

## ISSUING AND PAYING AGENT AGREEMENT

**THIS ISSUING AND PAYING AGENT AGREEMENT** (the "Agreement") is dated as of December 1, 2017, by and between U.S. Bank National Association (the "Bank") with offices at 100 Wall Street, Suite 1600, New York, New York 10005 and the City of Fort Worth, Texas, a Texas home-rule municipality with offices at 200 Texas Street, Fort Worth, Texas 76102 (the "City") regarding the City's commercial paper program (hereinafter referred to as the "Program").

### WITNESSETH:

**WHEREAS**, at the request of City, Bank is prepared to act (a) as depository for the safekeeping of certain notes of City, to-wit, its City of Fort Worth, Texas Water and Sewer System Commercial Paper Notes, Callable CP Series, which may be issued and sold in the United States commercial paper market under the Program (the "Commercial Paper Notes"; such Commercial Paper Notes when issued in book-entry form being hereinafter referred to as "Book-Entry Commercial Paper Notes" and when issued in the form of certificated promissory notes being hereinafter referred to as "Certificated Commercial Paper Notes"), (b) as issuing agent on behalf of City in connection with the issuance of the Commercial Paper Notes, (c) as paying agent to undertake certain obligations to make payments in respect of the Commercial Paper Notes, and (d) as depository to receive certain funds on behalf of City, as set forth herein, and

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

**NOW THEREFORE**, for good and valuable consideration, the parties hereto agree as follows:

**1. Appointment of Bank.** City hereby appoints Bank and Bank hereby agrees to act, on the terms and conditions specified herein, as depository with respect to unissued Certificated Commercial Paper Notes (as hereinafter defined) and to funds received by Bank pursuant to Sections 6 and 7 hereof (the "Note Funds"), and issuing and paying agent for the Commercial Paper Notes issued under the Program. The Commercial Paper Notes will be sold through such commercial paper dealers and/or placement agents as City shall have notified Bank in writing from time to time (collectively, the "Dealers"). Currently, J.P. Morgan Securities LLC is the Dealer.

**2. Letter of Representations.** City will promptly deliver to Bank an executed version of the form of Letter of Representations (the "Letter of Representations") provided by the Depository Trust Company ("DTC"). City understands and agrees that such Letter of Representations when executed by City and Bank and accepted by DTC shall supplement the provisions of this Agreement and that City, Bank, and DTC shall be bound by the terms and provisions of the Letter of Representations, including any procedures and operational arrangements applicable thereunder.

### **3. Commercial Paper Notes.**

(a) Book-Entry Commercial Paper Notes shall be represented by one or more master notes ("Master Note" or "Master Notes") which shall be executed by manual or facsimile signature by an Authorized Representative (as hereafter defined). Bank will hold the Master Note(s) in safekeeping for the account of DTC, in accordance with Bank's customary practice.

(b) If Certificated Commercial Paper Notes are to be issued, they shall be in the form provided by City, shall be serially numbered and shall have been executed in the manner provided in the Note Ordinance, but shall otherwise be uncompleted. City will from time to time furnish Bank with an adequate supply of Certificated Commercial Paper Notes, as City, in accordance with the provisions of the Note Ordinance, in its sole and absolute discretion, considers appropriate.

(c) Each Certificated Commercial Paper Note or Master Note, as the case may be, delivered to the Issuing and Paying Agent shall be accompanied by a letter from City identifying the Certificated Commercial Paper Note(s) or Master Note(s) transmitted therewith, and the Issuing and Paying Agent shall acknowledge receipt of such certificated Commercial Paper Note(s) or Master Note(s) on the copy of such letter or pursuant to some other form of written receipt deemed appropriate by it at the time of delivery to it of such Certificated Commercial Paper Note(s) or Master Note(s). Pending the issuance of Certificated Commercial Paper Notes as provided in Section 5 hereof, all Certificated Commercial Paper Notes delivered to Bank shall be held by Bank for the account of City, for safekeeping in accordance with Bank's customary practice.

