

**ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF ROUND ROCK, TEXAS
COMBINATION TAX AND LIMITED REVENUE CERTIFICATE OF OBLIGATION,
SERIES 2020A; LEVYING AN AD VALOREM TAX AND PLEDGING CERTAIN
SURPLUS REVENUES IN SUPPORT OF THE CERTIFICATE; AWARDING THE
SALE OF THE CERTIFICATE; AND AUTHORIZING OTHER MATTERS RELATED
TO THE ISSUANCE OF THE CERTIFICATE**

WHEREAS, the meeting at which this Ordinance was passed was open to the public and public notice of the time, place and purpose of said meeting was given pursuant to Chapter 551, Texas Government Code, as amended, *and as further modified by an order issued by the Governor*

of the State of Texas on March 16, 2020, suspending certain provisions of the Open Meetings Act in light of his disaster proclamation issued on March 13, 2020, regarding the novel coronavirus (COVID-19).

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROUND ROCK:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE CERTIFICATE. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The certificate of the City is hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ for paying all or a portion of the City's contractual obligations incurred or to be incurred for (1) constructing, improving, extending, expanding, upgrading and/or developing streets, roads, bridges, sidewalks, intersections, traffic signalization and other transportation improvement projects including related waterworks, sewer and drainage improvements, signage, landscaping, irrigation, purchasing any necessary rights-of-way and other related transportation costs, including, but not limited to, Deepwood Drive, Gattis School Road, Kenney Fort Boulevard, Logan Street, McNeil Road, North Mays Street, Oakmont Drive, Old Settlers Boulevard, Red Bud Lane, Ranch-to-Market Road 620, SH45 Frontage Road, University Boulevard, Wyoming Springs Drive and County Road 112; and (2) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuance in connection with the Certificate.

Section 2. DESIGNATION, DATE, DENOMINATIONS AND NUMBERS OF CERTIFICATES. The Certificate issued pursuant to this Ordinance shall be designated: "CITY OF ROUND ROCK, TEXAS COMBINATION TAX AND LIMITED REVENUE CERTIFICATE OF OBLIGATION, SERIES 2020A," and initially there shall be issued, sold, and delivered hereunder one fully registered certificate, without interest coupons, dated May 21, 2020, in the principal amount stated above and in the denomination of \$_____, numbered R-1, with certificates issued in replacement thereof being in a like denomination and numbered consecutively from R-2 upward, payable to the registered owner thereof, or to the registered assignee of the Certificate or any portion or portions thereof (in each case, the "Registered Owner"), and the Certificate shall mature and be payable in annual installments as set forth in the FORM OF CERTIFICATE set forth in this Ordinance. The term "Certificate" as used in this Ordinance shall mean and include collectively the certificate initially issued and delivered pursuant to this Ordinance and all substitute certificates exchanged therefor, as well as all other substitute certificates and replacement certificates issued pursuant hereto.

Section 3. INTEREST. The Certificate shall bear interest from the date of initial delivery to the date of maturity or redemption prior to maturity at the rate of _____% per annum from the date of initial delivery through and including August 15, 2035. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE set forth in this Ordinance.

Section 4. CHARACTERISTICS OF THE CERTIFICATE. (a) Registration, Transfer; Authentication. The City shall keep or cause to be kept at the principal corporate trust or other office of _____, _____, _____ (the "Paying Agent/Registrar") books or records for the registration of the transfer and exchange of the Certificate (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of the Certificate to which payments with respect to the Certificate shall be mailed, as herein provided; but it shall be the duty of the Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Certificate. Registration of assignments, transfers and exchanges of the Certificate shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE set forth in this Ordinance. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

Except as provided in Section 4(c) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, date and manually sign said Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel the paid Certificate or any Certificate surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Certificate, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificate in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, as amended, the duty of transfer and exchange of the Certificate as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificate which initially was issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Certificate and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificate, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificate and shall properly and accurately record all payments on the Certificate on the Registration Books, and shall keep proper records of all transfers of the Certificate, and all replacements of the Certificate, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a

"Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of the Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Certificate (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificate to be payable only to the Registered Owner thereof, (ii) may be redeemed in whole or in part prior to its scheduled maturity, (iii) may be transferred and assigned, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Certificate shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificate, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE set forth in this Ordinance. The Certificate initially issued and delivered pursuant to this Ordinance (to which Certificate is attached the Registration Certificate of the Comptroller of Public Accounts) is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate issued in exchange for any Certificate issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF CERTIFICATE.

