consent is sought and stating that copies thereof are available at the office
1674 of the City Clerk for inspection. Such notice shall be mailed by certified mail to
1675 each Holder of the Parity Obligations affected at the address shown on the Security
1676 Register.

1677 (e) Revocation of Consent. Any consent by any Holder of a Series 2026
1678 Bond pursuant to the provisions of Section 22(d)(4) shall be irrevocable for a period
1679 of six months from the date of mailing of the notice provided for in this Section, and
1680 shall be conclusive and binding upon all future Holders of the same Series 2026
1681 Bond and any Series 2026 Bond delivered on transfer thereof or in exchange for or

1682 replacement thereof during such period. Such consent may be revoked at any time
1683 after six months from the date of the first mailing of such notice by the owner who
1684 gave such consent or by a successor in title, by filing notice thereof with the Paying
1685 Agent/Registrar, but such revocation shall not be effective if the Holders of a
1686 majority in aggregate principal amount of the Parity Obligations Outstanding as in
1687 this Ordinance defined have, before the attempted revocation, consented to and
1688 approved the amendment.

1689 **SECTION 23: MUTILATED - DESTROYED - LOST AND**
1690 **STOLEN BONDS.** In case any Series 2026 Bond shall be mutilated, or destroyed,
1691 lost or stolen, the Paying Agent/Registrar may execute and deliver a replacement
1692 Series 2026 Bond of like form, tenor, and lien level, and in the same denomination
1693 and bearing a number not contemporaneously outstanding, in exchange and
1694 substitution for such mutilated Series 2026 Bond, or in lieu of and in substitution for
1695 such destroyed, lost or stolen Series 2026 Bond, only upon the approval of the City
1696 and after (i) the filing by the Holder thereof with the Paying Agent/Registrar of
1697 evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft
1698 of such Series 2026 Bond, and of the authenticity of the ownership thereof and
1699 (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount
1700 satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses
1701 and charges associated with such indemnity and with the preparation, execution and
1702 delivery of a replacement Series 2026 Bond shall be borne by the Holder of the
1703 Series 2026 Bond mutilated, destroyed, lost or stolen.

1704 Every new Series 2026 Bond issued pursuant to this Section in lieu of any
1705 mutilated, destroyed, lost, or stolen Series 2026 Bond shall constitute a replacement
1706 of the prior obligation of the City, whether or not the mutilated, destroyed, lost, or
1707 stolen Series 2026 Bond shall be at any time enforceable by anyone, and shall be
1708 entitled to all the benefits of this Ordinance equally and ratably with all other
1709 Outstanding Series 2026 Bonds.

1710 The provisions of this Section are exclusive and shall preclude (to the extent
1711 lawful) all other rights and remedies with respect to the replacement and payment of
1712 mutilated, destroyed, lost, or stolen Series 2026 Bonds.

1713 **SECTION 24: TAX EXEMPTION.**

1714 (a) Definitions. When used in this Section, the following terms shall have
1715 the following meanings:

1716 “Closing Date” means the date on which the Series 2026 Bonds are first
1717 authenticated and delivered to the initial purchasers against payment
1718 therefor.

1719 “Code” means the Internal Revenue Code of 1986, as amended by all
1720 legislation, if any, effective on or before the Closing Date.

1721 “Computation Date” has the meaning set forth in Section 1.148-1(b) of
1722 the Regulations.

1723 “Gross Proceeds” means any proceeds as defined in Section 1.148-1(b)
1724 of the Regulations, and any replacement proceeds as defined in Section
1725 1.148-1(c) of the Regulations, of the Series 2026 Bonds.

1726 “Investment” has the meaning set forth in Section 1.148-1(b) of the
1727 Regulations.

1728 “Nonpurpose Investment” means any investment property, as defined
1729 in section 148(b) of the Code, in which Gross Proceeds of the Series
1730 2026 Bonds are invested and which is not acquired to carry out the
1731 governmental purposes of the Series 2026 Bonds.

1732 “Rebate Amount” has the meaning set forth in Section 1.148-1(b) of
1733 the Regulations.

