

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE authorizing the issuance by the City of Dallas of its Waterworks and Sewer System Commercial Paper Notes, Series F, in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects; authorizing the issuance and delivery of promissory notes in connection with the issuance, sale and delivery of Commercial Paper Notes, and prescribing the terms, features and characteristics of such instruments; approving and authorizing certain authorized officers and employees to act on behalf of the City in the selling and delivery of such Commercial Paper Notes, within the limitations and procedures specified herein; making certain covenants and agreements in connection therewith; resolving other matters incident and related to the issuance, sale, security and delivery of such Commercial Paper Notes, including the approval and authorizing the execution of a Credit Agreement with JPMorgan Chase Bank, National Association; approving a Dealer Agreement and a related Issuing and Paying Agent Agreement in the manner herein provided; approving the use of an Offering Memorandum in connection with the sale from time to time of such Commercial Paper Notes; and providing an effective date.

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN, KAUFMAN AND ROCKWALL :  
CITY OF DALLAS :

WHEREAS, the City of Dallas, Texas (the "City" or the "Issuer") is a "Home-Rule City," acting as such under the Constitution and laws of the State of Texas, and has a population in excess of 50,000; and

WHEREAS, the City currently has outstanding revenue bonds (hereinafter defined as the "Outstanding Prior Lien Bonds") payable from and secured by a first lien on and pledge of "Pledged Revenues," which include the Net Revenues of the System; and

WHEREAS, the ordinances authorizing the Outstanding Prior Lien Bonds reserve to the City the right to issue (i) additional bonds on a parity with the Outstanding Prior Lien Bonds, and (ii) bonds, notes or other obligations payable from and secured by a lien on and pledge of the Pledged Revenues subordinate to the first lien on and pledge of the Pledged Revenues securing the Outstanding Prior Lien Bonds and additional bonds issued on a parity therewith; and

WHEREAS, the City previously adopted Ordinance No. 31887 (the "Existing Ordinance"), authorizing the issuance of City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series F, in an aggregate principal amount at any one time and from time to time outstanding of no greater than \$300,000,000, in two sub-series: Sub-Series F-1 (the "Sub-Series F-1 Notes") and Sub-Series F-2 (the "Sub-Series F-2 Notes"); and

WHEREAS, in connection with the Existing Ordinance, the City entered into a revolving credit agreement with JPMorgan Chase Bank, National Association ("JPMC"), pursuant to which JPMC provided liquidity support for \$225,000,000 in principal amount of the Sub-Series F-1 Notes and a revolving credit agreement with Bank of America, N.A. ("BANA"), pursuant to which BANA provided liquidity support for \$75,000,000 in principal amount of the Sub-Series F-2 Notes; and

WHEREAS, concurrently with the adoption of the Existing Ordinance, the City Council adopted Ordinance No. 31886, authorizing the issuance of City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series G (the "Series G Commercial Paper Note Ordinance"), in an aggregate principal amount at any one time and from time to time outstanding of no greater than \$300,000,000 (the "Series G Commercial Paper Notes"); and

WHEREAS, the City, acting upon the recommendation of its financial advisors, will (i) amend and restate the Existing Ordinance pursuant to this Ordinance to provide for a single series of the City's Waterworks and Sewer System Commercial Paper Notes, Series F (the "Series F Commercial Paper Notes) to be issued hereunder, (ii) allow its existing revolving credit agreement with BANA to expire on July 8, 2024 pursuant to its terms; and (iii) amend and restate its existing revolving credit agreement with JPMC, pursuant to which JPMC will now provide liquidity support for \$300,000,000 in principal amount of the Series F Commercial Paper Notes; and

WHEREAS, the commercial paper notes authorized to be issued pursuant to this Ordinance constitute bond anticipation notes which the City intends to retire through the issuance of its revenue bonds; and

WHEREAS, the City Council hereby finds and determines that the issuance of commercial paper notes and promissory notes, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time; and

WHEREAS, the City Council hereby finds and determines that the amendment and restatement of the Existing Ordinance and the issuance the Series F Commercial Paper Notes under the terms set forth herein is desirable to enable the City to generate economies of scale and to finance improvements and extensions to the System under terms more favorable than currently exist under the Existing Ordinance and the Series G Commercial Paper Ordinance,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions.** Unless the context shall indicate a contrary meaning or intent, the terms below defined, for all purposes of this ordinance or any ordinance amendatory or supplemental hereto, shall be construed, are used and are intended to have the following meanings, to-wit:

"Act" shall mean Chapter 1371, Texas Government Code.

"Authorized Denomination" shall mean \$100,000 or an integral multiple of \$1,000 in excess of \$100,000.

"Authorized Representative" shall mean one or more of the following officers or employees of the City, acting in concert or individually, to-wit: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, or such other officer or

employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"BANA" shall have the meaning given said term in the preamble to this Ordinance.

"Bond Counsel" shall mean an attorney or firm of attorneys which are nationally recognized as having expertise in the practice of tax-exempt municipal finance law, as approved by the City.

"Business Day" shall mean any day (i) when banks are not required or authorized by law or executive order to be closed in Dallas, Texas, New York, New York or the city in which the office of the Liquidity Provider at which demands under the Credit Agreement are to be honored is located and (ii) when the New York Stock Exchange is not required or authorized by law or executive order to be closed.

"Chapter 1206" shall mean Chapter 1206, Texas Government Code.

"Chapter 1207" shall mean Chapter 1207, Texas Government Code.

"Chapter 1502" shall mean Chapter 1502, Texas Government Code.

"Chapter 2256" shall mean Chapter 2256, Texas Government Code.

"City" or "Issuer" shall mean the City of Dallas, Texas.

"City Council" shall mean the governing body of the City.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commercial Paper Note" and "Series F Commercial Paper Note" shall mean a commercial paper note issued pursuant to the provisions of this Ordinance, having the terms and characteristics specified in **Section 2.03** hereof and in the form described in **Section 2.05** hereof.

"Commitment" shall have the meaning given to said term in the Credit Agreement.

"Credit Agreement" shall mean the revolving credit agreement approved and authorized to be entered into by **Section 2.14** hereof, as from time to time amended, supplemented or otherwise modified, or other liquidity or credit facility provided in lieu thereof in accordance with the provisions of **Section 4.03(a)** hereof.

"Dealer" shall have the meaning given said term in **Section 3.04** hereof.

"Dealer Agreement" shall mean each agreement with a Dealer approved and authorized to be entered into by **Section 3.04** hereof, and any amendment or supplement thereto.

"Designated Office" shall mean the corporate trust office of the Issuing and Paying Agent where Commercial Paper Notes must be presented and delivered for receipt of payment of the principal amount thereof.

"DTC" shall mean The Depository Trust Company, New York, New York, or any substitute securities depository appointed pursuant to this Ordinance, or any nominee thereof.

"DTC Participant" shall mean a member of, or the participant in, DTC that will act on behalf of a Holder.

"Eligible Investments" shall mean any or all of the authorized investments described in Chapter 2256, which the City may purchase and sell and in which it may invest its funds and funds under its control, consistent with the terms of the City's investment policy.

"Eligible Project" shall mean the acquisition or construction of improvements, additions or extensions to the System, including capital assets and facilities incident and related to the operation, maintenance and administration thereof, all as provided in the Act or Chapter 1502.

"Existing Ordinance" shall have the meaning given said term in the preamble to this Ordinance.

"Fee Agreement" shall mean the Amended and Restated Fee Letter Agreement executed by the City and the Liquidity Provider in connection with the execution and delivery of the Credit Agreement, as from time to time amended, supplemented or otherwise modified.

"Fiscal Year" shall mean any consecutive twelve-month period declared by the City as its fiscal year, which currently runs from October 1 through September 30.

"Gross Revenues" and "Gross Revenues of the System" shall mean all revenues, income, and receipts of every nature derived or received by the City from the operation and ownership of the System, including the interest income from the investment or deposit of money in any fund or account created by the Prior Lien Bond Ordinance, or maintained by the City in connection with the System, other than revenues to be rebated to the United States of America pursuant to section 148 of the Code.

"Holder" or "Noteholder" shall mean any person, firm, association, or corporation who is in possession of any Note drawn, issued or endorsed to such person, firm, association or corporation or to the order of such person, firm, association or corporation or to bearer or in blank.

"Issuing and Paying Agent," "Paying Agent/Registrar" or "Registrar" shall mean the agent the appointment of which is confirmed pursuant to **Section 2.02** hereof, or any successor to such agent.

"Issuing and Paying Agent Agreement" shall mean the agreement with the Issuing and Paying Agent approved and authorized to be entered into by **Section 3.03** hereof, and any amendment or supplement thereto.

"JPMC" shall have the meaning given said term in the preamble to this Ordinance.

"Liquidity Provider" shall mean, collectively, (i) JPMC, or any subsequent or succeeding party thereto under the terms of the Credit Agreement and (ii) any provider of liquidity support for the Series F Commercial Paper Notes hereafter established as provided in **Section 2.01** hereof.

"Liquidity Provider Note" shall mean, collectively, the promissory note or notes issued pursuant to the provisions of this Ordinance and the Credit Agreement in evidence of Loans

made under the Credit Agreement, having the terms and characteristics contained therein and issued in accordance with the terms thereof, as from time to time amended, supplemented or otherwise modified.

"Loan" shall mean a Revolving Loan or a Term Loan made under and subject to the conditions set forth in the Credit Agreement.

"Master Note" shall mean the "Master Note" as defined in **Section 2.02** hereof.

"Maximum Interest Rate" shall mean 10%.

"Maximum Maturity Date" shall mean September 30, 2044.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Net Revenues" and "Net Revenues of the System" shall mean all Gross Revenues after deducting and paying the current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service; provided, however, that only such repairs and extensions, as in the judgment of the City Council, reasonably and fairly exercised by the adoption of the appropriate resolution, as are necessary to keep the System in operation and render adequate service to the City and the inhabitants thereof, or such as might be necessary to meet some physical accident or condition which would otherwise impair the Prior Lien Bonds, shall be deducted in determining "Net Revenues." Payments made by the City for water supply or treatment of sewage which constitute under the law an operation and maintenance expense shall be considered herein as expenses incurred in the operation and maintenance of the System. Depreciation and any payments to the City in lieu of ad valorem taxes and any other similar payments shall never be considered as an expense of operation and maintenance.

"Note" or "Notes" shall mean the evidence of indebtedness authorized to be issued and at any time Outstanding pursuant to this Ordinance and shall include Commercial Paper Notes (including the Master Note), notes in such other form or forms as shall be approved by the City Council in an ordinance amending this Ordinance, and any Liquidity Provider Note, as appropriate.

"Offering Memorandum" shall mean the Offering Memorandum prepared by the City, for use by the Dealer in connection with the issuance and sale from time to time of the Commercial Paper Notes.

"Outstanding" means when used with respect to the Commercial Paper Notes, as of the date of determination, all Commercial Paper Notes theretofore delivered under this Ordinance, except:

- (1) Commercial Paper Notes theretofore canceled and delivered to the City or delivered to the Issuing and Paying Agent for cancellation;
- (2) Commercial Paper Notes deemed paid pursuant to the provisions of Chapter 1207; and

(3) Commercial Paper Notes upon transfer, or in exchange for or in lieu, of which other Commercial Paper Notes have been authenticated and delivered pursuant to this Ordinance;

provided, that in determining whether the Holders of the requisite principal amount of Outstanding Commercial Paper Notes have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, any Commercial Paper Note owned by the City shall be deemed to be Outstanding as though it was owned by any other Holder.

"Outstanding Prior Lien Bonds" shall mean the Series 2012A Bonds, the Series 2012B Bonds, the Series 2013 Bonds, the Series 2015A Bonds, the Series 2016A Bonds, the Series 2016B Bonds, the Series 2017 Bonds, the Series 2018A Bonds, the Series 2018B Bonds, the Series 2018C Bonds, the Series 2019A Bonds, the Series 2019B Bonds, the Series 2020A Bonds, the Series 2020B Bonds, the Series 2020C Bonds, the Series 2020D Bonds, the Series 2021A Bonds, the Series 2021B Bonds, the Series 2021C Bonds, the Series 2022A Bonds, the Series 2022B Bonds, the Series 2022C Bonds, the Series 2023A Bonds and the Series 2023C Bonds.

"Pledged Revenues" shall mean:

- (1) the Net Revenues, plus
- (2) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Prior Lien Bonds.

"Prior Lien Bond Ordinance" shall mean, collectively, the ordinance authorizing the issuance of the Series 1981 Bonds and the ordinances authorizing the issuance of Prior Lien Bonds on a parity with the Series 1981 Bonds.

"Prior Lien Bonds" shall mean, collectively, the Outstanding Prior Lien Bonds and any bonds issued on a parity therewith.

"Project Costs" shall mean all costs and expenses incurred in relation to Eligible Projects, including, without limitation, design, planning, engineering and legal costs, acquisition costs of land, interests in land, rights-of-way and easements, construction costs, costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of an Eligible Project, financing costs, including interest during construction and thereafter, underwriter's discount and/or fees for legal, financial, and other professional services, and reimbursement for such Project Costs attributable to Eligible Projects incurred prior to the issuance of any Commercial Paper Notes.

"Rating Agencies" shall mean Fitch Ratings, Inc. and S&P Global Ratings, and their respective successors and assigns.

"Registration Books" shall mean the "Registration Books" as defined in **Section 2.02** hereof.

"Regulations" shall mean the regulations of the U.S. Department of the Treasury promulgated under the Code or, if applicable, the Internal Revenue Code of 1954.

"Revolving Loan" shall have the meaning given said term in the Credit Agreement.

"Rule" shall have the meaning given said term in **Section 4.11** hereof.

"Series F Note Construction Account" shall mean the account so designated in **Section 2.11** hereof.

"Series F Note Payment Fund" shall mean the fund so designated in **Section 2.09** hereof.

"Series G Commercial Paper Note Ordinance" shall have the meaning given said term in the preamble to this Ordinance.

"Series G Commercial Paper Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Series G Credit Agreement" shall mean the Revolving Credit Agreement between the City and State Street Bank, executed in support of the Series G Commercial Paper Notes, as amended.

"Series 1981 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 1981, dated April 1, 1981, and authorized by ordinance of the City passed April 1, 1981; the term "Series 2012A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2012A, dated September 19, 2012, and authorized by ordinance of the City passed August 8, 2012; the term "Series 2012B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Taxable Series 2012B, dated September 19, 2012, and authorized by ordinance of the City passed August 8, 2012; the term "Series 2013 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2013, dated September 17, 2013, and authorized by ordinance of the City passed August 14, 2013; the term "Series 2015A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2015A, dated March 25, 2015, and authorized by ordinance of the City passed February 25, 2015; the term "Series 2016A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2016A, dated July 7, 2016, and authorized by ordinance of the City passed June 15, 2016; the term "Series 2016B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Taxable Series 2016B, dated July 7, 2016, and authorized by ordinance of the City passed June 15, 2016; the term "Series 2017 Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2017, dated August 17, 2017, and authorized by ordinance of the City passed June 14, 2017; the term "Series 2018A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2018A, dated April 1, 2018, and authorized by ordinance of the City passed April 11, 2018; the term "Series 2018B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2018B, dated April 1, 2018, and authorized by ordinance of the City passed April 11, 2018; the term "Series 2018C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2018C, dated September 26, 2018, and authorized by ordinance of the City passed August 8, 2018; the term "Series 2019A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2019A, dated April 1, 2019, and authorized by ordinance of the City passed April 10, 2019; the term "Series 2019B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2019B, dated April 1, 2019, and authorized by ordinance of the City

passed April 10, 2019; the term "Series 2020A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2020A, dated April 1, 2020, and authorized by ordinance of the City passed April 8, 2020; the term "Series 2020B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2020B, dated April 1, 2020, and authorized by ordinance of the City passed April 8, 2020; the term "Series 2020C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2020C, dated July 7, 2020, and authorized by ordinance of the City passed May 27, 2020; the term "Series 2020D Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Taxable Series 2020D, dated July 7, 2020, and authorized by ordinance of the City passed May 27, 2020; the term "Series 2021A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2021A, dated May 19, 2021, and authorized by ordinance of the City passed April 14, 2021; the term "Series 2021B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2021B, dated May 19, 2021, and authorized by ordinance of the City passed April 14, 2021; the term "Series 2021C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2021C, dated September 23, 2021, and authorized by ordinance of the City passed August 11, 2021; the term "Series 2022A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2022A, dated April 1, 2022, and authorized by ordinance of the City passed April 13, 2022; the term "Series 2022B Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2022B, dated April 1, 2022, and authorized by ordinance of the City passed April 13, 2022; the term "Series 2022C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2022C, dated September 30, 2022, and authorized by ordinance of the City passed October 26, 2022; the term "Series 2023A Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Refunding Bonds, Series 2023A, dated March 23, 2023, and authorized by ordinance of the City passed January 25, 2023; and the term "Series 2023C Bonds" shall mean the City of Dallas, Texas Waterworks and Sewer System Revenue Bonds, Series 2023C, dated September 30, 2023, and authorized by ordinance of the City passed October 25, 2023.

"State Street Bank" shall mean State Street Bank and Trust Company, the liquidity provider in support of the Series G Commercial Paper Notes.

"State Street Bank Note" shall mean the bank note issued by the City in accordance with the terms of the Series G Credit Agreement.

"Sub-Series F-1 Credit Agreement" shall mean the revolving credit agreement with respect to the Sub-Series F-1 Notes, entered into between the City and JPMC, and approved and authorized pursuant to the Existing Ordinance, anticipated to be amended and restated by the Credit Agreement and which shall supersede the Sub-Series F-1 Credit Agreement.

"Sub-Series F-2 Credit Agreement" shall mean the revolving credit agreement with respect to the Sub-Series F-2 Notes, entered into between the City and BANA, and approved and authorized pursuant to the Existing Ordinance, anticipated to expire on July 8, 2024 pursuant to its terms.

"Sub-Series F-1 Notes" shall have the meaning given said term in the preamble to this Ordinance.

"Sub-Series F-2 Notes" shall have the meaning given said term in the preamble to this Ordinance.



"Subordinated Obligations" shall mean any bonds, notes, or other obligations issued or contractual obligations incurred pursuant to law payable in whole or in part from the Pledged Revenues and subordinate to the Prior Lien Bonds, the State Street Bank Note and the Liquidity Provider Note.

"System" shall mean and include the City's combined existing waterworks and sewer system, together with all future extensions, improvements, enlargements, and additions thereto, and all replacements thereof; provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term System shall not include any waterworks or sewer facilities which are declared not to be a part of the System and which are acquired or constructed by the City with the proceeds from the issuance of "Special Facilities Bonds," which are hereby defined as being special revenue obligations of the City which are not secured by or payable from the Pledged Revenues as defined herein, but which are secured by and payable solely from special contract revenues or payments received from any other legal entity in connection with such facilities; and such revenues or payments shall not be considered as or constitute Gross Revenues of the System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds."

"Term Loan" shall have the meaning given said term in the Credit Agreement.

**Section 1.02. Construction of Terms Utilized in this Ordinance.** If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders. For all purposes of this Ordinance, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Ordinance. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision. References to any named person means that party and its successors and assigns, whether said person is serving in an acting, interim or permanent capacity. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Certain terms not defined herein shall have the meaning given said terms in the Credit Agreement.

## ARTICLE II

### AUTHORIZATION OF NOTES

**Section 2.01. General Authorization.** Pursuant to authority conferred by and in accordance with the provisions of the Constitution and laws of the State of Texas, particularly the Act, Commercial Paper Notes shall be and are hereby authorized to be issued in an aggregate principal amount not to exceed **THREE HUNDRED MILLION DOLLARS (\$300,000,000)** at any one time Outstanding for the purpose of financing Project Costs of Eligible Projects and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, all in accordance with and subject to the terms, conditions, and limitations contained herein.

In connection with the issuance of Commercial Paper Notes, the Liquidity Provider Note is hereby authorized to be amended and restated to reflect an aggregate principal amount of **THREE HUNDRED TWENTY TWO MILLION ONE HUNDRED NINETY ONE**

**THOUSAND SEVEN HUNDRED EIGHTY ONE DOLLARS (\$322,191,781)**, reflecting the maximum principal amount of Commercial Paper Notes that may be issued plus interest thereon, calculated on the basis of a 365-day year, for two hundred seventy (270) days at the Maximum Interest Rate, for the purpose of evidencing Loans to retire Commercial Paper Notes; all in accordance with and subject to the terms, conditions and limitations contained herein and, with respect to the Liquidity Provider Note, the Credit Agreement.

For purposes of this **Section 2.01**, any portion of Outstanding Notes to be paid from money on deposit in the Series F Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. The authority to issue Commercial Paper Notes from time to time under the provisions of this Ordinance shall exist until the Maximum Maturity Date, regardless of whether prior to the Maximum Maturity Date there are at any time no Commercial Paper Notes Outstanding. Anything to the contrary herein notwithstanding, Commercial Paper Notes may not be issued to refinance or refund Prior Lien Bonds without the prior approval of the City Council.

Anything in this Ordinance to the contrary notwithstanding, in connection with the refinancing or refunding of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, such Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System shall qualify as "obligations," as such term is defined in the Act at the time any such refinancing or refunding occurs. Further, any such refunding or refinancing, other than a simultaneous refunding, of Notes, Prior Lien Bonds, Subordinated Obligations and other obligations of the System, to the extent then required by applicable law, shall be by means of a gross defeasance established at the time of the issuance of the refunding Commercial Paper Notes, and the selection of Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System to be so refunded or refinanced shall be made in the manner as determined by the City Council.

**Section 2.02. Terms Applicable to Notes - General.** Subject to the limitations contained herein, Commercial Paper Notes herein authorized shall be dated as of their date of issuance or prior thereto, but within thirty (30) days of the date of issuance (the "Note Date"), as determined by an Authorized Representative; shall bear interest at such fixed rate or rates per annum computed on the basis of actual days elapsed and a 365-day or 366-day year, as may be applicable (but in no event in any case to exceed the Maximum Interest Rate) as may be determined by an Authorized Representative and all Commercial Paper Notes authorized herein shall mature on the earlier of (i) the date that is one (1) Business Day prior to the expiration of the Credit Agreement or (ii) on or prior to the Maximum Maturity Date.

Subject to the Maximum Interest Rate limitation, Commercial Paper Notes authorized to be issued hereunder without a fixed numerical rate of interest for the term thereof shall bear interest in accordance with any clearly stated formula or method of calculation as determined by an Authorized Representative and such formula or method of calculation shall be set forth in the Commercial Paper Note.

Subject to applicable terms, limitations and procedures contained herein, Commercial Paper Notes may be sold in such manner at public or private sale and at par (within the interest rate restrictions provided herein) as an Authorized Representative shall approve at the time of the sale thereof.

U.S. Bank Trust Company, National Association, New York, New York, is hereby selected and appointed to serve as Issuing and Paying Agent, Paying Agent/Registrar and Registrar for the Commercial Paper Notes, and the City covenants and agrees to keep and maintain with the Registrar at its Designated Office books and records (the "Registration Books") for the registration, payment, transfer and exchange of the Commercial Paper Notes, all as provided herein and in such reasonable rules and regulations as the Registrar may prescribe. The City covenants to maintain and provide a Registrar at all times while the Commercial Paper Notes are Outstanding, which shall be a national or state banking association or corporation or trust company organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Paying Agent/Registrar for the Commercial Paper Notes occur, the City agrees to promptly cause a written notice thereof to be (i) sent to each registered owner of the Commercial Paper Notes then Outstanding by United States mail, first-class postage prepaid, and (ii) published in a financial newspaper or journal of general circulation in The City of New York, New York, once during each calendar week for at least two calendar weeks; provided, however, the publication of such notice shall not be required if notice is sent to each Holder of the Commercial Paper Notes. Such notice shall give the address of the successor Paying Agent/Registrar. A successor Paying Agent/Registrar may be appointed by the City without the consent of the Holders.

The Commercial Paper Notes shall be issued in registered form, without coupons; provided, however, Commercial Paper Notes may be registered to bearer. The principal of and interest on the Commercial Paper Notes shall be payable in lawful money of the United States of America, without exchange or collection charges to the Holder of the Commercial Paper Note; the principal thereof to be payable upon presentation and surrender of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent and interest thereon to be payable to the registered owner thereof (when registered other than to bearer) either (i) by check sent by United States mail, first-class postage prepaid, to the address of the registered owner appearing on the Registration Books of the City maintained by the Registrar or (ii) by such other method, acceptable to the Issuing and Paying Agent, requested by the Holder, but interest on a Commercial Paper Note registered to bearer shall be payable only upon presentation of the Commercial Paper Note at the Designated Office of the Issuing and Paying Agent.

A copy of the Registration Books and any change thereto shall be provided to the City by the Paying Agent/Registrar, by means of telecommunications equipment or such other means as may be mutually agreeable thereto, within two (2) Business Days of the opening of such Registration Books or any change therein, as the case may be.

The City and the Paying Agent/Registrar may treat the bearer (in the case of Commercial Paper Notes so registered) or the registered payee thereof as the absolute owner of any Commercial Paper Note for the purpose of receiving payment thereof and for all purposes, and the City and the Paying Agent/Registrar shall not be affected by any notice or knowledge to the contrary.

If an Authorized Representative determines that it is possible and desirable to provide for a book-entry only system of Commercial Paper Note registration with DTC, such Authorized Representative, acting for and on behalf of the City, is hereby authorized to approve, execute, and deliver a Letter of Representations to DTC and to enter into such other agreements and execute such instruments as are necessary to implement such book-entry only system, such approval to be conclusively evidenced by the execution thereof by said Authorized Representative. Under the initial book-entry only system with DTC, no physical Commercial Paper Note certificates will be delivered to DTC. The execution and delivery to the Issuing and

Paying Agent, as custodian for DTC, of a master note with respect to the Commercial Paper Notes (the "Master Note"), is hereby authorized and approved. Except as provided herein, the ownership of the Commercial Paper Notes shall be registered in the name of Cede & Co., as nominee of DTC, which will serve as the initial securities depository for the Commercial Paper Notes. Ownership of beneficial interests in the Commercial Paper Notes shall be shown by book-entry on the system maintained and operated by DTC and DTC Participants, and transfers of ownership of beneficial interests shall be made only by DTC and the DTC Participants by book-entry, and the City and the Issuing and Paying Agent shall have no responsibility therefor. DTC will be required to maintain records of the positions of the DTC Participants in the Commercial Paper Notes, and the DTC Participants and persons acting through the DTC Participants will be required to maintain records of the purchasers of beneficial interests in the Commercial Paper Notes. During any period when a book-entry only system is in effect, except as provided above in this paragraph, the Commercial Paper Notes shall not be transferable or exchangeable, except for transfer to another securities depository or to another nominee of a securities depository.

With respect to Commercial Paper Notes registered in the name of DTC or its nominee, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation to any DTC Participant or to any person on whose behalf a DTC Participant holds an interest in the Commercial Paper Notes. Without limiting the immediately preceding sentence, neither the City nor the Issuing and Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or any DTC Participant with respect to any ownership interest in the Commercial Paper Notes, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown on the Registration Books, of any notice with respect to the Commercial Paper Notes, and (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Commercial Paper Notes, as shown in the Registration Books, of any amount with respect to principal of or interest on the Commercial Paper Notes.

Whenever, during the term of the Commercial Paper Notes, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Ordinance of holding, registering, delivering, exchanging, or transferring the Commercial Paper Notes shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to holding, registering, delivering, exchanging, or transferring the book-entry to produce the same effect.

The City or DTC each may determine to discontinue the book-entry only system and in such case, unless a new book-entry only system is put in place, physical certificates in the form set forth in **Section 2.05** shall be provided to the beneficial owners thereof.

If at any time, DTC ceases to hold the Commercial Paper Notes, all references herein to DTC shall be of no further force or effect.

Whenever the beneficial ownership of the Commercial Paper Notes is determined by a book-entry at DTC, delivery of Commercial Paper Notes for payment at maturity shall be made pursuant to DTC's payment procedures as are in effect from time to time and the DTC Participants shall transmit payment to beneficial owners whose Commercial Paper Notes have matured. The City and each of the Issuing and Paying Agent, the Liquidity Provider and the Dealer are not responsible for transfer of payment to the DTC Participants or beneficial owners.

**Section 2.03. Commercial Paper Notes.** Under and pursuant to the authority granted hereby and subject to the limitations contained herein, Commercial Paper Notes to be designated "**City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series F**" are hereby authorized to be issued and sold and delivered from time to time in such principal amounts as determined by an Authorized Representative in Authorized Denominations, numbered in ascending consecutive numerical order in the order of their issuance and to mature and become due and payable on such dates as an Authorized Representative shall determine at the time of sale; provided, however, that no Commercial Paper Note shall (i) mature after (A) the date that is one (1) Business Day prior to the expiration of the Credit Agreement or (B) the Maximum Maturity Date, (ii) have a term in excess of two hundred seventy (270) calendar days or (iii) be issued in a manner that would cause the City to violate the covenants set forth in **Section 4.01** hereof.

Interest, if any, on Commercial Paper Notes shall be payable at maturity with principal.

**Section 2.04. Liquidity Provider Note.** Under and pursuant to authority granted hereby and subject to the limitations contained herein and in the Credit Agreement, a promissory note to be designated the "Liquidity Provider Note," as herein provided, are hereby authorized and approved in accordance with the terms of this Ordinance, the Credit Agreement and the form thereof set forth in the Credit Agreement.

**Section 2.05. Form of Commercial Paper Notes.** The Commercial Paper Notes and the Certificate of Authentication to appear on each of the Commercial Paper Notes shall be substantially in the forms set forth in this section with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance and may have such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Representative. Any portion of the text of any Commercial Paper Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Commercial Paper Notes. The form of Commercial Paper Note may be revised to reflect the City exercising the authority reserved in **Section 4.03(b)** hereof to provide that a Commercial Paper Note may not be supported by a liquidity and/or credit facility.

The Commercial Paper Notes shall be printed, lithographed, or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Representative.

Form of Commercial Paper Note:

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
COMMERCIAL PAPER NOTE,  
SERIES F

No.:	_____	Note Date:	_____
Principal Amount:	_____	Maturity Date:	_____
Interest to Maturity:	_____	Number of Days:	_____
Due at Maturity:	_____	Interest Rate (%):	_____

Owner: \_\_\_\_\_

The City of Dallas (the "City"), in Dallas, Denton, Collin, Kaufman and Rockwall Counties, State of Texas, FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter identified and as hereinafter stated, to the order of the party specified above on the maturity date specified above, the principal sum specified above and to pay interest, if any, on said principal amount at said maturity date, from the above specified note date to said maturity date at the per annum interest rate shown above (computed on the basis of actual days elapsed and a 365-day or 366-day year, as applicable); both principal and interest on this Note being payable in lawful money of the United States of America at the designated corporate trust office of the Issuing and Paying Agent executing the "Certificate of Authentication" endorsed hereon and appearing below, or its successor. No interest will accrue on the principal amount hereof after said maturity date. Defined terms used herein shall have the same meaning given to said terms in the hereinafter defined Ordinance, unless the context of the use of such term indicates otherwise. The interest rate borne by this Note shall not exceed the Maximum Interest Rate.

This Note is one of an issue of Commercial Paper Notes which, together with other forms of short term obligations, including the below referenced Liquidity Provider Note, has been duly authorized and issued in accordance with the provisions of an ordinance (the "Ordinance") passed by the City Council of the City for the purpose of financing Project Costs of Eligible Projects for the System; to refund obligations issued in connection with an Eligible Project; and to refinance, renew or refund Notes, Prior Lien Bonds, Subordinated Obligations and any other authorized obligations of the System, including interest thereon, in accordance with the provisions of the Ordinance; all in accordance and in strict conformity with the provisions of the Act.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable from and equally secured by a lien on and pledge of (i) the proceeds from (a) the sale of other Commercial Paper Notes issued for such purposes as described above and (b) the sale of a series or issue of Prior Lien Bonds or Subordinated Obligations to be issued by the City for such purpose, (ii) loans made under and pursuant to the Credit Agreement between the City and the Liquidity Provider, pursuant to which the Liquidity Provider has agreed to provide liquidity to the City for the Commercial Paper Notes, which loans are to be evidenced by a Liquidity Provider Note, and (iii) amounts in certain funds and accounts established pursuant to the Ordinance.

This Commercial Paper Note, together with the other Commercial Paper Notes, is payable solely from the sources hereinabove identified securing the payment thereof, and the Commercial Paper Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of the City or the System. The holder hereof shall never have the right to demand payment of this obligation from taxation or any other sources or properties of the City except as identified above.

It is hereby certified and recited that all acts, conditions and things required by law and the Ordinance to exist, to have happened and to have been performed precedent to and in the

issuance of this Commercial Paper Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the issuance of this Commercial Paper Note, together with all other Commercial Paper Notes, is not in excess of the principal amount of Commercial Paper Notes permitted to be issued under the Ordinance.

This Commercial Paper Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Commercial Paper Note shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Commercial Paper Note shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Note to be signed with the imprinted facsimile signature of the City Manager and attested by the facsimile signature of the City Secretary.

\*\*\*\*\*  
\_\_\_\_\_  
City Secretary, City of Dallas

\*\*\*\*\*  
\_\_\_\_\_  
City Manager, City of Dallas

(SEAL)

ISSUING AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION

This Commercial Paper Note is one of the Commercial Paper Notes delivered pursuant to the within mentioned Ordinance.

U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION,  
as Issuing and Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

If Commercial Paper Notes are issued in book-entry only form pursuant to **Section 2.02**, they shall be issued in the form of the Master Note approved by the City Council pursuant to this Ordinance, to which there shall be attached the form of Commercial Paper Note as prescribed above, and it is hereby declared that the provisions of the Commercial Paper Note as prescribed above are incorporated into and shall be a part of the Master Note. It is further provided that this Ordinance and the form of Commercial Paper Note prescribed above shall constitute the "underlying records" referred to in the Master Note. Notwithstanding the provisions of **Section 2.06**, the Master Note may be executed on behalf of the City with the manual signature of the City Manager or the Chief Financial Officer of the City.

