
CALCULATION AGENT AGREEMENT

Between

THE CITY OF FORT WORTH, TEXAS

and

HILLTOP SECURITIES INC.

Dated as of December 1, 2017

Relating to

City of Fort Worth, Texas Water and Sewer System
Commercial Paper Notes, Callable CP Series

This Calculation Agent Agreement, dated as of December 1, 2017 (this "Agreement"), is between the CITY OF FORT WORTH, TEXAS (the "City") and HILLTOP SECURITIES INC. (the "Calculation Agent"). 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) The City has authorized the issuance and reissuance from time-to-time of its tax-exempt commercial paper notes (the "Commercial Paper Notes") in the aggregate principal amount not to exceed \$150,000,000 outstanding at any time.

(b) The City authorized the issuance of the Commercial Paper Notes pursuant to its "Ordinance approving and authorizing the issuance by the City of Fort Worth, Texas of its Water and Sewer System Commercial Paper Notes, Callable CP Series, in an aggregate principal amount at any one time outstanding not to exceed \$150,000,000 to provide interim financing to pay Project Costs for Eligible Projects and to refund obligations issued in connection with Eligible Projects; 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 appointment of an Issuing and Paying Agent, a Dealer and a Calculation Agent and approval of an Issuing and Paying Agent Agreement, a Dealer Agreement and a Calculation Agent Agreement; 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", adopted on December 5, 2017 (the "Ordinance").

(c) The Ordinance provides for the appointment of a calculation agent to perform certain duties, including the determination of interest rates of the Commercial Paper Notes on behalf of the City in the manner described in the Ordinance.

(d) The Calculation Agent has agreed to accept the duties and responsibilities of calculation agent as described in the Ordinance and this Agreement.

Section 2. Appointment of Calculation Agent.

(a) Subject to the terms and conditions contained herein, the City hereby appoints Hilltop Securities Inc. as the Calculation Agent for the Commercial Paper Notes, and Hilltop Securities Inc. hereby accepts such appointment.

(b) The Calculation Agent shall act as calculation agent solely with respect to the Commercial Paper Notes issued in accordance with the terms of the Ordinance.

Section 3. Responsibilities of Calculation Agent.

Subject to the terms and conditions set forth in this Agreement, the Calculation Agent agrees to perform the duties and responsibilities of the Calculation Agent set forth in this Agreement and the Ordinance, specifically, but not by way of limitation, the duties and

responsibilities described in Section 2.03 of the Ordinance. It is understood that in undertaking to perform such duties, and in the performance thereof, it is the intention of the parties that the Calculation Agent will act solely as an agent and not as a principal.

Section 4. Resignation of Agent. The Calculation Agent may at any time resign and be discharged of its duties and obligations hereunder upon providing the City and the Issuing and Paying Agent with ninety (90) days' prior written notice or, if earlier, on the date that a replacement Calculation Agent has been appointed by the City if the City in its sole discretion elects to appoint a replacement Agent. The Calculation Agent shall assign and deliver this Agreement to its successor if requested by the City.

Section 5. Indemnification and Contribution. To the extent permitted by Texas law, the City agrees to indemnify the Calculation Agent and to hold the Calculation Agent harmless against any loss, damage, claim, liability or expense (including reasonable cost of defense) arising out of, or based upon, any allegation that any of the information provided by the City to the Calculation Agent pursuant to this Agreement includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein not misleading in light of circumstances under which they were made.

Section 6. Fees and Expenses. The City agrees to pay to the Calculation Agent during each fiscal year in which Commercial Paper Notes are outstanding a fee equal to \$5,000; provided, that such fee shall not be payable until such time as Commercial Paper Notes are first issued by the City in a fiscal year. The fee shall be payable within thirty (30) days of the first issuance of Commercial Paper Notes in a fiscal year.

Section 7. Representations, Warranties, Covenants and Agreements of the City. The City, by its acceptance hereof, represents, warrants, covenants, and agrees with the Agent that:

(a) it is a home-rule municipality created and functioning under the Constitution and laws of the State of Texas;

(b) it has full power and authority to take all actions required or permitted to be taken by the City 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 City is a party;

(c) it has, on or before the date of execution 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 Ordinance and any other instrument or agreement to which the City 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

(d) each issuance of Commercial Paper Notes by the City hereunder (including each "rollover" of the Commercial Paper Notes) shall be deemed a representation and warranty by the City to the Calculation Agent, as of the date thereof, that, after giving effect to such issuance, (i) the representations and warranties given by the City set forth above in this Section 7 remain true

and correct on and as of such date as if made on and as of such date, (ii) the Commercial Paper Notes being issued on such date have been duly authorized and when issued as provided in the Issuing and Paying Agent Agreement and the Ordinance will constitute legal, valid and binding obligations of the City, enforceable against the City in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), (iii) since the date of the then current Offering Memorandum, there has been no material adverse change in the condition (financial or otherwise), operations or business prospects of the City that has not been disclosed to the Agent in writing and (iv) the City is not in default of any of its obligations hereunder, under the Commercial Paper Notes, the Issuing and Paying Agent Agreement or the Ordinance.

