
**ORDINANCE NO. 23-_____
AUTHORIZING THE ISSUANCE OF**

**CITY OF DALLAS, TEXAS
EQUIPMENT ACQUISITION CONTRACTUAL OBLIGATIONS
SERIES 2023A**

Adopted: November 8, 2023

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ORDINANCE NO. 23-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS, AUTHORIZING THE ISSUANCE OF CITY OF DALLAS, TEXAS, EQUIPMENT ACQUISITION CONTRACTUAL OBLIGATIONS, SERIES 2023A, IN AN AGGREGATE PRINCIPAL AMOUNT OF \$76,270,000; LEVYING A TAX FOR PAYMENT THEREOF; AWARDING THE SALE THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE LETTER; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, the Public Property Finance Act, Texas Local Government Code §§271.001 through 271.009, inclusive, as amended (the “Act”), authorizes cities to execute, perform, and make payments under contracts with any person for the use, acquisition or purchase of personal property as described in the Act;

WHEREAS, the governing body (the “City Council”) of the City of Dallas, Texas (the “City”) has found and determined that it is necessary, useful and appropriate for its public purposes to acquire or purchase the various types of capital equipment described herein (the “Property”);

WHEREAS, the Property will be used for authorized public purposes of the City, will be acquired in compliance with applicable laws relating to competitive bidding, and will not be attached or affixed to real property or any building thereon in any manner that would cause the Property to be considered real property or a fixture to real property under applicable state law, and shall remain personal property of a type and character authorized to be acquired by the City under the Act;

WHEREAS, the City Council has found and deems it necessary, useful and appropriate for its public purposes to acquire the Property and to adopt this Ordinance and authorize the issuance of the Contractual Obligations herein authorized as permitted by the Act;

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

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

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

“Acquisition Fund” means the acquisition fund established by Section 7.01(b).

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Charter” means the Home Rule Charter of the City, as amended.

“City” means the City of Dallas, Texas.

“City Council” means the governing body of the City of Dallas, Texas as identified in the preamble to this Ordinance.

“Closing Date” means the date of the initial delivery of and payment for the Contractual Obligations.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c) including applicable regulations, published rulings and court decisions.

“Contractual Obligation” means any of the Contractual Obligations.

“Contractual Obligations” means the City’s contractual obligations entitled “City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023A” authorized to be issued by Section 3.01 of this Ordinance.

“Delivery Date” means the date the Contractual Obligations are delivered to the Purchaser.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in Dallas, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

“Event of Default” means any event of default as defined in Section 10.01 of this Ordinance.

“Initial Contractual Obligation” means the initial Contractual Obligation described in Sections 3.04(d) and 6.02(d) of this Ordinance.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 7.01(a) of this Ordinance.

“Interest Payment Date” means the date or dates upon which interest on the Contractual Obligations is scheduled to be paid until the maturity of the Contractual Obligations, such dates being February 15 and August 15 of each year, commencing on February 15, 2024.

“Owner” means the person who is the registered owner of a Contractual Obligation or Contractual Obligations, as shown in the Register.

“Paying Agent/Registrar” means UMB Bank, N.A., any successor thereto or any entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

“Property” means the acquisition of firefighting, rescue, and emergency response vehicles, equipment, and apparatus, and acquisition of general purpose fleet and equipment for various City departments and general governmental purposes, including sanitation and storm drainage.

“Purchase Letter” means the purchase agreement between the City and the Purchaser pertaining to the purchase of the Contractual Obligations.

“Purchaser” means Webster Bank, National Association as the purchaser of the Contractual Obligations.

“Record Date” means the last Business Day of the month next preceding an Interest Payment Date.

“Register” means the register specified in Section 3.06(a) of this Ordinance.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Special Payment Date” means the Special Payment Date prescribed by Section 3.03(b).

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Contractual Obligations as the same come due and payable and remaining unclaimed by the Owners of such Contractual Obligations for 90 days after the applicable payment date.

Section 1.02. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.03. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Ordinance.

(c) Article and section references shall mean references to articles and sections of this Ordinance unless designated otherwise.

ARTICLE II

SECURITY FOR THE CONTRACTUAL OBLIGATIONS

Section 2.01. Tax Levy for Payment of the Contractual Obligations.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Contractual Obligations, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements of the Contractual Obligations, being (i) the interest on the Contractual Obligations and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent per annum (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter while the Contractual Obligations or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 assessed valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Contractual Obligations, and the tax shall not be diverted to any other purpose.

(d) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund for the Contractual Obligations are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Contractual Obligations when and as due and payable in accordance with their terms and this Ordinance.