**4. Authorized Representatives.** Annually or more frequently, if requested in writing by Bank, to reflect changes thereto, City will furnish to Bank certificates in the form of **Exhibit A** ("Incumbency Certificates") of a City officer certifying the incumbency and specimen signatures of officers or agents of City authorized to execute Commercial Paper Notes on behalf of City by manual or facsimile signature and/or to take other action hereunder on behalf of City (each an "Authorized Representative"). Until Bank receives and has a reasonable time to act upon a subsequent Incumbency Certificate of City, Bank is entitled to rely on the last such Incumbency Certificate delivered to Bank for purposes of determining the Authorized Representatives. Bank shall not have any responsibility to City to determine by whom or by what means a facsimile signature may have been affixed on the Commercial Paper Notes, or to determine whether any facsimile or manual signature resembles the specimen signature(s) filed with Bank by a duly authorized officer of City. Any Commercial Paper Notes bearing the manual or facsimile signature of a person who is an Authorized Representative on the date such signature is affixed shall be binding on City after the authentication thereof by Bank notwithstanding that such person shall have died or shall have otherwise ceased to hold his office on the date such Commercial Paper Note is countersigned or delivered to Bank. City represents and warrants it may appoint other officers, employees and agents of the City (an "Authorized Person") including without limitation any Dealers, to give notices and /or issuance instructions to Bank under this Agreement, provided that notice of the appointment of each Authorized Person is delivered to Bank in writing. Each such appointment shall remain in effect unless and until revoked by City in a written notice to Bank.

### **5. Completion, Authentication and Delivery of Commercial Paper Notes.**

(a) In the case of Book-Entry Commercial Paper Notes, instructions by an Authorized Representative or an Authorized Person to the Bank for the issuance of Book-Entry

Commercial Paper Notes shall include the following information with respect to each Book-Entry Commercial Paper Note:

- i. the date of issuance of each such Book-Entry Commercial Paper Note (which shall be a Business Day);
- ii. the maturity date of each such Book-Entry Commercial Paper Note (provided that the Authorized Representative or Authorized Person shall ensure that such date is a Business Day and that it shall not be more than 270 days from the date of issue);
- iii. the face amount (provided that the Authorized Representative or the Authorized Person shall ensure that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof) in figures;
- iv. the interest rate and applicable discount or interest amount; and
- v. the Original Redemption Date of each such Book-Entry Commercial Paper Note (provided that the Authorized Representative or Authorized Person shall ensure that such date is a Business Day and that it is not less than three calendar days and not more than 120 calendar days from the date of issue).

(b) From time to time during the term of this Agreement and subject to the terms and conditions hereof, and upon Bank's timely receipt from such Authorized Representative or Authorized Person of instructions pursuant to Section 5(a) delivered to Bank prior to 1:00 p.m., New York time, on a day on which Bank is open for business (a "Business Day") in accordance with Section 19, Bank shall transmit such issuance instructions to DTC for the issuance of Book-Entry Commercial Paper Notes as instructed pursuant to Section 5(a) in a manner set forth in, and take other actions as are required by, the Letter of Representations and DTC's applicable rules, regulations and procedures for a book-entry commercial paper program.

(c) City understands that although Bank has been instructed to deliver Commercial Paper Notes against payment, in accordance with the custom prevailing in the commercial paper market, City hereby directs Bank to effect each such delivery to a Dealer before receipt of payment in immediately available funds. Therefore, once Bank has delivered a Commercial Paper Note to a Dealer or its agent as provided herein, City shall bear all risk that a Dealer or its agent fails to remit payment for the Commercial Paper Note to Bank. Bank shall have no liability to City for any failure or inability on the part of the Dealer to make payment for Commercial Paper Notes. Nothing in this Agreement shall require Bank to purchase any Commercial Paper Note or expend Bank's own funds for the purchase price of a Commercial Paper Note or Commercial Paper Notes.