**Section 2.06. Execution - Authentication.** Under authority granted by Section 1371.055, Texas Government Code, the Commercial Paper Notes shall be executed on behalf of the City by

the City Manager and attested by the City Secretary under its seal reproduced or impressed thereon, all as provided in **Section 2.05** hereof. The signatures of said officers on the Commercial Paper Notes may be manual or facsimile. Commercial Paper Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the date of passage of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery of Commercial Paper Notes authorized to be issued hereunder or at the time Commercial Paper Notes are delivered in subsequent sales, exchanges and transfers, all as authorized and provided in Chapter 1206 and Section 1371.055, Texas Government Code.

No Commercial Paper Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Commercial Paper Note a certificate of authentication executed by the Paying Agent/Registrar by manual signature, or, in the case of the Master Note, the Paying Agent/Registrar has executed the Master Note, and the execution of any Commercial Paper Note by the Paying Agent/Registrar shall be conclusive evidence, and the only evidence, that such Commercial Paper Note has been duly certified or registered and delivered.

**Section 2.07. Notes Mutilated, Lost, Destroyed or Stolen.** If any Note shall become mutilated, the City, at the expense of the Holder of said Note, shall execute and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the City of the Note so mutilated. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the City, at the expense of the owner, shall execute and deliver a new Note of like tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither the City nor the Paying Agent/Registrar shall be required to treat both the original Note and any duplicate Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued hereunder, but both the original and the duplicate Note shall be treated as one and the same.

**Section 2.08. Negotiability, Registration and Exchangeability.** The obligations issued hereunder shall be, and shall have all of the qualities and incidents of, a negotiable instrument under the laws of the State of Texas, and each successive holder, in accepting any of the obligations, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

The Registration Books relating to the registration, payment and transfer or exchange of the Commercial Paper Notes shall at all times be kept and maintained by the City at the Designated Office of the Registrar, and the Registrar shall obtain, record and maintain in the Registration Books the name and address of each registered owner of the Commercial Paper Notes, except for Commercial Paper Notes registered to bearer, issued under and pursuant to the provisions of this Ordinance, and the Registrar further shall provide such information to the City as described in **Section 2.02** hereof. Any Commercial Paper Note may, in accordance with its terms and the terms hereof, be transferred or exchanged for Commercial Paper Notes of like tenor and character and of other authorized denominations upon the Registration Books by the Holder in person or by the duly authorized agent thereof, upon surrender of such Commercial Paper Note to the Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by the duly authorized agent thereof, in form satisfactory to the Registrar.



Upon surrender for transfer of any Commercial Paper Note at the Designated Office of the Registrar, the Registrar shall register and deliver, in the name of the designated transferee or transferees (or to bearer, as appropriate), one or more new Commercial Paper Notes executed on behalf of, and furnished by, the City of like tenor and character and of Authorized Denominations and having the same maturity, bearing interest at the same rate or rates and of a like aggregate principal amount as the Commercial Paper Note or Commercial Paper Notes surrendered for transfer.

Furthermore, Commercial Paper Notes may be exchanged for other Commercial Paper Notes of like tenor and character and of authorized denominations and having the same maturity, bearing the same rate or rates of interest and of like aggregate principal amount as the Commercial Paper Notes surrendered for exchange, upon surrender of the Commercial Paper Notes to be exchanged at the Designated Office of the Registrar. Whenever any Commercial Paper Notes are so surrendered for exchange, the Registrar shall register and deliver new Commercial Paper Notes of like tenor and character as the Commercial Paper Notes exchanged, executed on behalf of, and furnished by, the City to the Holder requesting the exchange.

The City and the Registrar may charge the Noteholder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer. The Registrar or the City may also require payment from the Holder of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Commercial Paper Note shall be delivered.

New Commercial Paper Notes delivered upon any transfer or exchange shall be valid obligations of the City, evidencing the same debt as the Commercial Paper Notes surrendered, shall be secured by this Ordinance and shall be entitled to all of the security and benefits hereof to the same extent as the Commercial Paper Notes surrendered.

The City reserves the right to change the above registration and transferability provisions of the Commercial Paper Notes at any time on or prior to the delivery thereof in order to comply with applicable laws and regulations of the United States in effect at the time of issuance thereof.

**Section 2.09. Series F Note Payment Fund.** The City Council hereby reaffirms the separate and special fund designated as the "**City of Dallas, Texas Waterworks and Sewer System Series F Note Payment Interest and Sinking Fund**" (the "Series F Note Payment Fund"), which was created and established pursuant to the Existing Ordinance. Moneys on deposit in the Series F Note Payment Fund shall be used only to pay the principal of and interest on the Commercial Paper Notes at the respective interest payment and maturity dates of each issue thereof as provided herein and the repayment of any Loans made pursuant to the Credit Agreement (evidenced by the Liquidity Provider Note). Amounts remaining in the Series F Note Payment Fund not then necessary for the purposes thereof may be transferred to the Series F Note Construction Account (created pursuant to **Section 2.11** hereof) upon request of an Authorized Representative.

Additionally, all proceeds of Revolving Loans shall be deposited into the Series F Note Payment Fund and used to pay the principal of and interest on the Commercial Paper Notes.

The Issuing and Paying Agent shall not have a lien on the Series F Note Payment Fund.

Pending the expenditure of moneys in the Series F Note Payment Fund for authorized purposes, moneys deposited therein may be invested at the direction of the Chief Financial Officer of the City or the designee thereof in Eligible Investments; provided, that moneys received from a Liquidity Provider and moneys received in connection with a rollover of Commercial Paper Notes shall remain uninvested. Any income received from such investments shall be credited to the Revenue Fund, as established in the Prior Lien Bond Ordinance, and shall not, for purposes of this Ordinance, be considered an amount held in the Series F Note Payment Fund.

**Section 2.10. Pledge; Payments.** The Notes are obligations of the City payable from and secured solely by the funds pledged therefor pursuant to this Ordinance. The City agrees to make payments into the Series F Note Payment Fund at such times and in such amounts as are necessary to provide for the full payment of the principal of and the interest on the Notes when due.

To provide security for the payment of the principal of and interest on the Notes and any other amounts due under the Credit Agreement as the same shall become due and payable, there is hereby granted a lien on and pledge of, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, (i) the proceeds from (a) the sale of Prior Lien Bonds or Subordinated Obligations issued for such purpose and (b) the sale of other Notes issued pursuant to this Ordinance for such purpose, (ii) Revolving Loans, (iii) the amounts held in the Series F Note Payment Fund until the amounts deposited therein are used for authorized purposes (provided, however, amounts in the Series F Note Payment Fund attributable to and derived from Revolving Loans shall be used only to pay, prior to any application to the payment of the Liquidity Provider Note, the principal of and interest on the Commercial Paper Notes in full), and (iv) the amounts remaining on deposit in the Series F Note Construction Account after the payment of all Project Costs, and it is hereby declared that the principal of and interest on the Notes and any other amounts due under the Credit Agreement shall be and are hereby equally and ratably secured by and payable from a lien on and pledge of the sources hereinabove identified in clauses (i), (ii), (iii) and (iv) subject and subordinate only to the exceptions noted therein.

Additionally, to provide security for the payment of the principal of and interest on the Liquidity Provider Note and other amounts due under the Credit Agreement as the same shall become due and payable, there is hereby granted to the Liquidity Provider a lien on and pledge of the Pledged Revenues, subject only to the provisions of this Ordinance permitting the application thereof for purposes and on the terms and conditions set forth herein, and the provisions of the Series G Credit Agreement, such lien on and pledge of the Pledged Revenues, however, being subordinate only to the lien on and pledge of the Pledged Revenues in support of the Prior Lien Bonds and the debt service and reserve funds relating thereto. The lien on and pledge of the Pledged Revenues in support of the Liquidity Provider Note shall be on a parity with the lien on and pledge of the Pledged Revenues in support of the State Street Bank Note

Unless the Liquidity Provider Note is paid from the proceeds of Commercial Paper Notes, or Prior Lien Bonds or Subordinated Obligations issued for such purpose, or amounts available in the Series F Note Payment Fund or the Series F Note Construction Account, all as described above, such payments are to be made from Pledged Revenues on deposit in the "Liquidity Provider Note Account" in accordance with **Section 4.02** hereof.

**Section 2.11. Series F Note Construction Account.** The City Council hereby reaffirms the separate account designated as the "**City of Dallas, Texas Waterworks and Sewer System**

**Series F Note Construction Account"** (the "Series F Note Construction Account"). The Series F Note Construction Account shall be held by the City with the City's depository bank, currently Bank of America, N.A. The City shall account for moneys deposited into the Series F Note Construction Account from Commercial Paper Notes issued. Moneys deposited in the Series F Note Construction Account shall remain therein until from time to time expended to pay for Project Costs, and to refund Notes issued in connection with Eligible Projects and shall not be used for any other purposes whatsoever, except as otherwise provided below, and pending such expenditure, moneys therein may be invested at the direction of the Chief Financial Officer of the City or the designee thereof in Eligible Investments. Any income received from such investments (except as otherwise required to be rebated to the United States of America in accordance with the provisions of **Section 4.06** hereof) shall be deposited, as received, into the Revenue Fund established by the Prior Lien Bond Ordinance and shall not, for purposes of this Ordinance, be considered an amount held in the Series F Note Construction Account.

Any amounts on deposit in the Series F Note Construction Account designated by an Authorized Representative as eligible to pay interest during construction and up to one year after construction is completed may be transferred from time to time at the direction of an Authorized Representative to the credit of the Series F Note Payment Fund from which proceeds of Commercial Paper Notes were deposited to the Series F Note Construction Account, for use in accordance with the terms of **Section 2.09** hereof.

Any amounts remaining in the Series F Note Construction Account after the payment of all Project Costs shall be paid into the Series F Note Payment Fund and used for the payment of such maturities of the Commercial Paper Notes coming due at such times as may be selected by an Authorized Representative or for the payment of the Liquidity Provider Note, as the case may be.

In the event no Commercial Paper Notes are Outstanding and there are no outstanding Loans, any amounts in the Series F Note Construction Account not anticipated to be needed to pay Project Costs shall be transferred to the Debt Service Fund established by the Prior Lien Bond Ordinance.

**Section 2.12. Cancellation.** All Commercial Paper Notes which at maturity are surrendered to the Paying Agent/Registrar for the collection of the principal and interest thereof or are surrendered for transfer or exchange pursuant to the provisions hereof shall, upon payment or issuance of new Commercial Paper Notes, be cancelled by the Paying Agent/Registrar, and the Paying Agent/Registrar forthwith shall transmit to the City a certificate identifying such Commercial Paper Notes and that such Commercial Paper Notes have been duly cancelled and destroyed.

**Section 2.13. Fiscal and Other Agents.** In furtherance of the purposes of this Ordinance, the City may from time to time appoint and provide for the payment of such additional fiscal, paying or other agents or trustees as it may deem necessary or appropriate in connection with the Notes.

**Section 2.14. Credit Agreement.** The Credit Agreement and the related Fee Agreement, each substantially in the form attached hereto as **Exhibit A**, are hereby approved, and shall be entered into with the Liquidity Provider. The Liquidity Provider Note, substantially in the form contained in the Credit Agreement, is approved with the interest rate payable thereon to be determined as set forth therein. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Credit Agreement, the Fee Agreement, and any Liquidity

Provider Note, and the City Secretary or an Assistant City Attorney is authorized to attest and to place the City seal thereon. The City Council finds that the execution of the Credit Agreement is in the best interests of the City in administering the issuance of the Series F Commercial Paper Notes.

**Section 2.15. Funds Secured.** Moneys in all such funds and accounts established by this Ordinance, to the extent not invested as permitted hereunder, shall be secured in the manner prescribed by law for securing funds of the City.

**Section 2.16. Application of Prior Covenants.** The covenants and agreements (to the extent the same are not inconsistent herewith) contained in the Prior Lien Bond Ordinance are hereby incorporated herein by reference and shall be deemed to be for the benefit and protection of the Liquidity Provider Note and the Holder thereof in like manner as applicable to the Prior Lien Bonds; provided, however, in the event of any conflict between the terms, covenants and agreements contained herein and the terms, covenants and agreements contained in the Prior Lien Bond Ordinance, the provisions of the Prior Lien Bond Ordinance shall control over the provisions hereof. Specifically, consistent with the provisions of the Prior Lien Bond Ordinance, if any property or facilities comprising all or a part of a system within the System are sold or exchanged, the acquisition, improvement or extension of such system having not been financed by the City in any manner with the proceeds of Prior Lien Bonds, or with the proceeds of obligations which were refunded in whole or in part with the proceeds of Prior Lien Bonds, then the City may utilize the proceeds of such sale or exchange for any lawful purpose not inconsistent with the City Charter of the City.

### ARTICLE III

#### ISSUANCE AND SALE OF NOTES

**Section 3.01. Issuance and Sale of Commercial Paper Notes.** (a) Commercial Paper Notes shall be completed and delivered by the Issuing and Paying Agent in accordance with telephonic, electronic or written instructions of the Authorized Representative and in the manner specified below and in the Issuing and Paying Agent Agreement. To the extent such instructions are not written, they shall be confirmed in writing by the Authorized Representative within twenty-four (24) hours. The instructions shall specify the Commercial Paper Notes to be sold and such principal amounts, dates of issue, maturities, rates of interest, or the formula or method of calculating interest and the basis upon which it is to be computed, and other terms and conditions which are hereby authorized and permitted to be fixed by the Authorized Representative at the time of sale of such Commercial Paper Notes. The instructions shall include the purchase price of such Commercial Paper Notes, and, if such Commercial Paper Notes are not held in accordance with a book-entry only system, a request that the Issuing and Paying Agent authenticate such Commercial Paper Notes by counter signature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes. The rules of the New York Clearinghouse shall apply thereto. The instructions shall also contain provisions representing that all action on the part of the City necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of Texas and federal law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from federal income taxation have been complied with, if applicable, and that such Commercial Paper Notes in the hands of the Holders thereof will be valid and enforceable obligations of the City according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and

bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that, if applicable, based upon the advice of Bond Counsel, the stated interest on the Commercial Paper Notes is exempt from federal income taxation. The instructions shall also certify that:

(i) no Event of Default under **Section 5.01** hereof has occurred and is continuing as of the date of such instructions and that the Issuing and Paying Agent has not received a Non-Issuance Instruction (as defined in the Credit Agreement);

(ii) the City has been advised by Bond Counsel that the projects to be financed with the proceeds of the Commercial Paper Notes will constitute Eligible Projects or that the obligations to be refunded were issued in connection with Eligible Projects;

(iii) the City is in compliance with the covenants set forth in **Article IV** hereof as of the date of such instructions;

(iv) the City has been advised by Bond Counsel that the proposed expenditure of the proceeds of such Commercial Paper Notes for such projects and the refunding of such Commercial Paper Notes issued for such projects will not cause the City to be in violation of its covenants set forth in **Section 4.06** hereof; and

(v) the sum of the interest payable on such Commercial Paper Note will not exceed a yield (calculated on the principal amount of the Commercial Paper Note on the basis of actual number of days elapsed, and a 365-day or 366-day year, as may be applicable) to the maturity date of such Commercial Paper Note in excess of the Maximum Interest Rate.

(b) The Liquidity Provider Note shall be delivered to the Liquidity Provider, and indebtedness may be incurred thereunder, all in accordance with the terms of the Credit Agreement.

**Section 3.02. Proceeds of Sale of Commercial Paper Notes.** The proceeds of the sale of any Commercial Paper Notes (net of all expenses and costs of sale and issuance) shall be applied for any or all of the following purposes as directed by an Authorized Representative:

(i) Proceeds to be used for the payment of Prior Lien Bonds, Subordinated Obligations or other obligations of the System shall be deposited in such fund or account established by the City Council in the proceedings authorizing the use of Commercial Paper Notes to refinance or refund Prior Lien Bonds, Subordinated Obligations or other obligations of the System;

(ii) Proceeds to be used for the payment of Outstanding Commercial Paper Notes at or before maturity and the repayment of any borrowing (evidenced by the Liquidity Provider Note) or other amounts due under the Credit Agreement shall be retained in the Series F Note Payment Fund, and expended therefor; and

(iii) Proceeds not retained in the Series F Note Payment Fund as provided in subparagraph (ii) above shall be transferred and deposited to the Series F Note Construction Account and used and applied in accordance with the provisions of **Section 2.11** hereof.

**Section 3.03. Issuing and Paying Agent Agreement.** The Issuing and Paying Agent Agreement, substantially in the form attached hereto as **Exhibit B**, is hereby approved, and shall be entered into with the Issuing and Paying Agent. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Issuing and Paying Agent Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Issuing and Paying Agent or with any successor Issuing and Paying Agent in order to implement the functions of the Issuing and Paying Agent or Registrar with respect to the Commercial Paper Notes. Any successor Issuing and Paying Agent shall be a financial institution organized and existing under the laws of the United States of America or the State of Texas and which has trust powers. The successor Issuing and Paying Agent shall have assumed the duties of the Issuing and Paying Agent to be replaced before such Issuing and Paying Agent shall be relieved of the obligation to perform the duties as Issuing and Paying Agent, and the successor Issuing and Paying Agent shall have executed an agreement substantially in the same form and substance as the Issuing and Paying Agent Agreement approved by this Ordinance.

**Section 3.04. Dealer Agreement.** The selection and appointment of J.P. Morgan Securities LLC as the dealer for the Commercial Paper Notes (the "Dealer") is hereby approved. The Dealer Agreement by and between the City and the Dealer pertaining to the sale, from time to time, of Commercial Paper Notes or the purchase of Commercial Paper Notes from the City, substantially in the form attached hereto as **Exhibit C**, is hereby approved, and shall be entered into with the Dealer. The City Manager or any Assistant City Manager is hereby authorized to execute and deliver the Dealer Agreement, and the City Secretary or an Assistant City Attorney is authorized to attest the execution thereby. Any Authorized Representative is hereby authorized to enter into any supplemental agreement with the Dealer or with any successor Dealer in order to implement the functions of the Dealer with respect to the Commercial Paper Notes.

## ARTICLE IV

### COVENANTS OF THE CITY

**Section 4.01. Limitation on Issuance.** Unless this Ordinance is amended and modified by the City Council in accordance with the provisions of **Section 6.01** hereof, the City covenants that there will not be issued and Outstanding at any time under this Ordinance more than \$300,000,000 in aggregate principal amount of Commercial Paper Notes. For purposes of this **Section 4.01** any portion of Outstanding Notes to be paid from money on deposit in the Series F Note Payment Fund held by the Issuing and Paying Agent on the day of calculation and from the available proceeds of Notes, Prior Lien Bonds or Subordinated Obligations or other obligations of the City issued on the day of calculation shall not be considered Outstanding. In addition to the foregoing, any improvement or extension to the System to be funded with Commercial Paper Notes must qualify as an Eligible Project, and the City shall not direct the Issuing and Paying Agent to issue Commercial Paper Notes that mature after the Business Day prior to the scheduled date the Credit Agreement expires or terminates in accordance with its terms.

Additionally, for so long as a Credit Agreement is in effect and supports the payment of all or any principal amount of the Commercial Paper Notes, the City covenants and agrees that the total principal amount of all Commercial Paper Notes Outstanding at any one time and the total amount of interest accrued or to accrue thereon shall not exceed the Commitment.

**Section 4.02. Liquidity Provider Note Account.** There is hereby created and there shall be established and maintained within the Series F Note Payment Fund established by this Ordinance a separate account to be known as the "Liquidity Provider Note Account" for the sole benefit of the Liquidity Provider Note within the Series F Note Payment Fund established by this Ordinance. After satisfying the requirements of the Prior Lien Bond Ordinance and any other ordinance with respect to the Prior Lien Bonds, with respect to the payment of principal of, and premium, if any, and interest on the Prior Lien Bonds and funding the reserve fund therefor, there shall be deposited by the City to the Liquidity Provider Note Account the amounts required by **Section 2.10** hereof for the payment of the Liquidity Provider Note.

**Section 4.03. Maintenance of Available Credit Facilities Requirement.** (a) The City agrees and covenants that at all times up to and including the Maximum Maturity Date, unless the Commercial Paper Notes are no longer Outstanding, or except as otherwise provided by **Section 4.03(b)** hereof, it will maintain liquidity or credit facilities with banks or other financial institutions in amounts such that, assuming that all then Outstanding Commercial Paper Notes were to become due and payable immediately, the amount available for borrowing under such liquidity or credit facilities would be sufficient at that time to pay principal and interest of all Commercial Paper Notes. Except as otherwise provided by **Section 4.03(b)** hereof, no Commercial Paper Note shall be issued if, after giving effect to the issuance thereof and, if applicable, the immediate application of the proceeds thereof to retire other Commercial Paper Notes secured by the liquidity or credit facility, the aggregate principal amount of all Commercial Paper Notes secured by or payable from the liquidity or credit facility, and the total amount of interest accrued or to accrue thereon, would exceed the amount of the Commitment thereunder. The availability for borrowing of such amounts under such facilities may be subject to reasonable conditions precedent, including, but not limited to, bankruptcy of the City. In furtherance of the foregoing covenant, the City agrees that it will not issue any Commercial Paper Notes or make any borrowing which will result in a violation of such covenant, will not amend the Credit Agreement in a manner which will cause a violation of such covenant and, if and to the extent necessary to maintain compliance with such covenant, will arrange for new liquidity or credit facilities prior to, or contemporaneously with, the expiration of the Credit Agreement. Noteholders will be provided no less than fifteen (15) days' notice prior to the effective date of any new liquidity or credit facility. The then existing liquidity or credit facility will remain in effect with respect to Commercial Paper Notes issued and Outstanding prior to the effective date of any new liquidity or credit facility until all such Commercial Paper Notes have been paid in full. Any new liquidity or credit facility shall be effective only with respect to Commercial Paper Notes that are issued on or after the effective date of such new liquidity or credit facility.

(b) The provisions of **Section 4.03(a)** hereof notwithstanding, the City Council may amend this Ordinance, in accordance with the provisions of **Section 6.01** hereof, to provide that Commercial Paper Notes issued under authority of this Ordinance may be issued without support of liquidity and/or credit facilities. To exercise the authority reserved by this **Section 4.03(b)**, the City shall provide written notice to the Dealer, the Issuing and Paying Agent and the Rating Agencies of the determination of the City Council to amend this Ordinance to permit Commercial Paper Notes authorized to be issued by this Ordinance to be issued without liquidity and/or credit support. Such notice shall be provided no later than ninety (90) days prior to the proposed date the City Council is to consider for adoption an ordinance amending this Ordinance for the purpose described in this **Section 4.03(b)**. The City shall cause written notice to be provided to the Noteholders no less than fifteen (15) days prior to the date the amendatory ordinance permitting Commercial Paper Notes to be issued without liquidity and/or credit facilities is enacted by the City Council. No such amendatory ordinance shall be adopted if, on

or before the date the amendatory ordinance is to be considered by the City Council, the ratings to be assigned to such Commercial Paper Notes not being supported by a liquidity and/or credit facility are lower than A-1 or its equivalent. The foregoing notwithstanding, prior to the issuance of any Commercial Paper Notes without support of liquidity and/or credit facilities, any Commercial Paper Notes issued under this Ordinance with liquidity and/or credit facility support shall be retired in full either through the issuance of refunding bonds or with the proceeds of Commercial Paper Notes issued without liquidity and/or credit facilities, such that any Commercial Paper Notes issued with liquidity and/or credit facility support thereafter are no longer Outstanding.

**Section 4.04. Commercial Paper Notes Issued as Bond Anticipation Notes.** The City hereby acknowledges that the Commercial Paper Notes are being issued as bond anticipation notes, and therefore the City in good faith shall endeavor to sell a sufficient principal amount of Prior Lien Bonds or Subordinated Obligations, or a combination thereof, in order to have funds available, together with other moneys available therefor, to pay the Commercial Paper Notes and the interest thereon, or any renewals thereof, as the same shall become due, and to pay amounts due under the Credit Agreement. For the sole purpose of establishing for the benefit of the Public Finance Division of the Office of the Attorney General of Texas that the City possesses sufficient Pledged Revenues to pay the Commercial Paper Notes and the interest thereon, the City shall establish sufficiency through the issuance of Prior Lien Bonds under authority of Chapter 1207 at then current market interest rates with level debt service over a forty (40) year period to refinance such Commercial Paper Notes, under authority of Section 1371.057(c), Texas Government Code.

**Section 4.05. Punctual Payment.** The City will punctually pay or cause to be paid the principal of and interest, if any, on the Notes (but only from the sources pledged herein), in conformity with the Notes, this Ordinance and the Credit Agreement.

**Section 4.06. Commercial Paper Notes to Remain Tax Exempt.** The City covenants to take any action to assure, or refrain from any action which would adversely affect, the treatment of the Commercial Paper Notes as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation if such Commercial Paper Notes are designated by the City as "tax exempt." In furtherance thereof, the City covenants as follows:

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

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



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

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

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

(f) to refrain from using any portion of the proceeds of the Commercial Paper Notes, 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 such Commercial Paper Notes, other than investment property acquired with --

(1) proceeds of such Commercial Paper Notes invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the obligations are issued,

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

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

(g) to otherwise restrict the use of the proceeds of the Commercial Paper Notes or amounts treated as proceeds of such Commercial Paper Notes, as may be necessary, so that such Commercial Paper Notes do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(h) to refrain from using the proceeds of the Commercial Paper Notes or the proceeds of any prior bonds to pay debt service on another issue more than ninety (90) days after the issuance of the Commercial Paper Notes in contravention of section 149(d) of the Code (relating to advance refundings);

(i) to timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on such forms, at such places and in such manner as may be prescribed by law; and

(j) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Commercial Paper Notes) 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 sixty (60) days after the Commercial Paper Notes have 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.

The City represents and covenants that it will not expend, or permit to be expended, the proceeds of any Commercial Paper Notes in any manner inconsistent with its reasonable expectations as certified in a federal tax certificate to be executed from time to time with respect to the Commercial Paper Notes; provided, however, that the City may expend Commercial Paper Note proceeds in any manner if the City first obtains an unqualified opinion of Bond Counsel that such expenditure will not impair the exemption from federal income taxation of interest paid on the Commercial Paper Notes. The City represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon.

The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of the Commercial Paper Notes. 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 Commercial Paper Notes, 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 Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Commercial Paper Notes 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 Commercial Paper Notes, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of Bond Counsel, to preserve the exemption from federal income taxation of interest on the Commercial Paper Notes under section 103 of the Code. In furtherance of such intention, the City Council hereby authorizes and directs the Mayor, the City Manager and the Chief Financial Officer of the City 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 Commercial Paper Notes.

In order to facilitate compliance with the above clause (j), the "Rebate Fund" established under the Existing Ordinance is hereby reaffirmed by the City for the sole benefit of the United States of America, and the Rebate Fund shall not be subject to the claim of any other person, including, without limitation, the Noteholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the written procedures adopted by the City Council in the ordinance authorizing the issuance of the Series 2012A Bonds, passed August 8, 2012, apply to the Commercial Paper Notes.

**Section 4.07. Allocation of, and Limitation on, Expenditures for Eligible Projects.** The City covenants to account for on its books and records the expenditure of proceeds from the sale of the Commercial Paper Notes and any investment earnings thereon to be used for Eligible Projects by allocating proceeds to expenditures within eighteen (18) months of the later of the date that (a) the expenditure on an Eligible Project is made or (b) each Eligible Project is completed. The foregoing notwithstanding, the City shall not expend such proceeds or investment earnings more than sixty (60) days after the later of (a) the fifth anniversary of the date of delivery of such Commercial Paper Notes or (b) the date the Commercial Paper Notes are retired, unless the City obtains an opinion of Bond Counsel substantially to the effect that such

expenditure will not adversely affect the tax-exempt status of such Commercial Paper Notes. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 4.08. Disposition of Eligible Projects.** The City covenants that the property constituting an Eligible Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of Bond Counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Commercial Paper Notes. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the City shall not be obligated to comply with this covenant if it obtains an opinion of Bond Counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

**Section 4.09. Supplemental Ordinances.** Other than as permitted herein with respect to the issuance or incurrence of additional obligations of the City secured by the Pledged Revenues, the City will not adopt any supplemental ordinances with respect to the Pledged Revenues, pursuant to the Prior Lien Bond Ordinance or otherwise, without the prior written consent of the Liquidity Provider.

**Section 4.10. Opinion of Bond Counsel.** The City shall cause the legal opinion of Bond Counsel as to the validity of the Commercial Paper Notes and as to the exemption of interest on the Commercial Paper Notes from federal income taxation to be furnished to any Holder without cost. In addition, a copy of said opinion may be printed on each of the Commercial Paper Notes.

**Section 4.11. Ongoing Continuing Disclosure Covenant.** To the extent required by the provisions of Rule 15c2-12 (the "Rule"), promulgated by the U.S. Securities and Exchange Commission, the City agrees to enter into an agreement to file financial information and operating data with respect to the Commercial Paper Notes with the MSRB. Under the provisions of the Rule, as they exist on the date this Ordinance is adopted, the City is exempted from complying with the undertaking described in the first sentence of this **Section 4.11**, as the Notes are to be issued in the form of Commercial Paper Notes with maturities of no greater than two hundred and seventy (270) days.

**Section 4.12. Rates and Charges.** The City hereby agrees and reaffirms its covenants to the holders of the Prior Lien Bonds and to State Street Bank, as holder of the State Street Bank Note, and covenants to the Holder of the Liquidity Provider Note, that it will at all times maintain rates and charges for the services furnished, provided, and supplied by the System which shall comply with the provisions of the Prior Lien Bond Ordinance, be reasonable and non-discriminatory and produce income and revenues sufficient to pay:

(a) current expenses of operation and maintenance of the System, as required by Section 1502.056, Texas Government Code, including all salaries, labor, materials, interest, repairs, and extensions necessary to render efficient service;

(b) the interest on and principal of all Prior Lien Bonds, as and when the same shall become due; and

(c) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of each Liquidity Provider Note and other amounts due each Liquidity Provider under the Credit Agreement, as and when the same shall become due; and

(d) to the extent the same are reasonably anticipated to be paid with Pledged Revenues, the interest on and principal of the State Street Bank Note and other amounts due State Street Bank under the Series G Credit Agreement, as and when the same shall become due; and

(e) any legal debt or obligation of the System as and when the same shall become due, including any Subordinated Obligations.

**Section 4.13. Revenue Fund.** Pursuant to **Section 2.16** hereof, the City hereby reaffirms its covenant to the holders of the Prior Lien Bonds, and affirms to State Street Bank, as holder of the State Street Bank Note, and hereby covenants with respect to the Holder of the Liquidity Provider Note, that all Gross Revenues shall be deposited as received in the "City of Dallas, Texas Waterworks and Sewer System Revenue Fund" (hereinafter referred to as the "Revenue Fund"), which shall be kept separate and apart from all other funds of the City. Revenues received for the Revenue Fund shall be deposited from time to time as received in such bank or banks as may be selected by the City in accordance with applicable laws relating to the selection of City depositories.

**Section 4.14. Compliance with Prior Lien Bond Ordinance and Other Documents.** The City will comply with the terms and provisions of the Prior Lien Bond Ordinance, and any other ordinance (including specifically, but not by way of limitation, the ordinance authorizing the issuance of the Series G Commercial Paper Notes) or contract to which the City is a party, the non-compliance with which would materially adversely affect the ability of the City to make payments on the Notes when due. The City shall make the deposits to and payments from the Revenue Fund when and as required by the Prior Lien Bond Ordinance, and such deposits shall be made in the order and with the priorities set forth in the Prior Lien Bond Ordinance.

**Section 4.15. Reservation of Right to Issue or Incur Prior Lien Bonds and Obligations of Inferior Lien.** In accordance with **Section 4.09** hereof, the City hereby expressly reserves the right to hereafter issue Prior Lien Bonds in accordance with the provisions of the Prior Lien Bond Ordinance, payable from and secured by a lien on and pledge of the Pledged Revenues prior in right and claim to the lien and pledge securing the payment of the Liquidity Provider Note. In accordance with **Section 4.09** hereof, the City also retains the right to issue or incur Subordinated Obligations.

**Section 4.16. Notice to Rating Agencies.** The City shall cause to be provided to the Rating Agencies notice of any proposed amendment to this Ordinance (including, without limitation, an amendment to this Ordinance as described in **Section 4.03(b)** hereof), or any termination thereof, or the occurrence of the termination or expiration of the Commitment or the substitution of liquidity or credit facilities prior to, or contemporaneously with, the expiration of the Credit Agreement, or any change in the Issuing and Paying Agent or the Dealer, or any amendment of the Issuing and Paying Agent Agreement or the Credit Agreement, with such notice to be provided in the manner set forth in the Issuing and Paying Agent Agreement.

**Section 4.17. Purchase of Commercial Paper Notes by the City.** Notwithstanding anything to the contrary contained in this Ordinance, to the extent that the Dealer cannot sell

Commercial Paper Notes to renew or refund Outstanding Commercial Paper Notes on their maturity, the City may use funds from sources other than (i) money on deposit in the Series F Note Payment Fund or the Series F Note Construction Account, (ii) the proceeds of Prior Lien Bonds or Subordinated Obligations, or (iii) money on deposit in any debt service fund or reserve fund established for the benefit of the Prior Lien Bonds or Subordinated Obligations, to purchase Commercial Paper Notes issued to renew and refund such maturing Commercial Paper Notes. Such payment, issuance and purchase are not intended to constitute an extinguishment of the obligation represented by such maturing Commercial Paper Notes and the City may issue Commercial Paper Notes to renew and refund the Commercial Paper Notes held by it when the Dealer is again able to sell Commercial Paper Notes. While such Commercial Paper Notes are held by the City they shall bear interest at the rate being earned by the funds used to purchase such Commercial Paper Notes on the date of purchase.

