

**SECOND AMENDED AND RESTATED FEE LETTER  
(TAX-EXEMPT PROGRAM NOTES)**

June 18, 2024

City of Austin, Texas  
Austin, Texas

Re: City of Austin, Texas  
Combined Utility Systems  
Tax-Exempt Program Notes  
(the “*Tax-Exempt Program Notes*”)

Ladies and Gentlemen:

Reference is made to (i) that certain Second Amended and Restated Revolving Credit Agreement dated as of June 18, 2024 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “*Credit Agreement*”), by and between the City of Austin, Texas (the “*City*”) and JPMorgan Chase Bank, National Association (the “*Bank*”), (ii) that certain Second Amended and Restated Note Purchase Agreement dated as of June 18, 2024 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “*Note Purchase Agreement*”, and together with the Credit Agreement, the “*Agreements*”), by and between the City and the Bank, entered into in connection with the Tax-Exempt Program Notes, and (ii) that certain Fee Letter (Tax-Exempt Program Notes) dated October 1, 2020 (the “*Existing Fee Letter*”) between the City and the Bank.

The City has requested that the Bank make certain modifications to the Existing Fee Letter, and, for the sake of clarity and convenience, the Bank and the City wish to amend and restate the Existing Fee Letter in its entirety, and this Second Amended and Restated Fee Letter (this “*Fee Letter*”), dated June 18, 2024 shall amend and restate the Existing Fee Letter in its entirety. This letter is the Fee Letter described in the Agreements, and the terms hereof are incorporated by reference into the Agreements. Except as otherwise defined herein, capitalized terms shall have the meanings given to such terms in the Agreements.

The purpose of this Fee Letter is to confirm the agreement between the Bank and the City with respect to the Facility Fees (as defined below) and certain other fees payable by the City to the Bank from time to time in connection with the Agreements.

**SECTION I. DEFINITIONS.**

In addition to the terms defined in the recitals and elsewhere in this Fee Letter and the Agreements, the following terms shall have the following meanings:

“*Business Day*” means any day other than (i) a Saturday, (ii) a Sunday, (iii) a day on which banking institutions in the State of Texas or the State of New York are authorized or obligated by law or executive order to be closed, (iv) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed, and (v) a State legal holiday.

“*Final Stated Expiration Date*” means the later to occur of (i) the Stated Expiration Date (as defined in the Note Purchase Agreement) and (ii) the Stated Expiration Date (as defined in the Credit Agreement).

“*Final Termination Date*” means the later to occur of (i) the Commitment Termination Date (as defined in the Note Purchase Agreement) and (ii) the Commitment Termination Date (as defined in the Credit Agreement).

“*Maximum Aggregate Available Commitment*” means, at any time, the greater of (i) the Available Commitment (as defined in the Credit Agreement) from time to time in effect and (ii) the Available Commitment (as defined in the Note Purchase Agreement) from time to time in effect.

“*Maximum Aggregate Commitment*” means, at any time, the greater of (i) the Commitment (as defined in the Credit Agreement) from time to time in effect and (ii) the Commitment (as defined in the Note Purchase Agreement) from time to time in effect.

## SECTION II. FEES.

(a) *Facility Fee.* The City hereby agrees to pay to the Bank on July 1, 2024 (for the period commencing on June 18, 2024 and ending on June 30, 2024), and on the first Business Day of each October, January, April and July to occur thereafter (each, a “*Quarterly Payment Date*”) to the Final Termination Date, and on the Final Termination Date, for each day during the immediately preceding fee period, a non-refundable commitment fee (the “*Facility Fee*”), computed in arrears (on the basis of a 360 day year for the actual number of days elapsed per the applicable fee period) in an amount equal to the product of the Maximum Aggregate Available Commitment for each day during the related fee period and the rate per annum corresponding to the Applicable Ratings set forth in the applicable Level in the pricing matrix below (the “*Facility Fee Rate*”) from time to time in effect for each day during each related fee period:

| LEVEL | S&P<br>APPLICABLE RATING | FITCH<br>APPLICABLE RATING | MOODY'S<br>APPLICABLE RATING | FACILITY FEE RATE |
|-------|--------------------------|----------------------------|------------------------------|-------------------|
| I     | AA- or above             | AA- or above               | Aa3 or above                 | 0.53%             |
| II    | A+                       | A+                         | A1                           | 0.63%             |
| III   | A                        | A                          | A2                           | 0.73%             |
| IV    | A-                       | A-                         | A3                           | 0.83%             |
| V     | BBB+                     | BBB+                       | Baa1                         | 0.93%             |

|     |               |               |               |       |
|-----|---------------|---------------|---------------|-------|
| VI  | BBB           | BBB           | Baa2          | 1.03% |
| VII | BBB- or below | BBB- or below | Baa3 or below | 1.13% |