1734 “Regulations” means any proposed, temporary, or final Income Tax
1735 Regulations issued pursuant to Sections 103 and 141 through 150 of the
1736 Code, and 103 of the Internal Revenue Code of 1954, which are
1737 applicable to the Series 2026 Bonds. Any reference to any specific
1738 Regulation shall also mean, as appropriate, any proposed, temporary or
1739 final Income Tax Regulation designed to supplement, amend or replace
1740 the specific Regulation referenced.

1741 “Yield” of (1) any Investment has the meaning set forth in Section
1742 1.148-5 of the Regulations and (2) the Series 2026 Bonds has the
1743 meaning set forth in Section 1.148-4 of the Regulations.

1744 (b) Not to Cause Interest to Become Taxable. The City shall not use,
1745 permit the use of, or omit to use Gross Proceeds or any other amounts (or any
1746 property the acquisition, construction or improvement of which is to be financed
1747 directly or indirectly with Gross Proceeds) in a manner which if made or omitted,
1748 respectively, would cause the interest on any Series 2026 Bond to become includable

1749 in the gross income, as defined in section 61 of the Code, of the owner thereof for
1750 federal income tax purposes. Without limiting the generality of the foregoing, unless
1751 and until the City receives a written opinion of counsel nationally recognized in the
1752 field of municipal bond law to the effect that failure to comply with such covenant
1753 will not adversely affect the exemption from federal income tax of the interest on
1754 any Series 2026 Bond, the City shall comply with each of the specific covenants in
1755 this Section.

1756 (c) No Private Use or Private Payments. Except as permitted by section
1757 141 of the Code and the Regulations and rulings thereunder, the City shall at all
1758 times prior to the last Stated Maturity of Series 2026 Bonds:

1759 (1) exclusively own, operate and possess all property the
1760 acquisition, construction or improvement of which is to be financed or
1761 refinanced directly or indirectly with Gross Proceeds of the Series 2026
1762 Bonds (including property financed with Gross Proceeds of the
1763 Refunded Bonds), and not use or permit the use of such Gross Proceeds
1764 (including all contractual arrangements with terms different than those
1765 applicable to the general public) or any property acquired, constructed
1766 or improved with such Gross Proceeds in any activity carried on by any
1767 person or entity (including the United States or any agency, department
1768 and instrumentality thereof) other than a state or local government,
1769 unless such use is solely as a member of the general public; and

1770 (2) not directly or indirectly impose or accept any charge or
1771 other payment by any person or entity who is treated as using Gross
1772 Proceeds of the Series 2026 Bonds or any property the acquisition,
1773 construction or improvement of which is to be financed or refinanced
1774 directly or indirectly with such Gross Proceeds, other than taxes of
1775 general application within the City or interest earned on investments
1776 acquired with such Gross Proceeds pending application for their
1777 intended purposes.

1778 (d) No Private Loan. Except to the extent permitted by section 141 of the
1779 Code and the Regulations and rulings thereunder, the City shall not use Gross
1780 Proceeds of the Series 2026 Bonds to make or finance loans to any person or entity
1781 other than a state or local government. For purposes of the foregoing covenant, such
1782 Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property
1783 acquired, constructed or improved with such Gross Proceeds is sold or leased to such
1784 person or entity in a transaction which creates a debt for federal income tax purposes;
1785 (2) capacity in or service from such property is committed to such person or entity

1786 under a take-or-pay, output or similar contract or arrangement; or (3) indirect
1787 benefits, or burdens and benefits of ownership, of such Gross Proceeds or any
1788 property acquired, constructed or improved with such Gross Proceeds are otherwise
1789 transferred in a transaction which is the economic equivalent of a loan.

1790 (e) Not to Invest at Higher Yield. Except to the extent permitted by section
1791 148 of the Code and the Regulations and rulings thereunder, the City shall not at any
1792 time prior to the final Stated Maturity of the Series 2026 Bonds directly or indirectly
1793 invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money
1794 so invested), if as a result of such investment the Yield from the Closing Date of all
1795 Investments acquired with Gross Proceeds (or with money replaced thereby),
1796 whether then held or previously disposed of, exceeds the Yield of the Series 2026
1797 Bonds.