## **ARTICLE V**

### **EVENTS OF DEFAULT AND REMEDIES OF NOTEHOLDERS**

**Section 5.01.** Events of Default. If one or more of the following events shall occur:

(a) if default shall be made in the due and punctual payment of principal of any Commercial Paper Note when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if the City shall fail to make due and punctual payment of interest on any Commercial Paper Note when and as such interest installment shall become due and payable and such failure shall continue for five (5) Business Days;

(c) if the principal of a liquidity provider note issued pursuant to the Series G Credit Agreement (and interest accrued thereon) shall become due and payable prior to the maturity thereof under such liquidity provider note and the Series G Credit Agreement;

(d) if the principal of the Liquidity Provider Note (and interest accrued thereon) shall become due and payable prior to the maturity thereof under the Liquidity Provider Note and the Credit Agreement;

(e) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance or in the Commercial Paper Notes contained, and such default shall continue for a period of sixty (60) days after written notice thereof; provided, however, if such default cannot be cured within the sixty (60) day period but corrective action to cure such default is commenced and diligently pursued until the default is corrected no such Event of Default shall be deemed to have occurred; or

(f) if there shall occur the dissolution (without a successor being named to assume the rights and obligations) or liquidation of the City or the filing by the City of a voluntary petition in bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for the adjustment of its debts instituted

under the provisions of the Bankruptcy Code, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted;

then such event as described above shall constitute an "Event of Default" under this Ordinance.

**Section 5.02. Suits at Law or in Equity and Mandamus.** In case one or more Events of Default shall occur, then and in every such case the Holder of any Note at the time Outstanding shall be entitled to proceed to protect and enforce such Holder's rights by such appropriate judicial proceeding as such Holder shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Ordinance, or in aid of the exercise of any power granted in this Ordinance, or to enforce any other legal or equitable right vested in the Holders of Notes by this Ordinance or the Notes or by law. The provisions of this Ordinance shall be a contract with each and every Holder of Notes and the duties of the City shall be enforceable by any Noteholder by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

**Section 5.03. Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Holders of Notes is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Holder of any one or more of the Notes.

## ARTICLE VI

### MISCELLANEOUS

**Section 6.01. Amendments or Modifications Without Consent of Holders of Notes.** This Ordinance and the rights and obligations of the City and of the Holders of Notes may be modified or amended at any time by a supplemental ordinance, without notice to or the consent of any Noteholders, but only to the extent permitted by law, and, subject to the rights of the holders of the Notes, only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City;

(2) to (a) increase the principal amount of Commercial Paper Notes that may be Outstanding at any one time under the terms of this Ordinance, or (b) adjust the principal amounts of, or to add sub-series for, the Commercial Paper Notes that may be Outstanding at any one time under the terms of this Ordinance; provided that the City satisfies either (i) the requirements of **Section 4.03(a)** hereof in providing liquidity or credit support with respect to the increased principal amount of Commercial Paper Notes authorized to be Outstanding at any one time or (ii) the requirements of **Section 4.03(b)** hereof to issue the increased principal amount of Commercial Paper Notes without liquidity and/or credit support;

(3) to cure any ambiguity or inconsistency, or to cure or correct any defective provision contained in this Ordinance, upon receipt by the City of an approving opinion

of Bond Counsel selected by the City, that the same is needed for such purpose, and will more clearly express the intent of this Ordinance;

(4) to effect such changes as are determined by the City Council to be necessary or advisable in connection with exercising the authority reserved to the City in **Section 4.03(b)** hereof; or

(5) to supplement the security for the Notes, replace or provide additional credit facilities, make such changes, modifications or amendments as may be necessary or desirable in order to obtain the approval of this Ordinance by the Attorney General of Texas, as required by **Section 6.08** hereof, or to obtain or maintain the granting of a rating on the Notes by a nationally recognized municipal bond rating agency, or change the form of the Notes, or make such other changes in the provisions hereof as the City may deem necessary or desirable and which shall not materially adversely affect the interests of the Holders of the Notes;

provided, however, that nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions of this Ordinance or of the Commercial Paper Notes so as to:

(A) Make any change in the maturity of any of the Outstanding Commercial Paper Notes;

(B) Reduce the rate of interest borne by any of the Outstanding Commercial Paper Notes;

(C) Reduce the amount of the principal payable on any of the Outstanding Commercial Paper Notes;

(D) Modify the terms of payment of principal of or interest on the Outstanding Commercial Paper Notes, or impose any conditions with respect to such payment;

(E) Affect the rights of the Holders of less than all of the Outstanding Commercial Paper Notes; or

(F) Reduce or restrict the pledge made pursuant to **Section 2.10** hereof for payment of the Commercial Paper Notes;

and provided, further, that no change, modification or amendment shall be made in this Ordinance or become valid and effective (i) without the approval of such change, modification or amendment by the Attorney General of the State of Texas, to the extent required by the Act, and (ii) without the written consent of the Liquidity Provider (which, in the case of an amendment authorizing an increase in the principal amount of Commercial Paper Notes at any one time Outstanding, shall mean the written consent of the Liquidity Provider providing, as of the effective date of the authority to issue additional Commercial Paper Notes in excess of the maximum principal amount of Commercial Paper Notes then authorized by the City Council at any one time to be Outstanding, the liquidity or credit support, if any, required by **Section 4.03(a)** hereof).

**Section 6.02. Additional Actions.** (a) Any Authorized Representative, the City Secretary, and the other officers of the City, each are hereby authorized and directed, jointly and

severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Ordinance, the Credit Agreement, the Fee Agreement, the Dealer Agreement, the Issuing and Paying Agent Agreement and the Offering Memorandum. Specifically, by the adoption of this Ordinance, the City Council hereby authorizes the payment of the fees and expenses incurred and to be paid by the City in connection with the issuance, sale and delivery of the Notes and the execution and delivery of the Credit Agreement, the Fee Agreement, the Dealer Agreement and the Issuing and Paying Agent Agreement, including, without limitation, fees of Rating Agencies, as further described in Schedule I attached hereto.

(b) In order for the City Council to be kept informed of the general activities and future needs of the System, the Chief Financial Officer of the City or the designee thereof shall report periodically to the Government Performance and Financial Management Committee duly appointed by the City Council, but no less frequently than once each calendar quarter, and provide the Government Performance and Financial Management Committee with a summary of recent events relating to the System and actions taken by the City with respect to such events.

(c) True and correct copies of this Ordinance shall be furnished to the Rating Agencies promptly after the adoption of this Ordinance, to notify such parties that the Series F Commercial Paper Notes will be supported by a liquidity facility issued by the Liquidity Provider in the manner described in this Ordinance.

(d) The City shall not execute the Credit Agreement, the Fee Agreement, the Issuing and Paying Agent Agreement or the Dealer Agreement unless the each of the parties has confirmed to an Authorized Representative that either it (i) has made disclosure filings to the Texas Ethics Commission in accordance with Section 2252.908, Texas Government Code or (ii) is exempt from making filings under Section 2252.908(c)(4), Texas Government Code. If clause (i) above applies to any party, within thirty (30) days of receipt of any such disclosure filing the filing will be acknowledged by the City in accordance with the rules of the Texas Ethics Commission.

**Section 6.03. Ordinance to Constitute a Contract; Equal Security.** In consideration of the acceptance of the Notes, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Notes and the pledge made in this Ordinance by the City and the covenants and agreements set forth in this Ordinance to be performed by the City shall be for the equal and proportionate benefit, security and protection of all Holders of the Notes, without preference, priority or distinction as to security or otherwise of any of the Notes authorized hereunder over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Ordinance or, with respect to the Liquidity Provider Note, the Credit Agreement.

**Section 6.04. Severability of Invalid Provisions.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Notes issued hereunder.



**Section 6.05. Payment and Performance on Business Days.** Whenever under the terms of this Ordinance or the Commercial Paper Notes, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Commercial Paper Notes, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Commercial Paper Notes, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on such day.

**Section 6.06. Limitation of Benefits with Respect to the Ordinance.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Ordinance or the Notes is intended or should be construed to confer upon or give to any person other than the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to each Dealer Agreement, the Credit Agreement and the Fee Agreement, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Holders of the Notes, the Issuing and Paying Agent and the parties to each Dealer Agreement, the Credit Agreement and the Fee Agreement as herein and therein provided.

**Section 6.07. Use of Offering Memorandum.** The use by the Dealer of the Offering Memorandum, prepared in connection with the sale of Commercial Paper Notes, and the distribution of the Offering Memorandum by the Dealer, is approved subject to the approval thereof by an Authorized Representative. Any Authorized Representative is hereby authorized to provide to the Dealer such information as may be necessary, in the reasonable judgment of the Dealer, to update, on an annual basis, the Offering Memorandum.

**Section 6.08. Approval of Attorney General.** The City Council hereby authorizes and ratifies the submission by the Authorized Representative of this Ordinance and a transcript of proceedings related thereto to the Attorney General of the State of Texas for approval, as required by the Act. No Notes herein authorized to be issued shall be sold or delivered by an Authorized Representative until the Attorney General of the State of Texas shall have approved this Ordinance, the Credit Agreement, the Fee Agreement and other agreements and proceedings as may be required in connection therewith, all as required by the Act. The City Council hereby authorizes and ratifies the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Commercial Paper Notes, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

**Section 6.09. Sub-Series F-2 Notes Issued under Existing Ordinance.** Upon payment of any fees and other costs related to the Sub-Series F-2 Credit Agreement, the dealer agreement, and the issuing and paying agent agreement executed in connection with the Sub-Series F-2 Notes that are due and owing by the City as of the effective date of the Credit Agreement, all such agreements shall terminate and be of no force and effect.

**Section 6.10. Preamble.** The preamble to this Ordinance shall be considered an integral part of this Ordinance, and is herein incorporated as part of the body of this Ordinance for all purposes.

**Section 6.11. Effective Date.** Pursuant to Section 6.01 of the Existing Ordinance, the amendment and restatement of the Existing Ordinance by this Ordinance shall become valid and effective upon (i) the approval of the transcript of proceedings relating to this Ordinance by the Attorney General of the State of Texas and (ii) the written consent of JPMC, in its capacity as liquidity provider under Existing Ordinance and the Sub-Series F-1 Credit Agreement.

**Section 6.12. Open Meeting.** It is hereby officially found and determined that 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, all as required by Chapter 551, Texas Government Code, as amended.

PASSED AND APPROVED the 26<sup>th</sup> day of June, 2024.

APPROVED AS TO FORM:  
Tammy L. Palomino, City Attorney

By: \_\_\_\_\_  
Stephen Freeland, Assistant City Attorney

THE STATE OF TEXAS :  
COUNTIES OF DALLAS, DENTON, COLLIN, KAUFMAN AND ROCKWALL :  
CITY OF DALLAS :

I, Bilierae Johnson, City Secretary of the City of Dallas, Texas, do hereby certify that the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in Regular Meeting on the 26th day of June, 2024, and an Ordinance authorizing the issuance and sale of commercial paper notes in an aggregate principal amount at any one time outstanding not to exceed \$300,000,000, which Ordinance is duly of record in the minutes of said City Council; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this the 26th day of June, 2024.

\_\_\_\_\_  
Bilierae Johnson, City Secretary  
City of Dallas, Texas

(SEAL)

EXHIBIT A

CREDIT AGREEMENT AND FEE AGREEMENT

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

dated as of July 1, 2024

between

CITY OF DALLAS, TEXAS,

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION,

relating to

CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM  
COMMERCIAL PAPER NOTES, SERIES F

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## AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

This AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT is dated as of July 1, 2024, between the CITY OF DALLAS, TEXAS (the “City”) and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (“JPMC” or the “Bank”).

### RECITALS:

WHEREAS, pursuant to Chapter 1371, Texas Government Code (the “Act”), the City is authorized to issue commercial paper notes and to execute and deliver one or more credit agreements with respect to such commercial paper notes; and

WHEREAS, pursuant to Ordinance No. [\_\_\_\_], adopted on June [12], 2024 (the “Ordinance”), the City authorized the issuance of its Waterworks and Sewer System Commercial Paper Notes, Series F in an aggregate principal amount not to exceed \$300,000,000 (the “Series F Commercial Paper Notes” or “Commercial Paper Notes”) to provide interim financing for additions, improvements and extensions to the System (as defined herein) pursuant to the authority of the Act; and

WHEREAS, the City has requested JPMC to provide, and JPMC is willing to provide to the City, liquidity to support such Commercial Paper Notes by making available a revolving line of credit, initially in an aggregate principal amount not to exceed \$322,191,781 (said amount calculated to provide liquidity for the maximum aggregate principal amount of Commercial Paper Notes outstanding at any time, together with interest thereon for a period of 270 days at the rate of 10% per annum) at any time outstanding; and

WHEREAS, the City and the Bank previously entered into a revolving line of credit to provide liquidity support for the Commercial Paper Notes in the form of that certain Revolving Credit Agreement dated as of the Prior Effective Date (the “Existing Credit Agreement”);

NOW, THEREFORE, the parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

*Section 1.01. Definitions.* In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

“Act” has the meaning set forth in the recitals hereto.

“*Affiliate*” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“*Agreement*” shall mean this Amended and Restated Revolving Credit Agreement, as amended, supplemented or otherwise modified from time to time.

“*Anti-Corruption Laws*” means all laws, rules and regulations of any jurisdiction applicable to the City or any of its affiliates from time to time concerning or relating to bribery or corruption.

“*Audited Financial Statements*” means the audited Comprehensive Annual Financial Report and any related basic financial statements for the City for each Fiscal Year, commencing with the Fiscal Year ended September 30, 2023.

“*Authorized Representative*” has the meaning set forth in the Ordinance.

“*Available Commitment*” shall mean, at any date, the sum of the Available Principal Commitment and the Available Interest Commitment then in effect.

“*Available Interest Commitment*” shall mean, and in no event shall it exceed, \$22,191,781, which constitutes two hundred seventy (270) days of interest at ten percent (10%) on the maximum Available Principal Commitment calculated on the basis of actual number of days and a 365-day year, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Interest Component of any Loan; (b) upward in an amount equal to the Interest Component of any Loan that is repaid, pursuant to the terms of Section 2.03 or Section 2.07; and (c) downward by an amount that bears the same proportion to the Available Interest Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, however*, that after giving effect to any such adjustment the Available Interest Commitment shall never exceed \$22,191,781. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Available Principal Commitment*” shall mean, and in no event shall it exceed, \$300,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Principal Component of any Loan; (b) upward in an amount equal to the Principal Component of any Loan that is repaid pursuant to the terms of Section 2.03 or Section 2.07; and (c) downward by an amount that bears the same proportion to the Available Principal Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided*, that, after giving effect to any such adjustment the Available Principal Commitment shall never exceed \$300,000,000. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Bank Note*” shall mean the Liquidity Provider Note made by the City to the order of JPMC, evidencing Loans payable from Pledged Revenues, substantially in the form of Exhibit C

attached hereto, with appropriate completions, and any and all renewals, extensions or modifications thereof.

“*Bank Rate*” means, for each day of determination with respect to any Loans, except as provided in Section 2.04 hereof, a rate per annum equal to (i) for the period from and including the date such Loan is made to but not including the earlier to occur of (x) the Conversion Date and (y) the date which is ninety (90) calendar days immediately following the date such Loan is made, the Base Rate from time to time in effect, and (ii) from and after the Conversion Date, the Base Rate from time to time in effect plus one percent (1.00%); *provided* that from and after the occurrence of an Event of Default, “Bank Rate” shall mean the Default Rate; *provided further* that at no time shall the Bank Rate be less than the highest per annum rate of interest applicable to any Outstanding Commercial Paper Notes. Each change in any interest rate provided for herein resulting from a change in the Prime Rate or the Federal Funds Rate shall take effect at the time of such change in the Prime Rate or the Federal Funds Rate, respectively.

“*Banking Arrangements*” means (a) the agreements of the Bank and the City set forth in this Agreement and the transactions contemplated hereby, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the City, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the City, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

“*Base Rate*” shall mean, for any day, the highest of (i) the Federal Funds Rate *plus* two percent (2.00%), (ii) the Prime Rate, *plus* one and one half of one percent (1.50%) or (iii) seven and one-half of one percent (7.50%) per annum.

“*BHC Act Affiliate*” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“*Business Day*” shall mean any day (i) when banks are not required or authorized by law or executive order to be closed in Dallas, Texas, New York, New York or the city in which the office of JPMC at which demands hereunder are to be honored is located and (ii) when the New York Stock Exchange is not required or authorized by law or executive order to be closed.

“*Change in Law*” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided*, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “*Change in Law*”, regardless of the date enacted, adopted or issued.

“City” shall mean the City of Dallas, Texas.

“Co-Bond Counsel” shall mean McCall, Parkhurst & Horton L.L.P. and Escamilla & Poneck, LLP, or any other firm or firms selected by the City whose opinion concerning bond matters is nationally recognized.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable regulations from time to time promulgated or proposed thereunder by the United States Department of the Treasury.

“Commercial Paper Notes” has the meaning set forth in the recitals hereto.

“Commitment” shall mean an amount equal to \$322,191,781, as such amount may be terminated and reduced pursuant to Section 2.06 or 7.01 hereof.

“Commitment Termination Date” shall mean the earliest of:

- (a) July 8, 2027, or such later date as may be established pursuant to Section 2.09 hereof;
- (b) the date the Commitment is reduced to zero pursuant to Section 2.06 or Section 7.01 hereof; and
- (c) the Substitution Date.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Conversion Date” is defined in Section 2.03(a) hereof.

“Covered Entity” means any of the following:

- (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned to it in Section 8.18 hereof.

“*Dealer*” shall mean each dealer selected from time to time by the City to market the Commercial Paper Notes in accordance with the Ordinance. As of the Effective Date, the Dealer is J.P. Morgan Securities LLC.

“*Dealer Agreement*” has the meaning set forth in the Ordinance.

“*Debt*” of any Person means, at any date and without duplication, (i) all obligations of such Person for borrowed money, including without limitation, obligations secured by any of the revenues or assets of such Person and all obligations of such Person evidenced by bonds (including revenue bonds), debentures, notes or other similar instruments, (ii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iii) all obligations of such Person as lessee under capital leases, (iv) all indebtedness of others secured by a Lien on any asset of such Person, whether or not such indebtedness is assumed by such Person, (v) all indebtedness of others guaranteed by, or secured by any of the revenues or assets of, such Person and (vi) net payment obligations of such Person under any Swap Contract.

“*Debtor Relief Laws*” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“*Default*” shall mean any condition or event that constitutes an Event of Default or that, with the giving of notice or lapse of time or both, would constitute an Event of Default.

“*Default Rate*” shall mean a rate of interest per annum equal to the Base Rate, *plus* three percent (3.00%).

“*Default Right*” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“*Dodd-Frank Act*” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

“*Dollar*,” “*Dollars*” and “*\$*” mean lawful money of the United States.

“*Effective Date*” means July 8, 2024, so long as the conditions precedent set forth in Section 4.01 hereof have been satisfied or waived.

“*Eligible Assignee*” means any Person that meets the requirements to be an assignee under Section 8.06 (subject to such consents, if any, as may be required under Section 8.06(c)(iii)).

“*Employee Plan*” shall mean an employee benefit plan covered by Title IV of ERISA and maintained for employees of the City.

“*ERISA*” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and, unless the context otherwise requires, the rules and regulations promulgated thereunder from time to time.

“*Event of Default*” is defined in Section 7.01 hereof.

“*Excess Interest*” is defined in Section 2.04(c) hereof.

“*Excluded Tax*” means, with respect to JPMC or any other recipient of any payment to be made by or on account of any obligation of the City hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located or, in the case of JPMC, in which its applicable Lending Office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the City is located, and (c) any backup withholding tax that is required by the Code to be withheld from amounts payable to JPMC that has failed to comply with clause (A) of Section 3.01(e)(ii).

“*Facility Fee*” has the meaning set forth in the Fee Letter.

“*Federal Funds Rate*” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to JPMC on such day on such transactions as determined by JPMC.

“*Fee Letter*” means that certain Amended and Restated Fee Letter Agreement dated July 8, 2024, between the City and the Bank, as the same may be amended, supplemented or otherwise modified by the terms hereof and thereof.

“*Final Maturity Date*” shall mean, with respect to any Term Loan, the earlier to occur of (i) the third anniversary of the Conversion Date for such Term Loan, (ii) the third anniversary of the Commitment Termination Date, (iii) the Substitution Date that a substitute liquidity or credit facility replaces this facility, (iv) the date that the Available Commitment is permanently reduced to zero or this facility is otherwise terminated prior to the Commitment Termination Date, including the occurrence of an Event of Default, and (v) the date that the Commercial Paper Notes are redeemed, prepaid, cancelled or defeased.

“*Fiscal Year*” shall mean the period beginning on October 1 of each year and ending on the next succeeding September 30, or any other twelve-month period hereafter designated as the official fiscal year period of the City, which designation shall be provided to JPMC in a certificate executed by an Authorized Representative of the City.

“*Fitch*” shall mean Fitch Ratings, Inc., or if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City.

“*GAAP*” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board and all relevant pronouncements of the Governmental Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied to government entities such as the City. If any pronouncements of the Financial Accounting Standards Board or the Accounting Principles Board conflicts with or contradicts Governmental Accounting Standards Board pronouncements, Governmental Accounting Standards Board pronouncements will prevail.

“*Governmental Authority*” shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or quasi-governmental authority exercising control over JPMC or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

“*Guarantees*” means, as to any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

“*Holder*” shall mean JPMC and any other holder of a Bank Note or any Person to which JPMC or any such other holder sells a participation in a Bank Note (whether or not the City was given notice of such sale and whether or not the Holder has an interest in a Bank Note at the time amounts are payable to such Holder thereunder and under this Agreement).

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“*Interest Component*” in respect of any Loan, shall mean the portion of such Loan determined pursuant to Section 2.01.

“*Investment Policy*” shall mean the City’s written investment policy adopted in accordance with Chapter 2256, Texas Government Code.



“*Issuing and Paying Agent*” shall mean the firm serving as issuing and paying agent for the Commercial Paper Notes pursuant to the terms of the Ordinance. As of the Effective Date, the Issuing and Paying Agent is U.S. Bank Trust Company, National Association, New York, New York.

“*Issuing and Paying Agency Agreement*” shall mean the Issuing and Paying Agent Agreement, dated as of July 1, 2024, between the City and the Issuing and Paying Agent, as amended, supplemented or otherwise modified from time to time.

“*JPMC*” or the “*Bank*” shall have the meaning set forth in the introductory paragraph hereto.

“*Laws*” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“*Lending Office*” means the office or offices of JPMC described as such on Schedule I attached hereto, or such other office or offices as JPMC may from time to time notify the City in writing.

“*Lien*” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“*Liquidity Provider Note*” has the meaning set forth in the Ordinance.

“*Loan*” shall mean a Revolving Loan or a Term Loan made by JPMC to the City pursuant to Article II hereof.

“*Material Adverse Effect*” shall mean a material adverse change in, or a material adverse effect on, any of (a) the operations, business, properties, liabilities (actual or contingent), or condition (financial or otherwise) of the System, (b) the ability of the City to perform any of its other obligations under this Agreement or any of the other Related Documents, (c) the legality, validity or enforceability of this Agreement or any of the other Related Documents, (d) the rights and remedies of JPMC under this Agreement or any of the other Related Documents, or (e) the creation, perfection or priority of the lien on any collateral securing the payment of principal of, and interest on, the Loans, arising under the Ordinance.

“*Maximum Interest Rate*” shall mean the maximum net effective interest rate permitted by Chapter 1204, Texas Government Code, to be paid on obligations issued or incurred by the City in the exercise of its borrowing powers.

“*Maximum Note Rate*” shall mean ten percent (10%).

“*Non-Issuance Instruction*” has the meaning set forth in Section 4.04 hereof.

“*Obligations*” means all advances to, and debts, liabilities, obligations, covenants and duties of, the City arising under any Related Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the City of any proceeding under any Debtor Relief Laws naming the City as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“*Offering Memorandum*” has the meaning set forth in the Ordinance.

“*Ordinance*” has the meaning in the recitals hereof.

“*Other Taxes*” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“*Outstanding*” (i) with respect to the Commercial Paper Notes, shall have the meaning assigned to such term in the Ordinance and (ii) with respect to Loans, means all Loans made by JPMC pursuant hereto and not repaid by the City.

“*Outstanding Prior Lien Bonds*” has the meaning set forth in the Ordinance.

“*Parity and Senior Debt*” means (i) any bonds, notes, certificates, debentures or other evidence of similar indebtedness issued by or on behalf of the City secured by Pledged Revenues, the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note, (ii) the obligations of the City under any Swap Contract (other than any termination payments under any Swap Contract) (the payment of which is secured by Pledged Revenues and which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note) providing interest rate support with respect to any indebtedness issued by or on behalf of the City, (iii) any obligation of the City as lessee under a capital lease the payment of which is secured by Pledged Revenues and which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note (x) which is not subject to appropriation or abatement or (y) which is rated by each Rating Agency then rating the Commercial Paper Notes at a level equal to or higher than the unenhanced debt rating assigned by each such Rating Agency to the Commercial Paper Notes, and (iv) any Guarantee by the City the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note (*provided, however*, that the failure to pay any such Guarantee as

a result of any setoff, recoupment, counterclaim or any other defense of the City shall not constitute a failure to pay Parity and Senior Debt for purposes of this Agreement).

*“Parity Obligations”* means any Debt of the City secured by a Lien on Pledged Revenues the payment of which ranks on parity with the Obligations.

*“Participant”* shall mean any Person, which in accordance with Section 8.06(b) hereof, shall participate in the benefits and obligations of JPMC hereunder pursuant to a participation agreement between JPMC and such Person.

*“Person”* shall mean an individual, a corporation, a partnership, an association, a limited liability company, a partnership, a trust, or any other entity or organization, including a Governmental Authority.

*“Pledged Revenues”* has the meaning set forth in the Ordinance.

*“Prime Rate”* means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein or any similar release by the Federal Reserve Board. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

*“Principal Component”* in respect of any Loan, shall mean the portion of such Loan equal to the principal amount of Commercial Paper Notes paid with the proceeds of such Loan.

*“Prior Effective Date”* means July 8, 2021.

*“Prior Lien Bond Ordinance”* has the meaning set forth in the Ordinance.

*“Prior Lien Bonds”* has the meaning set forth in the Ordinance.

*“Project Notes”* means, as appropriate, a Commercial Paper Note or all the Commercial Paper Notes other than any Bank Note.

*“QFC”* has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

*“QFC Credit Support”* has the meaning assigned to it in Section 8.18 hereof.

*“Rating Agency”* means any of S&P, Fitch or Moody’s (to the extent the City has engaged Moody’s to provide a rating on the applicable Prior Lien Bonds), as applicable.

*“Related Documents”* shall mean this Agreement, the Fee Letter, the Ordinance, the Offering Memorandum, the Issuing and Paying Agency Agreement, the Dealer Agreement, the

Commercial Paper Notes, the Bank Note, any written direction to the Issuing and Paying Agent directing the issuance of Commercial Paper Notes or any exhibit or schedule to any of the foregoing.

“*Related Parties*” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person’s Affiliates.

“*Request for Loan*” shall mean a written borrowing request, in substantially the form of Exhibit B hereto, with appropriate completions, executed by the Issuing and Paying Agent, which requests a Revolving Loan from JPMC.

“*Revolving Credit Period*” shall mean the period commencing on the Effective Date and ending on the Commitment Termination Date.

“*Revolving Loan*” shall mean each revolving loan made by JPMC to the City pursuant to Section 2.01(b) hereof.

“*S&P*” shall mean S&P Global Ratings Services, or if such entity is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the City.

“*Sanctioned Country*” shall mean, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Effective Date, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria).

“*Sanctioned Person*” means, at any time (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, or by the United Nations Security Council, the European Union, any European Union member state, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person otherwise the subject of any Sanctions.

“*Sanction(s)*” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“*Series F Commercial Paper Notes*” has the meaning set forth in the recitals hereto.

“*Series G Bank Note*” shall mean the Liquidity Provider Note made by the City to the order of State Street Bank and Trust Company in relation to the Series G Credit Agreement, and

any other Liquidity Provider Note issued to a substitute liquidity provider pursuant to the provisions of the Series G Ordinance and the related substitute liquidity facility.

“*Series G Credit Agreement*” means that certain Revolving Credit Agreement dated as of July 1, 2021, between the City and State Street Bank and Trust Company, as amended and supplemented from time to time, and any other substitute liquidity facility delivered pursuant to the provisions of the Series G Ordinance.

“*Series G Notes*” shall mean the commercial paper notes issued by the City under authority of the Series G Ordinance.

“*Series G Ordinance*” means Ordinance No. 31886 adopted on June 9, 2021, as amended and supplemented.

“*Special Events of Default*” shall mean the Events of Default described in Section 7.01(a)(i), (e)(ii), (f)(i), (g), (h)(i), (i) and (j)(ii).

“*Subordinated Obligations*” shall have the same meaning herein as in the Ordinance.

“*Substitution Date*” means the date of acceptance by the City of a substitute credit facility in accordance with the terms and provisions of the Ordinance.

“*Supplement*” shall mean any extension, renewal, modification, amendment, supplement and substitution.

“*Supported QFC*” has the meaning assigned to it in Section 8.18 hereof.

“*Suspension Event*” shall mean the occurrence of an Event of Default pursuant to Section 7.01(h)(ii) hereof or a Default pursuant to Section 7.01(g)(ii) or (iii) hereof which causes the suspension of the obligations of JPMC hereunder.

“*Swap Contract*” means (a) any and all rate swap transactions, basis swaps, total return swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement pursuant to which the Pledged Revenues are pledged or encumbered.

“*System*” shall have the meaning set forth in the Ordinance.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“*Term Loan*” shall mean each term loan made by JPMC to the City pursuant to Section 2.01(c) hereof on a Conversion Date.

“*U.S. Special Resolution Regime*” has the meaning assigned to it in Section 8.18 hereof.

*Section 1.02. Other Interpretive Provisions.* With reference to this Agreement and each other Related Document, unless otherwise specified herein or in such other Related Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Related Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Related Document, shall be construed to refer to such Related Document in its entirety and not to any particular provision thereof, (iv) all references in a Related Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Related Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”; the words “to” and “until” each mean “to but excluding”; and the word “through” means “to and including.”

(c) Section headings herein and in the other Related Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Related Document.

*Section 1.03. Accounting Terms.* All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with GAAP.

*Section 1.04. Interpretations.* The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect. All references to time herein shall refer to local time in New York, New York.

*Section 1.05. Rounding.* Any financial ratios required to be maintained by the City pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

## **ARTICLE II**

### **REVOLVING CREDIT; TERM LOANS**

*Section 2.01. Commitment to Lend.*

(a) *Generally.* The City hereby requests JPMC, and JPMC agrees, on the terms and conditions hereinafter set forth, to establish a revolving line of credit for the benefit of the City in an amount not to exceed the Commitment for the purpose of making Loans to fund the payment by the City of the principal of and interest on any Commercial Paper Notes at the stated maturity thereof in accordance with this Agreement and the Ordinance. All Loans made hereunder shall be made from JPMC's own funds. JPMC consents to the amendment and restatement of Ordinance No. 31887, dated June 9, 2021, as set forth in the Ordinance.

(b) *Revolving Loans.* JPMC agrees, on the terms and conditions hereinafter set forth, to make Revolving Loans available to the City during the Revolving Credit Period in an amount at any one time outstanding not to exceed the amount of the Commitment. Each Revolving Loan under this Section 2.01(b) shall be made in such amount as may be requested by an Authorized Representative to enable the City to pay the principal of and interest on Commercial Paper Notes maturing on the date of such Revolving Loan. Notwithstanding anything herein to the contrary, JPMC shall have no obligation to make a Revolving Loan if the sum of such Revolving Loan plus the aggregate principal amount of the outstanding Revolving Loans and Term Loans would exceed the Commitment then in effect. Each Revolving Loan shall be in an aggregate principal amount equal to the Principal Component plus the Interest Component, if any, of such Revolving Loan. The aggregate Principal Component of all Revolving Loans made on any date shall not exceed the Available Principal Commitment on such date. The aggregate Interest Component of all Revolving Loans made on any date shall equal the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest, if any, accrued on the Commercial Paper Notes to be paid with the proceeds of such Loan. The City may borrow under this

Section 2.01(b), prepay under Section 2.07 hereof, and reborrow under this Section 2.01(b) at any time and from time to time during the Revolving Credit Period.

(c) *Term Loans.* JPMC agrees, on the terms and conditions hereinafter set forth, to make a Term Loan to the City on each Conversion Date in an amount equal to the outstanding principal amount of JPMC's Revolving Loan that matures on such Conversion Date; *provided, however,* that the aggregate outstanding principal amount of all Loans by JPMC shall at no time exceed the amount of the Commitment.