(e) If the liens and provisions of this Ordinance shall be discharged in a manner permitted by Article XI hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Contractual Obligations, there shall be subtracted the amount of any Contractual Obligations for which money has been deposited in accordance with Article XI herein.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CONTRACTUAL OBLIGATIONS

Section 3.01. Authorization. The City's contractual obligations to be designated "City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023A" (the "Contractual Obligations"), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, specifically Subchapter A, Chapter 271, Texas Local Government Code, as amended, and the Charter of the City. The Contractual Obligations shall be issued in the aggregate principal amount of \$76,270,000, for the public purpose of paying all or a portion of the City's contractual obligations to be incurred in connection with the acquisition or purchase of the Property, and for paying costs related to the issuance of the Contractual Obligations, all as set forth in the preamble hereof, under and by virtue of the Act and pursuant to Chapter XXI of the Charter of the City.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Contractual Obligations shall be dated the date of their delivery to the Purchaser (the "Delivery Date"). The Contractual Obligations shall be in fully registered form, without coupons, in minimum denominations of \$100,000 or any integral multiple of \$5,000 and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Contractual Obligation, which shall be numbered T-1.

(b) The Contractual Obligations shall mature on August 15 in the year, at the interest rate and in the principal amount set forth in the following schedule:

Term Contractual Obligations

<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2028*	76,270,000	4.425

*Final maturity

(c) Interest shall accrue from the later of the Delivery Date or the most recent Interest Payment Date to which interest has been paid or provided for at the per annum rate of interest specified in subsection (b) above. Such interest shall be payable on each Interest Payment Date until the principal amount shall have been paid or provision for such payment shall have been made, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment; Unclaimed Payments.

(a) The principal of and interest on the Contractual Obligations shall be paid in lawful money of the United States of America.

(b) Interest on the Contractual Obligations shall be payable to the Owner whose name appears in the Register at the close of business on the Record Date; provided, however, in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Contractual Obligation appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on the Contractual Obligations shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, first class United States mail, postage prepaid, to the address of such person as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Contractual Obligation shall be paid to the person in whose name such Contractual Obligation is registered on the due date thereof upon presentation and surrender of such Contractual Obligation at the Designated Payment/Transfer Office.

(e) If the date for the payment of the principal of or interest on any Contractual Obligation is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City where the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a

Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Unclaimed Payments shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Contractual Obligations to which the Unclaimed Payments pertain. Subject to the provisions of Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment date shall be applied to the next payment or payments on the Contractual Obligations thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Contractual Obligations, shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar nor any other person shall be liable or responsible to any Owners of such Contractual Obligations for any further payment of such unclaimed moneys or on account of any such Contractual Obligations, subject to Title 6 of the Texas Property Code.

Section 3.04. Execution and Initial Registration.

(a) The Contractual Obligations shall be executed on behalf of the City by the Mayor and countersigned by the City Secretary and the City Manager, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Any facsimile signatures on the Contractual Obligations shall have the same effect as if each of the Contractual Obligations had been signed manually and in person by each of said officers, and such facsimile seal on the Contractual Obligations shall have the same effect as if the official seal of the City had been manually impressed upon each of the Contractual Obligations.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Contractual Obligations ceases to be such officer before the authentication of such Contractual Obligations or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Contractual Obligation shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Contractual Obligations. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Contractual Obligation delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Contractual Obligation has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) On the Closing Date, the Initial Contractual Obligation, in a denomination equal to the aggregate principal amount of the Contractual Obligations, will be registered in the name of and delivered to the Purchaser of the Contractual Obligations. Upon payment for the Contractual Obligations, the Paying Agent/Registrar shall cancel the Initial Contractual Obligation and deliver one Contractual Obligation for each maturity, in the aggregate principal amount of all Contractual Obligations for such maturity, registered in the name of the Purchaser. Notwithstanding the foregoing or any other provision of the Ordinance, the Purchaser may elect to hold the Initial Contractual Obligation in lieu of definitive Contractual Obligations.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Contractual Obligation is registered as the absolute owner of such Contractual Obligation for the purpose of making and receiving payment of the principal thereof, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Contractual Obligation is registered on the Record Date or on the Special Record Date, as applicable), and for all other purposes, whether or not such Contractual Obligation is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Contractual Obligation in accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Contractual Obligation to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Contractual Obligations remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office the Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Contractual Obligations in accordance with this Ordinance.