1798 (f) Not Federally Guaranteed. Except to the extent permitted by section
1799 149(b) of the Code and the Regulations and rulings thereunder, the City shall not
1800 take or omit to take any action which would cause the Series 2026 Bonds to be
1801 federally guaranteed within the meaning of section 149(b) of the Code and the
1802 Regulations and rulings thereunder.

1803 (g) Information Report. The City shall timely file the information required
1804 by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or
1805 such other form and in such place as the Secretary may prescribe.

1806 (h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in
1807 section 148(f) of the Code and the Regulations and rulings thereunder:

1808 (1) The City shall account for all Gross Proceeds (including
1809 all receipts, expenditures and investments thereof) on its books of
1810 account separately and apart from all other funds (and receipts,
1811 expenditures and investments thereof) and shall retain all records of
1812 accounting for at least six years after the day on which the last
1813 outstanding Series 2026 Bond is discharged. However, to the extent
1814 permitted by law, the City may commingle Gross Proceeds of the Series
1815 2026 Bonds with other money of the City, provided that the City
1816 separately accounts for each receipt and expenditure of Gross Proceeds
1817 and the obligations acquired therewith.

1818 (2) Not less frequently than each Computation Date, the City
1819 shall calculate the Rebate Amount in accordance with rules set forth in
1820 section 148(f) of the Code and the Regulations and rulings thereunder.

1821 The City shall maintain such calculations with its official transcript of
1822 proceedings relating to the issuance of the Series 2026 Bonds until six
1823 years after the final Computation Date.

1824 (3) As additional consideration for the purchase of the Series
1825 2026 Bonds by the Purchasers and the loan of the money represented
1826 thereby and in order to induce such purchase by measures designed to
1827 insure the excludability of the interest thereon from the gross income
1828 of the owners thereof for federal income tax purposes, the City shall
1829 pay to the United States out of the Debt Service Fund or its general
1830 fund, as permitted by applicable Texas statute, regulation or opinion of
1831 the Attorney General of the State of Texas, the amount that when added
1832 to the future value of previous rebate payments made for the Series
1833 2026 Bonds equals (i) in the case of a Final Computation Date as
1834 defined in Section 1.148-3(e)(2) of the Regulations, one hundred
1835 percent (100%) of the Rebate Amount on such date; and (ii) in the case
1836 of any other Computation Date, ninety percent (90%) of the Rebate
1837 Amount on such date. In all cases, the rebate payments shall be made
1838 at the times, in the installments, to the place and in the manner as is or
1839 may be required by section 148(f) of the Code and the Regulations and
1840 rulings thereunder, and shall be accompanied by Form 8038-T or such
1841 other forms and information as is or may be required by Section 148(f)
1842 of the Code and the Regulations and rulings thereunder.

1843 (4) The City shall exercise reasonable diligence to assure that
1844 no errors are made in the calculations and payments required by
1845 paragraphs (2) and (3), and if an error is made, to discover and promptly
1846 correct such error within a reasonable amount of time thereafter (and in
1847 all events within one hundred eighty (180) days after discovery of the
1848 error), including payment to the United States of any additional Rebate
1849 Amount owed to it, interest thereon, and any penalty imposed under
1850 Section 1.148-3(h) of the Regulations.

1851 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by
1852 section 148 of the Code and the Regulations and rulings thereunder, the City shall
1853 not, at any time prior to the earlier of the Stated Maturity or final payment of the
1854 Series 2026 Bonds, enter into any transaction that reduces the amount required to be
1855 paid to the United States pursuant to Subsection (h) of this Section because such
1856 transaction results in a smaller profit or a larger loss than would have resulted if the
1857 transaction had been at arm's length and had the Yield of the Series 2026 Bonds not
1858 been relevant to either party.

1859 (j) Elections. The City hereby directs and authorizes the City Manager,
1860 Chief Financial Officer, Director of Financial Services, and City Treasurer, either or
1861 any combination of them, to make elections permitted or required pursuant to the
1862 provisions of the Code or the Regulations, as they deem necessary or appropriate in
1863 connection with the Series 2026 Bonds, in the Certificate as to Tax Exemption or
1864 similar or other appropriate certificate, form or document.