Section 8. Term of Agreement. This Agreement shall become effective on the date hereof and shall continue in full force and effect until the Maximum Maturity Date, as defined in the Ordinance, subject to the right of suspension and termination as provided herein. This Agreement may be terminated by either party upon ninety (90) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Calculation Agent has been appointed by the City and such appointment has been accepted by such successor, and (b) notice has been given to the Holders of the Commercial Paper Notes, the Issuing and Paying Agent and any rating agency then issuing a rating on the Commercial Paper Notes of the appointment of the successor Calculation Agent. If the ninety (90) day notice period expires and no successor has been appointed, the Calculation Agent, at the expense of the City, has the right to petition a court of competent jurisdiction to appoint a successor under this Agreement. Further, the Calculation Agent and the City agree that the effective date of an early termination of this Agreement shall not occur at any time that would disrupt, delay or otherwise adversely affect the payment of the Commercial Paper Notes. The foregoing notwithstanding, the Calculation Agent may be removed at any time, at the direction of the City, upon seven (7) days' prior written notice to the Calculation Agent and the Issuing and Paying Agent, subject to the requirement that a successor Calculation Agent be appointed by the City promptly after removing the Calculation Agent.

Section 9. Miscellaneous. (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 Calculation Agent:

Hilltop Securities Inc.
1201 Elm Street, Suite 3500
Dallas, Texas 75270
Attention: Richard Konkel
Telephone: (214) 953-4020
Fax: (214) 954-4339
E-Mail: Richard.Konkel@hilltopsecurities.com

The City:

City of Fort Worth, Texas
200 Texas Avenue, Third Floor
Fort Worth, Texas 76102
Attention: Chief Financial Officer
Telephone: (817) 392-8500
Fax: (817) 392-8966
E-Mail: aaron.bovos@fortworthtexas.gov

The Issuing and Paying Agent:

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005
Attention: Corporate Trust Services
Telephone: (212) 951-8512
Fax: (212) 361-6153
E-Mail: mmi.processing@usbank.com

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.

(b) 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 Commercial Paper Notes merely because of such purchase. No owner of the Commercial Paper Notes or other third party shall, by reason of such ownership, have any rights or privileges hereunder.

(c) All of the representations and warranties of the City and the Calculation Agent in this Agreement shall remain operative and in full force and effect, regardless of the suspension, termination or cancellation of this Agreement.

(d) This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties.

(e) 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.

(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 shall be governed by and construed in accordance with the laws of the State of Texas.

(h) 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.

Section 10. Relationship of Parties. The City acknowledges and agrees that (i) the negotiation of this Agreement is the result of an arm's length commercial transaction between the City and the Calculation Agent, (ii) in connection with the performance of its duties under this Agreement, the Calculation Agent is acting solely as a principal and not as a fiduciary or financial advisor to the City, (iii) the Calculation Agent is not acting as a Municipal Advisor (as defined in Section 17B of the Securities Exchange Act of 1934, as amended), (iv) the Calculation Agent has not assumed a fiduciary responsibility in favor of the City with respect to the offer or sale of the Commercial Paper Notes or the process leading thereto (whether the Calculation Agent, or any affiliate of the Calculation Agent, has advised or is currently advising the City on other matters) or any other obligation to the City except the obligations expressly set forth in this Agreement, (v) the Calculation Agent has financial and other interests that differ from those of the City, (vi) the City has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offer and sale of the Commercial Paper Notes and (vii) the only obligations the Calculation Agent has to the City with respect to the transactions contemplated hereby are expressly set forth in this Agreement.

Section 11. No Israel Boycott. To the extent this Agreement constitutes an agreement for the provision of goods and services, pursuant to Section 2270.002, Texas Government Code, the Calculation Agent hereby represents that as a "Company", as defined in Section 808.001, Texas Government Code, the Calculation Agent, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Calculation Agent, does not Boycott Israel and, subject to or as otherwise required by applicable Federal law, including, without limitation, 50 U.S.C. Section 4607, the Calculation Agent, as a "Company", as defined in Section 808.001, Texas Government Code, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Calculation Agent, agrees not to Boycott Israel during the term of this Agreement. For purposes of this Section, "Boycott Israel" shall have the meaning given such term in Section 2270.001, Texas Government Code.

Section 12. Foreign Terrorist Organization. For purposes of Subchapter F of Chapter 2252 of the Texas Government Code, that at the time of execution of this Agreement, the Calculation Agent hereby represents and warrants that as a "Company", as defined in Sections 806.001 and 807.001, Texas Government Code, the Calculation Agent, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Calculation Agent, (i) does not engage in business with Iran, Sudan or any foreign terrorist organization as described in Chapters 806 or 805 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, and (ii) is not a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051 or 2252.153 of the Texas Government Code. The

term "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF FORT WORTH, TEXAS

By: _____

Name: David Cooke
Title: City Manager

ATTEST:

By: _____

(SEAL)

Name: Mary J. Kayser
Title: City Secretary

HILLTOP SECURITIES INC.

By: _____

Name: _____

Title: _____