(d) Substitute Paying Agent/Registrar. The City covenants with the Registered Owner of the Certificate that at all times while the Certificate is outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Certificate under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days written notice to the Paying Agent/Registrar, to be effective not later than 20 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificate, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to the Registered Owner of the Certificate, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) On the closing date, the initial Certificate No. R-1 representing the entire principal amount of the Certificate, payable to the Purchaser, executed by manual or facsimile signature of the Mayor and City Clerk of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, and with the date of delivery inserted thereon by the Paying Agent/Registrar, will be delivered to the Purchaser or its designee.

Section 5. FORM OF CERTIFICATE. The form of the Certificate, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificate initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

(a) [Form of Certificate]

NO. R-	UNITED STATES OF AMERICA	PRINCIPAL
	STATE OF TEXAS	AMOUNT
	COUNTIES OF TRAVIS AND	\$_____,000
	WILLIAMSON	
	CITY OF ROUND ROCK, TEXAS	
	COMBINATION TAX AND LIMITED	
	REVENUE CERTIFICATE OF	
	OBLIGATION,	
	SERIES 2020A	

DATE OF DELIVERY: MAY 21, 2020

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

INTEREST RATE: _____ %

MATURITY DATE: AUGUST 15, 2035

THE CITY OF ROUND ROCK, TEXAS in Travis and Williamson Counties, Texas (the "City"), being a political subdivision of the State of Texas, for value received, promises to pay, from the sources described herein, to the registered owner specified above, or registered assigns, the principal amount specified above, and to pay interest thereon, from the Date of Delivery set forth above (calculated on the basis of a 360-day year of twelve 30-day months), on the balance of said principal amount from time to time remaining unpaid, at the rate per annum set forth above. The principal of this Certificate shall be paid in installments on each August 15 in the years and in the amounts set forth in the table below:

Payment Date	Principal Installment	Payment Date	Principal Installment
2021	\$	2029	\$
2022		2030	
2023		2031	
2024		2032	
2025		2033	
2026		2034	
2027		2035	
2028			

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The City shall pay interest on this Certificate (calculated on the basis of a 360-day year of twelve 30-day months) on February 15, 2021 and on each August 15 and February 15 thereafter to the date of maturity or redemption prior to maturity. The last principal installment of this Certificate shall be paid to the registered owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at the corporate trust or other office of _____, _____, _____, which is the "Paying Agent/Registrar" for this Certificate. The payment of all other principal installments of and interest on this Certificate shall be made by the Paying Agent/Registrar to the registered owner hereof on each principal and interest payment date by check or draft, dated as of such principal and interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Certificate (the "Certificate Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, principal and interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner.

ANY ACCRUED INTEREST due in connection with the payment of the final installment of principal of this Certificate shall be paid to the registered owner upon presentation and surrender of this Certificate for payment or redemption at the designated corporate trust or other office of the Paying Agent/Registrar. The City covenants with the registered owner of this Certificate that on or before each principal payment date, interest payment date, and accrued interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Certificate Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on this Certificate, when due.

IF THE DATE FOR THE PAYMENT of this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the designated corporate trust or other office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE IS dated as of May 21, 2020 and is authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____ for paying all or a portion of the City's contractual obligations incurred or to be incurred for (1) constructing, improving, extending, expanding, upgrading and/or developing streets, roads, bridges, sidewalks, intersections, traffic signalization and other transportation improvement projects including related waterworks, sewer and drainage improvements, signage, landscaping, irrigation, purchasing any necessary rights-of-way and other related transportation costs, including, but not limited to, Deepwood Drive, Gattis School Road, Kenney Fort Boulevard, Logan Street, McNeil Road, North Mays Street, Oakmont Drive, Old Settlers Boulevard, Red Bud Lane, Ranch-to-Market Road 620, SH45 Frontage Road, University Boulevard, Wyoming Springs Drive and County Road 112; and (2) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the issuance in connection with the Certificate.

THE UNPAID SCHEDULED PRINCIPAL INSTALLMENTS of the Certificate are subject to redemption at the option of the City on August 15, 20__, or on any date thereafter, in whole or in part (provided that any partial redemption may occur only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be so redeemed plus accrued interest on the principal amount to be so redeemed.

IF THE PAYING AGENT/REGISTRAR is not also the registered owner of this Certificate, no less than 10 days prior to the date fixed for any such redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the registered owner of this Certificate at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the business day immediately preceding the date of such notice. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice, notice having been so given, the obligations called for redemption shall become due and payable on the specified redemption date, and notwithstanding that this Certificate has not been surrendered for payment, interest on this Certificate shall cease to accrue. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for this Certificate or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, this Certificate or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment.