1865 (k) Bonds Not Hedge Bonds. (1) The City reasonably expects to spend at
1866 least 85% of the spendable proceeds of the Series 2026 Bonds within three years
1867 after such Series 2026 Bonds are issued and (2) not more than 50% of the proceeds
1868 of the Series 2026 Bonds will be invested in Nonpurpose Investments having a
1869 substantially guaranteed Yield for a period of 4 years or more.

1870 (l) Reimbursement of Prior Expenditures. The City intends to reimburse
1871 itself, within eighteen months from the later of the date of expenditure or the date
1872 the property financed is placed in service (but in no event more than three years after
1873 original expenditures are paid), for the prior lawful capital expenditure of funds from
1874 the proceeds of one or more series of tax-exempt obligations that the City currently
1875 contemplates issuing obligations in the principal amount of not to exceed
1876 \$1,350,000,000 to finance a portion of the costs Convention Center Project.

1877 **SECTION 25: SALE OF BONDS – BOND PURCHASE**
1878 **AGREEMENT.** The Series 2026 Bonds are to be sold by the City to the Purchasers
1879 in accordance with one or more bond purchase agreements (each a “Purchase
1880 Contract”), the terms and provisions of which Purchase Contract are to be
1881 determined by the Authorized Official, in accordance with Section 4 of this
1882 Ordinance. With regard to such terms and provisions of the Purchase Contract, the
1883 Authorized Official may come to an agreement with the Purchasers on the following,
1884 among other matters:

- 1885 (1) The details of the purchase and sale of the Series 2026 Bonds;
- 1886 (2) The details of the public offering of the Series 2026 Bonds by the
1887 Purchasers;
- 1888 (3) The details of an Official Statement (and, if appropriate, any
1889 Preliminary Official Statement) relating to the Series 2026 Bonds and the City’s
1890 Rule 15c2-12 compliance;
- 1891 (4) A security deposit for the Series 2026 Bonds;
- 1892 (5) The representations and warranties of the City to the Purchasers;

- 1893 (6) The details of the delivery of, and payment for, the Series 2026 Bonds;
1894 (7) The Purchasers' obligations under the Purchase Contract;
1895 (8) The certain conditions to the obligations of the City under the Purchase
1896 Contract;
1897 (9) Termination of the Purchase Contract;
1898 (10) Particular covenants of the City;
1899 (11) The survival of representations made in the Purchase Contract;
1900 (12) The payment of any expenses relating to the Purchase Contract;
1901 (13) Notices; and
1902 (14) Any and all such other details that are found by the Authorized Official
1903 to be necessary and advisable for the purchase and sale of the Series 2026 Bonds.

1904 Any Authorized Official may execute the Purchase Contract for and on behalf
1905 of the City and as the act and deed of the Council.

1906 The Mayor and City Clerk of the City may manually or electronically execute
1907 and deliver for and on behalf of the City copies of a Preliminary Official Statement
1908 and Official Statement, prepared in connection with the offering of the Series 2026
1909 Bonds by the Purchasers, in final form as may be required by the Purchasers, and
1910 the final Official Statement in the form and content as approved by the Authorized
1911 Official or as manually or electronically executed by said officials shall be deemed
1912 to be approved by Council and constitute the Official Statement authorized for
1913 distribution and use by the Purchasers.

1914 **SECTION 26: PROCEEDS OF SALE.** (a) Immediately following the
1915 delivery of the Series 2026 Senior Lien Bonds, proceeds of sale designated to pay
1916 costs of issuance, proceeds of sale designated to fund the Senior Lien Reserve
1917 Requirement, if applicable, shall be disbursed for payment of costs of issuance,
1918 deposited in the Senior Lien Debt Service Fund or the Senior Lien Reserve Fund, all
1919 in accordance with written instructions from the City or its Financial Advisor.
1920 Accrued interest, if any, received from the Purchasers shall be deposited to the credit
1921 of the Senior Lien Debt Service Fund. The remainder of the proceeds shall be
1922 deposited into the special construction account or accounts created for the projects
1923 to be constructed with the proceeds of the Series 2026 Senior Lien Bonds.