*Section 2.02. Method of Borrowing.*

(a) *Revolving Loans.* (i) Pursuant to the Ordinance and the Issuing and Paying Agency Agreement, the City has authorized and directed the Issuing and Paying Agent to act as its agent in the issuance, authentication, delivery and payment of Commercial Paper Notes and in effecting borrowings under this Agreement to pay the maturing principal of and interest on Commercial Paper Notes. Each Revolving Loan shall be made upon the Issuing and Payment Agent's irrevocable notice, on behalf of the City, to JPMC, which may be given by telephone. If, on any Business Day prior to the Commitment Termination Date, JPMC receives not later than 11:30 a.m. a Request for Loan from the Issuing and Paying Agent, JPMC shall, subject to the terms of Section 2.01 and the satisfaction of the conditions set forth in Section 4.02, transfer to the Issuing and Paying Agent not later than 2:15 p.m., an amount equal to the amount requested in the related Request for Loan. A Request for Loan shall be irrevocable after receipt thereof by JPMC. With respect to any such Request for Loan received by JPMC after 11:30 a.m. on a Business Day, JPMC shall be required to make such loan by 2:00 p.m. on the immediately succeeding Business Day. Each telephonic notice by the Issuing and Paying Agent, on behalf of the City, pursuant to this Section 2.02(a)(i) must be confirmed promptly by delivery to JPMC of a Request for Loan appropriately completed and signed by the Issuing and Paying Agent. Each Request for Loan (whether telephonic or written) shall specify (i) the requested date of the Revolving Loan (which shall be a Business Day) and (ii) the principal amount of Revolving Loans to be borrowed and (iii) whether such Loan will be used to pay the principal of, or interest on, the Commercial Paper Notes. Subject to the conditions set forth in this Section and in Section 4.02 hereof, JPMC agrees to honor a Request for Loan received on any date it has delivered a Non-Issuance Instruction pursuant to Section 4.04 hereof that is also a date upon which Commercial Paper Notes are due and payable by making the Revolving Loan requested in accordance with this paragraph (a)(i). Any Request for Loan received by JPMC shall be irrevocable and binding upon the Issuing and Paying Agent and the City.

(ii) If JPMC is requested to make Revolving Loans hereunder on a day on which the City is to repay all or any part of the principal of outstanding Revolving Loans ("*Existing Revolving Loans*"), JPMC shall apply the proceeds of the requested Revolving Loans to repay such Existing Revolving Loans and only an amount equal to the excess (if any) of the principal amount of such Revolving Loans being borrowed over the outstanding principal of and accrued interest on such Existing Revolving Loans shall be made available by JPMC to the City.

(b) *Term Loans.* Subject to the satisfaction of the terms and conditions of Section 4.03 hereof, on each Conversion Date any unpaid principal amount of a Revolving Loan on such



Conversion Date shall automatically convert into a Term Loan and the proceeds of such Term Loan shall be used to pay in full the related Revolving Loan.

*Section 2.03. Repayment; Bank Note.* (a) Each Revolving Loan shall be paid in full on the earliest of the following (the “*Conversion Date*”): (i) the date occurring 91 days after the date of such Revolving Loan, (ii) the Commitment Termination Date and (iii) the Business Day when Commercial Paper Notes are sold to fund such repayment pursuant to Section 6.25 hereof. Notwithstanding the foregoing, the Interest Component of each Revolving Loan, if any, shall be due and payable on the date that is two (2) Business Days after the date such Loan is made.

(b) The principal of each Term Loan shall be repaid in full no later than the Final Maturity Date. The principal amount of each Term Loan shall be payable in equal, semi-annual installments, commencing on the Conversion Date for such Term Loan and continuing on each six-month anniversary of the Conversion Date to and including the Final Maturity Date for such Term Loan. Notwithstanding the foregoing, the aggregate principal amount of, and interest on, all Loans shall be repaid on or before the Final Maturity Date.

(c) Each Loan made by JPMC shall be evidenced by a Bank Note, payable to the order of JPMC and in the principal amount equal to its Commitment. The Bank Note shall bear interest and shall be due and payable on the dates, in the amounts, and under the circumstances set forth herein and in the Bank Note.

(d) JPMC shall record, and prior to any transfer of its Bank Note shall endorse on the schedules forming a part thereof, appropriate notations to evidence the date, amount, type and maturity of each Loan made by it and the date and amount of each payment of principal made by the City with respect thereto; *provided, however*, that the failure of JPMC to make any such recordation or endorsement shall not affect the obligations of the City hereunder or under the Bank Note. In any legal action or proceeding in respect of this Agreement or the Bank Note, the notations made on the Bank Note or as provided by JPMC’s accounting records shall be presumptive evidence of the existence and amount due thereunder, absent of manifest error. JPMC is hereby authorized by the City so to endorse the Bank Note and to attach to and make a part of the Bank Note a continuation or substitution of any such schedule as and when required.

*Section 2.04. Interest.* (a) Subject to the provisions of subsection (b) below, the City shall pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the Bank Rate, payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of such Loan), on the Commitment Termination Date, on the Final Maturity Date and on the date any Loan shall be paid or prepaid.

(b) (i) During the continuance of an Event of Default and if any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall hereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the City under any Related Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of JPMC, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of JPMC, while any Event of Default exists, the City shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest, to the extent permitted by law) shall be due and payable upon demand.

(c) Anything in this Agreement to the contrary, in no event shall the rate of interest payable by the City on any Obligation incurred hereunder exceed the Maximum Interest Rate. If the rate of interest payable on any Obligation incurred by the City hereunder shall exceed the Maximum Interest Rate for any period for which interest is payable, then (i) interest at the Maximum Interest Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Interest Rate (the "*Excess Interest*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Interest Rate, at which time the City shall pay to JPMC with respect to amounts then payable to JPMC that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to JPMC to equal the Maximum Interest Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to JPMC. Upon the termination of the Commitment and this Agreement, in consideration for the limitation of the rate of interest otherwise payable hereunder, to the extent permitted by the Laws of the State of Texas, the City shall pay to JPMC a fee equal to the amount of all unpaid deferred Excess Interest on such date; *provided* that such payment shall not cause interest to exceed the Maximum Interest Rate.

(d) All computations of interest based on JPMC's "base" or "prime" rate shall be made by the JPMC on the basis of a year of 365 or 366 days, as the case may be, and all other computations of fees and interest shall be made by JPMC, on the basis of a year of 365 or 366 days, as the case may be, in each case for the actual number of days (including the first day but excluding the last day in the case of interest) occurring in the period for which such interest or fee is payable. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, *provided* that any Loan that is repaid on the same day on which it is made shall bear interest for one day. Each determination by JPMC of an interest rate or fee hereunder shall be conclusive and binding on all parties for all purposes, absent demonstrable error. In addition, any calculation made pursuant to this Section 2.04(d) that would cause the interest paid, payable or accruing on the indebtedness of the City under this Agreement and the Bank Note to exceed the Maximum Interest Rate shall be adjusted so as to reduce the interest paid, payable and accruing hereunder to such Maximum Interest Rate, as more fully set forth in Section 2.04(c) hereof. All sums paid or agreed to be paid

to JPMC for the use, forbearance or detention of the indebtedness evidenced by the Bank Note shall, to the extent permitted by law, be amortized, prorated, allocated and spread throughout the full term of such Bank Note. Each determination by JPMC of an interest rate or fee hereunder shall be conclusive and binding on all parties for all purposes, absent manifest error.

*Section 2.05. Fees.* The City hereby agrees to perform the obligations provided for in the Fee Letter, including, without limitation, the payment of any and all fees provided for therein. The terms of the Fee Letter are incorporated herein by reference.

*Section 2.06. Termination or Reduction of Commitment.* (a) Notwithstanding any provisions of this Agreement to the contrary, the City agrees not to terminate this Agreement or reduce the Commitment prior to the Commitment Termination Date, except upon (i) the payment by the City to JPMC of the Termination Fee or Reduction Fee, as applicable, in the amount set forth in the Fee Letter, (ii) the payment to JPMC of all Obligations payable hereunder and (iii) the City providing JPMC with 30 days' prior written notice of its intent to terminate this Agreement or reduce the Commitment; *provided* that all payments to JPMC referred to in clauses (i) and (ii) above shall be made in immediately available funds; *provided, however*, that any such termination of this Agreement shall be in compliance with the terms and conditions of the Ordinance. The City agrees that any termination of this Agreement as a result of the provision of any substitute facility pursuant to the terms of the Ordinance will require, as a condition thereto, that the City or the issuer of such facility will provide funds on the date of such termination or provision in an amount sufficient to pay in full at the time of termination all Obligations due and owing to JPMC hereunder.

(b) The Commitment shall terminate on the Commitment Termination Date. All Revolving Loans then outstanding (together with accrued interest thereon) shall be due and payable on the Commitment Termination Date, unless such Loans have been converted into Term Loans pursuant to the provisions of this Agreement.

(c) If the Commitment is terminated in its entirety, all accrued Facility Fees shall be payable on the effective date of such termination. If the amount of the Commitment is reduced, the Commitment Fee that has accrued on the amount by which the Commitment has been reduced shall be payable on the effective date of such reduction.

(d) In the event where the Dealer is selling new Commercial Paper Notes in order to pay off maturing Commercial Paper Notes and the City directs the Issuing and Paying Agent not to issue such Commercial Paper Notes up to the Maximum Note Rate, or otherwise limits the interest rate on an issuance of such Commercial Paper Notes to a rate of interest less than the Maximum Note Rate and, as a result of these actions, the Commercial Paper Notes are not sold, a Loan is incurred and thus JPMC is not reimbursed for a Loan the proceeds of which were used to pay the maturing Commercial Paper Notes, then the Commitment shall be permanently reduced by such principal amount and the City shall repay the related Loan within 30 days.

*Section 2.07. Prepayments.*

(a) *Optional Prepayments.* The City may, upon notice to JPMC at any time or from time to time voluntarily prepay any Loan in whole or in part at any time, without penalty or premium, each such prepayment to be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid, *provided* that (i) each partial prepayment shall be in a principal amount equal to at least \$1,000,000 and any integral multiple of \$100,000 in excess of \$1,000,000, and (ii) the City shall give JPMC written notice of prepayment at least one Business Day prior to the date of the prepayment of a Loan. Each notice of prepayment shall be irrevocable and shall specify the date and the amount of the prepayment and identify the Loan to be prepaid.

(b) *Mandatory Prepayments.* If on any date (A) the sum of the aggregate principal amount of outstanding Loans exceeds the amount of the Commitment, the City shall immediately prepay the Loans in an amount equal to such excess, (B) the aggregate principal amount of outstanding Commercial Paper Notes exceeds the amount of the Available Commitment, the City shall immediately prepay the Loans in an amount equal to such excess, or (C) any Commercial Paper Notes are sold to finance the repayment of a Loan, the City shall immediately prepay any outstanding Loans (if any) in an amount equal to the sum of the proceeds from such sale. Each such prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

(c) *Application.* Any amount of principal of a Revolving Loan prepaid may be reborrowed in accordance with Section 2.01 hereof. Any amount of principal of a Term Loan prepaid shall be applied to reduce the installments of principal due and payable hereunder with respect to such Term Loan in the inverse order of maturity.

*Section 2.08. General Provisions as to Payment.* The following general provisions shall apply to all payments of Facility Fees, payments on the Loans and the Bank Note and all other payment Obligations under this Agreement:

(a) JPMC shall calculate and notify the City in writing of the amounts payable by the City hereunder; *provided, however*, that the failure of JPMC to provide such notice shall not affect the obligations of the City to make any payments owed to JPMC hereunder. All payments to be made by the City shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the City hereunder shall be made to JPMC to which such payment is owed, at JPMC's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. All payments received by JPMC after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the City shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) *Funding Source.* Nothing herein shall be deemed to obligate JPMC to obtain the funds for any Loan in any particular place or manner or to constitute a

representation by JPMC that it has obtained or will obtain the funds for any Loan in any particular place or manner.

*Section 2.09. Extension of Revolving Credit Period.* No more than 120 days prior to the Commitment Termination Date (the “*Deadline*”), the City may request in writing to JPMC (each such request being irrevocable) an extension of the Commitment Termination Date. If the City shall make such a request prior to the *Deadline*, JPMC shall, within 45 days of such request, notify the City in writing whether or not it consents to such request and the terms and conditions upon which it will consent to such request (including conditions relating to pricing and legal documentation). JPMC shall have no obligation whatsoever to consent to any request for an extension of the Commitment Termination Date, and any such extension shall be subject to approval by JPMC. If JPMC shall not notify the City of its consent to such extension, JPMC shall be deemed to have rejected the City’s request for an extension. If JPMC (in its sole and absolute discretion) shall agree to extend the Commitment Termination Date, then JPMC and the City shall enter into an amendment of this Agreement and deliver a copy of any such amendment, executed by the parties thereto, to the Issuing and Paying Agent, the Dealer and each Rating Agency then rating the Commercial Paper Notes.

*Section 2.10. Obligations Absolute.* The obligations of the City under this Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, the Bank Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by the City in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by the City in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of a Loan after the delivery of a Request for Loan that does not comply with the terms of this Agreement; (v) the existence of any claim, setoff, defense or other rights which the City may have at any time against the Issuing and Paying Agent (or any Person for whom the Issuing and Paying Agent may be acting), any Holder, the Dealer, JPMC or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance which might constitute a legal or equitable discharge of any obligations hereunder (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder.

### ARTICLE III

#### TAXES, YIELD PROTECTION AND ILLEGALITY

*Section 3.01. Taxes.*

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.*

(i) Any and all payments by or on account of any obligation of the City hereunder or under any other Related Document shall to the extent permitted by applicable Laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable Laws require the City or JPMC to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Laws as determined by the City or JPMC, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the City or JPMC shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) JPMC shall withhold or make such deductions as it shall determine to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) JPMC shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the City shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) JPMC receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) *Payment of Other Taxes by the City.* Without limiting the provisions of subsection (a) above, the City shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Laws.

(c) *Tax Indemnifications.* (i) Without limiting the provisions of subsection (a) or (b) above, the City shall, and does hereby, to the extent permitted by the Laws of the State of Texas, indemnify JPMC and shall make payment in respect thereof within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by the City or JPMC, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the City by JPMC shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, JPMC shall, and does hereby, indemnify the City, and shall make payment in respect thereof within 10 days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the City) incurred by or asserted against the City by any Governmental Authority as a result of the

failure by JPMC to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by JPMC to the City pursuant to subsection (e). The agreements in this clause (ii) shall survive the replacement of JPMC, the termination of the Commitment and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments.* Upon request by the City or JPMC, as the case may be, after any payment of Taxes by the City or by JPMC to a Governmental Authority as provided in this Section 3.01, the City shall deliver to JPMC or JPMC shall deliver to the City, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the City or JPMC, as the case may be.

(e) *Status of JPMC; Tax Documentation.* (i) JPMC shall deliver to the City, at the time or times prescribed by applicable Laws or when reasonably requested by the City, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the City to determine (A) whether or not payments made hereunder or under any other Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) JPMC's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to JPMC by the City pursuant to this Agreement or otherwise to establish JPMC's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the City is resident for tax purposes in the United States, JPMC shall deliver to the City executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by the City as will enable the City to determine whether or not JPMC is subject to backup withholding or information reporting requirements.

(iii) JPMC shall promptly (A) notify the City of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of JPMC, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws of any jurisdiction that the City make any withholding or deduction for taxes from amounts payable to JPMC.

*Section 3.02. Increased Costs.*

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Bank or any Participant;

(ii) subject the Bank or any Participant to any taxes on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on the Bank or any Participant any other condition, cost or expense affecting this Agreement;

and the result of any of the foregoing shall be to increase the cost to the Bank or any such Participant with respect to this Agreement or to reduce the amount of any sum received or receivable by the Bank or any such Participant hereunder (whether of principal, interest or any other amount) then, upon request of the Bank or any such Participant, the City will pay to the Bank or any such Participant, such additional amount or amounts as will compensate the Bank or any such Participant, for such additional costs incurred or reduction suffered.

(b) *Capital Requirements.* If the Bank or any Participant determines that any Change in Law affecting the Bank or any such Participant or the Bank's any such Participant's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on the Bank's or any such Participant's capital or liquidity or on the capital or liquidity of the Bank's or any such Participant's holding company, if any, as a consequence of this Agreement to a level below that which the Participant or any such Participant or the Bank's or any such Participant's holding company could have achieved but for such Change in Law (taking into consideration the Bank's or any such Participant's policies and the policies of the Bank's or any such Participant's holding company with respect to capital adequacy), then from time to time the City will pay to the Bank or any such Participant, such additional amount or amounts as will compensate the Bank or any such Participant or the Bank's or any such Participant's holding company for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of the Bank setting forth the amount or amounts necessary to compensate the Bank or any such Participant or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the City shall be conclusive absent manifest error. The City shall pay the Bank or any such Participant the amount shown as due on any such certificate within ten (10) days after receipt thereof and any amount outstanding after such due date shall accrue interest at the Default Rate.

(d) *Delay in Requests.* Failure or delay on the part of the Bank to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of the Bank's right to demand such compensation; *provided* that the City shall not be required to compensate the Bank pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that the Bank notifies the City of the Change in Law giving rise to such increased costs or reductions and of the Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

*Section 3.03. Mitigation Obligations.* If JPMC requests compensation under Section 3.02, or the City is required to pay any additional amount to JPMC or any Governmental Authority for the account of JPMC pursuant to Section 3.01, or if JPMC gives a notice pursuant to Section 3.02, then JPMC shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of JPMC, such designation or assignment



(i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.02, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject JPMC, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to JPMC, as the case may be. The City hereby agrees to pay all reasonable costs and expenses incurred by JPMC in connection with any such designation or assignment.

*Section 3.04. Survival.* All of the City's obligations under this Article III shall survive termination of the Commitment and repayment of all other Obligations hereunder.

## **ARTICLE IV**

### **CONDITIONS**

*Section 4.01. Conditions to Closing and Effectiveness of This Agreement.* JPMC's obligation to make Loans in accordance with Section 2.01 hereof shall become effective on the Effective Date subject to the satisfaction of conditions in this Section 4.01.

(a) JPMC shall have received on or before the Effective Date the following, each in form and substance satisfactory to JPMC and its counsel and, unless otherwise indicated, dated the Effective Date:

(i) a certified copy of the Ordinance authorizing the City's commercial paper program, the terms and conditions of the Commercial Paper Notes, authorizing the issuance of the Commercial Paper Notes and the City's execution, delivery and performance of this Agreement and the Related Documents, which certificate shall state that the Ordinance have not been amended, repealed or rescinded, and is in full force and effect on the Closing Date;

(ii) the annual financial statements of the City for fiscal years ended September 30, 2023 and the annual financial statement of the City's Water Utility Fund for September 30, 2023;

(iii) the approving opinion of the Attorney General of Texas with respect to the proceedings relating to this Agreement;

(iv) a counterpart of this Agreement, duly executed by the City and JPMC;

(v) a duly executed original of the Bank Note, complying with the provisions of Section 2.03 hereof and substantially in the form of Exhibit C hereto;

(vi) executed copies of the Related Documents;

(vii) a certificate of an Authorized Representative, certifying that all conditions precedent set forth in the Ordinance with respect to issuance of the Commercial Paper Notes shall have been satisfied;

(viii) a certificate of the Chief Financial Officer of the City, which shall certify, among other things, (A) as to the matters described in paragraph (c) below and (B) that all conditions in this Section 4.01 have been satisfied (with the exception of 4.01(a)(xiii) and 4.01(c) hereof);

(ix) (A) opinions of Co-Bond Counsel, addressed to JPMC in form and substance satisfactory to JPMC and its counsel, relating to this Agreement and (B) an opinion of the City Attorney, on which JPMC may rely, substantially in the form of Exhibit D hereto, with such changes, modifications, deletions, or additions as may be acceptable to the City Attorney and counsel for the recipients thereof;

(x) certified copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any Governmental Authority required for the City to enter into this Agreement and the Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions contemplated hereby and by the Related Documents;

(xi) a certificate of an Authorized Representative, certifying the names and true signatures of the officers of the City authorized to sign this Agreement, the Bank Note and the other Related Documents;

(xii) such financial information, budgets, projections, investment policies and guidelines for permitted investments of the City as JPMC may reasonably request;

(xiii) certified copies of the Issuing and Paying Agency Agreement and the Dealer Agreement;

(xiv) such other documents, opinions, or certificates reasonably requested by JPMC; and

(xv) written confirmation that (i) the Commercial Paper Notes have been rated "F1+" by Fitch and "A-1" by S&P and (ii) the Prior Lien Bonds have been rated "AA+" by Fitch and "AAA" by S&P.

(b) (i) The representations and warranties contained in Article V of this Agreement and in each other Related Document and certificate or other writing delivered to JPMC pursuant hereto on or prior to the Effective Date shall be true and correct in all material respects on and as of the Effective Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects

as of such date); (ii) no Event of Default or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default shall have occurred and be continuing on the Effective Date; (iii) since September 30, 2023, there has been no material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of the City; and (iv) all conditions precedent in this Article IV have been satisfied.

(c) The effectiveness of this Agreement, the making of a Loan and the consummation of the other transactions contemplated by this Agreement and the Ordinance shall not contravene any law, rule or regulation applicable to the City or JPMC or any request, guideline or directive (or the interpretation or administration of any of the foregoing) of any Governmental Authority with jurisdiction over either the City or JPMC.

(d) All proceedings in connection with this Agreement, and all documents incidental thereto, shall be satisfactory to JPMC and its counsel.

*Section 4.02. Conditions to Revolving Loans.* The obligation of JPMC to make any Revolving Loan is subject to the satisfaction of each condition in Section 4.01 hereof on or prior to the Effective Date, receipt by JPMC of a Request for Loan in accordance with Section 2.02(a) hereof and the satisfaction of the further condition that no Special Event of Default or Suspension Event shall have occurred and be continuing. In addition, JPMC shall have no obligation to make a Revolving Loan to the City to pay the principal of or interest on any Commercial Paper Note that was issued by the City after receipt by the Issuing and Paying Agent and the City of a Non-Issuance Instruction. The making of each Loan hereunder shall be deemed to be a representation and warranty by the City on the date of such borrowing that no Special Event of Default or Suspension Event shall have occurred or be continuing.

*Section 4.03. Conditions to Term Loan.* The obligation of JPMC to make any Term Loan is subject to: (i) the representations and warranties contained in Article V hereof and in each other Related Document and certificate or other writing delivered to JPMC pursuant hereto on or prior to the applicable Conversion Date shall be true and correct in all material respects on and as of the applicable Conversion Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects as of such date); (ii) no Default or Event of Default shall have occurred and be continuing on the applicable Conversion Date; and (iii) JPMC shall have received a certificate, signed by an Authorized Representative and dated the applicable Conversion Date, confirming that all of the foregoing conditions have been satisfied.

*Section 4.04. Conditions Precedent to Each Note Issuance; Non-Issuance Instruction.* No Commercial Paper Note shall be issued unless on the date of such issuance, each of the following conditions precedent shall have been fulfilled in a manner satisfactory to JPMC (or waived by JPMC in writing):

(a) *Representations and Warranties, No Event of Default.* The representations and warranties of the City contained herein, each other Related Document and each certificate or other writing delivered to JPMC pursuant hereto or thereto on or prior to the

date of such issuance shall be true and correct in all material respects on and as of such date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct in all material respects as of such date), and no Event of Default or Default shall have occurred and be continuing on such date or would result from such issuance.

(b) *Commercial Paper Notes.* All conditions precedent for the issuance of the Commercial Paper Notes hereunder and under the Ordinance shall have been satisfied.

(c) *Ordinance.* The Ordinance shall be in full force and effect.

(d) *Governmental Approvals.* No registration, notice, qualification or other filing is required to be made with any Governmental Authority in connection with the issuance of the Commercial Paper Notes or, if required to be made, has been or will be made prior to the date of such issuance.

(e) *Non-Issuance Instruction.* JPMC shall not have given a Non-Issuance Instruction.

(f) *Available Commitment.* After the issuance of the Commercial Paper Notes, the aggregate principal amount of all Commercial Paper Notes that will be outstanding immediately after such issuance together with the interest that will accrue thereon will not exceed the amount of the Available Commitment.

Unless the City shall have previously advised JPMC in writing that one or more conditions set forth in subsections (a), (b), (c), (d) and (f) of this Section 4.04 have not been satisfied, the City shall be deemed to have represented and warranted that on the date of such issuance or authentication of any Commercial Paper Note the above conditions have been satisfied. JPMC may deliver a notice to the Issuing and Paying Agent and to the City, in the form of Exhibit A attached hereto directing the City not to issue and the Issuing and Paying Agent not to authenticate any Commercial Paper Note (a “*Non-Issuance Instruction*”), at any time that JPMC shall have determined that any condition to the issuance of any Commercial Paper Note has not been satisfied. The Non-Issuance Instruction may be delivered by telecopy, by United States mail or electronic email or by messenger, and may also be given by telephone if promptly confirmed in writing, *provided* that the failure to confirm such Non-Issuance Instruction promptly in writing shall not render any telephonic notice ineffective or invalid in any respect. Upon receipt of such Non-Issuance Instruction, the City shall not issue and the Issuing and Paying Agent shall not authenticate any Commercial Paper Note, in each case unless and until JPMC rescinds such Non-Issuance Instruction. The City shall use its best efforts to cause the Issuing and Paying Agent to comply immediately with any such Non-Issuance Instruction. JPMC shall not incur any liability as a result of JPMC’s giving any Non-Issuance Instruction that, in its good faith judgment, JPMC determines to be in accordance with this Section 4.04. JPMC agrees that if, after the delivery of a Non-Issuance Instruction, JPMC determines that the conditions to the issuance of any Commercial Paper Note have been satisfied and JPMC has received a notice from an Authorized Representative to such effect, then JPMC shall promptly deliver a notice (a copy of which shall be delivered by

JPMC to the City and the Dealer) to the Issuing and Paying Agent, rescinding such Non-Issuance Instruction.

Notwithstanding the foregoing, the City shall provide no fewer than ninety (90) days' written notice to JPMC of its intention to increase the amount of the Commercial Paper Notes outstanding; *provided*, that the failure of the City to provide such written notice, or the issuance of Commercial Paper Notes in excess of the amount reflected in the notice, shall not result, in and of itself, in JPMC having the ability to issue a Non-Issuance Instruction. Failure to provide notice as provided above shall not constitute a Default or an Event of Default hereunder.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES

To induce JPMC to enter into this Agreement, extend the Commitment and make Revolving Loans and Term Loans, the City represents and warrants to JPMC on the Effective Date and on the date of each Revolving Loan and Term Loan that:

*Section 5.01. Authorization; No Conflict.* The execution and delivery of this Agreement, the execution and delivery of the Bank Note, the authorization and issuance of the Commercial Paper Notes, the execution and delivery of the other Related Documents, any borrowings represented by the Revolving Loans and Term Loans hereunder and the performance by the City of its obligations under this Agreement, the Bank Note and the Related Documents, are within the City's powers, have been duly authorized by all necessary governmental action, have received all necessary approval (if any shall be required), and do not and will not contravene or conflict with any provision of law or of the Constitution of the State of Texas or of any agreement binding upon the City.

*Section 5.02. Validity and Binding Nature; Commercial Paper Notes and Bank Note Special Obligations of City.* This Agreement, the Bank Note (to the extent Revolving Loans and Term Loans are made thereunder), and the Related Documents are, and the Commercial Paper Notes when issued will be, legal, valid, and binding obligations of the City enforceable against the City in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, or other similar laws affecting the enforceability of the rights of creditors generally. The Bank Note (to the extent Revolving Loans or Term Loans are made hereunder) is, and the Commercial Paper Notes when issued will be, the special obligations of the City payable from and secured solely by the funds pledged therefor pursuant to the Ordinance. To provide for the payment of the principal of and interest on the Notes, the Bank Note and any other amounts due under this Agreement and the Fee Letter as the same shall become due and payable, the Ordinance grants a lien on and pledge of, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on the terms and conditions set forth therein, (i) the proceeds from (A) the sale of Prior Lien Bonds or Subordinated Obligations of the City issued for such purpose and (B) the sale of Commercial Paper Notes issued pursuant to the Ordinance for such purpose, (ii) Loans, (iii) the amounts held in the Series F Note Payment Fund (created under Section 2.09 of the Ordinance) until the amounts deposited therein are used for authorized

purposes, *provided, however*, amounts in the Series F Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to any application to the payment of the Bank Note, the principal of and interest on the Project Notes in full, and (iv) the amounts remaining on deposit in the Series F Note Construction Account (created under Section 2.11 of the Ordinance) after payment of all Project Costs (as defined in the Ordinance). Additionally, to provide security for the payment of the principal of and interest on any obligation incurred under this Agreement and the Fee Letter that results in the delivery of the Bank Note and any other amounts due under this Agreement and the Fee Letter as the same shall become due and payable, the Ordinance grant a lien on and pledge of the Pledged Revenues, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on terms and conditions set forth therein, such lien on and pledge of Pledged Revenues to the Bank Note and other amounts due under this Agreement and the Fee Letter, however, being subordinate only to the lien and pledge of the Pledged Revenues securing the payment of the Prior Lien Bonds and the debt service and reserve funds relating thereto.

*Section 5.03. Litigation and Continuing Liabilities.* No litigation, arbitration proceedings, or governmental proceedings are pending or threatened against the City or the System which question or seek to limit the right, power, or authority of the City to operate the System, to enter into this Agreement, to issue the Bank Note, to issue the Commercial Paper Notes, to enter into the other Related Documents or to perform any of its obligations under this Agreement, the Bank Note or the Related Documents or that would, if adversely determined, materially and adversely affect the financial condition of the System.

*Section 5.04. Governmental Approval.* No approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency, authority or Person not already obtained or made is required on the part of the City in connection with the execution and delivery by the City or the performance of any of its obligations under this Agreement, the Bank Note or the Related Documents.

*Section 5.05. Lien in Favor of JPMC.* The obligations of the City to JPMC under this Agreement, the Fee Letter and the Bank Note are secured by a valid lien on and pledge of the Pledged Revenues in favor of JPMC, which lien thereon shall be subordinate only to the Prior Lien Bonds and the debt service and reserve funds relating thereto. The lien on and pledge of the Pledged Revenues in favor of JPMC shall be for the equal and proportionate benefit of the Bank Note, all obligations and amounts payable to the JPMC under (i) this Agreement, (ii) the Fee Letter and (iii) the Bank Note and the obligations of the City under the Series G Bank Note, all of which shall be of equal rank without preference, priority or distinction, as to the lien or otherwise. Chapter 1208, Texas Government Code provides that no filing, registering, recording or publication of the Ordinance or any other instrument is required to establish a pledge of Pledged Revenues under the Ordinance or to perfect, protect or maintain the lien created thereby on the Pledged Revenues. In the event Chapter 1208, Texas Government Code is amended at any time while any obligations remain outstanding under the Agreement, the Fee Letter or the Bank Note, such that the lien on the Pledged Revenues is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, the City agrees to take such action to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, to maintain perfection of the lien on the Pledged Revenues.

*Section 5.06. Defaults.* The City is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its Debt secured by Pledged Revenues, or (iv) any contract, agreement or instrument to which it, acting on behalf of the System, is a party or by which it or the property of the System is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), or results of operations of the System or an adverse effect on the validity or enforceability of, or the authority or ability of the City to perform its obligations under, this Agreement and the Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred or is continuing hereunder.

*Section 5.07. Financial Statements.* The Audited Financial Statements all examined and reported by nationally recognized independent certified public accountants, as heretofore delivered to JPMC, fairly present the financial condition of the City, in all material respects, as of said dates and the results of the operations of the City for each such periods, respectively, and have been prepared in accordance with GAAP except as stated in the notes thereto. As of the date hereof, the City has no contingent liabilities, which are material to it other than as indicated on such financial statements or as otherwise disclosed to JPMC in writing. Since the date of the Audited Financial Statements, there have been no material adverse changes in the financial condition of the City nor has any event occurred which could reasonably be expected to result in a Material Adverse Effect.

*Section 5.08. Complete and Correct Information.* All information, reports, and other papers and data with respect to the System furnished by the City to JPMC in connection with this Agreement were, at the time the same were so furnished, complete and correct in all material respects, to the extent necessary to give JPMC a true and accurate knowledge of the subject matter. No document furnished or statement made by the City in connection with the negotiations, preparation, or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading.

*Section 5.09. Other Documents.* The representations and warranties made by the City in each of the Related Documents to which it is a party are hereby incorporated herein by this reference and are hereby reaffirmed and restated by the City for the benefit of JPMC as if such representations and warranties were fully set forth herein. Except as otherwise provided herein, no amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents to which it is a party shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of JPMC.

*Section 5.10. Regulation U.* The City is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and will not use the proceeds of the Commercial Paper Notes or any Loans made

hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System.

*Section 5.11. Legislation.* No legislation has been enacted which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Commercial Paper Notes, (ii) the execution and delivery of this Agreement or any of the Related Documents to which the City is a party, (iii) the creation, organization or existence of the City or the titles to office of any officers thereof, or (iv) the power of the City to perform its obligations under the Act, or under this Agreement or any of the Related Documents to which the City is a party.

*Section 5.12. Issuance of Commercial Paper Notes.* Each issuance of Commercial Paper Notes by the City shall be deemed a representation by the City that (a) the City has complied in all material respects with all of the terms and provisions of this Agreement, (b) on such date, and after giving effect to the issuance of the Commercial Paper Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of the City contained in this Agreement are true and correct in all material respects on and as of the date of issuance of the Commercial Paper Notes in question as though made on and as of such date, and (d) the aggregate amount of Commercial Paper Notes Outstanding, together with accrued interest thereon to maturity, after issuance of the Commercial Paper Notes will not exceed the Available Commitment.

*Section 5.13. Tax-Exempt Status.* The City has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Commercial Paper Notes from gross income for Federal income tax purposes.

*Section 5.14. Environmental Matters.* The City has not received notice to the effect that the System is not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the assets, financial condition, or operations of the City or its ability to perform its obligations under the Related Documents.

*Section 5.15. Usury.* The terms of this Agreement and the Related Documents regarding the calculation and payment of interest and fees (except the fee described in Section 2.04(c), relating to the categorization of unpaid deferred Excess Interest as a fee, to which no representation is made) do not violate any applicable usury laws.

*Section 5.16. ERISA.* The City does not maintain or contribute to, and has not maintained or contributed to, any Employee Plan that is subject to Title IV of ERISA.

*Section 5.17. Solvency.* The City is solvent and able to pay its debts as they become due.