UPON THE PREPAYMENT or partial redemption of this Certificate, the Paying Agent/Registrar, shall note in the Prepayment Record appearing on this Certificate the amount of such prepayment or partial redemption, the date said payment was made and the remaining unpaid principal balance of this Certificate and shall then have said entry signed by an authorized official of the Paying Agent/Registrar. The Paying Agent/Registrar shall also record such information in the Register, and the Paying Agent/Registrar shall also record in the Register all payments of principal installments on such Certificate when made on their respective due dates.

THIS CERTIFICATE IS issuable solely as a single fully registered Certificate, without interest coupons. As provided in the Certificate Ordinance, this Certificate may, at the request of the registered owner or the assignee hereof, be assigned and transferred for a like aggregate principal amount Certificate, without interest coupons, payable to the appropriate registered owner or assignee, as the case may be, having the same denomination, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Certificate Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with the proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate to the assignee this Certificate is to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate from time to time by the registered owner. In the case of the assignment and transfer of this Certificate, the reasonable standard or customary fees and charges of the Paying Agent/Registrar will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment and transfer, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest Payment Date.

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

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Certificate have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law, and that this Certificate is additionally secured by and payable from a limited pledge of the surplus revenues of the City's System, remaining after payment of all operation and

maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or part of the net revenues of the City's System, which amount shall not exceed \$1,000, all as provided in the Certificate Ordinance.

THE CITY ALSO HAS RESERVED THE RIGHT to amend the Certificate Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the Registered Owner of the Certificate.

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

IN WITNESS WHEREOF, the City has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Clerk of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Certificate.

<u> (signature) </u> City Clerk	<u> (signature) </u> Mayor
(SEAL)	

(b) [Form of Prepayment Record]

PREPAYMENT RECORD

Date of Payment	Principal Prepayment (amount and installment(s) to which payment is applied)	Remaining Principal Balance	Name and Title of Authorized Officer making Entry	Signature of Authorized Officer
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(c) [Form of Paying Agent/Registrar's Authentication Certificate]

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Certificate is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Certificate has been issued under the provisions of the Certificate Ordinance described in the text of this Certificate; and that this Certificate has been issued in conversion or replacement of, or in exchange for, a Certificate that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____

Paying Agent/Registrar

By _____
Authorized Representative

(d) [Form of Assignment]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto
_____.

Please insert Social Security or Taxpayer Identification Number of Transferee

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

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints
_____, attorney, to register the transfer of the within
Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by an eligible guarantor institution

NOTICE: The signature above must
correspond with the name of the registered

participating in a securities transfer association recognized signature guarantee program.

owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

(e) [Form of Registration Certificate of the Comptroller of Public Accounts]

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

Section 6. INTEREST AND SINKING FUND. A special "Interest and Sinking Fund" has been created and shall be established and maintained by the City at an official depository bank of the City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificate. All ad valorem taxes levied and collected for and on account of the Certificate shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any part of the Certificate is outstanding and unpaid, the governing body of the City shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on the Certificate as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal installments of the Certificate as such principal matures (but never less than 2% of the original amount of the Certificate as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City, for each year while any part of the Certificate is outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificate, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

Section 7. SURPLUS REVENUES. The Certificate is additionally secured by and shall be payable from and secured by a limited pledge of the surplus revenues of the City's System, after

payment of all operation and maintenance expenses or collections thereof, and all debt service, reserve and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding) which are payable from all or any part of the net revenues of the City's System, which amount shall not exceed \$1,000, with such amount constituting "Surplus Revenues." The City shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to Section 6, to the extent necessary to pay the principal and interest on the Certificate. Notwithstanding the requirements of Section 6, if Surplus Revenues are actually on deposit or budgeted for deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to Section 6 may be reduced to the extent and by the amount of the Surplus Revenues then on deposit in the Interest and Sinking Fund.

Whenever used in this Ordinance the Term "System" means the City's combined waterworks, sewer and drainage system.

Section 8. DEFAULT AND REMEDIES.

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on the Certificate when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the registered owner of the Certificate, including, but not limited to, its prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by the registered owner to the City.

(b) Remedies for Default. Upon the happening of any Event of Default, then and in every case, the registered owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the registered owner under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owner hereunder or any combination of such remedies.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificate or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other

provision of this Ordinance, the right to accelerate the debt evidenced by the Certificate shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

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

Section 9. USE OF CERTIFICATE PROCEEDS. The proceeds of the issuance of the Certificate shall be deposited in a special construction account of the City and used for the purposes for which the Certificate is hereby authorized to be issued.

Section 10. INVESTMENTS. The City Council may place proceeds of the Certificate (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the City hereby covenants that the proceeds of the sale of the Certificate will be used as soon as practicable for the purposes for which the Certificate are issued.