1924 (b) Immediately following the delivery of the Series 2026 Junior Lien Bonds,
1925 proceeds of sale designated to pay costs of issuance, proceeds of sale designated to
1926 fund the Junior Lien Reserve Requirement, if applicable, shall be disbursed for
1927 payment of costs of issuance, deposited in the Junior Lien Debt Service Fund or the
1928 Junior Lien Reserve Fund, all in accordance with written instructions from the City
1929 or its Financial Advisor. Accrued interest, if any, received from the Purchasers shall
1930 be deposited to the credit of the Junior Lien Debt Service Fund. The remainder of
1931 the proceeds shall be deposited into the special construction account or accounts
1932 created for the projects to be constructed with the proceeds of the Series 2026 Junior
1933 Lien Bonds.

1934 **SECTION 27: CONTROL AND CUSTODY OF BONDS.** The Mayor
1935 of the City shall be and is authorized to take and have charge of all necessary orders
1936 and records pending the delivery of the Series 2026 Bonds, and shall take and have
1937 charge and control of the Initial Bond(s) pending the approval thereof by the
1938 Attorney General, the registration thereof by the Comptroller of Public Accounts
1939 and the delivery thereof to the Purchaser(s).

1940 Furthermore, the Mayor, Mayor Pro Tem, City Clerk, City Manager, Chief
1941 Financial Officer, Deputy Chief Financial Officer, City Attorney and City Treasurer,
1942 any one or more of said officials, are authorized and directed to furnish and execute
1943 such documents relating to the City and its financial affairs as may be necessary for
1944 the issuance of the Series 2026 Bonds, the approval of the Attorney General and
1945 registration by the Comptroller of Public Accounts and, together with the City's
1946 financial advisor, and the Paying Agent/Registrar, make the necessary arrangements
1947 for the delivery of the Initial Bond(s) to the initial Purchasers and the exchange
1948 thereof for obligations described in this Ordinance and in the Official Statement.

1949 **SECTION 28: LEGAL OPINION.** The obligation of the Purchasers to
1950 accept delivery of the Series 2026 Bonds is subject to being furnished a final opinion
1951 of Norton Rose Fulbright US LLP, Austin, Texas, approving such Series 2026 Bonds
1952 as to their validity, said opinion to be dated and delivered as of the date of delivery
1953 and payment for such Series 2026 Bonds. A true and correct reproduction of said
1954 opinion is authorized to be printed on the definitive Series 2026 Bonds or an
1955 executed counterpart thereof shall accompany the Series 2026 Bonds deposited with
1956 the Depository Trust Company.

1957 **SECTION 29: CUSIP NUMBERS.** CUSIP numbers may be printed or
1958 typed on the definitive Series 2026 Bonds. It is expressly provided, however, that
1959 the presence or absence of CUSIP numbers on the definitive Series 2026 Bonds shall
1960 be of no significance or effect as regards the legality thereof and neither the City

1961 nor attorneys approving said Series 2026 Bonds as to legality are to be held
1962 responsible for CUSIP numbers incorrectly printed or typed on the definitive Series
1963 2026 Bonds.

1964 **SECTION 30: BENEFITS OF ORDINANCE.** Nothing in this
1965 Ordinance, expressed or implied, is intended or shall be construed to confer upon
1966 any person other than the City, the Paying Agent/Registrar and the Holders, any
1967 right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or
1968 any provision hereof, this Ordinance and all its provisions being intended to be and
1969 being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and
1970 the Holders.

1971 **SECTION 31: INCONSISTENT PROVISIONS.** All ordinances,
1972 orders or resolutions, or parts thereof, which are in conflict or inconsistent with any
1973 provision of this Ordinance are repealed to the extent of such conflict and the
1974 provisions of this Ordinance shall be and remain controlling as to the matters
1975 contained in this Ordinance.

1976 **SECTION 32: GOVERNING LAW.** This Ordinance shall be construed
1977 and enforced in accordance with the laws of the State of Texas and the United States
1978 of America.