(d) City agrees that Bank is not under any obligation to assess or review the financial condition or creditworthiness of any person to or for whose account Bank delivers a Commercial Paper Note pursuant to instructions from an Authorized Representative or Authorized Person or advise City as to the results of any such appraisal or investigation Bank may have conducted on its own or of any adverse information concerning any such person that may in any way have come to Bank's attention.

(e) It is understood that DTC may request the delivery of Certificated Commercial Paper Notes in exchange for Book-Entry Commercial Paper Notes upon the termination of DTC's services pursuant to the DTC Letter of Representations. Accordingly, upon such termination, Bank is authorized to complete and deliver Certificated Commercial Paper Notes in partial or complete substitution for Book-Entry Commercial Paper Notes of the same face amount and maturity as requested by DTC.

(f) In the case of Certificated Commercial Paper Notes, during the term of this Agreement and subject to the terms and conditions hereof, upon Bank's timely receipt from an Authorized Representative or an Authorized Person of instructions delivered to Bank in accordance with Section 20 prior to 12:30 p.m., New York time, on a Business Day, on the date of issuance of any Certificated Commercial Paper Notes, Bank shall withdraw the respective Certificated Commercial Paper Notes from safekeeping and take the following actions in accordance with such instructions:

- i. complete each such Certificated Commercial Paper Note as to the face amount, net dollar amount, payee, the date of issue and maturity date, (provided that the Authorized Representative or Authorized Person shall ensure that such maturity date is a Business Day and that it shall not be more than 270 days from the date of issue and that such face amount is \$100,000 or integral multiples of \$1,000 in excess thereof in figures) and the Original Redemption Date (provided that the Authorized Representative or Authorized Person shall ensure that such date is a Business Day and that it is not less than three calendar days and not more than 120 calendar days from the date of issue);
- ii. authenticate (by countersigning) each such Certificated Commercial Paper Note in the appropriate space provided thereon; and
- iii. deliver each such Certificated Commercial Paper Note to the Dealer, or the consignee, if any, designated by such Authorized Representative or Authorized Person for the account of the Dealer.

(g) If Bank shall receive written instructions from City pursuant to Section 18 not to issue or deliver Commercial Paper Notes, until such instructions are revoked in writing or superseded by further written instructions from City, Bank shall not issue or deliver Commercial Paper Notes, provided, however, that notwithstanding contrary instructions from City, Bank shall deliver Commercial Paper Notes with respect to agreements for the sale of Commercial Paper Notes concluded by an Authorized Representative or Authorized Person prior to receipt by the Authorized Representative or Authorized Person of the City's instructions not to issue or deliver such Commercial Paper Notes, which the Authorized Representative or Authorized Person shall be required to confirm to Bank in writing prior to Bank's delivery of the Commercial Paper Notes. For purposes of the preceding provision, Bank may conclusively rely on written notice given or delivered to Bank by an Authorized Representative or Authorized Person as to whether any particular Commercial Paper Notes are to be issued in respect of such agreements concluded by such Authorized Representative or Authorized Person, and Bank shall have no obligation to make any other or further investigation.

**6. Proceeds of Sale of the Commercial Paper Notes.**

(a) Contemporaneously with the execution and delivery of this Agreement, Bank will establish an account designated as the City of Fort Worth, Texas Water and Sewer System Callable CP Series Note Payment Account, (the "Note Payment Account"). On each day on which a Dealer or its agent receives Commercial Paper Notes (whether through the facilities of DTC in the manner set forth in the Letter of Representations or by delivery in accordance with the provisions of this Agreement), all proceeds received by Bank in connection with such sale shall be credited in immediately available funds to the Note Payment Account. From time to time upon written instructions received by Bank from an Authorized Person or Authorized Representative, Bank agrees to transfer immediately available funds from the Note Payment Account to City for deposit in the City of Fort Worth, Texas Water and Sewer System Callable CP Series Note Construction Account created in the ordinance establishing the Program (the "Ordinance"), held by the City. City agrees to provide Bank with wiring instructions to effect transfers to such Construction Account. If Bank chooses, in its sole discretion, to credit City's account before Bank has collected funds for delivery of Commercial Paper Notes, it is understood that such credit shall be an advance to City to be promptly repaid to Bank from proceeds of sale of Commercial Paper Notes. If any such advance is not repaid by 5:00 p.m., New York time, on the day it is made, City shall repay such advance on the next Business Day together with interest thereon at the rate charged by Bank for such advance, which rate shall not be less than the Prime Rate as defined and subject to the limitation described in Section 7(d).