Section 11. SECURITY FOR FUNDS. All deposits authorized or required by this Ordinance shall be secured to the fullest extent required by law for the security of public funds.

Section 12. CITY OFFICERS' DUTIES.

(a) The Mayor is hereby instructed and directed to do any and all things necessary in reference to the issuance of the Certificate and to make money available for the payment of the Certificate in the manner provided by law and this Ordinance.

(b) The Mayor and City Clerk are authorized to execute the Certificate to which this Ordinance is attached on behalf of the City and to do any and all things proper and necessary to carry out the intent hereof.

Section 13. DEFEASANCE OF CERTIFICATE.

(a) The Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the

extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until the Defeased Certificate shall have become due and payable or (3) any combination of (1) and (2). At such time as the Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities and thereafter the City will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Certificate, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of the Certificate as aforesaid when proper notice of redemption of such Certificate shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Certificate and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Certificate and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Certificate and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until the Defeased Certificate shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificate the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust

company or commercial bank pursuant to this Section for the payment of the Certificate and such Certificate shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Certificate affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Certificate to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Certificate for redemption in accordance with the provisions of this Ordinance, the City may call such Defeased Certificate for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Certificate as though it was being defeased at the time of the exercise of the option to redeem the Defeased Certificate and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Certificate.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding obligations or otherwise provide for the funding of an escrow to effect the defeasance of the Certificate are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding Certificate or otherwise provide for the funding of an escrow to effect the defeasance of the Certificate, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificate.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

Section 14. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATE.

(a) Replacement Certificate. In the event the Certificate is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Certificate of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate, in replacement for such Certificate in the manner hereinafter provided.

(b) Application for Replacement Certificate. Application for replacement of a damaged, mutilated, lost, stolen, or destroyed Certificate shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate, the Registered

Owner applying for a replacement Certificate shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate, the Registered Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Certificate, as the case may be. In every case of damage or mutilation of a Certificate, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event the Certificate shall have matured, and no default has occurred which is then continuing in the payment of the principal of or interest on the Certificate, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificate. Prior to the issuance of a replacement Certificate, the Paying Agent/Registrar shall charge the Registered Owner of such Certificate with all legal, printing, and other expenses in connection therewith. Every replacement Certificate issued pursuant to the provisions of this Section by virtue of the fact that the Certificate is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance.

(e) Authority for Issuing Replacement Certificate. In accordance with Subchapter B, Chapter 1206, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement Certificate without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such Certificate is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificate in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for a Certificate issued in conversion and exchange for another Certificate.

Section 15. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATE; BOND COUNSEL'S OPINION; ENGAGEMENT OF BOND COUNSEL AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. The Mayor of the City is hereby authorized to have control of the Certificate issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificate pending its delivery and its investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificate said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificate, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's bond counsel may, at the option of the City, be printed on the Certificate issued and delivered under this Ordinance, but shall not have any legal effect, and shall be solely for the convenience and information of the Registered Owner of the Certificate. In addition, if bond insurance is obtained, the Certificate may bear an appropriate legend as provided by the insurer.

The obligation of the initial purchaser to accept delivery of the Certificate is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the City, which opinion shall be dated as of and delivered on the date of initial delivery of the Certificate to the initial purchaser. The engagement of such firm as bond counsel to the City in connection with issuance, sale and delivery of the Certificate is hereby approved and confirmed. The execution and delivery of an engagement letter, to the extent desired by the City, between the City and such firm, with respect to such services as bond counsel, is hereby authorized in such form as may be approved by the Mayor and the Mayor is hereby authorized to execute such engagement letter. Additionally, a closing instruction letter executed by the City's Chief Financial Officer shall further provide for the fees and expenses to be paid for such bond counsel services.

Section 16. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE CERTIFICATE.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action that would adversely affect, the treatment of the Certificate as an obligation described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

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

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificate or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

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

(4) to refrain from taking any action which would otherwise result in the Certificate being treated as a "private activity bond" within the meaning of section 141(b) of

the Code;

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

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

(A) proceeds of the Certificate invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Certificate is issued,

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

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

(7) to otherwise restrict the use of the proceeds of the Certificate or amounts treated as proceeds of the Certificate, as may be necessary, so that the Certificate does not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Certificate or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificate in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificate) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificate has been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the Registered Owner. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificate. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificate, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificate under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificate, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificate under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificate. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

(d) Allocation Of, and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificate, or (2) the date the Certificate is retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificate. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed of in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificate. For purposes of the foregoing, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 17. SALE OF CERTIFICATE. The Certificate is hereby sold and shall be delivered to _____ (the "Purchaser"), for cash for a price of \$_____, pursuant to and in accordance with the terms and provisions of the Purchaser's investment and commitment letter, which the Mayor and Mayor Pro-Tem of the City are hereby authorized to execute and deliver and which the City Clerk of the City is hereby authorized to attest. The Certificate shall initially be registered in the name of the Purchaser. It is hereby officially found, determined, and declared that the terms of this sale are the most advantageous reasonably obtainable.