*Section 5.18. Existence, Qualification and Power; Compliance with Laws.* The City (a) is duly organized and validly existing under the provisions of the Constitution and laws of the State



of Texas, and (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its governmental purposes and (ii) execute, deliver and perform its obligations under the Related Documents to which it is a party.

*Section 5.19. Compliance with Laws.* The City is in compliance in all Laws, ordinances, orders, rules and regulations applicable to it (including environmental laws and ERISA), except to the extent noncompliance could not reasonably be expected to result in a Material Adverse Effect.

*Section 5.20. Paying Agent/Registrar; Dealer.* U.S. Bank Trust Company, National Association (or a successor or assign approved in writing by JPMC, *provided* that written approval shall not be required in circumstances of succession or assignment due to merger, consolidation or other similar action) is the duly appointed and acting Issuing and Paying Agent, and J.P. Morgan Securities LLC (or a successor or assign approved in writing by JPMC, *provided* that written approval shall not be required in circumstances of succession or assignment due to merger, consolidation or other similar action) is the duly appointed and acting Dealer.

*Section 5.21. Anti-Corruption Laws and Sanctions.* (i) The City has implemented and maintains in effect policies and procedures designed to ensure compliance by the City, its Affiliates and their respective councilmembers, directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions; and (ii) the City, its Affiliates and their respective councilmembers, officers and employees and, to the knowledge of the City, its councilmembers, directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the City being designated as a Sanctioned Person. None of (a) the City, any Affiliate or any of their respective councilmembers, directors or officers or, to the knowledge of the City or such Affiliate, employees, or (b) to the knowledge of the City or any of its Affiliates, any agent of the City or such Affiliate that will act in any capacity in connection with or benefit from this Agreement, is a Sanctioned Person. No advance, use of proceeds or other transaction contemplated by this Agreement or the other Related Documents will violate any Anti-Corruption Law or applicable Sanctions.

## ARTICLE VI

### COVENANTS OF THE CITY

From the Effective Date and so long as JPMC is obligated to make Revolving Loans or Term Loans hereunder and under the Bank Note and until the payment in full of all of the obligations of the City under this Agreement and the Bank Note, the City shall, unless JPMC otherwise consents in writing:

*Section 6.01. Maintenance of Existence.* Take all steps within its control to maintain and preserve its existence as a public body corporate and politic and not merge or consolidate into any other Person.

*Section 6.02. Maintenance of Rating.* Use its best efforts to cause the Prior Lien Bonds to be continuously rated by at least one Rating Agency.

*Section 6.03. Use of Proceeds.* Expend the proceeds of each Revolving Loan and Term Loan solely for the purposes permitted by this Agreement and the Ordinance and as stated in the Request for Loan with respect thereto. The City shall adhere to the terms of the Investment Policy in effect as of the date hereof and will promptly notify JPMC in writing of any changes thereto. The City shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System. The City shall not use the proceeds of the Commercial Paper Notes for any purpose other than as provided for in the Ordinance and not in contravention of applicable Law. The City shall not request a Revolving Loan or Term Loan hereunder, and the City shall not use, and shall procure that the Issuing and Paying Agent and its respective directors, officers, employees and agents shall not use, the proceeds of any proceed from the Revolving Loan or Term Loan (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

*Section 6.04. Other Obligations.* Perform and comply in all material respects with each and every obligation, covenant and agreement required to be performed or observed by it in or pursuant to the Related Documents, which provisions, as well as the related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety, *provided, however*, JPMC shall have no greater rights or remedies than the other parties to such Related Documents with respect to any such incorporated provisions than the rights or remedies expressly provided to such other parties, if any, as the same may be further limited, qualified, excluded or excepted by the terms of this Agreement, and such incorporated provisions in all respects shall be additionally subject to such limitations, qualifications, exclusions and exceptions provided for in any such Related Documents. To the extent any such incorporated provision permits the owners of one or more Commercial Paper Notes or any other Person or Persons to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the owners of one or more Commercial Paper Notes or any other Person or Persons, for purposes of this Agreement, such provision shall be complied with only if it is waived by JPMC and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to JPMC. No amendment to such obligations, covenants and agreements or defined terms made pursuant to any of the Related Documents shall be effective to amend such obligations, covenants and agreements and defined terms as incorporated by reference herein without the consent of JPMC. The City shall give prior notice to JPMC or any action referred to in this Section.

*Section 6.05. Limitation on Issuance of Additional Debt.* (i) Not issue additional Prior Lien Bonds unless the City satisfies all of the requirements for such issuance contained in the Prior Lien Bond Ordinance and the Chief Financial Officer of the City shall certify to JPMC that for the most recent Fiscal Year ending prior to the date of issuance of the then proposed Prior Lien Bonds, the Net Revenues were equal to at least 125% of the average annual principal and interest requirements on all Prior Lien Bonds and the then proposed Prior Lien Bonds and (ii) not issue any additional Subordinated Obligations (other than the Commercial Paper Notes and the Series G Notes) unless the Chief Financial Officer of the City shall certify to JPMC that for the most recent Fiscal Year ending prior to the date of issuance of such proposed Subordinated Obligations, the Net Revenues were equal to at least 110% of the average annual principal and interest requirements on all outstanding Prior Lien Bonds and Subordinated Obligations (including the Commercial Paper Notes and the Series G Notes amortized at the rate of 5.00% per annum over 30 years) and the then proposed Subordinated Obligations.

*Section 6.06. Rate Covenant.* Establish, maintain and collect such rates, charges and fees for the use and availability of the System at all times as are necessary (i) to produce Net Revenues for each Fiscal Year of the System at least equal to 125% of the maximum annual principal and interest requirements of all then outstanding Prior Lien Bonds and (ii) to produce Net Revenues for each Fiscal Year of the System at least equal to 110% of the maximum annual principal and interest requirements of all then outstanding Debt (including the Commercial Paper Notes and the Series G Notes amortized at rate of 5.00% per annum over 30 years).

*Section 6.07. Operation of System.* At all times continuously and efficiently operate the System, and maintain the System in good condition, repair and working order, all at reasonable cost. No free service of the System shall be allowed, and should the City or any of its agencies or instrumentalities make use of the services and facilities of the System, payment of the reasonable value shall be made by the City out of funds from sources other than the revenues of the System, unless made from surplus or excess Pledged Revenues as permitted in Section 16(b) of the Prior Lien Bond Ordinance.

*Section 6.08. Maintenance of Insurance.* Cause to be insured such parts of the System as would usually be insured by corporations operating like properties, with a responsible insurance company or companies, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried with respect to the System unless the City's counsel gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. The foregoing provisions above notwithstanding, the City shall have authority to enter into coinsurance or similar plans where risk of loss is shared in whole or in part by the City. At any time while any contractor engaged in construction work on the System shall be fully responsible therefor, the City shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance.

*Section 6.09. Inspection of Books.* Keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of the City; and at any

reasonable time and from time to time, permit JPMC or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of and visit the properties of, the City and to discuss the affairs, finances and accounts of the City with any of the City's officers, trustees and independent auditors (and by this provision, the City authorizes said auditors to discuss with JPMC or its agents or representatives, the affairs, finances and accounts of the City) in each case at the expense of JPMC; *provided, however*, that upon the occurrence and continuance of an Event of Default such expenses shall be borne by the City.

*Section 6.10. Notice of Certain Events.* Promptly notify JPMC of (i) the occurrence of any Default or Event of Default known to the City or which, with the exercise of reasonable diligence by the City, should have become known to the City, specifying the details of such Default or Event of Default and the action that the City proposes to take with respect thereto; (ii) the failure by the Issuing and Paying Agent or by the Dealer to perform in any material respect any of their respective obligations under the Issuing and Paying Agency Agreement or the Dealer Agreement; (iii) the (x) existence and status of any litigation which individually or in the aggregate could, in the event of any unfavorable outcome, have a material adverse effect on or (y) passage of any state or local ordinance, law or rule not of general applicability to all Persons, either of which could reasonably be expected to have a material adverse effect on (A) the financial condition or operations of the System, (B) the Commercial Paper Notes or (C) the enforceability or validity of any of this Agreement or the Related Documents, and, if any of the following is reasonably likely to materially and adversely affect the rights of JPMC under this Agreement, the City will promptly notify JPMC; (iv) any change in any material fact or circumstance represented or warranted in this Agreement or in any of the Related Documents; (v) any communications, reports or financial statements delivered or received by it from any taxing authority or rating agency with respect to the transactions contemplated hereby (together with a copy of such communication, report, or statement); and (vi) notice of any proposed substitution of this Agreement.

*Section 6.11. Maintenance of Issuing and Paying Agent.* Maintain in place an Issuing and Paying Agent under the Issuing and Paying Agency Agreement for the Commercial Paper Notes, and obtain the prior written consent of JPMC (which consent shall not be unreasonably withheld) to any change in the Person acting as Issuing and Paying Agent.

*Section 6.12. Legislation.* Promptly deliver to JPMC copies of all newly enacted State of Texas legislation of which the City has actual knowledge, which materially adversely affects or impacts this Agreement, the Bank Note or the Commercial Paper Notes or the ability of the City to perform its obligations in connection herewith or therewith.

*Section 6.13. Additional Liens.* Not incur, create or permit to exist any lien on the Pledged Revenues other than (i) the Prior Lien Bonds, (ii) the lien created pursuant to the Ordinance and (iii) any liens which are in all respects junior and subordinate to the lien created pursuant to the Ordinance. The City shall at all times keep the Pledged Revenues and every part thereof free and clear of all pledges and security interests except the pledges granted in or permitted by the Ordinance or permitted under the Related Documents and shall maintain the pledge of the Pledged Revenues to JPMC as a pledge of all right, title and interest of the City in the Pledged Revenues and all rights of the City to receive any amount of the Pledged Revenues, subject only to the rights

of the owners of the Prior Lien Bonds and the owners of the Commercial Paper Notes and the Series G Notes.

*Section 6.14. Amendments to Related Documents.* Not enter into or consent to any amendments of or supplements to any Related Document or any waiver of the requirements thereof. Notwithstanding the foregoing, the City may enter into or consent to any amendments or supplements to the Related Documents that are reasonably necessary to extend the terms of the Issuing and Paying Agency Agreement or the Dealer Agreement, to provide for the payment of consideration for services rendered thereunder, and to attend to non-substantive administrative matters such as notice provisions and delivery instructions; *provided, however*, that the City delivers a copy of any such amendment or supplement to JPMC.

*Section 6.15. Total Outstanding.* Not permit the aggregate maturity value of all Notes Outstanding, and Revolving Loans and Term Loans outstanding at any time to exceed the Commitment in effect at such time.

*Section 6.16. Tax Exemption.* Not take any action, or omit to take any action, under present or future laws, rules, regulations, or official interpretations thereof which, if omitted or taken, would cause interest on the Commercial Paper Notes to be includable in the gross income of the owners thereof for federal tax purposes.

*Section 6.17. Offering Memorandum.* Other than as expressly consented to in writing by JPMC, not refer to JPMC in the Offering Memorandum or any other offering or reoffering document with respect to the Commercial Paper Notes or make any changes in reference to JPMC in any revision of such Offering Memorandum or any such offering or reoffering document without JPMC's prior written consent thereto, which consent shall not be unreasonably withheld.

*Section 6.18. Compliance with Laws.* Comply with the requirements of all applicable Laws of the United States and of the State of Texas, the noncompliance with which would, singly or in the aggregate, have a materially adverse effect on the ability of the City to operate the System or to perform its obligations pursuant to this Agreement, the Bank Note or the Related Documents.

*Section 6.19. Efforts to Pay.* In the event that any Loan is not paid at maturity, as quickly as possible take all action, to the extent market conditions permit, reasonably necessary to allow payment from any available System funds including proceeds from Prior Lien Bonds.

*Section 6.20. Investments Generally.* Promptly notify:

(a) JPMC in writing of any changes proposed to the Investment Policy, a copy of which has been delivered by the City to JPMC prior to the Effective Date, if the proposed change would increase the types of investments permitted by the Investment Policy;

(b) JPMC in writing, after the adoption thereof by the City, of any change in the Investment Policy, which change increases the types of investments permitted by the Investment Policy and of which change JPMC was not previously notified pursuant to clause (a) above; and

(c) JPMC in writing after the adoption by the City of any amendments to the City's Financial Management Performance Criteria, a copy of which has been delivered by the City to JPMC prior to the Effective Date.

*Section 6.21. Maintenance of Approvals; Filings, Etc.* At all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable Law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

*Section 6.22. Accuracy of Information.* Cause all data, certificates, reports, opinions of counsel, documents and other information furnished to JPMC, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement to, at the time the same are so furnished, (i) be complete and correct in all material respects to the extent necessary to give JPMC true and accurate knowledge of the subject matter thereof, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to JPMC shall constitute a representation and warranty by the City to that effect. Each financial statement furnished to JPMC, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of the City.

*Section 6.23. Additional Documents.* Furnish to JPMC from time to time at the City's expense, all further instruments and documents, duly executed and delivered by the City, and take all further action that may be reasonably necessary, or that JPMC may reasonably request, in order to (i) protect any security interest or other right or interest assigned, or purported to be assigned, to JPMC under or in connection with this Agreement, the Ordinance or any other Related Document, or (ii) enable JPMC to exercise or enforce its rights or remedies under or in connection with this Agreement, the Ordinance, or any other Related Document.

*Section 6.24. Financial and Other Reports.* Furnish the following reports (in an electronic or paper copy form) to JPMC:

(a) as soon as available and in any event not later than April 15 of the year following the end of each Fiscal Year, a copy of the City's annual unaudited financial statement with respect to the System for such Fiscal Year;

(b) as soon as available and in any event not later than July 1 of the year following the end of each Fiscal Year, a copy of the City's annual audited financial statement with respect to the System for such Fiscal Year, and a certificate of an officer of the City certifying as to the City's compliance with the covenants established in Section 6.06 hereof and that no Event of Default has occurred and is continuing or, if an Event of Default has occurred and is continuing, describing the nature thereof and the action the City proposes to take with respect thereto;

(c) as soon as available and in any event not later than 45 days after the end of each calendar quarter, a copy of a report showing the aggregate amount and maturities of Commercial Paper Notes outstanding at the end of such quarter and a summary of the aggregate principal amount of Commercial Paper Notes issued, rolled over and retired in such period;

(d) as soon as available but in any event not later than 40 days after the issuance thereof, copies of any prospectus, official statement, offering circular, placement memorandum, or similar corresponding document, and any supplements thereto and updates and amendments thereof that the City makes available in connection with the offering for sale of any securities issued by the City secured by the Pledged Revenues;

(e) copies of the most current Investment Policy of the City as approved by the City Council as well as any amendment thereto;

(f) within 90 days of approval thereof and in any event no later than December 31 of each year, a copy of the annual budget; and

(g) promptly after a request therefor, such other information as is then available respecting the condition or operations, financial or otherwise, of the System as JPMC may reasonably request.

*Section 6.25. Remarketing.* Issue and sell Commercial Paper Notes as promptly as practicable after the making of a Loan evidenced by a Bank Note and use the proceeds of sale solely for the repayment of the Loan (and such proceeds of sale shall be deemed to be proceeds of Commercial Paper Notes for all the purposes of the Ordinance, this Agreement and the Bank Note).

*Section 6.26. Commercial Paper Dealer.* Appoint, or cause to be appointed, at all times, a Dealer, which is acceptable to JPMC. The Dealer in place on the Effective Date is acceptable to JPMC. The City agrees to cause the Dealer to use its best efforts to sell Commercial Paper Notes at par, up to the maximum rate applicable to Commercial Paper Notes, in order to repay maturing Commercial Paper Notes. If the Dealer fails to perform its duties under the Dealer Agreement (including, without limitation, an inability or failure to sell Commercial Paper Notes to pay maturing Commercial Paper Notes), then the City agrees, at the written request of JPMC, to cause the Dealer to be replaced with a Dealer satisfactory to JPMC. The City agrees to obtain the written consent of JPMC (which consent shall not be unreasonably withheld) prior to the appointment of a successor Dealer. If any Loan remains outstanding for a period of 60 consecutive calendar days (so long as such Loan remaining outstanding is not a result of JPMC's senior unsecured short-term or long-term rating being reduced by Fitch or S&P), at the written direction of JPMC cause the related Dealer (that has been unable to sell rollover Commercial Paper Notes) to be replaced with a Dealer reasonably satisfactory to JPMC. The City shall at all times exercise commercially reasonable efforts to cause each dealer agreement entered into after the date hereof, to contain satisfactory third-party beneficiary provisions in favor of JPMC. Any dealer agreement shall provide that such dealer may resign upon at least 60 days' prior written notice to the City and JPMC.

*Section 6.27. Liquidity; Bonding Capacity.* (i) In the event that JPMC shall decide not to extend the Commitment Termination Date, use its commercially reasonable best efforts to obtain an alternate facility to replace this Agreement or shall take such other action as will result in the payment of all amounts owed to JPMC upon termination of this Agreement.

(ii) Agrees that any alternate facility will require, as a condition to the effectiveness of the alternate facility, that the provider of the alternate facility will provide funds, on the date the alternate facility becomes effective, for the payment of all principal and accrued interest (at the applicable rate pursuant to Article II hereof) on all Loans then outstanding. On such date, any and all amounts due hereunder and under the Bank Note, the Ordinance or the Commercial Paper Notes due to JPMC shall be payable in full to JPMC.

(iii) At all times maintain the ability to issue Prior Lien Bonds, other Parity and Senior Debt, or Subordinated Obligations in an amount at least equal to the sum of (i) the aggregate principal amount of the Commercial Paper Notes, plus (ii) the aggregate amount of accrued interest to maturity on all Commercial Paper Notes, plus (iii) any other obligations owing to any credit enhancer or liquidity provider on the Commercial Paper Notes.

*Section 6.28. CUSIP.* Upon the request of JPMC, immediately use its best efforts to cause (i) a CUSIP number to be obtained from Standard & Poor's CUSIP Service for Bank Note and (ii) the Bank Note (and their related CUSIP numbers) to be assigned a long-term rating of at least "BBB-" from either Fitch or S&P.

*Section 6.29. Swap Termination Payments.* In no event permit any Lien on the Security securing any swap termination payments payable from Pledged Revenues be first in priority to or *pari passu* with the Lien granted in support of the Parity Obligations and the Prior Lien Bonds and the Obligations under the Ordinance.

*Section 6.30. Other Documents.* Not enter into any agreement containing any provision which would be violated or breached by the performance by the City of its obligations hereunder or under the Related Documents.

*Section 6.31. Sale or Encumbrance of System.* During the term of this Agreement, and as long as any Prior Lien Bonds, the Bank Note, or any interest thereon, remain Outstanding, not sell, dispose of or, except as permitted hereunder or under the Prior Lien Bond Ordinance, further encumber the System; *provided, however*, that this provision shall not prevent the City from disposing of any portion of the System which is being replaced or is deemed by the City to be obsolete, worn out, surplus or no longer needed for the proper operation of the System. Net proceeds from any such disposition shall be used only for System purposes. Any agreement pursuant to which the City contracts with a person, corporation, municipal corporation or political subdivision to operate the System or to lease and/or operate all or part of the System shall not be considered as an encumbrance of the System.

*Section 6.32. Sovereign Immunity.* Pursuant to Section 1371.059, Texas Government Code, as amended, the City hereby agrees to waive sovereign immunity from suit and liability for



the purposes of adjudicating a claim to enforce its duties and obligations under this Agreement or the Bank Note for damages for breach of this Agreement.

## ARTICLE VII

### DEFAULTS AND REMEDIES

*Section 7.01. Events of Default.* If one or more of the following events (“*Events of Default*”) shall have occurred and be continuing:

(a) the City shall fail to pay (i) any principal of or interest on any Loan (including without limitation, the Interest Component of any Revolving Loan) or Bank Note when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Loans or the Bank Note due solely as a result of acceleration caused by JPMC pursuant to this Section 7.01), or (ii) any Facility Fee or any other amount payable hereunder and, in the case of such Facility Fee or other amount, such failure shall continue for a period of three (3) Business Days from the date such obligation was due;

(b) any representation, warranty, certification, or statement made by the City in this Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to this Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or demand to have been made;

(c) the City shall fail to perform or observe any covenant, agreement or condition contained in Section 6.03, 6.05, 6.06, 6.07, 6.08, 6.09, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.24, 6.25, 6.26, 6.27, 6.28, 6.29, 6.31 or 6.32;

(d) the City shall fail to perform or observe any other covenant, agreement, or condition (other than those referred to or contained in clause (a), (b), or (c) above) contained in this Agreement, the Bank Note or any other Related Document and such failure, if capable of being remedied, shall remain unremedied for thirty (30) days after written notice thereof shall have been given to the City by JPMC;

(e) (i) one or more final unappealable judgments or orders, issued or rendered by a Governmental Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the City, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of 60 days; or (ii) one or more final unappealable judgments or orders, issued or rendered by a Governmental Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the System, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of 60 days;

(f) the City shall fail to pay when due and payable (i) any principal of or interest on any Prior Lien Bonds or any other Parity and Senior Debt (including, in each case, without limitation, any principal or sinking fund installments), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Prior Lien Bonds or any other Parity and Senior Debt; or any failure to pay principal or interest on any Prior Lien Bonds or any other Parity and Senior Debt under any indenture, contract or instrument providing for the creation of or concerning such Prior Lien Bonds or any other Parity and Senior Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on any Prior Lien Bonds or any other Parity and Senior Debt is to accelerate, or to permit the acceleration of, the maturity of such Prior Lien Bonds or any other Parity and Senior Debt or (ii) any principal of or interest on any other Debt of the City having a principal amount in excess of \$5,000,000 and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) (i) the City shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the City shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the City any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the City, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the City shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the City shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) (i) any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance related to the payment of principal or interest on Commercial Paper Notes, the Bank Note or Loans or the pledge of and Lien on the Pledged Revenues shall at any time for any reason cease to be valid and

binding or fully enforceable on the City as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement related to the payment of principal or interest on Commercial Paper Notes, the Bank Note or Loans or the pledge of and Lien on the Pledged Revenues shall be contested in writing or publicly by an authorized officer of the City or (b) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any material provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement or the Ordinance related to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or Loans or the pledge of and Lien on the Pledged Revenues, or (c) an authorized officer of the City shall deny in writing or publicly that it has any or further liability or obligation under this Agreement, Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance or (iii) any material provision of this Agreement, Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance other than a provision described in clauses (i) and (ii) of this Section 7.01(h) shall at any time for any reason cease to be valid and binding on the City, or shall be declared in a final nonappealable judgment by any court having jurisdiction over the City to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the City;

(i) (i) the City shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Prior Lien Bonds, or any Parity and Senior Debt or on all Parity Obligations or (ii) any Governmental Authority having appropriate jurisdiction over the City shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Commercial Paper Notes and the Bank Note or on all indebtedness of the City;

(j) (i) the long-term unenhanced rating by Moody's, Fitch or S&P on any long term unenhanced Prior Lien Bonds shall be withdrawn or suspended (for credit related reasons) or is reduced below "A1" (or its equivalent), "A+" (or its equivalent) or "A+" (or its equivalent), respectively, or (ii) (x) the long-term unenhanced rating by Moody's, Fitch and S&P on any Prior Lien Bonds shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively or (y) if at any time the Rating Agencies provide a long-term unenhanced rating on any Parity Obligations, such long-term unenhanced rating is reduced by Moody's, Fitch and S&P below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively;

(k) an "Event of Default" as defined in the Ordinance or the Issuing and Paying Agency Agreement shall occur and be continuing or the City shall default in the due performance or observance of any material term, covenant or agreement contained in any

other Related Document and the same shall not have been cured within any applicable cure period;

(l) the Texas Constitution, any law of the State of Texas, including but not limited to the Act, or the Ordinance is repealed, reenacted, amended, or otherwise modified (whether directly or indirectly, and including, without limitation, by legislative or judicial action) and in the event of a repeal, reenactment, amendment, or modification, such repeal, reenactment, amendment or modification may, in the reasonable judgment of JPMC, have a material adverse effect on the power or authority of the City to provide for the payment of the obligations of the City under this Agreement, the Notes or the Bank Note; or

(m) an “Event of Default” as defined under the Series G Credit Agreement shall have occurred;

then, and in any such event, other than an Event of Default specified in paragraph (g) above, JPMC may declare the Bank Note, all accrued interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Bank Note and such interest and all such amounts shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the City. If any Event of Default specified in paragraph (g) above shall occur, without any notice to the City or any other act by JPMC, the Bank Note, together with accrued interest thereon, and all other amounts payable under this Agreement, shall become forthwith due and payable, without presentment, demand, protest, or other notice of any kind, all of which are hereby waived by the City.

Upon the occurrence of any Special Event of Default, the Commitment shall automatically and immediately terminate with respect to all Commercial Paper Notes and JPMC shall have no obligation to make any Loan or to fund any outstanding Commercial Paper Note. Section 7.01(f)(i) will not qualify as a “Special Event of Default” hereunder (and instead will be an “Event of Default”) if (i) the failure by the City to pay when due and payable any principal of or interest on any Prior Lien Bonds or any other Parity and Senior Debt is solely due to an acceleration of bank-held bonds by the bank bondholder with respect thereto for any reason other than the failure of the City to pay the principal of, or interest on, such indebtedness or obligation or (ii) the failure by the City to pay any principal of Prior Lien Bonds or any other Parity and Senior Debt issued in the form of commercial paper notes, but only to the extent that the payment of such amounts is supported in whole by a third-party liquidity provider pursuant to a liquidity agreement.

Upon the occurrence of an Event of Default that is not a Special Event of Default, JPMC shall, by notice to the City, terminate the Commitment, if any (except as provided below), deliver a Non-Issuance Instruction to the Issuing and Paying Agent directing the Issuing and Paying Agent to cease issuing all Commercial Paper Notes, whereupon no additional Commercial Paper Notes shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Commercial Paper Notes, and the Available Commitment shall be further reduced in a similar manner as and when such Commercial Paper Notes mature; *provided* that the Commitment shall not terminate, and the right of JPMC to accelerate the maturity of the Bank Note shall not affect the obligation of JPMC to make Loans in an aggregate principal amount equal

to the Commitment to the extent necessary for the City to make required payments of principal on the Commercial Paper Notes issued and sold prior to the date upon which the Non-Issuance Instruction is received by the Issuing and Paying Agent; *provided further* that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made.

Upon the occurrence of an Event of Default under Section 7.01(h)(ii) hereof, the obligation of JPMC to make Loans hereunder shall be suspended from the time of the occurrence of such Event of Default until a final, nonappealable judgment of a court having jurisdiction in the premises shall be entered declaring that all contested provisions of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues are upheld in their entirety. In the event such judgment is entered declaring that all material contested provisions this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues are upheld in their entirety, the obligation of JPMC to make Loans hereunder shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no suspension. In the event any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues is declared to be null and void or unenforceable, or it is determined that the City has no liability or obligation under this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance, then the obligations of JPMC under this Agreement will terminate as set forth above. Notwithstanding the foregoing, if, upon the date which is the earlier of the Commitment Termination Date or three years after the effective date of such suspension of the obligation of JPMC pursuant to this paragraph, litigation is still pending and a judgment regarding the validity and enforceability this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Ordinance relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Pledged Revenues as is the subject of such Event of Default has not been obtained, then the Commitment and the obligation of JPMC to make Loans hereunder shall at such time terminate without notice or demand.

Upon the occurrence of a Default under Section 7.01(g)(ii) or Section 7.01(g)(iii) hereof, the obligation of JPMC to make Loans hereunder shall be suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of JPMC to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligation of JPMC to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

*Section 7.02. Suits at Law or in Equity and Mandamus.* If any Event of Default shall occur, then and in every such case JPMC shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in JPMC by this Agreement, the Bank Note or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of the City shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

*Section 7.03. Remedies Not Exclusive.* No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by any Holder.

## ARTICLE VIII

### MISCELLANEOUS

*Section 8.01. Amendments, Etc.* No amendment or waiver of any provision of this Agreement or any other Related Document, and no consent to any departure by the City, shall be effective unless in writing signed by JPMC and the City, as the case may be, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

*Section 8.02. Notices; Effectiveness; Electronic Communication.*

(a) *Notices Generally.* Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier to the address, telecopier number, electronic mail (e-mail) address or telephone number specified for such Person on Schedule I, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, for such Person on Schedule I. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) *Electronic Communications.* Notices and other communications to be provided hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by JPMC and the City, *provided* that the foregoing shall not apply to notices to JPMC pursuant to Article II if JPMC has notified the City that it is incapable of receiving notices under such Article by electronic communication. JPMC or the City may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless JPMC otherwise prescribes, (i) notices and other communications sent to JPMC to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by JPMC at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) *Change of Address, Etc.* The City or JPMC may change its address (including electronic mail), telecopier or telephone number for notices and other communications hereunder by notice to the other party hereto.

(d) *Reliance by JPMC.* JPMC shall be entitled to rely and act upon any notice or other communication (including any telephonic notice or communication) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons. To the extent permitted by the Laws of the State of Texas, the City shall indemnify JPMC and the Related Parties of JPMC from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice given by or on behalf of the City.

*Section 8.03. No Waiver; Cumulative Remedies; Enforcement.* No failure by JPMC to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law.

Notwithstanding anything to the contrary contained herein or in any other Related Document, the authority to enforce rights and remedies hereunder and under the other Related Documents against the parties thereto or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, JPMC; *provided, however*, that the foregoing shall not prohibit (a) JPMC from exercising on its own behalf the rights and remedies that inure to its benefit hereunder and under

the other Related Documents or (b) JPMC from exercising setoff rights in accordance with Section 8.08 (subject to the terms of Section 2.11).

*Section 8.04. Expenses; Indemnity; Damage Waiver.* (a) The City agrees to pay to JPMC (i) within 30 days after receipt of an invoice after the Effective Date, all reasonable costs and expenses incurred by JPMC and its counsel in connection with the preparation, execution and delivery of this Agreement and any other documents and instruments that may be delivered or required in connection therewith (including fees and expenses in connection with this Agreement in an aggregate amount not to exceed \$[\_\_\_\_\_] plus disbursements for counsel for JPMC), (ii) all costs and expenses incurred by JPMC after the Effective Date, including reasonable fees and out-of-pocket expenses of counsel for JPMC, otherwise arising in connection with this Agreement and the Related Documents, including, without limitation, in connection with any amendment hereto or thereto, the enforcement hereof or thereof or the protection of the rights of JPMC hereunder or thereunder, and (iii) any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection herewith.

(b) *Indemnification by the City; Limitation on Liability.* (i) To the extent permitted by the Laws of the State of Texas, the City shall indemnify JPMC against, and hold JPMC harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for JPMC), incurred by JPMC or asserted against JPMC by any third party or by the City arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the City, and regardless of whether JPMC is a party thereto, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF JPMC; *provided* that the City shall not be required to indemnify JPMC for any claims, damages, losses, liabilities, costs, or expenses to the extent, but only to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (a) the negligence or willful misconduct of JPMC or (b) by reason of any untrue statement or material omission with respect to information describing JPMC and furnished in writing by JPMC to the City expressly for use in the Offering Memorandum.

(ii) To the extent permitted by the Laws of the State of Texas, the City assumes all risks of the acts or omissions of the Issuing and Paying Agent with respect to the use of the Commitment and the Loans made pursuant thereto; *provided* that this assumption with respect to JPMC is not intended to and shall not preclude the City from pursuing such rights and remedies as it may have against the Issuing and Paying Agent under any other agreements. JPMC nor any of its officers or directors shall be liable or responsible for (i) the use of the proceeds of the Loans or the Bank Note or the transactions contemplated hereby and by the Related Documents or for any acts or omissions of the Issuing and Paying Agent or the Dealer, (ii) the validity, sufficiency, or



genuineness of any documents determined in good faith by JPMC to be valid, sufficient or genuine, even if such documents shall, in fact, prove to be in any or all respects invalid, fraudulent, forged or insufficient, (iii) payments by JPMC against presentation of requests for Loans for which JPMC in good faith has determined to be valid, sufficient or genuine and which subsequently are found not to comply with the terms of this Agreement, or (iv) any other circumstances whatsoever in making or failing to make payment hereunder; *provided* that the City shall not be required to indemnify JPMC for any claims, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the negligence or willful misconduct of JPMC, as determined by a court of competent jurisdiction in a final and nonappealable judgment.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable Law, the City shall not assert, and hereby waives, any claim against any JPMC, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the use of the proceeds thereof. JPMC shall not be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by JPMC through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of JPMC as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments.* All amounts due under this Section shall be payable not later than 30 days after receipt of an invoice.

(e) *Survival.* The agreements in this Section shall survive the termination of the Commitment and the repayment, satisfaction or discharge of all the other Obligations.

*Section 8.05. Payments Set Aside.* To the extent that any payment by or on behalf of the City is made to JPMC, and JPMC exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by JPMC in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

*Section 8.06. Successors and Assigns.*

(a) *Successors and Assigns Generally.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the City may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of JPMC and JPMC may not assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (c) of this Section or as provided in subsection (e) of this Section,

(ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, and participants to the extent provided in subsection (b) of this Section) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Participations.* JPMC shall have the right to sell participations to one or more banking institutions (each a “Participant”) in all or a portion of JPMC’s rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it), and such Participant shall be entitled to the benefits of this Agreement, including, without limitation, Article III and Section 8.04 hereof, to the same extent as if they were a direct party hereto; *provided, however*, that no such participation by any such participant shall in any way affect the obligation of JPMC under this Agreement.

(c) *Assignments by JPMC.* JPMC may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions: (i) the consent of the City shall be required unless an Event of Default has occurred and is continuing at the time of such assignment and (ii) the City shall have received written notice from each Rating Agency then rating the Commercial Paper Notes that such ratings will not be lowered or withdrawn as a result of such assignment.