(b) Moneys deposited in the Note Payment Account may be invested by Bank in Eligible Investments as specified in and pursuant to a written direction of the Chief Financial Officer/Director of Financial Management Services of City or the designee thereof, and Bank may conclusively presume that any investment in which Bank is so directed qualifies as an Eligible Investment. City recognizes and agrees that Bank will not provide supervision, recommendations or advice relating to either the investment of funds or the purchase or disposition of any investment and Bank shall not have any liability for any loss in an investment made pursuant to the terms of the written direction received from City. Bank has no responsibility whatsoever to determine the market or other value of any investment and makes no representation or warranty as to the accuracy of any such valuations. To the extent applicable regulations grant rights to receive brokerage confirmations for certain security transactions, City waives receipt of such confirmations. Bank may elect, but shall not be obligated, to credit the Note Payment Account with funds representing income or principal payments due on, or sales proceeds due in respect of, assets in the Note Payment Account, or to credit to the Note Payment Account assets intended to be purchased with such funds, in each case before actually receiving the requisite funds from the payment source, or to otherwise advance funds for Note Payment Account transactions. Notwithstanding anything else in this Agreement, (i) any such crediting of funds or assets shall be provisional in nature, and Bank shall be authorized to reverse or offset any such transactions or advances of funds in the event that Bank does not receive good funds with respect thereto, and (ii) nothing in this Agreement shall constitute a waiver of any of Bank's rights as a securities intermediary under Uniform Commercial Code Sec. 9-206, as it is applied under Texas law. Bank may also off-set against and deduct from the Note Payment Account with respect to checks or other deposits that have been credited to the Note Payment Account but are subsequently returned unpaid or reversed.

## **7. Payment of Commercial Paper Notes.**

(a) By 1:00 p.m., New York time, on the date that any Commercial Paper Notes is scheduled to be redeemed on its Original Redemption Date, City shall ensure that there shall have been transferred to Bank for deposit in the Note Payment Account immediately available funds at least equal to the principal amount of any Commercial Paper Notes scheduled to be redeemed on such Original Redemption Date. When any Commercial Paper Note is presented to Bank for payment by the holder thereof (which may, in the case of Book-Entry Commercial Paper Notes, be DTC or a nominee of DTC) on its Original Redemption Date, payment shall be made from and charged to the Note Payment Account to the extent funds are available in said account. The foregoing notwithstanding, if the redemption of any Commercial Paper Note on its Original Redemption Date has been rescinded in accordance with the terms of Section 8, the payment of the interest on and the principal of such Commercial Paper Note shall occur at maturity or its date of prior redemption such Commercial Paper Note, in the manner provided in the Ordinance.

(b) Each Commercial Paper Note presented to Bank for payment at or prior to 2:15 p.m., New York time, on any Business Day at or after its Original Redemption Date shall be paid by Bank on the same day as such presentation (or if presented after 2:15 p.m., New York time, on any such Business Day, then on the next succeeding Business Day) to the extent funds are available in the Note Payment Account. The foregoing notwithstanding, if the redemption of any Commercial Paper Note on its Original Redemption Date has been rescinded, the payment of the interest on and the principal of such Commercial Paper Note shall occur at maturity or its date of prior redemption.