(b) Registration of any Contractual Obligation may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Contractual Obligations, or any portion thereof in any integral multiple of \$5,000 for any one maturity, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Contractual Obligation or any portion thereof registered in the name of such assignee or assignees. No transfer of any Contractual Obligation shall be effective until entered in the Register. Upon assignment and transfer of any Contractual Obligation or portion thereof, a new Contractual Obligation or Contractual Obligations will be issued by the Paying Agent/Registrar in exchange for such transferred and assigned Contractual Obligation. To the extent possible the Paying Agent/Registrar will issue such new Contractual Obligation or Contractual Obligations within not more than three Business Days after receipt of the

Contractual Obligation to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Contractual Obligation may be exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the Owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Contractual Obligation or Contractual Obligations of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Contractual Obligation presented for exchange. To the extent possible, a new Contractual Obligation or Contractual Obligations shall be delivered by the Paying Agent/Registrar to the Owner of the Contractual Obligation or Contractual Obligations within not more than three Business Days after receipt of the Contractual Obligation to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Contractual Obligation issued in exchange for any Contractual Obligation or portion thereof assigned or transferred shall have the same principal maturity date and shall bear interest at the same rate as the Contractual Obligation for which it is being exchanged. Each substitute Contractual Obligation shall bear a letter and/or number to distinguish it from each other Contractual Obligation. The Paying Agent/Registrar shall exchange the Contractual Obligations as provided herein, and each substitute Contractual Obligation delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Contractual Obligation or Contractual Obligations in lieu of which such substitute Contractual Obligation or Contractual Obligations are delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer or exchange of Contractual Obligations, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Contractual Obligation. In addition, the City hereby covenants with the Owners of the Contractual Obligations that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Contractual Obligations, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration and exchange of Contractual Obligations as provided herein.

(f) Notwithstanding anything contrary herein, the Contractual Obligations may only be sold and resold in authorized denominations of \$100,000 or more to an investor that is (a) a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act") or (b) an "accredited investor" as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.

Section 3.07. Cancellation and Authentication.

(a) All Contractual Obligations paid in accordance with this Ordinance, and all Contractual Obligations in lieu of which exchange Contractual Obligations or replacement

Contractual Obligations are authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, exchange or replacement.

(b) Each substitute Contractual Obligation issued pursuant to the provisions of Sections 3.06 and 3.09 of this Ordinance, in exchange for or replacement of any Contractual Obligation or Contractual Obligations issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Contractual Obligation, manually sign and date such Certificate, and no such Contractual Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing exchange or replacement of any Contractual Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Contractual Obligations in the manner prescribed herein, and said Contractual Obligations shall be of customary type and composition and printed, typewritten, lithographed, mimeographed or otherwise produced. Pursuant to Chapter 1201, Texas Government Code, the duty of exchange or replacement of Contractual Obligations as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the exchanged or replaced Contractual Obligations shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Contractual Obligation which originally was delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Contractual Obligations issued in exchange or replacement of any other Contractual Obligation or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Contractual Obligations to be payable only to the registered owners thereof, (ii) may be transferred and assigned, (iii) may be exchanged for other Contractual Obligations, (iv) shall have the characteristics, (v) shall be signed and sealed, and (vi) shall be payable as to principal and interest, all as provided, and in the manner required or indicated, in the form of Contractual Obligation set forth in this Ordinance.

Section 3.08. Temporary Contractual Obligations.

(a) Following the delivery and registration of the Initial Contractual Obligation and pending the preparation of definitive Contractual Obligations, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Contractual Obligations that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Contractual Obligations in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Contractual Obligations may determine, as evidenced by their signing of such temporary Contractual Obligations.

(b) Until exchanged for Contractual Obligations in definitive form, such Contractual Obligations in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Contractual Obligations in definitive form; thereupon, upon the presentation and surrender of the Contractual Obligation or Contractual Obligations in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Contractual Obligations in temporary form and authenticate and deliver in exchange therefor a Contractual Obligation or Contractual Obligations of the same maturity, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Contractual Obligation or Contractual Obligations in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Contractual Obligations.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office of a mutilated Contractual Obligation, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Contractual Obligation of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Contractual Obligation to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Contractual Obligation is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Contractual Obligation has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Contractual Obligation of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Contractual Obligation;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Contractual Obligation, a bona fide purchaser of the original Contractual Obligation in lieu of which such replacement Contractual Obligation was issued presents for payment such original Contractual Obligation, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Contractual Obligation

from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Contractual Obligation has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, without the necessity of issuing a replacement Contractual Obligation, may pay such Contractual Obligation on the date on which such Contractual Obligation becomes due and payable.

(e) Each replacement Contractual Obligation delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Contractual Obligation or Contractual Obligations in lieu of which such replacement Contractual Obligation is delivered.