1979 **SECTION 33: SEVERABILITY.** If any provision of this Ordinance or
1980 the application thereof to any circumstance shall be held to be invalid, the remainder
1981 of this Ordinance and the application thereof to other circumstances shall
1982 nevertheless be valid, and the Council declares that this Ordinance would have been
1983 enacted without such invalid provision.

1984 **SECTION 34: CONSTRUCTION OF TERMS.** If appropriate in the
1985 context of this Ordinance, words of the singular number shall be considered to
1986 include the plural, words of the plural number shall be considered to include the
1987 singular, and words of the masculine, feminine or neuter gender shall be considered
1988 to include the other genders.

1989 **SECTION 35: NOTICES TO HOLDERS-WAIVER.** Wherever this
1990 Ordinance provides for notice to Holders of any event, such notice shall be
1991 sufficiently given (unless otherwise in this Ordinance expressly provided) if in
1992 writing and sent by United States Mail, first class postage prepaid, to the address of
1993 each Holder as it appears in the Security Register.

1994 In any case where notice to Holders is given by mail, neither the failure to
1995 mail such notice to any particular Holders, nor any defect in any notice so mailed,

1996 shall affect the sufficiency of such notice with respect to all other Series 2026 Bonds.
1997 Where this Ordinance provides for notice in any manner, such notice may be waived
1998 in writing by the Holder entitled to receive such notice, either before or after the
1999 event with respect to which such notice is given, and such waiver shall be the
2000 equivalent of such notice. Waivers of notice by Holders shall be filed with the
2001 Paying Agent/Registrar, but such filing shall not be a condition precedent to the
2002 validity of any action taken in reliance upon such waiver.

2003 **SECTION 36: CANCELLATION.** All Series 2026 Bonds surrendered
2004 for payment, redemption, transfer or exchange, if surrendered to the Paying
2005 Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City,
2006 shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall
2007 be promptly cancelled by the Paying Agent/Registrar. The City may at any time
2008 deliver to the Paying Agent/Registrar for cancellation any Series 2026 Bonds
2009 previously certified or registered and delivered which the City may have acquired in
2010 any manner whatsoever, and all Series 2026 Bonds so delivered shall be promptly
2011 cancelled by the Paying Agent/Registrar. All cancelled Series 2026 Bonds held by
2012 the Paying Agent/Registrar shall be destroyed as directed by the City.

2013 **SECTION 37: CONTINUING DISCLOSURE UNDERTAKING.**

2014 (a) Definitions. As used in this Section, the following terms have the
2015 meanings ascribed to such terms below:

2016 *EMMA* means the MSRB's Electronic Municipal Market Access system,
2017 accessible by the general public, without charge, on the internet through the uniform
2018 resource locator (URL) <http://www.emma.msrb.org>.

2019 *Financial Obligation* means a (a) debt obligation; (b) derivative instrument
2020 entered into in connection with, or pledged as security or a source of payment for,
2021 an existing or planned debt obligation; or (c) guarantee of a debt obligation or any
2022 such derivative instrument; provided that "financial obligation" shall not include
2023 municipal securities (as defined in the Securities Exchange Act of 1934, as amended)
2024 as to which a final official statement (as defined in the Rule) has been provided to
2025 the MSRB consistent with the Rule.

2026 *MSRB* means the Municipal Securities Rulemaking Board.

2027 *Rule* means SEC Rule 15c2-12, as amended from time to time.

2028 *SEC* means the United States Securities and Exchange Commission.

2029 *Undertaking* means the City's continuing disclosure undertaking, described
2030 in Subsections (b) through (e) below, hereunder accepted and entered into by the
2031 City for the purpose of compliance with the Rule.