(c) By 1:00 p.m., New York time, on the date that any Commercial Paper Note is scheduled to mature, whether on its stated Maturity Date or upon redemption after the Original Redemption Date, City shall ensure that there shall have been transferred to Bank for deposit in the Note Payment Account immediately available funds at least equal to the amount of Commercial Paper Notes maturing on such date. When any matured Commercial Paper Note is presented to Bank for payment by the holder thereof (which may, in the case of Book-Entry Commercial Paper Notes, be DTC or a nominee of DTC), payment shall be made from and charged to the Note Payment Account to the extent funds are available in said account.

(d) Bank may, but shall have no obligation to, make a payment pursuant to Section 7(a) hereof, whether on an Original Redemption Date or a Maturity Date, prior to receipt from City of sufficient immediately available funds. In such case, City agrees to promptly repay such advance provided that, if such advance is not repaid by 5:00 p.m., New York time, on the day it is made, City shall repay such advance on the next Business Day together with interest thereon at the Prime Rate. No prior action or course of dealing on the part of Bank with respect to advances of the purchase price or payments of matured Commercial Paper Notes shall give rise to any claim or cause of action by City against Bank in the event that Bank refuses to pay or settle any Commercial Paper Notes for which City has not timely provided funds as required by this Agreement. In no event shall the Prime Rate exceed the Maximum Interest Rate. As used in this Agreement, "Prime Rate" means the rate per annum interest which U.S. Bank National Association ("USBNA") announces publicly or otherwise makes available to the public from time to time as its "prime rate" (currently calculated on the basis of actual number of days elapsed over a year of 360 days) with any change in the "prime rate" to be effective on and as of the date of any change in said "prime rate". The Prime Rate and the calculation thereof may be established by USBNA in its sole discretion and is not necessarily the lowest rate of interest offered by USBNA to its most creditworthy customers. The Prime Rate is a

variable or fluctuating rate which increases or decreases from time to time. City shall assure the prompt reimbursement to Bank of any such advance (including the interest thereon).

**8. Redemption of Commercial Paper Notes.**

(a) Upon receipt from Dealer of a written notice directing Bank to redeem Commercial Paper Notes in the form of **Exhibit B** (a "Direction to Redeem") by no later than 9:00 a.m., New York time, on the second Business Day prior to the Original Redemption Date, Bank shall correspondingly (i) notify DTC by no later than 12:00 noon, New York time, on the second Business Day prior to such Original Redemption Date that notice of redemption to redeem such Commercial Paper Notes has been received, and (ii) by no later than 4:30 p.m., New York time, on the second Business Day prior to the Original Redemption Date, cause such notice to redeem such Commercial Paper Notes in the form of **Exhibit C** (a "Redemption Notice") on the Original Redemption Date to be posted on EMMA. If a timely Direction to Redeem is delivered by Dealer, Dealer may deliver to Bank a Direction to Rescind by no later than 11:00 a.m., New York time, on the Business Day prior to the applicable Original Redemption Date. Upon timely receipt of such Direction to Rescind, Bank shall correspondingly (i) notify DTC by no later than 12:00 noon, New York time, on the Business Day prior to such Original Redemption Date that a rescission of the notice of redemption to redeem such Commercial Paper Notes has been received and of the Blended Interest Rate to Maturity for such Commercial Paper Notes, and (ii) by no later than 4:30 p.m., New York time, on the Business Day prior to the Original Redemption Date, cause such a Notice of Rescission in the form of **Exhibit D** (a "Notice of Rescission") to be posted on EMMA. Upon timely receipt of a Direction to Rescind from Dealer and written direction from Dealer to do so, Bank, by no later than 3:00 p.m., New York time, on the Business Day prior to the Original Redemption Date, shall complete each applicable Certificated Commercial Paper Note as to the Blended Interest Rate to Maturity (as defined in the Note Ordinance) as Bank is instructed in writing by the Calculation Agent, and deliver each such Certificated Commercial Paper Note to or upon the order of Dealer, as requested.