ARTICLE IV

REDEMPTION OF CONTRACTUAL OBLIGATIONS BEFORE MATURITY

Section 4.01. Limitation on Redemption. The Contractual Obligations shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The City reserves the right to redeem Contractual Obligations maturing on or after August 15, 2027, in whole or in part, before the scheduled maturity date, on August 15, 2026, or on any Business Day thereafter, such redemption date or dates to be fixed by the City, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date; provided, however, that any such redemption (i) may occur no more than once per calendar year, (ii) must have a minimum principal payment of \$1,000,000 and (iii) must occur in inverse order of amortization.

(b) The City, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption and of the principal amount of Contractual Obligations to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Contractual Obligations are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund for such Contractual Obligations, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

\$76,270,000 Term Contractual Obligations Maturing August 15, 2028

<u>Redemption Date</u>	<u>Redemption Amount</u>
August 15, 2024	15,255,000
August 15, 2025	15,255,000
August 15, 2026	15,255,000
August 15, 2027	15,255,000
August 15, 2028*	15,250,000

* maturity

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Contractual Obligations equal to the aggregate principal amount of such Term Contractual Obligations to be redeemed, shall call such Term Contractual Obligations for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

The principal amount of the Term Contractual Obligations required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the City, by the principal amount of any Term Contractual Obligations which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Term Contractual Obligations plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation.

For so long as the Purchaser is the Owner of the Contractual Obligations, no presentation and surrender of the Contractual Obligations shall be required with respect to mandatory redemption and the Paying Agent/Registrar, upon payment of the mandatory redemption price, shall record the resulting reduction in the principal amount of the Contractual Obligations in the Register.

Section 4.04. Partial Redemption.

(a) A portion of a single Contractual Obligation of a denomination greater than \$100,000 may be redeemed, but only in a principal amount equal to \$100,000 or any integral multiple of \$5,000. The Paying Agent/Registrar shall treat each \$100,000 portion of the Contractual Obligation as though it were a single Contractual Obligation for purposes of selection for redemption.

(b) Upon surrender of any Contractual Obligation for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Contractual Obligation or Contractual Obligations in an aggregate principal amount equal to the unredeemed portion of the Contractual Obligation so surrendered.

(c) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Contractual Obligation as to which only a portion thereof is to be redeemed.

Section 4.05. Notice of Redemption to Owners.

(a) The City shall give notice of any redemption of Contractual Obligations by sending or causing the Paying Agent/Registrar to send notice of such redemption by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Contractual Obligation (or part thereof) to be redeemed, at the address shown on the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Contractual Obligations are to be surrendered for payment, and, if less than all the Contractual Obligations outstanding are to be redeemed, an identification of the Contractual Obligations or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) Notwithstanding any provision of this Ordinance to the contrary, the City shall not be required to give any notice of redemption of the Contractual Obligations if, at the time such notice would otherwise be required under this Ordinance, the Purchaser and the Paying Agent/Registrar are the same entity.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Contractual Obligations to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City sufficient to pay the principal of and accrued interest on such Contractual Obligations.

(b) Upon presentation and surrender of any Contractual Obligation called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of and accrued interest on such Contractual Obligation to the date of redemption from the money set aside for such purpose.

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance, the Contractual Obligations or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the principal thereof, premium, if any, or accrued interest thereon, such Contractual Obligations or portions thereof shall cease to bear interest from and after the date fixed for redemption,

whether or not such Contractual Obligations are presented and surrendered for payment on such date.

(b) If any Contractual Obligation or portion thereof called for redemption is not so paid upon presentation and surrender of such Contractual Obligation for redemption, such Contractual Obligation or portion thereof shall continue to bear interest at the rate stated on the Contractual Obligation until paid or until due provision is made for the payment of same.

Section 4.08. Conditional Notice of Redemption. The City reserves the right, in the case of an optional redemption pursuant to Section 4.02 herein, to give notice of its election or direction to redeem Contractual Obligations conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Contractual Obligations subject to conditional redemption and such redemption has been rescinded shall remain Outstanding and the rescission of such redemption shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.09. Lapse of Payment. Money set aside for the redemption of Contractual Obligations and remaining unclaimed by the Owners of such Contractual Obligations shall be subject to the provisions of Section 3.03(f) hereof.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The City hereby appoints UMB Bank, N.A., as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of the Owner of each Contractual Obligation to which payments with respect to the Contractual Obligations shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but

otherwise the Paying Agent/Registrar shall keep the Register confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Contractual Obligations. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Contractual Obligations, and of all exchanges and replacements of such Contractual Obligations, as provided in this Ordinance.