(d) *Limitations upon Participant Rights.* A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.02 hereof than such Participant would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the City’s prior written consent.

(e) *Assignments to Federal Reserve.* JPMC may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operation Circular issued by such Federal Reserve Bank; *provided*, that any payment in respect of such assigned obligations made by the City to JPMC in accordance with the terms of this Agreement shall satisfy the obligations of the City hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release JPMC from its obligations hereunder. Any assignment under this clause (e) shall not require the consent of the City.

*Section 8.07. Treatment of Certain Information; Confidentiality.* JPMC agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates’ respective partners, directors, officers, employees, agents, trustees, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National

Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Related Document or any action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the City and its obligations, (g) with the consent of the City or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to JPMC or any of its Affiliates on a nonconfidential basis from a source other than the City.

For purposes of this Section, “*Information*” means all information received from the City relating to the City or the System, other than any such information that is available to JPMC on a nonconfidential basis prior to disclosure by the City, *provided* that, in the case of information received from the City after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

JPMC acknowledges that (a) the Information may include material non-public information concerning the City, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

*Section 8.08. Counterparts; Integration; Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Related Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

*Section 8.09. Survival of Representations and Warranties.* All representations and warranties made hereunder and in any other Related Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by JPMC, regardless of any investigation made thereby and notwithstanding that JPMC may have had notice or knowledge of any Event of Default or Default at the time of the making of any Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

*Section 8.10. Severability.* If any provision of this Agreement or the other Related Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Related Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

*Section 8.11. Governing Law; Jurisdiction; Etc.*

(a) *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *PROVIDED*, THAT THE OBLIGATIONS OF THE CITY UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) *SUBMISSION TO JURISDICTION.* EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF THE STATE OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURTS OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, IN SUCH FEDERAL COURTS. EACH PARTY HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) *SERVICE OF PROCESS.* EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 8.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF EITHER PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

*Section 8.12. Waiver of Jury Trial.* EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

*Section 8.13. No Advisory or Fiduciary Responsibility.* In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the City acknowledges and agrees that: (i)(A) the arranging and other services regarding this Agreement provided by JPMC are arm's-length commercial transactions between the City, on the one hand, and JPMC on the other hand, (B) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the City is capable of evaluating, and understands and accepts,

the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (ii)(A) JPMC has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the City, or any other Person and (B) JPMC does not have any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents; and (iii) JPMC and its respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and JPMC does not have any obligation to disclose any of such interests to the City. To the fullest extent permitted by laws of the State of Texas, the City hereby waives and releases any claims that it may have against JPMC with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

*Section 8.14. Electronic Execution of Assignments and Certain Other Documents.* The words “execution,” “signed,” “signature,” and words of like import in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

*Section 8.15. USA PATRIOT Act.* JPMC hereby notifies the City that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Patriot Act”), it is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow JPMC to identify the City in accordance with the Patriot Act. The City shall, promptly following a request by JPMC, provide all documentation and other information that JPMC requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

*Section 8.16. Time of the Essence.* Time is of the essence in the performance of the Related Documents.

*Section 8.17. Entire Agreement.* THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

*Section 8.18. QFC.* To the extent that this Agreement or any other Related Document provides support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations

promulgated thereunder, the “*U.S. Special Resolution Regimes*”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “*Covered Party*”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

*Section 8.19. State Law Representations and Covenants of the Bank.* (a) The Bank makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the “*Government Code*”), in entering into this Agreement. As used in such verifications, “*affiliate*” means an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(i) The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(ii) The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “*boycott Israel*” has the meaning provided in Section 2271.001, Government Code.

(iii) The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy,

guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(iv) The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

(b) The Bank represents and verifies that it is aware of the Texas Office of the Attorney General’s (the “*Texas Attorney General*”) All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>

and the Texas Attorney General’s supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf>

The Bank represents and verifies that the Bank has (i) on file a standing letter (“*Standing Letter*”) acceptable to the Texas Attorney General addressing the representations and verifications in Section 8.19(a)(i) through (iv) hereof, and (ii) will, upon request of the City or Co-Bond Counsel on behalf of the City, provide the City and Co-Bond Counsel with a copy of its Standing Letter. The Bank further represents and verifies that its Standing Letter remains in effect as of the Effective Date and that the Texas Attorney General has not notified the Bank that a determination has been made that the Bank boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State.

*Section 8.20. Certificate of Interested Parties.* The Bank represents that it is a wholly owned subsidiary of JPMorgan Chase & Co., a publicly traded business entity, and therefore this Agreement is exempt from Section 2252.908, Texas Government Code, as amended.

*Section 8.21. Amendment and Restatement.* This Agreement shall become effective on the Effective Date and shall supersede all provisions of the Existing Credit Agreement. From and after the Effective Date, all references made to any of the Existing Credit Agreement in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

CITY OF DALLAS, TEXAS

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

Name:

Title: Interim City Manager

APPROVED AS TO FORM

TAMMY L. PALOMINO

CITY ATTORNEY

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

Name: Stephen Freeland

Title: Assistant City Attorney



JPMORGAN CHASE BANK, NATIONAL  
ASSOCIATION

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

Name: Justin D. Wahn

Title: Executive Director

**EXHIBIT A**

**FORM OF NON-ISSUANCE INSTRUCTION**

**[Dated Date]**

City of Dallas, Texas  
1500 Marilla, Room 4FN  
Dallas, Texas 75201  
Attention: Chief Financial Officer

U.S. Bank Trust Company, National Association  
as Issuing and Paying Agent  
100 Wall Street, Suite 600  
New York, New York 10005  
Attention: Global Corporate Trust Services

Re: City of Dallas, Texas  
Waterworks and Sewer System Commercial Paper Notes,  
Series F

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Ladies and Gentlemen:

Pursuant to Section 4.04 of that certain Amended and Restated Revolving Credit Agreement dated as of July 1, 2024 (together with all amendments, restatements, supplements and/or other modifications thereto, the "*Credit Agreement*"), between the City of Dallas, Texas and JPMorgan Chase Bank, National Association., the undersigned hereby notifies you that (i) an Event of Default under of the Credit Agreement has occurred and is now continuing and (ii) upon receipt of this notice, no new Commercial Paper Notes (as defined in the Credit Agreement) and no additional Prior Lien Bonds or Subordinated Obligations (other than those Prior Lien Bonds or Subordinated Obligations the proceeds of which will be used to pay the Commercial Paper Notes) shall be issued or authenticated. This Non-Issuance Instruction shall remain in effect unless you have received written notification from us that this Non-Issuance Instruction has been rescinded.

Very truly yours,

JPMORGAN CHASE BANK, NATIONAL  
ASSOCIATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

cc: [Dealer]  
[Rating Agencies]

**EXHIBIT B**

**FORM OF REQUEST FOR LOAN**

**[Dated Date]**

To: JPMorgan Chase Bank,  
National Association

Re: City of Dallas, Texas  
Waterworks and Sewer System Commercial Paper Notes,  
Series F

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Ladies and Gentlemen:

Pursuant to Section 4.02 and 4.03 of that certain Amended and Restated Revolving Credit Agreement, dated as of July 1, 2024 (together with all amendments, restatements, supplements and/or other modifications thereto, the "*Credit Agreement*"), between the City of Dallas, Texas (the "*City*") and JPMorgan Chase Bank, National Association ("*JPMC*"), the Issuing and Paying Agent hereby gives JPMC irrevocable notice that it, on behalf of the City, requests a Revolving Loan be made by JPMC as follows (capitalized terms used in this Request for Loan shall have the respective meanings assigned to such terms under the Credit Agreement):

The aggregate amount of the Revolving Loan hereby requested is \$\_\_\_\_\_.

Principal Component \$\_\_\_\_\_

Interest Component \$\_\_\_\_\_

The Revolving Loan hereby requested is to be made, and will not exceed the amount presently available, under the Commitment.

Payment of the Revolving Loan hereby requested is to be made by not later than 2:15 p.m., New York City time, on \_\_\_\_\_, \_\_\_\_\_. Such date is a "Business Day" within the meaning of the Credit Agreement. All of the proceeds received from the Revolving Loan shall be used to pay the aggregate principal amount of the Commercial Paper Notes maturing on such date **[plus accrued interest to such date]**. The Revolving Loan hereby requested is necessary due to the inability or failure of the Dealer to secure purchasers for Notes on the aforesaid date.

On the date of making the Revolving Loan hereby requested, no Special Event of Default or Suspension Event under Section 7.01 of the Credit Agreement has occurred and is continuing.

The City certifies, represents and warrants that the conditions set forth in Section 4.02 of the Credit Agreement shall have been satisfied.

Payment of the Revolving Loan hereby requested shall be made in immediately available funds to account no. \_\_\_\_\_ at \_\_\_\_\_.

Very truly yours,

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Issuing and Paying Agent

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

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

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

**EXHIBIT C**

**FORM OF BANK NOTE**

**CITY OF DALLAS, TEXAS  
WATERWORKS AND SEWER SYSTEM COMMERCIAL PAPER NOTES,  
SERIES F**

\$322,191,781

July 8, 2024

THE CITY OF DALLAS, TEXAS, acknowledges itself indebted and for value received promises to pay to the order of JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (“*JPMC*”) in lawful money of the United States of America, the lesser of (i) \$322,191,781, as such amount may be permanently reduced pursuant to Section 2.06 of that certain Amended and Restated Revolving Credit Agreement dated July 1, 2024 (together with all amendments, restatements, supplements and/or other modifications thereto, the “*Credit Agreement*”), between the City and JPMC, and (ii) the unpaid principal balance of each Loan under the Available Commitment made by the Bank to the City pursuant to Section 2.02 of the Credit Agreement, subject to prepayment and acceleration as provided in Section 2.07 of the Credit Agreement. The City promises to pay interest on the unpaid principal amount of each such Loan on the dates and at the rate or rates provided for in Section 2.03 of the Credit Agreement. Within the limits of and to the extent permitted by the Credit Agreement, the City may reborrow, repay and reborrow under the Credit Agreement with respect to Loan under the Available Commitment. All such payments of principal and interest shall be made in immediately available funds at the office of the Bank specified in Section 2.08 of the Credit Agreement and shall be computed in accordance with and subject to the terms and conditions of the Credit Agreement. All capitalized terms used herein but not defined in this Bank Note shall have the meanings ascribed to them in the Credit Agreement.

This Bank Note shall be construed under and governed by the laws of the State of Texas but Chapter 346, Texas Finance Code, except for Section 346.004 thereof, shall not apply.

This Bank Note is a special obligation of the City payable from and secured solely by the funds pledged therefor in the Ordinance. To provide for the payment of the principal of and interest on this Bank Note as the same shall become due and payable, the Ordinance grants a lien on and pledge of, subject only to the provisions of the applicable Ordinance permitting the application thereof for purposes and on terms and conditions set forth therein, (i) the proceeds from (A) the sale of Prior Lien Bonds or Subordinated Obligations issued by the City for such purpose and (B) the sale of Notes issued pursuant to the Ordinance for such purpose, (ii) Loans, (iii) the amounts held in the Series F Note Payment Fund, as applicable (created under Section 2.09 of the Ordinance) until the amounts deposited therein are used for authorized purposes; *provided, however,* amounts in the Series F Note Payment Fund attributable to and derived from Loans shall be used only to pay, prior to the application to the payment of the Bank Note, the principal of and interest on the Project Notes in full, and (iv) the amounts remaining on deposit in the Series F Note Construction Account (created under Section 2.11 of the Ordinance) after the payment of all Project Costs. Additionally, to provide security for the payment of the principal of and interest on

this Bank Note and any other amounts due under the Credit Agreement as the same shall become due and payable, the Ordinance grants a lien on and pledge of the Pledged Revenues, subject only to the provisions of the Ordinance permitting the application thereof for purposes and on terms and conditions set forth in the Ordinance, such lien on and pledge of Pledged Revenues to the Notes and other amounts owing under the Credit Agreement, however, being subordinate only to the lien on and pledge of the Pledged Revenues securing the payment of the City's Prior Lien Bonds and the debt service and reserve funds relating thereto. It is hereby certified that every requirement of law relating to the issue hereof has been duly complied with and that this Bank Note is within every applicable debt or other limit.

IN WITNESS WHEREOF, the City Council has caused this Bank Note to be signed in its name by the Interim City Manager and countersigned by the City Secretary, and sealed with the seal of the City, and this Bank Note to be dated the date and year first above written.

CITY OF DALLAS, TEXAS

(SEAL)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**EXHIBIT D**

**FORM OF OPINION OF CITY ATTORNEY**

To: JPMorgan Chase Bank, National Association

Re: City of Dallas, Texas  
Waterworks and Sewer System Commercial Paper Notes,  
Series F

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Ladies and Gentlemen:

I am the duly appointed City Attorney of the City of Dallas, Texas (the “City”), and this opinion is rendered on behalf of the City pursuant to and in connection with the authorization of the Notes and the execution and delivery of an Amended and Restated Revolving Credit Agreement, dated as of July 1, 2024 (together with all amendments, restatements, supplements and/or other modifications thereto, the “*Credit Agreement*”), by and among the City and JPMorgan Chase Bank, National Association (“*JPMC*”) and the Amended and Restated Fee Letter Agreement dated July 8, 2024 (the “*Fee Letter*”), between the City and the JPMC. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

I or my designated attorneys have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates of public officials, and other instruments, and we have conducted such other investigation of fact and law as I have found necessary or advisable for the purpose of this opinion.

Under Ordinance No. [\_\_\_\_], adopted by the City on June [12], 2024 (the “*Ordinance*”), authorizing the issuance of the Commercial Paper Notes and the execution and delivery to JPMC of the Credit Agreement, the Fee Letter, the proceeds of the Revolving Loans and Term Loans made under the Credit Agreement are to be applied to the payment of the principal of and interest on the Commercial Paper Notes.

I have also made such further investigation of the law and facts as I have deemed necessary or advisable for purposes of the opinions herein expressed.

Based upon the foregoing, I am of the opinion that:

1. The City (a) is an incorporated city operating under a home-rule charter adopted pursuant to Article XI, Section 5 of the Texas Constitution; (b) has full power and authority to execute, deliver, and perform the Credit Agreement, the Bank Note, the Ordinance, and the Commercial Paper Notes and to borrow under the Commercial Paper Notes, the Bank Note and the Credit Agreement; (c) has all the requisite power and authority to own and operate the System; and (d) has all the requisite power and authority



to pledge and grant a lien on the Pledged Revenues to the Bank to secure payment of the Revolving Loans and Term Loans and has lawfully exercised such power.

2. All authorizations, consents, approvals, licenses, permissions, and registrations, if any, of or with any Person, including any governmental authority, required in connection with (a) the execution, delivery, and performance of the Credit Agreement, the Bank Note and the Commercial Paper Notes and (b) the City's authorization of the execution, delivery and performance of the Credit Agreement, the Bank Note and the Commercial Paper Notes have, in each case, been obtained.

3. There is no litigation or legal or administrative proceeding pending, or to the best of my knowledge, threatened against, or any outstanding judgment, order, writ, injunction, decree, or award affecting the City before any court, governmental authority, or arbitral body (a) which prohibits or affects, or if adversely determined might prohibit or affect, the ability or authority of the City to execute, deliver, or perform any part of the Credit Agreement or (b) which in the aggregate have, or if adversely determined would have, any material adverse effect on the financial condition of the City or the System. To the best of my knowledge, the City is not in default with respect to any order, writ, injunction, or decree of any court or other governmental authority which would adversely affect the City's ability to execute, deliver, or perform any part of the Credit Agreement, the Bank Note or the Ordinance.

The opinions expressed above are qualified to the extent that the enforceability of the rights and remedies set forth in the Ordinance and the Credit Agreement may be limited by bankruptcy, reorganization, or other similar laws of general application relating to or affecting the enforcement of creditors' rights. I express no opinion as to the extent to which any indemnification provision contained in the Credit Agreement or any other document used in connection with the issuance of the Commercial Paper Notes is enforceable under Texas law or as to the specific remedy that any court, governmental authority, or board of arbitration may grant, impose, or render in connection with the above-described instruments. I express no opinion as to the validity or enforceability of Section 8.04 of the Credit Agreement.

The opinions herein expressed and the statements herein made are limited in all respects to the laws of the State of Texas and applicable federal law. This opinion is solely for the benefit of and may be relied upon by the addressee. This opinion may not be relied upon by any other person, without my written consent.

Very truly yours,

## SCHEDULE I

### CERTAIN ADDRESSES FOR NOTICES

#### CITY:

City of Dallas, Texas  
1500 Marilla  
Dallas, Texas 75201

Attention: [\_\_\_\_\_] ]  
Telephone: [\_\_\_\_\_] ]  
Telecopier: [\_\_\_\_\_] ]  
E-Mail: [\_\_\_\_\_] ]

#### AND WITH A COPY TO:

Attention: [\_\_\_\_\_] ]  
Telephone: [\_\_\_\_\_] ]  
Telecopier: [\_\_\_\_\_] ]  
E-Mail: [\_\_\_\_\_] ]

#### JPMC:

JPMorgan Chase Bank, National Association  
Public Finance Credit Origination  
383 Madison Avenue, 3rd Floor  
Mail Code: NY1-M165  
New York, New York 10179-0001

Attention: Justin Wahn, Executive Director  
Telephone: (212) 270-3813  
Telecopier: (917) 456-3564  
E-Mail: justin.d.wahn@jpmorgan.com

With a copy to:

Email: public.finance.notices@jpmorgan.com

#### AND FOR LOAN REQUESTS AND OPERATIONAL MATTERS WITH A COPY TO:

JPMorgan Chase Bank, National Association  
JPM-Delaware Loan Operations  
500 Stanton Christiana Road, NCC5, Floor 01  
Newark, DE 19713

Attention: PFG Servicing  
E-Mail: PFG\_Servicing@jpmorgan.com

**ISSUING AND PAYING AGENT:**

U.S. Bank Trust Company, National Association  
100 Wall Street, Suite 600  
New York, New York 10005

Attention: Corporate Trust Administrator  
Telephone: (212) 361-4383  
E-Mail: denia.larios@usbank.com

**AMENDED AND RESTATED FEE LETTER AGREEMENT**

Reference is hereby made to (i) that certain Amended and Restated Revolving Credit Agreement dated as of July 1, 2024 (as the same may be amended, supplemented or otherwise modified from time to time the “*Agreement*”), between the CITY OF DALLAS, TEXAS (the “*City*”), and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (the “*Bank*”), relating to the City’s Waterworks and Sewer System Commercial Paper Notes, Series F (the “*Notes*”) and (ii) the Fee Letter Agreement dated July 8, 2021 (the “*Existing Fee Letter Agreement*”), between the City and the Bank. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

The City has requested that the Bank agree to certain amendments to the Existing Fee Letter Agreement, and the Bank has agreed to such amendments. For the sake of clarity and convenience, the parties hereto wish to amend and restate the Existing Fee Letter Agreement in its entirety pursuant to this Amended and Restated Fee Letter Agreement (the “*Fee Letter Agreement*”) to confirm the agreement between the Bank and the City with respect to, among other things, the Facility Fees (as defined below) and certain other fees and expenses payable by the City to the Bank. This Fee Letter Agreement is the Fee Letter referenced in the Agreement, and the terms hereof are incorporated by reference into the Agreement.

**ARTICLE I.**

**FEES AND OTHER AGREEMENTS**

*Section 1.1. Facility Fees.* The City shall pay to the Bank quarterly in arrears on the last Business Day of each September, December, March and June (commencing on September 30, 2024, for the period from and including June 28, 2024, to and including September 30, 2024) occurring prior to the Commitment Termination Date, and on the Commitment Termination Date, for each day during the immediately preceding fee period, a facility fee (“*Facility Fee*”) equal to the product of the Applicable Rate (defined below) for each such day during the related fee period and the Available Commitment, together with interest on the Facility Fees from the date payment is due until payment in full at the Default Rate. Facility Fees payable pursuant to this Section 1.1 shall be calculated on the basis of a 360-day year and actual days elapsed and shall accrue from June 28, 2024, through the Commitment Termination Date.

“*Applicable Rate*” means, from time to time, the following percentages per annum, based upon the Debt Rating as set forth below:

- (i) For the period commencing on June 28, 2024, through but not including July 8, 2024, the Applicable Rate shall equal the rate per annum associated with the Debt Rating specified below:

PRICING LEVEL	FITCH RATING	S&P RATING	MOODY’S RATING (IN THE EVENT	APPLICABLE RATE
---------------	--------------	------------	------------------------------------	-----------------

			THE CITY HAS ENGAGED MOODY’S TO PROVIDE A RATING)	
Level 1	AA or above	AA or above	Aa2 or above	0.43%
Level 2	AA-	AA-	Aa3	0.53%
Level 3	A+	A+	A1	0.68%
Level 4	A	A	A2	0.83%
Level 5	A-	A-	A3	1.03%
Level 6	BBB+	BBB+	Baa1	1.23%
Level 7	BBB	BBB	Baa2	1.43%
Level 8	BBB-	BBB-	Baa3	1.68%

(ii) For the period commencing on July 8, 2024, and at all times thereafter, the Applicable Rate shall equal the rate per annum associated with the Debt Rating specified below:

PRICING LEVEL	FITCH RATING	S&P RATING	MOODY’S RATING (IN THE EVENT THE CITY HAS ENGAGED MOODY’S TO PROVIDE A RATING)	APPLICABLE RATE
Level 1	AA or above	AA or above	Aa2 or above	0.55%
Level 2	AA-	AA-	Aa3	0.65%
Level 3	A+	A+	A1	0.80%
Level 4	A	A	A2	0.95%
Level 5	A-	A-	A3	1.15%
Level 6	BBB+	BBB+	Baa1	1.35%
Level 7	BBB	BBB	Baa2	1.55%
Level 8	BBB-	BBB-	Baa3	1.80%

The defined term “*Debt Rating*” and the other paragraphs in Section 1.1 hereof shall be applicable to both clause (i) (including the pricing matrix) and clause (ii) (including the pricing matrix) above. “*Debt Rating*” means, as of any date of determination, the rating as determined by any of Fitch, S&P or Moody’s (in the event the City has engaged Moody’s to provide a rating on the applicable Prior Lien Bonds) of the City’s Prior Lien Bonds (collectively, the “*Debt Ratings*”); *provided* that (a) if the respective Debt Ratings issued by the foregoing Rating Agencies differ by one or more levels, then the Pricing Level for the lowest of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 8 being

the lowest); and (b) in the event that any Debt Rating is suspended or withdrawn from any Rating Agency for credit related reasons, the Applicable Rate shall increase by an additional 1.00% from the Applicable Rate in effect on the date of such suspension or withdrawal. In addition, upon the occurrence and during the continuance of an Event of Default under the Agreement, the Applicable Rate shall increase by an additional 1.00% from the Applicable Rate in effect on the date of the occurrence of such Event of Default.

References to 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 long-term debt rating of any Prior Lien Bonds of the City in connection with the adoption of a “global” rating scale, each of the Ratings 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.

Each change in the Applicable Rate resulting from a publicly announced change in the Debt Rating shall be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. All such fee increases shall be cumulative.

*Section 1.2. Draw Fees.* The City hereby agrees to pay to the Bank a non-refundable drawing fee of \$300, for each advance of a Revolving Loan under the Agreement, payable on the date such Revolving Loan is made.

*Section 1.3. Amendment Waiver or Consent Fees.* The City hereby agrees to pay to the Bank, on the date any amendment, transfer, waiver or consent to the Agreement or any other Related Document requested by the City is entered into between the parties thereto, a non-refundable amendment, waiver or consent fee of \$3,000, or such other fee as the parties may agree, plus the reasonable fees and expenses of any legal counsel retained by the Bank in connection therewith. Such fee shall not apply to amendments for the sole purpose of extending the term of the Agreement but shall include reasonable costs of counsel to the Bank for such amendment.

*Section 1.4. Out-of-Pocket Expenses.* The City shall pay within thirty (30) days after receipt of an invoice, any and all reasonable fees and expenses of the Bank (including the out-of-pocket expenses of the Bank and the fees of counsel to the Bank, as applicable) all payable in accordance with Section 8.04 of the Agreement.

*Section 1.5. Termination and Reduction Fee.* (i) The City agrees not to terminate the Available Commitment prior to the date referenced in clause (a) of the defined term Commitment Termination Date, unless the Authority agrees to pay to the Bank, in addition to all other amounts that may be due and payable at such time, a termination fee (the “*Termination Fee*”) equal to the Facility Fee for the period commencing on the Effective Date through the date referenced in clause (a) of the defined term Commitment Termination Date, less any Facility Fees already paid by the City to the Bank during such period; *provided, however,* such Termination Fee shall not be

required if any of the events described in clause (iii) of this Section 1.5 have occurred. The Termination Fee shall be calculated on the basis of a year of 360 days and actual days elapsed.

(ii) The City agrees not to permanently reduce the Available Commitment prior to the date referenced in clause (a) of the defined term Commitment Termination Date, without the payment by the City of a reduction fee in connection with each and every permanent reduction of the Available Commitment as set forth herein in an amount equal to the product of (A) the Applicable Rate in effect on the date of such reduction, (B) the difference between the Available Commitment (without regard to any temporary reductions thereof) prior to such reduction and the Available Commitment (without regard to any temporary reductions thereof) after such reduction, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the date referenced in clause (a) of the defined term Commitment Termination Date, and the denominator of which is 360 (the "*Reduction Fee*"); *provided, however*, such Reduction Fee shall not be required if any of the events described in clause (iii) of this Section 1.5 have occurred.

(iii) Notwithstanding the foregoing provisions of this Section 1.5, no Termination Fee or Reduction Fee, as applicable, will be required to be paid by the City, if (i) Fitch shall have lowered the senior, unsecured short-term rating of the Bank below "F1" or withdrawn the senior, unsecured short-term rating of the Bank; (ii) S&P shall have lowered the senior, unsecured short-term rating of the Bank below "A-1" or withdrawn the senior, unsecured short-term rating of the Bank; (iii) the City elects to repay or restructure the Notes in full or in part from a source of funds that does not involve the issuance by a bank or other financial institution other than the Bank of a letter of credit, liquidity facility or credit facility; (iv) the City terminates the Available Commitment at any time following demand by the Bank for payment to the Bank of any increased costs requested pursuant to Section 3.02 of the Agreement; or (v) the occurrence of a Trading Differential of an average of twenty (20) basis points (0.20%) or greater for sixty (60) consecutive days or fifteen (15) basis points (0.15%) or greater for ninety (90) consecutive days (any such period the "*Trading Differential Period*") with such Trading Differential Period being certified by an independent financial adviser selected by the City and reasonably acceptable to the Bank; *provided, however*, that such termination must occur within 180 days after the first day of any Trading Differential Period. As used herein, the term "*Trading Differential*" shall mean, for any day, a rate per annum equal to (x) the interest rate borne by the Notes, less (y) the average interest rate on such day borne by commercial paper notes issued by or on behalf of governmental entities in the United States with terms being approximately the same as the Notes, the payment of the principal of and interest on which is supported by liquidity facilities provided by commercial banks rated at least "F1" by Fitch and "A-1" by S&P, as calculated by the Bank and verified by the City's independent financial advisors.

## ARTICLE II.

### MISCELLANEOUS

*Section 2.1. Amendments.* No amendment to this Fee Letter Agreement shall become effective unless in writing signed by the Bank and the City.

*Section 2.2. Governing Law.* THIS FEE LETTER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *PROVIDED*, THAT THE OBLIGATIONS OF THE CITY UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

*Section 2.3. Counterparts.* This Fee Letter Agreement may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument.

*Section 2.4. Severability.* Any provision of this Fee Letter Agreement 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.

*Section 2.5. Amended and Restated Fee Letter Agreement.* This Fee Letter Agreement amends and restates in its entirety the Existing Fee Letter Agreement. Reference to this specific Fee Letter Agreement need not be made in any agreement, document, instrument, letter, certificate, the Agreement, the Existing Fee Letter Agreement itself, or any communication issued or made pursuant to or with respect to the Existing Fee Letter Agreement, any reference to the Existing Fee Letter Agreement being sufficient to refer to the Existing Fee Letter Agreement as amended and restated hereby, and more specifically, any and all references to the “Fee Letter” in the Agreement shall mean this Fee Letter Agreement.

**[EXECUTION PAGES TO FOLLOW]**



IN WITNESS WHEREOF, the parties hereto have caused this Fee Letter Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of this 8th day of July, 2024.

CITY OF DALLAS, TEXAS

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

Name:

Title: City Manager

JPMORGAN CHASE BANK, NATIONAL  
ASSOCIATION

By: \_\_\_\_\_  
Name: Justin D. Wahn  
Title: Executive Director

**EXHIBIT B**

**ISSUING AND PAYING AGENT AGREEMENT**

## **AMENDED AND RESTATED ISSUING AND PAYING AGENT AGREEMENT**

This Amended and Restated Issuing and Paying Agent Agreement (this "Agreement"), dated as of July 1, 2024, is entered into by and between the City of Dallas, Texas (the "Issuer") and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association (the "Issuing and Paying Agent"), in connection with the issuance and payment of the Commercial Paper Notes defined below, and amends and restates in its entirety the Issuing and Paying Agent Agreement dated July 1, 2021 (the "Prior Agreement"), between the Issuer and U.S. Bank National Association, relating to the Commercial Paper Notes defined below.

### **W I T N E S S E T H:**

WHEREAS, on June [26], 2024, the City Council of the Issuer adopted an ordinance (the "Note Ordinance") which authorized the issuance of its Waterworks and Sewer System Commercial Paper Notes, Series F which may be issued and sold in the United States commercial paper market (the "Commercial Paper Notes") pursuant to the provisions of Chapter 1371, Texas Government Code, which is referred to herein as the "Act", to provide interim financing for additions, improvements and extensions to the City's combined waterworks and sewer system, in an aggregate principal amount not to exceed \$300,000,000 at any one time outstanding; and

WHEREAS, the Issuer hereby requests the Issuing and Paying Agent to act, on the terms and conditions specified herein, (i) as issuing and paying agent on behalf of the Issuer in connection with the issuance of the Commercial Paper Notes which the Issuer shall from time to time deliver or cause to be delivered to the issuing and paying agent pursuant to the Authorizing Acts (as defined below) and the Note Ordinance, (ii) as depository with respect to funds received by the Issuing and Paying Agent pursuant to Sections 7 and 8 hereof (the "Commercial Paper Note Funds"); (iii) as depository for the safekeeping of Commercial Paper Notes of the Issuer and (iv) as depository to receive certain funds on behalf of the Issuer, as set forth herein, and

WHEREAS, the Issuing and Paying Agent is willing to act as issuing and paying agent and depository upon the terms and conditions of this Agreement; and

WHEREAS, this Agreement will govern the Issuing and Paying Agent's rights, powers and duties as such depository, issuing agent and paying agent for the Commercial Paper Notes and the Issuer's rights and obligations in connection therewith.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby, the parties agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings given them in the Note Ordinance or the Credit Agreement (as defined below). As used herein the following terms shall have the meanings assigned.

"Authorized Representative" means one or more of the following officers or employees of the City, acting in concert or individually: the Mayor, the City Manager, any Assistant City Manager, the Chief Financial Officer of the City, or such other officer or employee of the City designated in writing by the City Manager or the Chief Financial Officer, and approved by the City Council, to act as an Authorized Representative.

"Authorizing Acts" means the Act and Chapter 1502, Texas Government Code, as amended.

"Available Commitment" means at any date, the difference between the Commitment with respect to the Credit Agreement relating to the Commercial Paper Notes as of such date and the principal amount advanced and outstanding under the Credit Agreement on such date.

"Bank" means JPMorgan Chase Bank, National Association, in its capacity as Liquidity Provider.

"Business Day" means any day on which DTC is scheduled to be open for money market instrument settlement services and is other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or a day on which banks in New York, New York, the City of Dallas, Texas or the city in which the office of the Liquidity Provider at which demands under the Credit Agreement are to be honored is located are authorized by law or executive order to close.

"Certificate of Designation" means the certificate certifying the incumbency and specimen signatures of such person or persons of the Issuing and Paying Agent authorized to receive and sign Commercial Paper Notes.

"Commercial Paper Notes" means the City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes, Series F.

"Commitment" means \$322,191,781, as such amount may be reduced from time to time pursuant to the Credit Agreement.

"Constitution" means the Constitution of the State of Texas, as amended.

"Credit Agreement" means the Amended and Restated Revolving Credit Agreement between the Issuer and the Liquidity Provider, dated as of July 1, 2024, as amended, supplemented or otherwise modified in accordance with the terms thereof or any other credit facility provided in lieu thereof in accordance with the provisions of Section 4.03 of the Note Ordinance.

"Dealer Representative" means each employee of the Dealer authorized to give notices and/or issuance instructions.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Effective Date" means July 8, 2024.

"Incumbency Certificate" means a certificate of the Issuer certifying the incumbency of individuals authorized to take action on behalf of the Issuer.

"Issuing Officials" means the Authorized Representatives of the Issuer.

"Letter of Representations" means the letter of representations issued by DTC with respect to the Master Note.

"Liquidity Provider" means the Bank, or any subsequent or succeeding party or parties to the Credit Agreement.

"Master Note" means the master note, in the form provided by DTC, with respect to the Commercial Paper Notes.

"No-Issuance Event" means receipt by the Issuing and Paying Agent from the Liquidity Provider of a Non-Issuance Instruction.

"Non-Issuance Instruction" means a notice from the Liquidity Provider to the Issuer and the Issuing and Paying Agent in the form of Exhibit A to the Credit Agreement.

"Note" means the promissory note or notes from the Issuer to the Liquidity Provider in the aggregate amount not to exceed \$322,191,781.

"Note Payment Fund" means the Issuer's Series F Note Payment Fund established by the Issuer pursuant to Section 2.09 of the Note Ordinance.