Section 18. INVESTMENT EARNINGS ON CERTIFICATE PROCEEDS. Investment earnings derived from the investment of proceeds from the sale of the Certificate shall be used along with other Certificate proceeds for the purpose for which the Certificate are issued set forth in Section 1 hereof; provided that after completion of such purpose, if any of such investment earnings remain on hand, such investment earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any investment earnings on Certificate proceeds which are required to be rebated to the United States of America pursuant to Section 16 hereof in order to prevent the Certificate from being arbitrage bonds shall be so rebated and not considered as investment earnings for the purposes of this Section.

Section 19. FURTHER PROCEDURES. The Mayor and the City Clerk and all other officers, employees and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in Ordinance to carry out the terms and provisions of this Ordinance, the Certificate and the sale of the Certificate. In case any officer whose signature shall appear on the Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 20. NO CONTINUING DISCLOSURE UNDERTAKING. The sale of the Certificate is exempt from Securities and Exchange City Council Rule 15c2-12. Consequently, the City makes no undertaking with respect to such Rule or with respect to the provision of on-going financial and operating data.

Section 21. METHOD OF AMENDMENT. The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of but with notice to the Registered Owner, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the Registered Owner, (ii) grant additional rights or security for the benefit of the Registered Owner, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the Registered Owner, (v) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or

corresponding provisions of federal laws from time to time in effect, or (iv) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be materially inconsistent with the provisions of this Ordinance and that shall not, in the opinion of nationally-recognized bond counsel, materially adversely affect the interests of the Registered Owner.

(b) Except as provided in paragraph (a) above, the Registered Owner shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of the Registered Owner, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or the Certificate so as to:

- (1) Make any change in the maturity of the Certificate;
- (2) Reduce the rate of interest borne by the Certificate;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on the Certificate;
- (4) Modify the terms of payment of principal or of interest on the Certificate or impose any condition with respect to such payment; or
- (5) Change the requirement of with respect to Registered Owner consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to the Registered Owner of the Certificate a copy of the proposed amendment.

(d) Whenever at any time within one year from the date of mailing of such notice the City shall receive an instrument or instruments executed by the Registered Owner, which instrument or instruments shall refer to the proposed amendment and which shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and the Registered Owner of the Certificate shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the Registered Owner of the Certificate pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of such consent and shall be conclusive and binding upon all future Registered Owner of the Certificate during such period. Such consent may be revoked at any time after six months from the date of said consent by the Registered Owner who gave such consent, or by a successor in title, by filing notice with the City.

Section 22. RESERVED.

Section 23. PAYMENT OF ATTORNEY GENERAL FEE. The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Certificate or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Certificate.

Section 24. PERFECTION. Chapter 1208, Government Code, applies to the issuance of the Certificate and the pledge of ad valorem taxes and revenues granted by the City under Sections 6 and 7 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificate is outstanding and unpaid such that the pledge of ad valorem taxes and revenues granted by the City under Sections 6 and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owner of the Certificate the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 25. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the Registered Owner of the Certificate, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owner of the Certificate.

Section 26. NO PERSONAL LIABILITY. No covenant or agreement contained in the Certificate, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council of the City or any officer, agent, employee or representative of the City Council of the City in his individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council of the City nor any person executing the Certificate shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Certificate.

Section 27. INTERPRETATIONS. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict

any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Certificate and the validity of the lien on and pledge of the ad valorem taxes and revenues pledged to secure the payment of the Certificate.

Section 28. REPEALER. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 29. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 30. EFFECTIVE DATE OF ORDINANCE. In accordance with the provisions of Section 1201.028, Texas Government Code, this Ordinance shall be effective immediately upon its adoption by the City Council on first and final reading.

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IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, finally passed,
approved and effective on this 23rd day of April, 2020.

CITY OF ROUND ROCK, TEXAS

By: _____
Mayor

Attest:

By: _____
City Clerk

EXHIBIT A

PAYING/AGENT REGISTRAR AGREEMENT

[SEE SEPARATE TAB OF TRANSCRIPT]