(c) The City and the Paying Agent/Registrar have entered into a Paying Agent/Registrar Contract, effective as of July 1, 2018, outlining the services to be provided by the Paying Agent/Registrar with respect to certain obligations issued by the City after July 1, 2018 through June 30, 2024. By accepting the positions of paying agent and registrar, the Paying Agent agrees that in the event that it shall resign its position as Paying Agent/Registrar, it will continue to serve in such capacity until such time as a successor assumes such duties under this Ordinance. In addition, the Paying Agent agrees that, so long as required by Texas law, a true and correct copy of the Register shall at all times be maintained in the State of Texas.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be (i) a bank, trust company, financial institution, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Contractual Obligations are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination. The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of any contractual agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar.

Section 5.05. Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Contractual Obligations to the successor Paying Agent/Registrar and to the City.

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ARTICLE VI

FORM OF THE CONTRACTUAL OBLIGATIONS

Section 6.01. Form Generally.

(a) The Contractual Obligations, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Contractual Obligation, and the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Contractual Obligations, (i) shall be generally in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Contractual Obligations, as evidenced by their execution thereof.

(b) Any portion of the text of any Contractual Obligations may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Contractual Obligations.

(c) The Contractual Obligations (except for any temporary Contractual Obligations and the Initial Contractual Obligations) shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Contractual Obligations, as evidenced by their execution thereof.

Section 6.02. Form of the Contractual Obligations. The form of the Contractual Obligations, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Contractual Obligations, shall be substantially as follows:

[Remainder of Page Intentionally Left Blank]

(a) Form of Contractual Obligation.

THE CONTRACTUAL OBLIGATIONS ARE ISSUED IN MINIMUM DENOMINATIONS OF \$100,000 AND INVOLVE A DEGREE OF RISK AND ARE NOT SUITABLE FOR ALL INVESTORS. THE CONTRACTUAL OBLIGATIONS MAY ONLY BE SOLD AND RESOLD TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN RULE 144A OR ACCREDITED INVESTORS AS DEFINED IN RULE 501(a)(1), (2), (3), or (7) OF THE SECURITIES ACT OF 1933. SEE SECTION 3.06(f) OF THE ORDINANCE.

REGISTERED
No. _____

REGISTERED
\$ _____

United States of America
State of Texas
CITY OF DALLAS, TEXAS,
EQUIPMENT ACQUISITION CONTRACTUAL OBLIGATIONS, SERIES 2023A

INTEREST RATE: MATURITY DATE: DELIVERY DATE:
_____ % _____, _____ December 7, 2023

The City of Dallas (the "City"), in the Counties of Dallas, Denton, Collin and Rockwall, State of Texas, for value received, hereby promises to pay to

_____ or registered assigns, on the Maturity Date specified above, the principal sum of

_____ DOLLARS

unless this Contractual Obligation shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Delivery Date specified above or the most recent Interest Payment Date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the interest rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2024. All capitalized terms used herein but not defined shall have the meaning assigned to them in the Ordinance (defined below).

The principal of this Contractual Obligation shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Contractual Obligation at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office") of UMB Bank, N.A., or with respect to a successor Paying Agent/Registrar, at the designated payment/transfer office of such successor. Interest on this Contractual Obligation is payable by check dated as of the Interest Payment Date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements

acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of, the person to whom interest is to be paid. For the purpose of the payment of interest on this Contractual Obligation, the registered owner shall be the person in whose name this Contractual Obligation is registered at the close of business on the "Record Date," which shall be the last Business Day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled payment date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" which date shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Contractual Obligation appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day preceding the date of mailing of such notice.

If a date for the payment of the principal of or interest on this Contractual Obligation is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City where the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Contractual Obligation is dated December 7, 2023 and is one of a series of fully registered contractual obligations specified in the title hereof issued in the aggregate principal amount of \$76,270,000 (herein referred to as the "Contractual Obligations"), issued pursuant to a certain Ordinance of the City Council of the City (the "Ordinance") for the purpose of paying all or a portion of the City's contractual obligations to be incurred in connection with the acquisition or purchase of personal property for the City and to pay the costs incurred in connection with the issuance of the Contractual Obligations.

The Contractual Obligations and the interest thereon are payable from the levy of a direct and continuing ad valorem tax, within the limit prescribed by law, against all taxable property in the City.

The City reserves the right to redeem Contractual Obligations maturing on or after August 15, 2027, in whole or in part, before the scheduled maturity date, on August 15, 2026, or on any Business Day thereafter, such redemption date or dates to be fixed by the City, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date; provided, however, that any such redemption (i) may occur no more than once per calendar year, (ii) must have a minimum principal payment of \$1,000,000 and (iii) must occur in inverse order of amortization.