The term “*Applicable Rating*” shall mean, with respect to any Rating Agency, and at any given time, the lower of (x) the long-term credit rating assigned by such Rating Agency to the City’s Separate Lien Obligations payable solely from the Net Revenues of the Electric Light and Power System (without regard to any bond insurance or other credit enhancement) (the “*Electric Light and Power System Rating*” of such Rating Agency) and (y) the long-term credit rating assigned by such Rating Agency to the City’s Separate Lien Obligations payable solely from the Net Revenues of the Waterworks and Sewer System (without regard to any bond insurance or other credit enhancement) (the “*Waterworks and Sewer System Rating*” of such Rating Agency). If both Electric Light and Power System Ratings and Waterworks and Sewer System Ratings are assigned by all three Rating Agencies, then the Facility Fee Rate shall be based upon the Level in which the Applicable Ratings appear; *provided* that if there is a split in the Applicable Ratings of the Rating Agencies (i.e., the Applicable Rating of one Rating Agency is at a different Level than the Applicable Rating of any other Rating Agency), then, (i) if two of the Applicable Ratings are equivalent, the Facility Fee Rate shall be based upon the Level in which the two equivalent Applicable Ratings appear, and (ii) if no two Applicable Ratings are equivalent, the Facility Fee Rate shall be based upon the Level in which the middle Applicable Rating appears. If fewer than all three Rating Agencies provide both Electric Light and Power System Ratings and Waterworks and Sewer System Ratings, then the Facility Fee Rate shall be based upon the Level in which the lowest Applicable Rating appears. Any change in the Facility Fee Rate resulting from a change in an Applicable Rating shall be and become effective as of and on the date of the public announcement of the change in such Applicable Rating. References to the ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the applicable rating in connection with the adoption of a “*global*” rating scale, the rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The City acknowledges, and the Bank agrees, that as of the date hereof the Facility Fee Rate is that specified above for Level I. Upon the occurrence and during the continuance of an Event of Default, the Facility Fee Rate shall automatically, immediately and without notice be increased from the rate then in effect by an additional one percent (1.00%). The Facility Fees shall accrue interest at the Default Rate from the date payment is due until such Facility Fees are paid in full. For the avoidance of doubt, the Facility Fees are computed based on the Maximum Aggregate Available Commitment and are not payable with respect to the outstanding principal amount of (i) Notes (as defined in the Note Purchase Agreement) purchased pursuant to the Note Purchase Agreement or (ii) Loans (as defined in the Credit Agreement) made pursuant to the Credit Agreement.

(b) *Advance Fee.* The City hereby agrees to pay to the Bank in connection with each and every Advance under the Credit Agreement, a non-refundable advance fee of \$250 for each such Advance, payable without any requirement of notice or demand by the Bank on the date of the related Advance.

(c) *Amendments, Waivers, Extension etc.* The City agrees to pay to the Bank on the date of each amendment, modification or supplement to any Agreement or any other Related Document (as defined in the Agreements) requiring the waiver or consent of the Bank, a non-refundable amendment, modification, supplement, waiver or consent fee, as applicable, of \$2,500 (or such other amount as may be agreed to by the Bank and the City); *provided, however*, that the fee payable pursuant to this section shall not be required in connection with amendments executed solely for the purpose of extending the Final Stated Expiration Date. The City shall pay to the Bank's legal counsel the reasonable fees and disbursements of such legal counsel retained by the Bank in connection with any amendment, modification or supplement to the Agreement or any other Related Document requiring the waiver or consent of the Bank.