"Rating Agencies" means, collectively, Fitch Ratings, Inc. and S&P Global Ratings

"Stated Expiration Date" means July 8, 2027, or such later date as may be established pursuant to the Credit Agreement.

2. Appointment of Agent. The Issuer hereby appoints the Issuing and Paying Agent and the Issuing and Paying Agent hereby agrees to act, on the terms and conditions specified herein, as depository with respect to funds received by the Issuing and Paying Agent pursuant to Sections 6 and 7 hereof, and as issuing and paying agent for the Commercial Paper Notes issued as described herein. The Commercial Paper Notes will be sold through such commercial paper dealers and/or placement agents as the Issuer shall have notified the Issuing and Paying Agent in writing from time to time (collectively, the "Dealers"). The Dealer is currently J.P. Morgan Securities LLC.

3. Letter of Representations. The Issuer will promptly deliver to the Issuing and Paying Agent an executed version of the form of the Letter of Representations provided by DTC. The Issuer understands and agrees that such Letter of Representations when executed by the Issuer and the Issuing and Paying Agent and accepted by DTC shall supplement the provisions of this Agreement and that the Issuer, the Issuing and Paying Agent, and DTC shall be bound by the terms and provisions of the Letter of Representations, including any procedures and operational arrangements applicable thereunder.

4. Supply of Commercial Paper Notes.

(a) The Issuer will from time to time furnish the Issuing and Paying Agent an adequate supply of Commercial Paper Notes, which shall be Book-Entry Commercial Paper Notes and/or certificated Commercial Paper Notes, as the Issuer, in accordance with the provisions of the Note Ordinance, in its sole and absolute discretion considers appropriate. Certificated Commercial Paper Notes shall be in substantially the form set forth in Section 2.05 of the Note Ordinance, shall be serially numbered and shall have been executed by manual or facsimile signature of an Authorized Representative, but shall otherwise be uncompleted. Book-Entry Commercial Paper Notes shall be substantially in the forms attached to the Letter of Representations and shall be represented by a Master Note which shall be executed by manual or facsimile signature by an Authorized Representative in accordance with the Letter of Representations. Pending receipt of instructions pursuant to this Agreement, the Issuing and Paying Agent will hold the certificated Commercial

Paper Notes and the Master Note in safekeeping for the account of the Issuer or DTC, as the case may be, in accordance with the Issuing and Paying Agent's customary practice and the requirements of the Note Ordinance.

(b) Each certificated Commercial Paper Note or Master Note, as the case may be, delivered to the Issuing and Paying Agent shall be accompanied by a letter from the Issuer identifying the certificated Commercial Paper Note(s) or Master Note(s) transmitted therewith, and the Issuing and Paying Agent shall acknowledge receipt of such certificated Commercial Paper Note(s) or Master Note(s) on the copy of such letter or pursuant to some other form of written receipt deemed appropriate by it at the time of delivery to it of such certificated Commercial Paper Note(s) or Master Note(s). Pending the issuance of certificated Commercial Paper Notes as provided in Section 6 hereof, all certificated Commercial Paper Notes and Master Note(s) delivered to it shall be held by it for the account of the Issuer or DTC, as the case may be, for safekeeping in accordance with its customary practice and the requirements of the Note Ordinance.

5. Authorized Representatives.

(a) With the delivery of this Agreement and annually or more frequently, if requested in writing by the Issuing and Paying Agent, to reflect changes thereto, the Issuer will furnish to the Issuing and Paying Agent an Incumbency Certificate certifying the incumbency and specimen signatures of the persons then authorized to act as Authorized Representative(s) and Issuing Officials of the Issuer for purposes of the Note Ordinance and this Agreement, or certifying as to no change in the preceding certification, as the case may be, and the Issuing and Paying Agent shall act hereunder only upon instructions of such Authorized Representative(s) and/or Issuing Officials. Such Incumbency Certificate shall also specify the names of the Dealer Representatives who are authorized to give notices and/or issuance instructions to the Issuing and Paying Agent as provided herein. The Issuing and Paying Agent shall not have any responsibility to the Issuer to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Notes, or to determine whether any facsimile or manual signature resembles the specimen signature(s) filed with it, and the facsimile signature of a person who is an Authorized Representative on the date such signature is affixed shall be binding on the Issuer after the authentication thereof by the Issuing and Paying Agent notwithstanding that such person shall have died or shall have otherwise ceased to hold his office on the date such Commercial Paper Note is countersigned or delivered to the Issuing and Paying Agent. Until the Issuing and Paying Agent receives a subsequent certificate from the Issuer, it shall be entitled to rely upon the last such certificate delivered to it for purposes of determining the Authorized Representative(s) and/or Issuing Officials of the Issuer.

(b) Upon the Issuing and Paying Agent's receipt of this Agreement, and from time to time thereafter as it chooses, the Issuing and Paying Agent shall deliver a Certificate of Designation certifying the incumbency and specimen signatures of its employees who are authorized to receive, authenticate and deliver Commercial Paper Notes. Until the Issuer shall receive a subsequent Certificate of Designation, or unless an Authorized Representative shall have received written notice of the lack of authority of any individual, the Issuer may rely on the last such Certificate of Designation delivered to it.

6. Completion, Authentication and Delivery of Commercial Paper Notes.

(a) In the case of certificated Commercial Paper Notes, during the term of this Agreement and subject to the terms and conditions hereof, upon the Issuing and Paying Agent's timely receipt from an Authorized Representative or Dealer Representative of instructions delivered to the Issuing and Paying Agent in accordance with Section 10 prior to 12:30 pm on a Business Day, on the date of issuance of any certificated Commercial Paper Notes, the Issuing and Paying Agent shall withdraw the respective certificated Commercial Paper Notes from safekeeping and take the following actions in accordance with such instructions:

i. complete each such certificated Commercial Paper Note as to the face amount, net dollar amount, payee, the date of issue and maturity date, (provided that the Authorized Representative or Dealer Representative shall ensure that (A) such maturity date is a Business Day no later than the earlier to occur of (x) 270 days from the date of issue or (y) one Business Day prior to the Stated Expiration Date of the Credit Agreement or the date the Commitment of the Credit Agreement is terminated pursuant to its terms, and (B) such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof in figures);

ii. authenticate (by countersigning) each such certificated Commercial Paper Note in the appropriate space provided thereon; and

iii. deliver each such certificated Commercial Paper Note to the Dealer, or the consignee, if any, designated by such Authorized Representative or Dealer Representative for the account of the Dealer.

(b) In the case of Book-Entry Commercial Paper Notes, from time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon the Issuing and Paying Agent's timely receipt of instructions or notice transmitted pursuant to Section 10, not later than 1:00 p.m., in the case of Book-Entry Commercial Paper Notes, on a Business Day, from an Authorized Representative or a Dealer Representative, on the date of issuance of any Book-Entry Commercial Paper Notes (in the case of instructions from an Authorized Representative, a copy of such instructions shall be sent to the Dealer Representative by said Authorized Representative) the Issuing and Paying Agent shall give issuance instructions for the issuance of Book-Entry Commercial Paper Notes to DTC in a manner set forth in, and take other actions as are required by, the Letter of Representations and DTC's applicable rules, regulations and procedures for book-entry commercial paper program. Instructions for the issuance of Book-Entry Commercial Paper Notes shall include the following information with respect to each Book-Entry Commercial Paper Note:

i. the date of issuance of each such Book-Entry Commercial Paper Note (which shall be a Business Day);

ii. the maturity date of each such Book-Entry Commercial Paper Note (provided that the Authorized Representative or Dealer Representative shall ensure that (A) such maturity date is a Business Day no later than the earlier to occur of (x) 270 days from the date of issue or (y) one Business Day prior to the Stated Expiration Date of the Credit Agreement or the date the Commitment of the Credit Agreement is terminated pursuant to its terms);



iii. the face amount (provided that the Authorized Representative or the Dealer Representative shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) in figures.; and

iv. the interest rate (which shall not exceed the Maximum Interest Rate, as defined in the Note Ordinance).

Notwithstanding anything to the contrary herein, no Commercial Paper Notes may be issued unless the Issuing and Paying Agent has received complete instructions in accordance with the provisions of this Section 4. Additionally, no Commercial Paper Note may be issued (i) having a maturity date later than the earlier to occur of (x) 270 days from the date of issuance of the Commercial Paper Note or (y) one Business Day prior to (A) the Stated Expiration Date of the Credit Agreement or (B) the date the Commitment of the Credit Agreement is terminated pursuant to its terms; (ii) with respect to the applicable Commercial Paper Notes, having a principal amount together with the interest thereon that, when added to the then outstanding principal amount of the applicable Commercial Paper Notes together with the interest thereon, would cause the total outstanding principal amount of the applicable Commercial Paper Notes together with the interest thereon to exceed the Available Commitment (or the Commitment, as applicable) of the Credit Agreement on the date of issuance of the applicable Commercial Paper Notes, and (iii) that bear interest in an amount that exceeds the interest component, the maximum of which interest component is calculated at a rate of ten percent (10.00%), or such lesser amount set forth in the Credit Agreement, of the Commitment (or Available Commitment, as applicable) for a period of 270 days for the actual number of days on the basis of a 365 day year.

Notwithstanding anything which may be to the contrary in this Agreement, no Commercial Paper Notes shall be issued, authenticated or delivered in violation of Section 4.03 of the Note Ordinance, or if the Issuing and Paying Agent shall be in receipt of a Non-Issuance Instruction unless and until it shall be in receipt of written notice from the Liquidity Provider which had issued such Non-Issuance Instruction, of the revocation thereof. The Issuing and Paying Agent shall notify the Issuer as soon as practicable of any action or cessation of action taken pursuant to this paragraph. Additionally, the Issuing and Paying Agent shall on a best effort basis stop the delivery of Commercial Paper Notes and the transmission of Commercial Paper Notes to DTC, the issuance instructions for which were received on the same day as the date of such notice; provided, however, that the Issuing and Paying Agent shall be required to deliver the related series of Commercial Paper Notes in respect of which agreements for the sale of the related series of Commercial Paper Notes were concluded by the Dealer prior to the receipt of such notice. For the purposes of the preceding proviso, the Issuing and Paying Agent may rely on a written notice given or delivered to the Issuing and Paying Agent by the Dealer as to whether any particular Note is to be issued in respect of such agreements concluded by the Dealer, and the Issuing and Paying Agent shall have no obligation to make any further investigation. Notwithstanding anything herein to the contrary, the instructions contained in this paragraph are irrevocable and may not be revoked, rescinded, altered or modified by the Issuer for so long as the Credit Agreement remains in effect.

The Issuer shall provide to the Issuing and Paying Agent confirmations of the amount of Revolving Loans or Term Loans outstanding and the amount of the Available Commitment from time to time and in sufficient time to inform the Issuing and Paying Agent as to whether the conditions and limitations contained in clause (i) in subsection (a) hereof and clause (ii) of subsection (b) hereof have been complied with in connection with each issuance of Commercial Paper Notes.

Without limiting or otherwise affecting the obligations of the Issuing and Paying Agent provided above, the Issuer agrees to give notice to the Issuing and Paying Agent of each Revolving Loan or Term Loan and prepayment thereof, and change in the Available Commitment applicable to the Commercial Paper Notes, at the same time any notice thereof is given to the Issuer under the Credit Agreement.

Any Non-Issuance Instruction shall be full and complete authorization to the Issuing and Paying Agent to take action or omit to take action hereunder. The Issuing and Paying Agent shall have no responsibility for the correctness or validity of any Non-Issuance Instruction, notwithstanding any contrary instructions received from the Issuer or the Dealer, as the case may be.

(c) Instructions given must be received by the Issuing and Paying Agent by 12:00 p.m., if the Commercial Paper Note(s) are to be delivered the same day. Telephone instructions shall be confirmed in writing the same day.

(d) The Issuer understands that although the Issuing and Paying Agent has been instructed to deliver Commercial Paper Notes against payment, delivery of Commercial Paper Notes will be made, in accordance with the custom prevailing in the commercial paper market, before receipt of payment in immediately available funds. Therefore, once the Issuing and Paying Agent has delivered a Commercial Paper Note to a Dealer or its agent as provided herein, the Issuer shall bear the risk that a Dealer or its agent fails to remit payment for the Commercial Paper Note to the Issuing and Paying Agent. The Issuing and Paying Agent shall have no liability to the Issuer for any failure or inability on the part of the Dealer to make payment for Commercial Paper Notes. Nothing in this Agreement shall require the Issuing and Paying Agent to purchase any Commercial Paper Note or expend its own funds for the purchase price of a Commercial Paper Note or Commercial Paper Notes.

(e) Except as may otherwise be provided in the Letter of Representations, if at any time the Issuer instructs the Issuing and Paying Agent to cease issuing certificated Commercial Paper Notes and to issue only Book-Entry Commercial Paper Notes, the Issuing and Paying Agent agrees that all Commercial Paper Notes will be issued as Book-Entry Commercial Paper Notes and that no certificated Commercial Paper Notes shall be exchanged for Book-Entry Commercial Paper Notes unless and until it has received written instructions from an Authorized Representative (any such instructions from a Dealer Representative shall not be sufficient for this purpose) to the contrary.

(f) It is understood that the Issuing and Paying Agent is not under any obligation to assess or review the financial condition or credit worthiness of any person to or for whose account it delivers a Commercial Paper Note pursuant to instructions from an Authorized Representative or Dealer Representative or to advise the Issuer as to the results of any such appraisal or investigation it may have conducted on its own or of any adverse information concerning any such person that may in any way have come to its attention.

(g) It is understood that DTC may request the delivery of certificated Commercial Paper Notes in exchange for Book-Entry Commercial Paper Notes upon the termination of DTC's services pursuant to the Letter of Representations. Accordingly, upon such termination, the Issuing and Paying Agent is authorized to complete and deliver certificated Commercial Paper Notes in partial or complete substitution for Book-Entry Commercial Paper Notes of the same face amount and maturity as requested by DTC. Upon the completion of delivery of any such certificated Commercial Paper Note, the Issuing and Paying Agent shall annotate its records regarding the

Master Note with respect to such Book-Entry Commercial Paper Notes to reflect a corresponding reduction in the face amount of the outstanding Book-Entry Commercial Paper Notes. The Issuing and Paying Agent's authority to so complete and deliver such certificated Commercial Paper Notes shall be irrevocable at all times from the time a Book-Entry Commercial Paper Note is purchased until the indebtedness evidenced thereby is paid in full.

(h) If the Issuing and Paying Agent shall receive written instructions from the Issuer pursuant to this Section 6 (confirmed in writing in accordance with this Agreement) from the Issuer not to issue or deliver Commercial Paper Notes, until revoked in writing or superseded by further written instructions from the Issuer, the Issuing and Paying Agent shall not issue or deliver Commercial Paper Notes, provided, however, that notwithstanding contrary instructions from the Issuer, the Issuing and Paying Agent shall deliver Commercial Paper Notes with respect to agreements for the sale of Commercial Paper Notes concluded by an Authorized Representative or a Dealer Representative prior to receipt by the Authorized Representative or a Dealer Representative of notice of such instructions from the Issuer, which the Authorized Representative or a Dealer Representative shall be required to confirm to the Issuing and Paying Agent in writing prior to its delivery of the Commercial Paper Notes. For purposes of the preceding provision, the Issuing and Paying Agent may conclusively rely on written notice given or delivered to it by an Authorized Representative or a Dealer Representative as to whether any particular Commercial Paper Notes are to be issued in respect of such agreements concluded by such Authorized Representative or a Dealer Representative, and the Issuing and Paying Agent shall have no obligation to make any other or further investigation.

7. Proceeds of Sale of the Commercial Paper Notes. In accordance with the provisions of Section 2.09 of the Note Ordinance, and for the purposes of this Agreement, the Issuing and Paying Agent will establish the Note Payment Fund, in the Issuer's name. On each day on which the Dealer or its agent receives Commercial Paper Notes (whether through the facilities of DTC in the manner set forth in the Letter of Representations or by delivery in accordance with the provisions of this Agreement), all proceeds received by the Issuing and Paying Agent in connection with such sale shall be credited in immediately available funds to the Note Payment Fund. From time to time upon written instructions received by the Issuing and Paying Agent from an Authorized Representative, the Issuing and Paying Agent agrees to transfer immediately available funds from the Note Payment Fund to any bank or trust company in the United States for the Issuer's account. If the Issuing and Paying Agent chooses, in its sole discretion, to credit the Issuer's account before the Issuing and Paying Agent has collected funds for delivery of Commercial Paper Notes, it is understood that such credit shall be an advance to the Issuer to be promptly repaid to the Issuing and Paying Agent from the proceeds of sale of Commercial Paper Notes. If any such advance is not repaid by 5:00 pm on the day it is made, the Issuer shall repay such advance on the next Business Day together with interest thereon at the rate charged by the Issuing and Paying Agent for such advance (which rate shall be no less than the Prime Rate). As used in this Agreement, "Prime Rate" means the rate of per annum interest which the Issuing and Paying Agent announces publicly or otherwise makes available to the public from time to time as its "prime rate" (currently calculated on the basis of the actual number of days elapsed over a year of 360 days) with any change in the "prime rate" to be effective on and as of the date of any change in said "prime rate". The Prime Rate and the calculation thereof may be established by the Issuing and Paying Agent in its sole discretion and is not necessarily the lowest rate of interest offered by the Issuing and Paying Agent to its most creditworthy customers. The Prime Rate is a variable or fluctuating rate which increases or decreases from time to time. Funds in the Note Payment Fund will be held by the Issuing and Paying Agent uninvested.

8. Payment of Matured Commercial Paper Notes.

(a) By 11:15 a.m. on the date that any Commercial Paper Note is scheduled to mature, there shall have been transferred to the Issuing and Paying Agent for deposit in the Note Payment Fund, immediately available funds at least equal to the principal amount of Commercial Paper Notes, maturing on such date and accrued interest thereon through such maturity date. When any matured Commercial Paper Note is presented to the Issuing and Paying Agent for payment by the holder thereof (which may, in the case of Book-Entry Commercial Paper Notes held by the Issuing and Paying Agent, be DTC or a nominee of DTC), payment shall be made from and charged to the Note Payment Fund to the extent funds are available in the Note Payment Fund. In the event that funds are not available or deemed available in the Note Payment Fund, as set forth above on any Business Day on which Commercial Paper Notes are maturing, the Issuing and Paying Agent shall deliver to the Liquidity Provider, a Request for Loan (as defined in the Credit Agreement) under the Credit Agreement in the form attached thereto as Exhibit B not later than 11:30 a.m.

(b) Each Commercial Paper Note presented to the Issuing and Paying Agent for payment at or prior to 2:15 p.m. on any Business Day at or after the maturity date of such Commercial Paper Note shall be paid by the Issuing and Paying Agent on the same day as such presentation (or if presented after 2:15 p.m. on any such Business Day, then on the next succeeding Business Day) to the extent funds are available in the Note Payment Fund.

(c) The Issuing and Paying Agent may, but shall have no obligation to, make a payment pursuant this Section 8 prior to receipt from the Issuer of sufficient immediately available funds. In such case, the Issuer agrees to promptly repay such advance provided that, if such advance is not repaid by 5:00 pm on the day it is made, the Issuer shall repay such advance on the next Business Day together with interest thereon at the Prime Rate. No prior action or course of dealing on the part of the Issuing and Paying Agent with respect to advances of the purchase price or payments of matured Commercial Paper Notes shall give rise to any claim or cause of action by the Issuer against the Issuing and Paying Agent in the event that Bank refuses to pay or settle any Commercial Paper Notes for which the Issuer has not timely provided funds as required by this Agreement.

(d) The Issuing and Paying Agent shall have no obligation to pay amounts due on the applicable series of Commercial Paper Notes at their maturity other than from funds received by the Issuing and Paying Agent from or for the account of the Issuer or from draws under the Credit Agreement.

9. Representations and Warranties of the Issuer. The Issuer hereby warrants and represents to the Issuing and Paying Agent, and, each request to issue Commercial Paper Notes shall constitute the Issuer's continuing warranty and representation, as follows:

(a) This Agreement is, and all Commercial Paper Notes delivered to the Issuing and Paying Agent pursuant to this Agreement will be, duly authorized, executed and delivered by the Issuer. The Issuing and Paying Agent's appointment to act for the Issuer hereunder is duly authorized by the Issuer.

(b) This Agreement constitutes, and the Commercial Paper Notes, when completed, countersigned, and delivered pursuant hereto, will constitute, the Issuer's legal, valid and binding obligations enforceable against the Issuer in accordance with their terms, except as such

enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity.

(c) The Issuer is duly organized and validly existing under the laws of the State of Texas and no liquidation, dissolution, bankruptcy, windup or similar proceedings have been instituted with respect to the Issuer.

(d) The Issuer has, and at all relevant times has had, all necessary power and authority to execute, deliver and perform this Agreement and to issue the Commercial Paper Notes.

(e) All actions on the part of the Issuer which are required for the authorization of the issuance of the Commercial Paper Notes, and for the authorization, execution, delivery and performance of this Agreement, do not require the approval or consent of any holder or trustee of any indebtedness or obligations of the Issuer.

(f) The issuance of Commercial Paper Notes by the Issuer (i) does not and will not contravene any provision of any governmental law, regulation or rule applicable to the Issuer, and (ii) does not and will not conflict with, breach or contravene the provisions of any contract or other instrument binding upon the Issuer.

(g) Each instruction given to the Issuing and Paying Agent in accordance with Section 4 hereof shall constitute a representation and warranty by the Issuer that (i) the issuance and delivery of such Commercial Paper Note(s) have been duly and validly authorized by the Issuer, (ii) the Credit Agreement is in full force and effect, (iii) the Issuing and Paying Agent's appointment to act for the Issuer hereunder has been duly authorized by all necessary corporate action, (iv) after the issuance of such Commercial Paper Notes and the application of the proceeds thereof, the aggregate principal amount of and interest payable upon maturity of such Commercial Paper Notes will not exceed the Available Commitment, (v) no default or event of default has occurred or is continuing thereunder and each representation and warranty of the Issuer thereunder is true and correct in all material respects on and as of such date, and (vi) no Non-Issuance Notice has been received from the Liquidity Provider.

(h) The issuance and delivery of the Commercial Paper Notes will not violate any Texas or federal law and the Commercial Paper Notes do not require registration under the Securities Act of 1933, as amended.

10. Reliance on Instructions. Except as otherwise set forth herein, the Issuing and Paying Agent shall incur no liability to the Issuer in acting hereunder upon instructions contemplated, hereby which it reasonably believed in good faith to have been given by an Authorized Representative or a Dealer Representative, as the case may be. Instructions transmitted via SPANS Online (as defined in Section 24 hereof) shall be the equivalent to the giving of a duly authorized written instruction which the Issuing and Paying Agent may act upon without liability. In the event a discrepancy exists between any telephonic instructions and any other such instructions, the telephonic instructions as understood by the Issuing and Paying Agent will be deemed to control. For the purposes of this Agreement, officers of the Liquidity Provider shall be authorized to act and to give instructions and notices on behalf of the Liquidity Provider hereunder, and the Issuing and Paying Agent shall be entitled conclusively to rely on any writing, paper or notice purporting to be signed, sent or given by any officer of the Liquidity Provider, unless an officer of the Issuing and Paying Agent shall have received written notice from an officer of the Liquidity Provider that a

particular writing, paper or notice was not signed, sent or given by an authorized officer of the Liquidity Provider.

11. Cancellation of Commercial Paper Notes. Upon payment by the Issuing and Paying Agent of certificated Commercial Paper Note(s) presented for payment, the Issuing and Paying Agent shall mark such certificated Commercial Paper Note(s) as paid and (i) in due course cancel certificated Commercial Paper Note(s) presented for payment and from time to time return such canceled certificated Commercial Paper Notes to the Issuer, or (ii) destroy such certificated Commercial Paper Notes(s) and deliver to the Issuer from time to time a destruction certificate identifying all certificated Commercial Paper Notes destroyed since the issuance of the prior destruction certificate. After payment of any matured Book-Entry Commercial Paper Notes, the Issuing and Paying Agent shall annotate its records to reflect the face amount of Book-Entry Commercial Paper Notes outstanding in accordance with the Letter of Representations. Promptly upon the written request of the Issuer, the Issuing and Paying Agent agrees to cancel and return to the Issuer all unissued certificated Commercial Paper Notes in the Issuing and Paying Agent's possession at the time of such request.

12. Notices; Addresses.

(a) All communications to the Issuing and Paying Agent by or on behalf of the Issuer or the Dealer, by writing, telecopy, electronic transmission or telephone relating to the completion, delivery or payment of the Commercial Paper Note(s) are to be delivered to the Issuing and Paying Agent via SPANS Online or directed to Commercial Paper Operations at the address or telephone number indicated below or to such other address or telephone number as the Issuing and Paying Agent specifies to the Issuer in writing.

U.S. Bank Trust Company, National Association  
100 Wall Street, Suite 600  
New York, New York 10005  
Attention: Commercial Paper Operations  
Facsimile No.: (212) 509 4529  
Telephone No.: (212) 951-8508  
Email address: [mmi.processing@usbank.com](mailto:mmi.processing@usbank.com)

(b) Notices and other communications hereunder shall (except to the extent otherwise expressly provided) be in writing (which may be by facsimile) and shall be addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

if to the Issuer, at:

City of Dallas, Texas  
1500 Marilla  
Dallas, Texas 75201  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

if to the Issuing and Paying Agent, at:

U.S. Bank Trust Company, National Association  
100 Wall Street, Suite 600  
Attention: Corporate Trust Administration  
New York, New York 10005  
Telephone: (212) 361 4383  
E-mail: [denia.larios@usbank.com](mailto:denia.larios@usbank.com)

if to the Dealer, at:

J.P. Morgan Securities LLC  
J.P. Morgan Short Term Desk  
383 Madison Avenue, Floor 3  
New York, New York 10179  
Attention: Adrian Budischak  
Telephone: (212) 834-3430  
E-mail: [adrian.l.budischak@jpmorgan.com](mailto:adrian.l.budischak@jpmorgan.com)

if to the Rating Agencies, at:

Fitch Ratings, Inc.  
Attention: Joseph Staffa  
300 W. 57<sup>th</sup> Street  
New York, New York 10019  
Telephone: (212) 908-0829  
[MSF.surveillance@fitchratings.com](mailto:MSF.surveillance@fitchratings.com)

S&P Global Ratings  
25 Broadway  
New York, New York 10004  
Telephone: (212) 208-1811

if to the Liquidity Provider, at:

JPMorgan Chase Bank, National Association

JPMorgan Chase Bank, National Association  
383 Madison Avenue  
Mail Code: NY1-M165  
New York, New York 10179-0001  
Attention: Justin Wahn  
Telephone: (212) 270-3813  
E-mail: [Justin.d.wahn@jpmorgan.com](mailto:Justin.d.wahn@jpmorgan.com)

With a copy to:

JPMorgan Chase Bank, National Association  
JPM-Delaware Loan Operations  
500 Stanton Christiana Road, NCC5, Floor 01  
Newark, DE 19713  
Attention: Gerald Capano  
Telephone: (302) 634-5545  
E-Mail: [PFG\\_Servicing@jpmorgan.com](mailto:PFG_Servicing@jpmorgan.com)

(c) In any case where it is provided in this Agreement that a copy of any instruction, demand or other notice is to be delivered to the Dealer, such copy shall be delivered to the Dealer at the address set forth above by the same means as the original thereof shall have been given, provided that the failure of such copy to be given to any Dealer shall not invalidate or adversely affect the original thereof. Notices shall be deemed delivered when received at the address specified above. For purposes of this Section 10, "when received" shall mean actual receipt (i) of an electronic communication by facsimile or email transmission or SPANS Online; or (ii) of an oral communication by any person answering the telephone at the office of the individual or department specified in or pursuant to this Agreement; or (iii) of a written communication hand-delivered, by national overnight courier service, or by first class, certified or registered mail, return receipt requested, at the office specified in or pursuant to this Agreement.

(d) The Issuer shall provide written notice to the Issuing and Paying Agent of any termination of the Commitment and replacement of the Liquidity Provider at least ten Business Days prior to the effective date thereof whereupon the Issuing and Paying Agent shall provide written notice thereof to the holders of the Commercial Paper Notes at least five Business Days prior to the effective date thereof.

(e) The Issuer agrees that prior to the initial issuance of Commercial Paper Notes, it shall provide notice to the Rating Agencies of the principal amount of Commercial Paper Notes that are to be issued as the initial issuance of Commercial Paper Notes under the Note Ordinance, in the manner prescribed by this Section 10.

### 13. Liability of Issuing and Paying Agent.

(a) The Issuing and Paying Agent's duties and obligations shall be determined solely by the express provisions of this Agreement, and the Letter of Representations (including the documents referred to therein), and the Issuing and Paying Agent and the Issuing and Paying Agent's agents shall be responsible for the performance of only such duties and obligations as are specifically set forth herein and therein, and no implied duties or covenants shall be read into any such document against the Issuing and Paying Agent or the Issuing and Paying Agent's agents. The Issuing and Paying Agent has no fiduciary or discretionary duties of any kind. The Issuing and Paying Agent shall have no liability under and no duty to inquire as to the provisions of any agreement other than this Agreement. Neither the Issuing and Paying Agent nor the Issuing and Paying Agent's agents shall not be required to ascertain whether any issuance or sale of Commercial Paper Note(s) (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which the Issuer is a party (whether or not the Issuing and Paying Agent or any such agent is a party to such other agreement). The Issuing and Paying Agent shall not be liable for any action taken or omitted by it in good faith except to the extent that a court of competent jurisdiction determines that the Issuing and Paying Agent's gross negligence or willful misconduct was the sole cause of any loss to the Issuer.



(b) The Issuing and Paying Agent shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. The Issuing and Paying Agent may rely upon any notice, instruction, request or other instrument, not only as to its due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein, which the Issuing and Paying Agent shall believe to be genuine and to have been signed or presented by the person or parties purporting to sign the same. In no event shall the Issuing and Paying Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to lost profits), even if the Issuing and Paying Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action. The Issuing and Paying Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, intrusions or attacks, power failures, earthquakes or other disasters.

(c) The Issuing and Paying Agent shall not be obligated to take any legal action or commence any proceeding in connection with this Agreement, the Commercial Paper Note Funds or any account in which Commercial Paper Note Funds are deposited or to appear in, prosecute or defend any such legal action or proceeding or to take any other action that the Issuing and Paying Agent determines, in its sole judgment, may expose it to liability or expense. The Issuing and Paying Agent may consult legal counsel selected by it concerning this Agreement or of its duties hereunder and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the advice of such counsel. The Issuer, shall promptly pay, upon demand, the reasonable fees and expenses of any such counsel. The Issuer agrees to perform or procure the performance of all further acts and things, and execute and deliver such further documents, as may be required by law or as the Issuing and Paying Agent may reasonably request in connection with its duties hereunder.

(d) The Issuing and Paying Agent is authorized, in its sole discretion, to comply with final orders issued or process entered by any court with respect to the Commercial Paper Note Funds, without determination by the Issuing and Paying Agent of such court's jurisdiction in the matter. If any portion of the Commercial Paper Note Funds is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, then and in any such event, the Issuing and Paying Agent is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Issuing and Paying Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

(e) If, at any time the Issuing and Paying Agent is unable to determine, to the Issuing and Paying Agent's sole satisfaction, the proper disposition of all or any portion of the Commercial Paper Note Funds or the Issuing and Paying Agent's proper actions with respect to its obligations hereunder, then the Issuing and Paying Agent may, in its sole discretion, take either or both of the following actions:

(i) suspend the performance of any of its obligations (including without limitation any disbursement obligations) under this Agreement until such uncertainty shall be resolved to the sole satisfaction of the Issuing and Paying Agent.

(ii) petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction, in any venue convenient to the Issuing and Paying Agent, for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into such court, for holding and disposition in accordance with the instructions of such court, all Commercial Paper Note Funds, after deduction and payment to the Issuing and Paying Agent of all fees and expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by the Issuing and Paying Agent in connection with the performance of its duties and the exercise of its rights hereunder.

14. Indemnification of the Issuing and Paying Agent. From and at all times after the date of this Agreement, the Issuer shall, to the fullest extent permitted by the laws of the State of Texas, indemnify and hold harmless the Issuing and Paying Agent and each director, officer, employee and affiliate of the Issuing and Paying Agent (collectively, the "Indemnified Parties") against any and all actions, claims (whether or not valid), losses, damages, liabilities, penalties, costs and expenses of any kind or nature (including without limitation reasonable attorneys' fees, costs and expenses) incurred by or asserted against any of the Indemnified Parties, whether direct, indirect or consequential, as a result of or arising from or in any way relating to any claim, demand, suit, action or proceeding (including any inquiry or investigation) by any person, including without limitation the Issuer, any Dealer or any purchaser of Commercial Paper Notes, whether threatened or initiated, asserting a claim for any legal or equitable remedy against any person under any statute or regulation, including, but not limited to, any federal or state securities laws, or under any common law or equitable cause or otherwise, arising from or in connection with the negotiation, preparation, execution, performance or failure of performance in connection with this Agreement or any transactions contemplated herein, whether or not any such Indemnified Party is a party to any such action, proceeding, suit or the target of any such inquiry or investigation; provided, however, that no Indemnified Party shall have the right to be indemnified hereunder for any liability finally determined by a court of competent jurisdiction, subject to no further appeal, to have been directly caused solely from the gross negligence or willful misconduct of such Indemnified Party. The Issuer further agrees to indemnify each Indemnified Party for all costs, including without limitation reasonable attorney's fees, incurred by such Indemnified Party in connection with the enforcement of the Issuer's indemnification obligations hereunder. Each Indemnified Party shall, in its sole discretion, have the right to select and employ separate counsel with respect to any action or claim brought or asserted against it, and the reasonable fees of such counsel shall be paid upon demand by the Issuer. The foregoing indemnity includes, but is not limited to, (a) any action taken or omitted to be taken by the Issuing and Paying Agent or any of the Issuing and Paying Agent's officers or employees upon written, facsimile, telephonic or other electronically transmitted instructions received by the Issuing and Paying Agent from, or believed by the Issuing and Paying Agent to have been given by, the proper person or persons, (b) the Issuing and Paying Agent's improperly executing or failing to execute any instruction because of unclear instructions, failure of communications media or any other circumstances beyond the Issuing and Paying Agent's control, and (c) the actions or inactions of DTC or its nominees. The obligations of the Issuer under this Section 14 shall survive any termination of this Agreement and the resignation or removal of the Issuing and Paying Agent.