Contractual Obligations maturing on August 15 in 2028 (the "Term Contractual Obligations"), are subject to mandatory sinking fund redemption prior to their scheduled maturity, and will be redeemed by the City, in part at a redemption price equal to the principal

amount thereof, without premium, plus interest accrued to the redemption date, on the dates and in the principal amounts shown in the following schedule:

\$76,270,000 Term Contractual Obligations Maturing August 15, 2028

<u>Redemption Date</u>	<u>Redemption Amount</u>
August 15, 2024	15,255,000
August 15, 2025	15,255,000
August 15, 2026	15,255,000
August 15, 2027	15,255,000
August 15, 2028*	15,250,000

* maturity

The Paying Agent/Registrar will select by lot or by any other customary method that results in a random selection the specific Term Contractual Obligations (or with respect to Term Contractual Obligations having a denomination in excess of \$100,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Contractual Obligations required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the City, by the principal amount of any Contractual Obligations which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Contractual Obligations plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation.

For so long as the Purchaser is the Owner of the Contractual Obligations, no presentation and surrender of this Contractual Obligation shall be required with respect to mandatory redemption and the Paying Agent/Registrar, upon payment of the mandatory redemption price, shall record the resulting reduction in the principal amount of the Contractual Obligation in the Register.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the registered owner of each of the Contractual Obligations to be redeemed in whole or in part.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Contractual Obligation is transferable upon surrender of this Contractual Obligation for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Contractual Obligations of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Contractual Obligation is registered as the Owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this

Contractual Obligation is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Contractual Obligation be overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice or knowledge to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Contractual Obligation and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Contractual Obligations have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Contractual Obligations within the limit prescribed by law; and that the total indebtedness of the City, including the Contractual Obligations, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Contractual Obligation to be executed in its name by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary and the City Manager, and the official seal of the City has been duly impressed or placed in facsimile on this Contractual Obligation.

City Manager,
City of Dallas, Texas

Mayor, City of Dallas, Texas

City Secretary, City of Dallas, Texas

[SEAL]

(b) Form of Certificate of Paying Agent/Registrar. The following Certificate of Paying Agent/Registrar may be deleted from the Initial Contractual Obligation if the Comptroller's Registration Certificate is attached thereto.

CERTIFICATE OF PAYING AGENT/REGISTRAR

It is hereby certified that this Contractual Obligation has been issued under the provisions of the Ordinance of the City; and that this Contractual Obligation has been issued in exchange for or replacement of a contractual obligation, contractual obligations or portion of a contractual obligation or contractual obligations of an issue which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

UMB Bank, National Association
as Paying Agent/Registrar

Dated: _____
Authorized Signatory

By: _____

(c) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

(Social Security or other identifying number: _____) the within Contractual Obligation and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Contractual Obligation on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed By: _____

Authorized Signatory

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

(d) Initial Contractual Obligation Insertions.

(i) The Initial Contractual Obligation shall be in the applicable form set forth in paragraphs (a) and (c) of this Section, except that:

A. immediately under the name of the Contractual Obligation the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below"; and

B. in the first paragraph of the Contractual Obligation, the words "on the Maturity Date specified above" shall be deleted and the following will be inserted: "on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Installment</u>	<u>Interest Rate</u>
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(Information to be inserted from Section 3.02 hereof.)

(ii) Form of Comptroller's Registration Certificate. The following Comptroller's Registration Certificate of the Comptroller of Public Accounts shall appear on each Initial Contractual Obligation in lieu of the Certificate of Paying Agent/Registrar.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
OF THE STATE OF TEXAS §

I hereby certify that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Contractual Obligation has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding general obligation of the City of Dallas, Texas, and that this Contractual Obligation has this day been registered by me.

WITNESS MY HAND AND SEAL OF OFFICE AT AUSTIN, TEXAS,
_____.

Comptroller of Public Accounts
of the State of Texas

[SEAL]

Section 6.03. Legal Opinion. The approving legal opinions of Bracewell LLP and West & Associates L.L.P., Co-Bond Counsel, may be printed on the back of each Contractual Obligation over the certification of the City Secretary, which may be executed in facsimile.

Section 6.04. Municipal Contractual Obligation Insurance. If municipal Contractual Obligation guaranty insurance is obtained with respect to the Contractual Obligations, the Contractual Obligations, including the Initial Contractual Obligation, may bear an appropriate legend, as provided by the insurer.