2032 (b) Annual Reports. The City shall file annually with the MSRB, (1) within
2033 six months after the end of each fiscal year of the City ending in or after 2026,
2034 financial information and operating data with respect to the City of the general type
2035 included in the final Official Statement approved by the Authorized Official and
2036 described in the Pricing Certificate, and (2) if not provided as part of such financial
2037 information and operating data, audited financial statements of the City, when and
2038 if available. Any financial statements so to be provided shall be (i) prepared in
2039 accordance with the accounting principles described in the Pricing Certificate, or
2040 such other accounting principles as the City may be required to employ from time to
2041 time pursuant to state law or regulation, and (ii) audited, if the City commissions an
2042 audit of such financial statements and the audit is completed within the period during
2043 which they must be provided. If the audit of such financial statements is not complete
2044 within such period, then the City shall file unaudited financial statements within such
2045 period and audited financial statements for the applicable fiscal year to the MSRB,
2046 when and if the audit report on such financial statements becomes available. Under
2047 current Texas law, including, but not limited to, Chapter 103, as amended, Texas
2048 Local Government Code, the City must have its records and accounts audited
2049 annually and shall have an annual financial statement prepared based on the audit.
2050 The annual financial statement, including the auditor's opinion on the statement,
2051 shall be filed in the office of the City Secretary within 180 days after the last day of
2052 the City's fiscal year. Additionally, upon the filing of this financial statement and
2053 the annual audit, these documents are subject to the Texas Open Records Act, as
2054 amended, Texas Government Code, Chapter 552.

2055 If the City changes its fiscal year, it will notify the MSRB of the change (and
2056 of the date of the new fiscal year end) prior to the next date by which the City
2057 otherwise would be required to provide financial information and operating data
2058 pursuant to this Section.

2059 The financial information and operating data to be provided pursuant to this
2060 Section may be set forth in full in one or more documents or may be included by
2061 specific reference to any document available to the public on the MSRB's Internet
2062 Web site or filed with the SEC.

2063 (c) Notice of Certain Events. The City shall provide notice of any of the
2064 following events with respect to the Bonds to the MSRB in a timely manner and not
2065 more than 10 business days after occurrence of the event:

- 2066 (i) Principal and interest payment delinquencies;
- 2067 (ii) Non-payment related defaults, if material;
- 2068 (iii) Unscheduled draws on debt service reserves
2069 reflecting financial difficulties;
- 2070 (iv) Unscheduled draws on credit enhancements
2071 reflecting financial difficulties;
- 2072 (v) Substitution of credit or liquidity providers, or their
2073 failure to perform;
- 2074 (vi) Adverse tax opinions, the issuance by the Internal
2075 Revenue Service of proposed or final determinations of taxability,
2076 Notices of Proposed Issue (IRS Form 5701-TEB), or other material
2077 notices or determinations with respect to the tax status of the Bonds, or
2078 other material events affecting the tax status of the Bonds;
- 2079 (vii) Modifications to rights of holders of the Bonds, if
2080 material;
- 2081 (viii) Bond calls, if material, and tender offers;
- 2082 (ix) Defeasances;
- 2083 (x) Release, substitution, or sale of property securing
2084 repayment of the Bonds, if material;
- 2085 (xi) Rating changes;
- 2086 (xii) Bankruptcy, insolvency, receivership, or similar
2087 event of the City, which shall occur as described below;
- 2088 (xiii) The consummation of a merger, consolidation, or
2089 acquisition involving the City or the sale of all or substantially all of its
2090 assets, other than in the ordinary course of business, the entry into of a
2091 definitive agreement to undertake such an action or the termination of
2092 a definitive agreement relating to any such actions, other than pursuant
2093 to its terms, if material;
- 2094 (xiv) Appointment of a successor or additional trustee or
2095 the change of name of a trustee, if material;

2096 (xv) Incurrence of a Financial Obligation of the City, if
2097 material, or agreement to covenants, events of default, remedies,
2098 priority rights, or other similar terms of a Financial Obligation of the
2099 City, any of which affect security holders, if material; and

2100 (xvi) Default, event of acceleration, termination event,
2101 modification of terms, or other similar events under the terms of a
2102 Financial Obligation of the City, any of which reflect financial
2103 difficulties.

2104 For these purposes, (a) any event described in the immediately preceding
2105 paragraph (xii) is considered to occur when any of the following occur: the
2106 appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding
2107 under the United States Bankruptcy Code or in any other proceeding under state or
2108 federal law in which a court or governmental authority has assumed jurisdiction over
2109 substantially all of the assets or business of the City, or if such jurisdiction has been
2110 assumed by leaving the existing governing body and officials or officers in
2111 possession but subject to the supervision and orders of a court or governmental
2112 authority, or the entry of an order confirming a plan of reorganization, arrangement,
2113 or liquidation by a court or governmental authority having supervision or jurisdiction
2114 over substantially all of the assets or business of the City, and (b) the City intends
2115 the words used in the immediately preceding paragraphs (xv) and (xvi) and the
2116 definition of Financial Obligation in this Section to have the same meanings as when
2117 they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August
2118 20, 2018.