(d) *Termination Fee; Reduction Fee.*

(i) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the City hereby agrees to pay to the Bank a non-refundable termination fee in connection with any termination or replacement of the Agreements by the City prior to the Final Stated Expiration Date in an amount equal to the product of (A) the Facility Fee Rate in effect on the date of such termination or replacement, (B) the Maximum Aggregate Commitment in effect as of the date of termination or replacement (prior to giving effect to such termination or replacement) and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such termination or replacement to and including the Final Stated Expiration Date and the denominator of which is 360, payable on the date of such termination or replacement; *provided, however*, that no termination fee shall become payable if the Agreements are terminated or replaced as a result of (1) a withdrawal, suspension or reduction of the Bank's senior unsecured short-term ratings below "P-1" (or its equivalent), "F1" (or its equivalent) or "A-1" (or its equivalent), respectively, by any two of Moody's, Fitch or S&P, (2) the City shall have paid to the Bank any compensation pursuant to Section 3.02 of either Agreement, or (3) the City's election to refinance or refund the Tax-Exempt Program Notes in full from a source of funds which does not involve the issuance by a bank or any other financial institution of a letter of credit, liquidity facility, credit facility or direct purchase agreement.

(ii) Notwithstanding the foregoing and anything set forth herein or in the Agreement to the contrary, the City hereby agrees to pay to the Bank, in connection with each and every permanent reduction of the Maximum Aggregate Commitment by the City prior to the Final Stated Expiration Date, a non-refundable reduction fee in an amount equal to the product of (A) the Facility Fee Rate in effect on the date of such permanent reduction (prior to giving effect to such reduction), (B) the amount by which the Maximum Aggregate Commitment is being permanently reduced, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including the Final Stated Expiration Date and the denominator of which is 360, payable on the date of such permanent reduction; *provided, however*, that no reduction fee shall become payable by the City in the event that such reduction of the Maximum Aggregate Commitment is a result of a permanent reduction in the aggregate principal amount of the Tax-Exempt Program Notes authorized under the Ordinance, so long as such reduction is not replaced by another series of commercial paper or other notes

supported or funded by a commercial bank or other financial institution with a liquidity facility, letter of credit, credit facility or direct purchase agreement.

### SECTION III. MISCELLANEOUS.

(a) *Out-of-Pocket Expenses; Legal Fees.* The City shall pay to the Bank promptly upon receipt of invoice any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank), all payable in accordance with this Fee Letter. The City shall pay the reasonable legal fees and expenses of the Bank incurred in connection with the preparation and negotiation of the Agreements, this Fee Letter and certain other Related Documents. Legal fees shall be paid directly to the Bank's counsel, Chapman and Cutler LLP, in accordance with the instructions provided by Chapman and Cutler LLP.

(b) *Fees Generally.* All fees payable under this Fee Letter and the Agreements are to compensate the Bank for its commitment to lend, will be nonrefundable and will be deemed earned when paid.

(c) *Governing Law.* THIS FEE LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, PROVIDED, HOWEVER, THE RIGHTS, DUTIES AND OBLIGATIONS OF THE BANK UNDER THIS FEE LETTER, IF ANY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PROVISIONS (OTHER THAN NEW YORK GENERAL OBLIGATIONS LAWS 5-1401 AND 5-1402).

(d) *Counterparts; Severability.* This Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. This Fee Letter may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page. Any provision of this Fee Letter which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

(e) *Amendments.* No amendment to this Fee Letter shall become effective unless in writing and signed by the City and the Bank.

(f) *No Disclosure.* Unless required by law, the City shall not deliver or permit, authorize or consent to the delivery of this Fee Letter to a Dealer or any other Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent.

(g) *Incorporation of State Law Verifications.* Section 8.19 of the Agreements is hereby incorporated herein by reference and shall apply to this Fee Agreement as if expressly made herein with respect to this Fee Agreement.

(h) *Amendment and Restatement.* This Fee Letter amends and restates in its entirety the Existing Fee Letter. Reference to this specific Fee Letter need not be made in any Related Document or any other agreement, document, instrument, letter, certificate, the Existing Fee Letter itself, or any communication issued or made pursuant to or with respect to the Existing Fee Letter, any reference to the Fee Letter being sufficient to refer to the Existing Fee Letter as amended and restated hereby, and more specifically, any and all references to the Fee Letter in the Agreements shall mean this Fee Letter.

Please confirm that the foregoing is the City's mutual understanding by signing and returning to the Bank an executed counterpart of this Fee Letter. This Fee Letter shall become effective as of the date first above referenced upon the Bank's receipt of an executed counterpart of this Fee Letter from the City.

[SIGNATURE PAGES FOLLOW]

Very truly yours,

JPMORGAN CHASE BANK, NATIONAL  
ASSOCIATION

By: \_\_\_\_\_

Name: Justin Wahn

Its: Executive Director

DRAFT

Accepted and agreed to as of the date first written above by:

CITY OF AUSTIN, TEXAS

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

City Clerk

APPROVED:

\_\_\_\_\_

City Attorney