ARTICLE VII

CREATION OF FUNDS AND ACCOUNTS, INITIAL DEPOSITS AND APPLICATION OF MONEY

Section 7.01. Creation of Funds. The City hereby establishes the following special funds or accounts to be designated as follows:

(a) the City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023A, Interest and Sinking Fund (the “Interest and Sinking Fund”); and

(b) the City of Dallas, Texas, Equipment Acquisition Contractual Obligations, Series 2023A, Acquisition Fund (the “Acquisition Fund”).

Section 7.02. Initial Deposits. On the Closing Date, the City shall cause the proceeds from the sale of the Contractual Obligations to be deposited to the funds and in the amounts as follows:

(a) \$76,010,000 of the proceeds of the Contractual Obligations shall be deposited to the Acquisition Fund and shall be used for the purposes set forth in Section 3.01 of the Ordinance; and

(b) The remaining amount of the proceeds of the Contractual Obligations shall be applied to the payment of costs of issuance of the Contractual Obligations. Any amounts remaining after payment of the costs of issuing the Contractual Obligations shall be deposited to the Interest and Sinking Fund.

Section 7.03. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 of this Ordinance shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on such Contractual Obligations.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Contractual Obligations plus the aggregate amount of interest due and that will become due and payable on such Contractual Obligations, no further deposits to that fund need be made.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Contractual Obligations as such become due and payable.

Section 7.04. Acquisition Fund. Money on deposit in the Acquisition Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

Section 7.05. Excess Contractual Obligation Proceeds. Upon completion of the purchase of personal property financed with the Contractual Obligations, any amount (exclusive of that amount retained for the payment of costs of such personal property not then due and

payable) that remains in the Acquisition Fund shall be transferred to the credit of the Interest and Sinking Fund and segregated in a special escrow account to be used to pay principal on the Contractual Obligations on the next ensuing date on which principal on the Contractual Obligations is due.

Section 7.06. Security of Funds. All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

(a) Money in each fund created by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners of the Contractual Obligations and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

(c) The money in an escrow account established under Section 7.05 of this Ordinance shall be invested in (i) tax-exempt obligations or (ii) securities or obligations that do not have a “higher yield,” within the meaning of Section 148(f) of the Code, than the yield on the Contractual Obligations.

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from investment of the Acquisition Fund shall be either deposited to the credit of the Interest and Sinking Fund or retained in the Acquisition Fund until the purchase of personal property authorized by this Ordinance is completed.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Contractual Obligations. On or before each Interest Payment Date for the Contractual Obligations, and while any of the Contractual Obligations are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on, and principal of the Contractual Obligations as will accrue or mature on the applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Contractual Obligation; the City will promptly pay or cause to be paid the principal of, and interest on each Contractual Obligation on the dates and at the places and manner prescribed in such Contractual Obligation; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Contractual Obligations; all action on its part for the creation and issuance of the Contractual Obligations has been duly and effectively taken; and the Contractual Obligations in the hands of the Owners thereof are and will be valid and enforceable general obligations of the City in accordance with their terms.

(c) The City will provide audited financial statements annually to the Purchaser. This requirement is satisfied by the City's filing of such financial statements on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website.

Section 9.03. Federal Income Tax Matters.

(a) General. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the interest on the Contractual Obligations to be includable in gross income for federal income tax purposes. In furtherance thereof, the City covenants to comply with sections 103 and 141 through 150 of the Code and the provisions set forth in the Federal Tax Certificate executed by the City in connection with the Contractual Obligations.

(b) No Private Activity Bonds. The City covenants that it will use the proceeds of the Contractual Obligations (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Contractual Obligations will not be "private activity bonds" within the meaning of section 141 of the Code. Furthermore, the City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Contractual Obligations to be a "private activity bond" unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Contractual Obligations to be "federally guaranteed" within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The City covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Contractual Obligations to be "hedge bonds" within the meaning of section 149(g) of the Code.

(e) No Arbitrage Bonds. The City covenants that it will make such use of the proceeds of the Contractual Obligations (including investment income) and regulate the investment of such proceeds of the Contractual Obligations so that the Contractual Obligations will not be "arbitrage bonds" within the meaning of section 148(a) of the Code.

(f) Required Rebate. The City covenants that, if the City does not qualify for an exception to the requirements of section 148(f) of the Code, the City will comply with the requirement that certain amounts earned by the City on the investment of the gross proceeds of the Contractual Obligations, be rebated to the United States.

(g) Information Reporting. The City covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Contractual Obligations in accordance with section 149(e) of the Code.