15. Termination.

(a) This Agreement may be terminated at any time by either the Issuing and Paying Agent or the Issuer by 30 days' prior written notice to the other, with a copy to each Dealer and the Liquidity Provider, provided that so long as the Issuer continues to pay the fees and expenses of the Issuing and Paying Agent as set forth herein, the Issuing and Paying Agent agrees to continue acting as the Issuing and Paying Agent hereunder until such time as its successor has been selected and has entered into an agreement with the Issuer to that effect and the Credit Agreement has been amended to provide that such successor issuing and paying agent is the beneficiary thereof. Such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination.

(b) If no successor has been appointed within 30 days, then the Issuing and Paying Agent has the right to petition a court of competent jurisdiction for the appointment of a successor Issuing and Paying Agent. The Issuing and Paying Agent shall be reimbursed for any and all expenses in connection with any such petition and appointment.

(c) On the Business Day following the date of termination of this Agreement, the Issuing and Paying Agent shall destroy all certificated Commercial Paper Notes in its possession and shall transfer to the Issuer all funds, if any, then on deposit in the Note Payment Fund. The Issuing and Paying Agent shall promptly notify the Issuer of all certificated Commercial Paper Notes so destroyed.

16. Amendments and Modifications, Waiver. No amendment, modification, discharge, termination or waiver of any provision of this Agreement, nor any consent to any departure by any party from any provision hereof binding upon such party, shall be effective unless the same shall be in writing and signed by all the parties hereto. No course of conduct shall constitute a waiver of any of the terms and conditions of this Agreement, unless such waiver is specified in writing, and then only to the extent so specified. A waiver of any of the terms and conditions of this Agreement on one occasion shall not constitute a waiver of the other terms of this Agreement, or of such terms and conditions on any other occasion. Except as provided in Section 17 hereof, this Agreement may not be assigned by any party without the written consent of the other party.

17. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, including successors by merger, and assigns; provided, however, that no party hereto may assign any of its rights or obligations hereunder, except with the prior written consent of all the other parties hereto.

18. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas; however, the duties, obligations and immunities of the Issuing and Paying Agent under this Agreement shall be governed by the laws of the State of New York including, to the extent applicable, operating circulars of the Federal Reserve Bank, federal laws and regulations as amended, New York Clearing House rules and, to the extent not otherwise inconsistent with this Agreement, general commercial bank practices applicable to commercial paper issuance and payment.

19. Execution in Counterparts, Facsimiles. This Agreement may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement. The delivery of copies of this Agreement as executed by PDF or facsimile transmission shall constitute

effective execution and delivery as to the parties and may be used in lieu of originals for all purposes.

20. Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

21. Compensation of the Issuing and Paying Agent. The Issuer agrees to compensate the Issuing and Paying Agent on demand for its services hereunder in accordance with the Schedule of Fees furnished by the Issuing and Paying Agent to the Issuer from time to time and to reimburse the Issuing and Paying Agent, upon its request, for all reasonable expenses, disbursements, and advances made or incurred in connection with this Agreement, including with respect to investigating and defending itself against any claim or potential liability and the enforcement of the Issuer's compensation and reimbursement obligations hereunder. The Issuing and Paying Agent will provide the Issuer thirty days' written notice prior any changes to the Schedule of Fees. The obligations of the Issuer under this Section 21 shall survive any termination of this Agreement and the resignation or removal of the Issuing and Paying Agent.

22. Identifying Information. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Issuing and Paying Agent requires documentation to verify its formation and existence as a legal entity. The Issuing and Paying Agent may ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. The parties acknowledge that a portion of the identifying information set forth herein is being requested by the Issuing and Paying Agent in connection with the USA Patriot Act, Pub.L. 107-56 (the "Patriot Act"), and each agrees to provide any additional information requested by the Issuing and Paying Agent in connection with the Patriot Act or any other legislation or regulation to which the Issuing and Paying Agent is subject, in a timely manner.

23. Consent to Jurisdiction and Venue. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the United States Federal courts located in the Borough of Manhattan and the courts of the State of New York located in the Borough of Manhattan and waives any objection to such jurisdiction or venue. The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein and agree to accept service of process to vest personal jurisdiction over them in any of these courts.

24. SPANS Online.

(a) The Issuer and each Authorized Representative may use the U.S. Bank Securities Processing Automated Notes System Online ("SPANS Online") instruction and reporting communication service to transmit instructions to the Issuing and Paying Agent or obtain reports with respect to the Commercial Paper Notes. The Issuer may, by separate agreement between the Issuer and one or more of its Dealers, authorize the Dealer Representative to directly access SPANS Online for the purposes of transmitting instructions to the Issuing and Paying Agent or obtaining reports with respect to the Commercial Paper Notes. The Issuer acknowledges that (i) some or all of the services utilized in connection with SPANS Online are furnished by SS&C Technologies, Inc. ("SS&C"), (ii) SPANS Online is provided to the Issuer "AS IS" without warranties or representations of any kind whatsoever, and (iii) SPANS Online is proprietary and confidential

property disclosed to the Issuer in confidence and may be utilized only on the SPANS Online Terms and Conditions as set forth in the SPANS Online website and for purposes set forth in this Agreement.

(b) To permit the use of SPANS Online to transmit instructions and/or obtain reports with respect to the Commercial Paper Notes, the Issuing and Paying Agent will supply the Issuer with a customer identification number and initial passwords. The Issuer may thereafter change its passwords directly through SPANS Online. The Issuer will keep all information relating to its identification number and passwords strictly confidential and will be responsible for the maintenance of adequate security over its customer identification number and passwords. Instructions transmitted over SPANS Online and received by the Issuing and Paying Agent pursuant to this Agreement shall be deemed conclusive evidence that such instructions are correct and complete and that the issuance or redemption of the Commercial Paper Notes directed thereby has been duly authorized by the Issuer.

25. Optional Security Procedures. In the event funds transfer instructions, address changes or change in contact information are given (other than in writing at the time of execution of this Agreement), whether in writing, by facsimile or otherwise, the Issuing and Paying Agent is authorized but shall be under no duty to seek confirmation of such instructions by telephone call-back to an Authorized Representative, and the Issuing and Paying Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by the Issuing and Paying Agent and shall be effective only after the Issuing and Paying Agent has a reasonable opportunity to act on such changes. The Issuer agrees that the Issuing and Paying Agent may at its option record any telephone calls made pursuant to this Section. The Issuing and Paying Agent in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Issuer to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. The Issuing and Paying Agent may apply funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Issuer acknowledges that these optional security procedures are commercially reasonable.

26. Severability. To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

27. Entire Agreement, No Third-Party Beneficiaries. This Agreement, together with the Letter of Representations, constitutes the entire agreement between the parties relating to the Issuing and Paying Agent's issuing agent, paying agent and depositary duties and obligations to the Issuer. Except as provided in Section 14 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any person or entity other than the signatory parties hereto any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

28. Dealings. The Issuing and Paying Agent and any stockholder, director, officer or employee of the Issuing and Paying Agent may buy, sell, and deal in any of the securities of the Issuer, any Dealer or any purchaser of the Commercial Paper Notes and become financially interested in any transaction in which the Issuer, any Dealer or any such purchaser may be interested,

and contract and lend money to the Issuer, any Dealer or any such purchaser and otherwise act as fully and freely as though it were not a depository, issuing or paying agent under this Agreement. Nothing herein shall preclude the Issuing and Paying Agent from acting in any other capacity for the Issuer, any Dealer or any such purchaser or for any other person or entity.

29. Tax Reporting. The Issuing and Paying Agent shall have no responsibility for the tax consequences of this Agreement and the Issuer shall consult with independent counsel concerning any and all tax matters. The Issuer shall provide, to the extent required by law, IRS Form W-9 or Form W-8, as applicable, for each payee, together with any other documentation and information requested by the Issuing and Paying Agent in connection with the Issuing and Paying Agent's reporting obligations under any applicable U.S. federal law or regulation. If such tax documentation is not so provided, the Issuing and Paying Agent is authorized to withhold taxes as required by applicable U.S. federal law or regulation.

30. WAIVER OF TRIAL BY JURY. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT.

31. Publicity. No party will (a) use any other party's proprietary indicia, trademarks, service marks, trade names, logos, symbols, or brand names, or (b) otherwise refer to or identify any other party in advertising, publicity releases, or promotional or marketing publications, or correspondence to third parties without, in each case, securing the prior written consent of such other party.

32. Amendment and Restatement. This Agreement shall become effective on the Effective Date and shall supersede all provisions of the Prior Agreement. From and after the Effective Date, all references made to the Prior Agreement in any Related Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

33. State Law Representations and Covenants of the Issuing and Paying Agent.

(a) The Issuing and Paying Agent makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Issuing and Paying Agent within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(i) The Issuing and Paying Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Issuing and Paying Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime

relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(ii) The Issuing and Paying Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(iii) The Issuing and Paying Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(iv) The Issuing and Paying Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

(b) The Issuing and Paying Agent represents and verifies that it is aware of the Texas Office of the Attorney General’s (the “Texas Attorney General”) All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>

and the Texas Attorney General’s supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf>

The Issuing and Paying Agent represents and verifies that the Issuing and Paying Agent has (i) on file a standing letter (“Standing Letter”) acceptable to the Texas Attorney General addressing the representations and verifications in Section 8.21(a) through (d) hereof, and (ii) will, upon request of the Issuer or Co-Bond Counsel on behalf of the Issuer, provide the Issuer and Co-Bond Counsel with a copy of its Standing Letter. The Issuing and Paying Agent further represents and verifies that its Standing Letter remains in effect as of the Effective Date and that the Texas Attorney General has not notified the Issuing and Paying Agent that a determination has been made that the Issuing and Paying Agent boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State.

34. Miscellaneous.

(a) All references to time in this Agreement shall refer to local time in New York, New York.

(b) By its execution hereof, the Issuing and Paying Agent agrees and the City hereby consents to such agreement to provide the Liquidity Provider with read-only access to the online commercial paper trade reporting system of the Issuing and Paying Agent with respect to the Notes and to any other electronic platform as required by the Liquidity Provider to fulfill the Liquidity Provider's regulatory reporting needs with respect to the Notes.

(c) The Issuing and Paying Agent represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof, and, accordingly, the Issuing and Paying Agent is not required to file a Certificate of Interested Parties Form 1295 otherwise prescribed thereunder.

(d) Electronic Transmission; Electronic Signatures. The Issuing and Paying Agent shall not have any duty to confirm that the person sending any notice, instruction or other communication (a "Notice") by electronic transmission (including by e-mail, facsimile transmission, web portal or other electronic methods) is, in fact, a person authorized to do so. Electronic signatures believed by the Issuing and Paying Agent to comply with the ESIGN Act of 2000 or other applicable law (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other digital signature provider acceptable to the Issuing and Paying Agent) shall be deemed original signatures for all purposes. The Issuer assumes all risks arising out of the use of electronic signatures and electronic methods to send Notices to the Issuing and Paying Agent, including without limitation the risk of the Issuing and Paying Agent acting on an unauthorized Notice, and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Issuing and Paying Agent may in any instance and in its sole discretion require that an original document bearing a manual signature be delivered to the Issuing and Paying Agent in lieu of, or in addition to, any such electronic Notice.



If the foregoing is acceptable to the Issuing and Paying Agent, please indicate its agreement therewith by signing one or more counterparts of this Agreement in the space provided below, and returning such signed counterpart(s) to the Issuer, whereupon this letter when signed by the Issuing and Paying Agent and the Issuer, will become a binding agreement between us.

**CITY OF DALLAS, TEXAS**

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

Approved as to form:

**TAMMY L. PALOMINO**, City Attorney

By: \_\_\_\_\_  
Stephen Freeland, Assistant City Attorney

Agreed to and accepted this \_\_\_\_ day of \_\_\_\_\_, 2024.

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**  
as the Issuing and Paying Agent

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

EXHIBIT C  
DEALER AGREEMENT

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**AMENDED AND RESTATED  
COMMERCIAL PAPER DEALER AGREEMENT**

Between

**CITY OF DALLAS, TEXAS**

and

**J.P. MORGAN SECURITIES LLC,**  
as CP Dealer

Dated July 1, 2024

Relating to

City of Dallas, Texas Waterworks and Sewer System Commercial Paper Notes,  
Series F

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This **AMENDED AND RESTATED COMMERCIAL PAPER DEALER AGREEMENT**, dated July 1, 2024 (the “Agreement”), between the City of Dallas, Texas (the “Issuer” or the “City”) and J.P. Morgan Securities LLC (the “CP Dealer”), amends and restates in its entirety the Commercial Paper Dealer Agreement dated July 1, 2021 (the “Prior Agreement”), between the Issuer and the CP Dealer.

For and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Background and Definitions. (a) Pursuant to its ordinance adopted on June [26], 2024 (the “Authorizing Document”), the Issuer has authorized the issuance and reissuance from time-to-time of its tax-exempt commercial paper notes (the “Notes”), in the aggregate principal amount not to exceed \$300,000,000 outstanding at any time.

(b) The Authorizing Document provides for the appointment of a commercial paper dealer to perform certain duties, including the offering and sale from time-to-time of the Notes on behalf of the Issuer.

(c) J.P. Morgan Securities LLC has agreed to accept the duties and responsibilities of the CP Dealer with respect to the Notes under the Authorizing Document and this Agreement.

(d) JPMorgan Chase Bank, National Association (“JPMC”) has provided a line of credit (the “Facility”) with respect to the Notes, that will enable U.S. Bank Trust Company, National Association (the “Account Party”) to pay for the purchase of the Notes that the CP Dealer is unable to remarket, in accordance with the terms of the Authorizing Document and the Amended and Restated Revolving Credit Agreement dated as of July 1, 2024 (as may be amended, supplemented, restated or otherwise modified from time to time, the “Facility Agreement”), between the Issuer and JPMC.

(e) Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Authorizing Document or the Amended and Restated Issuing and Paying Agent Agreement dated as of July 1, 2024 (the “Issuing and Paying Agent Agreement”), between the Issuer and the Account Party.

Section 2. Appointment of CP Dealer. (a) Subject to the terms and conditions contained herein, the Issuer hereby appoints J.P. Morgan Securities LLC to act as CP Dealer for the Notes, and J.P. Morgan Securities LLC accepts such appointment.

(b) The CP Dealer shall act as exclusive dealer with respect to the Notes.

Section 3. Responsibilities of CP Dealer. (a) Subject to the terms and conditions set forth in this Agreement, J.P. Morgan Securities LLC agrees to perform the duties of CP Dealer set forth in this Agreement. It is understood that in undertaking to perform such duties, and in the performance thereof, it is the intention of the parties that the CP Dealer will act solely as a principal and not as an agent, except as expressly provided in this Agreement. In connection with all aspects of each transaction contemplated hereby, the City acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the CP Dealer are arm’s-length commercial transactions between the City, on the one hand, and the CP Dealer on the other hand,

(B) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby; (ii) (A) the CP Dealer has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (including as a municipal advisor), agent or fiduciary for the City, or any other Person and (B) the CP Dealer does not have any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein; and (iii) the CP Dealer may be engaged in a broad range of transactions that involve interests that differ from those of the City, and the CP Dealer does not have any obligation to disclose any of such interests to the City. The CP Dealer shall use its best efforts to solicit and arrange sales of the Notes on behalf of the Issuer at such rates and maturities as may prevail from time to time in the market (including up to the Maximum Interest Rate for such Notes). The CP Dealer and the Issuer agree that any Notes which the CP Dealer may arrange the sale of or which, in the CP Dealer's sole discretion, it may elect to purchase, will be purchased or sold on the terms and conditions and in the manner provided in the Authorizing Document, the Issuing and Paying Agent Agreement and this Agreement. Anything herein to the contrary notwithstanding, to the extent of any conflict between the provisions hereof and of the Authorizing Document or the Issuing and Paying Agent Agreement, the provisions of the Authorizing Document and the Issuing and Paying Agent Agreement shall be controlling.

(b) Notwithstanding anything to the contrary contained herein, the CP Dealer:

(i) will suspend its efforts with respect to the offer or sale of the Notes on behalf of the Issuer upon the receipt of notice of the occurrence of an event of default under the Notes, the Authorizing Document, the Facility, the Facility Agreement or the Issuing and Paying Agent Agreement; and

(ii) may, in its sole discretion, suspend its efforts with respect to the offer or sale of the Notes on behalf of the Issuer immediately upon the occurrence of any of the following events, which suspension will continue so long as, in the CP Dealer's reasonable judgment, such event continues to exist as to the Notes:

(1) suspension or material limitation in trading in securities generally on the New York Stock Exchange;

(2) a general moratorium on commercial banking activities in New York or Texas is declared by either federal or New York State or Texas authorities, as applicable;

(3) there shall have occurred any (i) new material outbreak of hostilities involving the United States (including, without limitation, an act of terrorism) or escalation of any such hostility that existed prior to the date hereof, (ii) new material national or international calamity or crisis (including but not limited to a pandemic), or escalation of such event that existed prior to the date hereof, or (iii) material adverse change in the financial, political or economic conditions affecting the United States;

(4) legislation shall be introduced by committee, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official

statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Notes, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended (the "Securities Act") as then in effect, or the Securities Exchange Act of 1934, as amended (the "Exchange Act") as then in effect, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Notes, or the Notes themselves, as contemplated hereby;

(5) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in any disclosure documents (other than any statement provided by the CP Dealer) or is not reflected in the disclosure documents but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the disclosure documents to be supplemented to supply such statement or information, or the effect of the disclosure documents as so supplemented is to materially adversely affect the market price or marketability of the Notes or the ability of the CP Dealer to enforce contracts for the sale of the Notes;

(6) any governmental authority shall impose, as to the Notes, or obligations of the general character of the Notes, any material restrictions not now in force, or increase materially those now in force;

(7) any of the representations and warranties of the Issuer made hereunder shall not have been true and correct on the date made;

(8) the Issuer fails to observe any of the covenants or agreements made herein;

(9) any of the rating agencies then rating the Notes or JPMC shall either (i) downgrade any of the ratings assigned to either the Notes or JPMC to below "P-1", "A-1" or "F1", by Moody's, S&P or Fitch, respectively or (ii) suspend or withdraw the then current ratings assigned to either the Notes or JPMC;

(10) an actual or imminent default or a moratorium in respect of payment of any U.S. Treasury bills, bonds or notes the effect of which, in the reasonable judgment of the CP Dealer, makes it impractical to market the Notes or to enforce contracts for the sale of the Notes; or

(11) (A) Legislation shall have been enacted by the Congress of the United States, or recommended to the Congress for passage by the President of the United States or favorably reported for passage to either House of the Congress by any Committee of such House or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court or (C) an order, ruling or regulation shall have been issued or proposed by or on

behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States or (D) a release or official statement shall have been issued by the President of the United States or by the Treasury Department of the United States or by the Internal Revenue Service, the effect of which, in any such case described in clause (A), (B), (C) or (D), would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Notes or upon income of the general character to be derived from the Issuer, in such a manner as in the judgment of the CP Dealer would materially impair the marketability of the Notes or obligations of the general character of the Notes.

Section 4. Transactions in Notes. All transactions in Notes between the CP Dealer and the Issuer shall be in accordance with the Authorizing Document, the Issuing and Paying Agent Agreement, this Agreement, the Facility Agreement (the “Transaction Documents”) and with the customs and practices in the commercial paper market regarding settlement and delivery formally adopted in writing from time to time by the New York Clearinghouse, to the extent not inconsistent with the Authorizing Document. As early as possible, but not later than 11:30 a.m. on the day on which any Notes are to be issued, the CP Dealer shall notify the Issuer of the proposed final maturities, prices and interest rates (which interest rates shall not exceed 10% per annum) at which the CP Dealer will purchase or cause the purchase of the Notes, and provide the Issuer with any other information as required for delivery of such Notes. Except as described below, the CP Dealer shall not be obligated to purchase or cause the purchase of any Notes unless and until agreement has been reached in each case on the foregoing points and the CP Dealer has agreed to such purchase. Not later than 11:45 a.m. on the date of each transaction the CP Dealer shall either (a) confirm each transaction made with or arranged by it or (b) notify the Issuer and the Issuing and Paying Agent of the difference, if any, between the amount of maturing Notes and the amount of Notes which the CP Dealer has arranged to sell or has agreed to purchase. Such confirmation or notification shall be given by telephone (or by other telecommunications medium acceptable to the Issuer) and in writing to the Issuer and the Issuing and Paying Agent.

Section 5. Payment for Notes. The CP Dealer shall pay for the Notes sold by the CP Dealer (or purchased by the CP Dealer for its own account) in immediately available funds by 2:15 p.m. on the Business Day such Notes are delivered to the CP Dealer (provided that such Notes are so delivered to the CP Dealer by 3:00 p.m. on such Business Day). All Notes will be sold at par, and will be evidenced either by (i) a master note immobilized with The Depository Trust Company or (ii) if not, will be executed in the manner provided for in the Authorizing Document.

Section 6. Authorized Representative. Note transactions with the Issuer, pursuant to Section 4 hereof, shall be with any one of the officers or employees of the Issuer who are designated as an Authorized Representative by certificate acknowledged by the City Secretary of the Issuer. The initial written designation of the Authorized Representatives is appended hereto as Appendix A. The Issuer agrees to provide the CP Dealer with revised written designations in the form of Appendix A when and as required by changes in the Authorized Representatives. The CP Dealer may rely upon such designation unless and until otherwise notified in writing by the Issuer.

Section 7. Resignation and Removal of CP Dealer. The CP Dealer may at any time resign and be discharged of its duties and obligations hereunder upon providing the Issuer, JPMC and the Issuing and Paying Agent with sixty (60) days’ prior written notice. The CP Dealer may be removed at any time, at the direction of the Issuer upon seven (7) days’ prior written notice to

the CP Dealer and the Issuing and Paying Agent. Upon removal or resignation of the CP Dealer, the Issuer shall promptly cause the Issuing and Paying Agent to give notice thereof by mail to all owners of the Notes and to any rating agency which has assigned a rating to the Notes. The CP Dealer shall assign and deliver this Agreement to its successor if requested by the Issuer.

Section 8. Furnishing of Disclosure Materials.

(a) The Issuer agrees to furnish the CP Dealer with as many copies as the CP Dealer may reasonably request of the offering memorandum of the Issuer relating to the Notes (the "Offering Memorandum"), and such other information with respect to the Issuer and the Notes as the CP Dealer shall reasonably request from time to time.

(b) The Issuer agrees to cooperate with the CP Dealer in the preparation by the Issuer from time-to-time and not less often than annually of a new Offering Memorandum of the Issuer for the Notes, and to furnish or to cause to be furnished to the CP Dealer as many copies of such new Offering Memorandum as the CP Dealer shall request.

(c) If, at any time during the term of this Agreement, any event shall occur or facts become known to either party that might affect the correctness or completeness of any statement of a material fact contained in the then current Offering Memorandum, such party shall promptly notify the other in writing of the circumstances and details of such event. The Issuer agrees to promptly furnish to the CP Dealer a copy of each filing or notice made to anyone (whether in connection with the Notes or otherwise) pursuant to any undertaking or other agreement of the Issuer made under any provision of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission.

Section 9. Issuance of Prior Lien Bonds and Other Obligations. The CP Dealer hereby acknowledges that the Issuer reserves the right in the Authorizing Document to issue Prior Lien Bonds, Series G Commercial Paper Notes, and Subordinated Obligations, as provided therein, and the CP Dealer agrees that this Agreement does not restrict or otherwise impair the ability of the Issuer to issue Prior Lien Bonds, Series G Commercial Paper Notes or Subordinated Obligations throughout the term of this Agreement.

Section 10. Fees and Expenses. For the CP Dealer's services under this Agreement, the Issuer will pay the CP Dealer a fee of [0.039]% per annum of the weighted average of the principal amount of Notes outstanding during each three month period. The Issuer will pay the fee quarterly in arrears commencing October 1, 2021, and each January 1, April 1, July 1, and October 1 thereafter.

Section 11. Representations, Warranties, Covenants and Agreements of the Issuer. The Issuer, by its acceptance hereof, represents, warrants, covenants, and agrees with the CP Dealer that:

(a) it is a home-rule municipality and a political subdivision of the State of Texas;

(b) it has full power and authority to take all actions required or permitted to be taken by the Issuer by or under, and to perform and observe the covenants and agreements on its part contained in, this Agreement and any other instrument or agreement relating thereto to which the Issuer is a party;



(c) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date to authorize (i) the execution, delivery and performance of this Agreement, the Authorizing Document, the Facility Agreement and any other instrument or agreement to which the Issuer is a party and which has been or will be executed in connection with the transactions contemplated by the foregoing documents; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated by the foregoing agreements and by the current Offering Memorandum;

(d) as soon as publicly available on EMMA (the Electronic Municipal Market Access provided by the Municipal Securities Rulemaking Board), it will provide the CP Dealer at its address set forth below, (i) not later than April 15 of the year following the end of each fiscal year, a copy of its annual unaudited financial statements with respect to the System for such fiscal year, and (ii) not later than July 1 of the year following each fiscal year, a copy of its annual audited financial statements for that fiscal year;

(e) it will promptly notify the CP Dealer by telephone (or by other telecommunications medium acceptable to the CP Dealer), confirmed in writing to the CP Dealer and the Issuing and Paying Agent, of any material adverse changes that may affect the offering and sale on behalf of the Issuer of the Notes or any fact or circumstance which may constitute, or with the passage of time will constitute, an event of default under the Notes, the Authorizing Document, the Facility or the Facility Agreement or the Issuing and Paying Agent Agreement;

(f) the Offering Memorandum and any supplement, amendment and update thereof, furnished by the Issuer and used by the CP Dealer (including amendments, supplements and replacements thereof), until such time as they shall have been subsequently amended, updated or replaced, shall not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; and

(g) the Issuer acknowledges that the CP Dealer may not be able to perform some of the services the Issuer may request of the CP Dealer from time to time in connection with the CP Dealer's engagement under this Agreement to the extent that such services would cause the CP Dealer to be considered a "municipal advisor" under SEC Rel. No. 34-70462 (September 20, 2013) (such final rules and to the extent reference therein, Section 975, the "Municipal Advisor Rules") implementing Section 975 ("Section 975") of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

## Section 12. Conditions.

(a) The CP Dealer has entered into this Dealer Agreement in reliance upon the representations and warranties of the Issuer contained herein, and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof, and during any period of marketing the Notes (the "Relevant Times"). Accordingly, any Dealer's placement or purchase of the Notes under this Dealer Agreement shall be subject to the performance by the Issuer of its obligations hereunder and under such documents and instruments at the Relevant Times and shall also be subject to the following conditions:

(i) The representations and warranties of the Issuer contained herein shall be true, complete, and correct in all material respects;

(ii) The Transaction Documents shall be in full force and effect, and

shall not have been amended or supplemented; and

(iii) The Issuer shall not have failed to pay principal or interest when due on any of its outstanding obligations secured by Pledged Revenues.

(b) On or before July 8, 2024 (the “Effective Date”), the CP Dealer shall have received each of the following documents:

(i) A certified copy of the Authorizing Document and fully executed copies of the other Transaction Documents;

(ii) The closing opinion of Co-Bond Counsel in form and substance reasonably satisfactory to the CP Dealer;

(iii) The closing opinion of the City of Dallas, Texas in form and substance reasonably satisfactory to the CP Dealer;

(iv) The approving opinion of the Attorney General of Texas;

(v) The opinion of Co-Bond Counsel addressed to the Issuer and the CP Dealer, in form and substance reasonably satisfactory to the CP Dealer, to the effect that (i) the Notes are exempted securities as described in Section 3(a)(2) of the Securities Act of the 1933, as amended, and Section 304(a)(4) of the Trust Indenture Act of 1939, as amended, to the extent provided in such Acts, and it is not necessary in connection with the sale of the Notes to the public to register the Notes under the Securities Act of 1933, as amended, or the qualify the Authorizing Document under the Trust Indenture Act of 1939, as amended and (ii) based upon their participation in the preparation of the Offering Memorandum, Co-Bond Counsel has no reason to believe that the Offering Memorandum, as of its date (except for the financial statements and other financial, engineering and statistical data contained therein, as to which no view need be expressed) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) A certificate of the Issuer, dated the date of the Closing, signed by a duly authorized representative of the Issuer, in form and substance acceptable to the CP Dealer;

(vii) An opinion of counsel to JPMC under the Facility Agreement, satisfactory in form and substance to the CP Dealer, dated the date of Closing and addressed to the CP Dealer and the Issuer;

(viii) Such additional legal opinions, certificates, instruments and other documents as Co-Bond Counsel or the CP Dealer may reasonably request to evidence the truth, accuracy and completeness of the Issuer’s representations and warranties contained herein and of the statements and information provided to the CP Dealer and the due performance and satisfaction by the Issuer at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

Section 13. Term of Agreement. This Agreement shall continue in full force and effect until the cessation of the Notes program, subject to the right of suspension and termination as provided herein.

Section 14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 15. Dealing in Notes by the CP Dealer; No Obligation to Purchase Notes. The CP Dealer, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Notes, including, without limitation, any Notes offered and sold by the CP Dealer pursuant to this Agreement, and may join in any action which any Owner may be entitled to take with like effect as if it did not act in any capacity hereunder. The CP Dealer, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, Account Party, or agent for any committee or body of owners of the Notes or other obligations of the Issuer as freely as if it did not act in any capacity hereunder.

Section 16. Amendment and Restatement. This Agreement shall become effective on the Effective Date and shall supersede all provisions of the Prior Agreement. From and after the Effective Date, all references made to the Prior Agreement in any Related Document (as defined in the Facility Agreement) or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

Section 17. Notices. (a) Except as otherwise specifically provided in this Agreement, all notices, demands and formal actions under this Agreement shall be in writing and either (i) hand-delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid, to:

The CP Dealer:

J.P. Morgan Securities LLC  
J.P. Morgan Short Term Desk  
383 Madison Avenue, Floor 3  
New York, New York 10179  
Attention: Adrian Budischak  
Telephone: (212) 834 3430  
Telecopy: (917) 456 3541  
E-mail: [adrian.l.budischak@jpmorgan.com](mailto:adrian.l.budischak@jpmorgan.com)

The Issuer:

City of Dallas, Texas  
1500 Marilla  
Dallas, Texas 75201  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

The Issuing and Paying Agent:

U.S. Bank Trust Company, National Association  
[Address]

Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Each party hereto may, by notice given under this Agreement to the other parties described above, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

Section 18. State Law Representations and Covenants of the CP Dealer.

(a) The CP Dealer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended (the “Government Code”), in entering into this Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the CP Dealer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(i) The CP Dealer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the CP Dealer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(ii) The CP Dealer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(iii) The CP Dealer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(iv) The CP Dealer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

(b) The CP Dealer represents and verifies that it is aware of the Texas Office of the Attorney General’s (the “Texas Attorney General”) All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>

and the Texas Attorney General’s supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney General using the following link:

<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf>

The CP Dealer represents and verifies that the CP Dealer has (i) on file a standing letter (“Standing Letter”) acceptable to the Texas Attorney General addressing the representations and verifications in Section 8.21(a) through (d) hereof, and (ii) will, upon request of the Issuer or Co-Bond Counsel on behalf of the Issuer, provide the Issuer and Co-Bond Counsel with a copy of its Standing Letter. The CP Dealer further represents and verifies that its Standing Letter remains in effect as of the Effective Date and that the Texas Attorney General has not notified the CP Dealer that a determination has been made that the CP Dealer boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State.

Section 19. Miscellaneous.

(a) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms “successors” and “assigns” shall not include any purchaser of any of the Notes merely because of such purchase. Neither the Facility Issuing Party nor any owner of the Notes or other third party shall have any rights or privileges hereunder.

(b) All of the representations and warranties of the Issuer and the CP Dealer in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the CP Dealer or the Issuer, (ii) the offering and sale of and any payment for any Notes hereunder, or (iii) suspension, termination or cancellation of this Agreement.

(c) This Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto.

(d) All references to time in this Agreement shall refer to local time in New York City, New York.

(e) Nothing herein shall be construed to make any party an employee of the other or to establish any fiduciary relationship between the parties except as expressly provided herein.

(f) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(g) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

(h) The CP Dealer represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof, and, accordingly, the CP Dealer is not required to file a Certificate of Interested Parties Form 1295 otherwise prescribed thereunder.

[Execution Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF DALLAS, TEXAS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

J.P. MORGAN SECURITIES LLC,  
as CP Dealer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CERTIFICATE OF AUTHORIZED REPRESENTATIVE**

I am the City Secretary of the City of Dallas, Texas (the "Issuer") duly authorized to certify as to the Authorized Representatives of the Issuer in connection with the issuance, from time to time, by the Issuer of tax-exempt commercial paper (the "Notes") in accordance with the Authorizing Document. I hereby certify that the following persons are authorized to act on behalf of the Issuer in accordance with the Authorizing Document (as defined in the Dealer Agreement) and specimen signatures of such persons are set forth beside their names.

Authorized Persons

Specimen Signature

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Executed this \_\_\_\_\_.

\_\_\_\_\_  
Name: Bilierae Johnson  
Title: City Secretary