2119 The City shall notify the MSRB, in a timely manner, of any failure by the City
2120 to provide financial information or operating data in accordance with this Section by
2121 the time required by this Section.

2122 (d) Limitations, Disclaimers and Amendments. The City shall be obligated
2123 to observe and perform the covenants specified in this Section with respect to the
2124 City and the Bonds while, but only while, the City remains an “obligated person”
2125 with respect to the Bonds within the meaning of the Rule, except that the City in any
2126 event will give the notice required by subsection (c) hereof of any Bond calls and/or
2127 defeasances that cause the City to no longer be such an “obligated person”.

2128 The provisions of this Section are for the sole benefit of the Holders and
2129 beneficial owners of the Bonds, and nothing in this Section, express or implied, shall
2130 give any benefit or any legal or equitable right, remedy, or claim hereunder to any
2131 other person. The City undertakes to provide only the financial information,

operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not undertake to provide any other information that may be relevant or material to a complete presentation of the financial results, condition, or prospects of the City or the State of Texas or undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided in this Section. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

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

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

Notwithstanding anything in this Ordinance to the contrary, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount and Maturity Amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or

2169 repeals the applicable provisions of the Rule or a court of final jurisdiction
2170 determines that such provisions are invalid, but only if and to the extent that
2171 reservation of the City's right to do so would not prevent underwriters of the initial
2172 public offering of the Bonds from lawfully purchasing or selling Bonds in such
2173 offering. If the City so amends the provisions of this Section, it shall include with
2174 any amended financial information or operating data next provided in accordance
2175 with subsection (b) an explanation, in narrative form, of the reasons for the
2176 amendment and of the impact of any change in the type of financial information or
2177 operating data so provided.

2178 (e) Information Format – Incorporation by Reference. The City
2179 information required under this Section shall be filed with the MSRB through
2180 EMMA in such format and accompanied by such identifying information as may be
2181 specified from time to time thereby. Under the current rules of the MSRB,
2182 continuing disclosure documents submitted to EMMA must be in word-searchable
2183 portable document format (PDF) files that permit the document to be saved, viewed,
2184 printed, and retransmitted by electronic means and the series of obligations to which
2185 such continuing disclosure documents relate must be identified by CUSIP number
2186 or numbers. Financial information and operating data to be provided pursuant to
2187 this Section may be set forth in full in one or more documents or may be included
2188 by specific reference to any document (including an official statement or other
2189 offering document) available to the public through EMMA or filed with the SEC.

2190 **SECTION 38: RESCINDING PRIOR AUTHORIZATION.** This
2191 Ordinance supersedes the authority provided by the Prior Ordinance and the Prior
2192 Ordinance is hereby rescinded.

2193 **SECTION 39: [BOND INSURANCE].**

2194 **SECTION 40: PUBLIC MEETING.** It is officially found, determined,
2195 and declared that the meeting at which this Ordinance is adopted was open to the
2196 public and public notice of the time, place, and subject matter of the public business
2197 to be considered at such meeting, including this Ordinance, was given, all as required
2198 by Chapter 551, as amended, Texas Government Code.

2199 **SECTION 41: EFFECTIVE DATE.** This Ordinance is passed on one
2200 reading as authorized by Section 1201.028, as amended, Texas Government Code
2201 and shall be effective immediately upon its passage and adoption.

2202 *[remainder of page left blank intentionally]*

2203

PASSED AND APPROVED

CITY OF AUSTIN, TEXAS

[_____] [__], 2026

§
§
§

APPROVED:

KIRK WATSON
Mayor

ATTEST:

DEBORAH THOMAS
City Attorney

ERIKA BRADY
City Clerk

(City Seal)

EXHIBIT A

Paying Agent/Registrar Agreement