(h) Record Retention. The City covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Contractual Obligations and the use of the property financed, directly or indirectly, thereby until three years after the last Contractual Obligation is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. If the Contractual Obligations are “registration-required bonds” under section 149(a)(2) of the Code, the Contractual Obligations will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the City will not be required to comply with any of the federal tax covenants set forth above if the City has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Contractual Obligations from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Ordinance, the City’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Contractual Obligations for as long as such matters are relevant to the excludability of interest on the Contractual Obligations from gross income for federal income tax purposes.

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse by the City has not been adopted for a particular project, this Ordinance serves as the City’s official declaration of intent to use proceeds of the Contractual Obligations issued in the maximum amount authorized by this Ordinance to reimburse itself for certain expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date on which the project to which such expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an “Event of Default,” to-wit:

(a) the failure to make payment of the principal of or interest on any of the Contractual Obligations when the same becomes due and payable; or

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

Section 10.02. Remedies for Default.

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

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Contractual Obligations then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Contractual Obligations or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Contractual Obligations shall not be available as a remedy under this Ordinance.

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

ARTICLE XI

DISCHARGE

Section 11.01. Discharge. The Contractual Obligations may be defeased, discharged or refunded in any manner permitted by applicable law.

ARTICLE XII

SALE AND DELIVERY OF CONTRACTUAL OBLIGATIONS; CONTROL AND DELIVERY OF CONTRACTUAL OBLIGATIONS

Section 12.01. Sale of Contractual Obligations.

(a) The Contractual Obligations are hereby sold and awarded and shall be delivered to the Purchaser at the price and on the terms specified in the Purchase Letter. The form, terms and provisions of the Purchase Letter are hereby approved and the Mayor or the City Manager are hereby authorized and directed to execute and deliver such Purchase Letter. It is hereby found, determined and declared that the terms of this sale are the most advantageous reasonably available. The Contractual Obligations shall be initially registered in the name of the Purchaser or its designee.

(b) All officers of the City are authorized to take such actions and to execute such documents, agreements, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Contractual Obligations in accordance with the terms of sale therefore including, without limitation, the Purchase Letter. Further, in connection with the submission of the record of proceedings for the Contractual Obligations to the Attorney General of the State of Texas for examination and approval of such Contractual Obligations, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Contractual Obligations or (ii) \$9,500).

(c) The obligation of the Purchaser to accept delivery of the Contractual Obligations is subject to the Purchaser being furnished with the final, approving opinions of Bracewell LLP and West & Associates L.L.P., Co-Bond Counsel for the City, which opinions shall be dated as of and delivered on the Closing Date.

Section 12.02. Control and Delivery of Contractual Obligations.

(a) The City Manager is hereby authorized to have control of the Initial Contractual Obligation and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Initial Contractual Obligation shall be made to the Purchaser under and subject to the general supervision and direction of the City Manager, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor, City Secretary or City Manager is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, any Assistant City Secretary and any Assistant City Manager, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor

Pro Tem, the Assistant City Secretary and the Assistant City Manager shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor, City Secretary and City Manager, respectively.

ARTICLE XIII

AMENDMENTS; ATTORNEY GENERAL MODIFICATION

Section 13.01. Amendments. This Ordinance shall constitute a contract with the Owners, be binding on the City, and shall not be amended or repealed by the City so long as any Contractual Obligation remains outstanding except as permitted in this Section. The City may, without consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of the Contractual Obligations holding a majority in aggregate principal amount of the Contractual Obligations then outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of outstanding Contractual Obligations, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of, premium, if any, and interest on the Contractual Obligations, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, or interest on the Contractual Obligations, (ii) give any preference to any Contractual Obligation over any other Contractual Obligation, or (iii) reduce the aggregate principal amount of Contractual Obligations required to be held by Owners for consent to any such amendment, addition, or rescission.

Section 13.02. Attorney General Modification. In order to obtain the approval of the Contractual Obligations by the Attorney General of the State of Texas, any provision of this Ordinance may be modified, altered or amended after the date of its adoption if required by the Attorney General in connection with the Attorney General's examination as to the legality of the Contractual Obligations and approval thereof in accordance with the applicable law. Such changes, if any, shall be provided to the City Secretary and the City Secretary shall insert such changes into this Ordinance as if approved on the date hereof.

Section 13.03. Partial Invalidity. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 13.04. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Contractual Obligations or for any claim based thereon, or on this Ordinance, against any official or employee of the City or any person executing any Contractual Obligations.

ARTICLE XIV

EFFECTIVE IMMEDIATELY

Section 14.01. Effective Immediately. This Ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, Texas, pertaining thereto, and it is accordingly so ordained.

FINALLY PASSED, APPROVED AND EFFECTIVE this _____, 2023.

APPROVED AS TO FORM:

Tammy Palomino
Title: City Attorney, City of Dallas, Texas