(b) If Dealer delivers a Direction to Rescind and the redemption of any Commercial Paper Notes on its Original Redemption Date has been rescinded, then such Commercial Paper Notes may be redeemed on any Business Day after their Original Redemption Date, at the option of City, at a redemption price equal to par (100%), plus accrued and unpaid interest to, but excluding, the redemption date. To exercise this redemption option, Dealer shall deliver a Direction to Redeem to Bank directing the redemption in whole of such Commercial Paper Notes and specifying the date of redemption, which shall be at least two (2) Business Days after Bank's receipt of such written notice. Within one (1) Business Day of receipt of such notice, Bank will notify Dealer and DTC of the Commercial Paper Notes to be redeemed and of the Blended Interest Rate to Redemption for such Commercial Paper Notes and a post a Redemption Notice on EMMA.

**9. Representations and Warranties of City.** City hereby warrants and represents to Bank, and, each request to issue Commercial Paper Notes shall constitute City's continuing warranty and representation, as follows:

(a) This Agreement is, and all Commercial Paper Notes delivered to Bank pursuant to this Agreement will be, duly authorized, executed and delivered by City. Bank's appointment to act for City hereunder is duly authorized by City.

(b) The issuance and delivery of the Commercial Paper Notes will not violate any state or

federal law and the Commercial Paper Notes do not require registration under the Securities Act of 1933, as amended.

(c) This Agreement constitutes, and the Commercial Paper Notes, when completed, countersigned, and delivered pursuant hereto, will constitute, City's legal, valid and binding obligations enforceable against City in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter enacted to the extent constitutionally applicable affecting the rights of creditors generally and by general principles of equity.

(d) City is a home-rule municipality and political subdivision duly organized and validly existing under the laws of Texas, and no liquidation, dissolution, bankruptcy, windup or similar proceedings have been instituted with respect to City.

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

(f) City has taken all actions which are required for the authorization of the issuance of the Commercial Paper Notes, including specifically the adoption of the Ordinance, and for the authorization, execution, delivery and performance of this Agreement, and such actions do not require the approval or consent of any holder or trustee of any indebtedness or obligations of City.

(g) The issuance of Commercial Paper Notes by City (i) does not and will not contravene any provision of any governmental law, regulation or rule in effect under the laws of the State of Texas applicable to City, and (ii) does not and will not conflict with, breach or contravene the provisions of any contract or other instrument binding upon City. The Commercial Paper Notes issued under the Ordinance and governed by this Agreement are exempt from registration under the Securities Act of 1933, as amended and then in effect.

(h) The issuance and delivery of such Commercial Paper Note(s) have been effected under the terms of the Ordinance

**10. Reliance on Instructions.** Bank shall incur no liability to City in acting hereunder upon instructions contemplated hereby which Bank reasonably believed in good faith to have been given by an Authorized Representative or an Authorized Person, as the case may be. Instructions transmitted via SPANS Online (as defined in Section 18 hereof) shall be the equivalent to the giving of a duly authorized written instruction which Bank may act upon without liability. In the event a discrepancy exists between any telephonic instructions and any other such instructions, the telephonic instructions as understood by Bank will be deemed to control.

**11. Cancellation of Commercial Paper Notes.** Upon payment by Bank of Certificated Commercial Paper Note(s) presented for payment, Bank shall mark such Certificated Commercial Paper Note(s) as paid and (i) in due course cancel Certificated Commercial Paper Note(s) presented for payment and from time to time return such canceled Certificated Commercial Paper Notes to City, or (ii) destroy such Certificated Commercial Paper Notes(s) and deliver to City from time to time a destruction certificate identifying all Certificated Commercial Paper Notes destroyed since the issuance of the prior destruction certificate. Upon the written request of City, Bank agrees to cancel and return to City all unissued Certificated Commercial Paper Notes in Bank's possession at the time



of such request.

**12. Termination.**

(a) This Agreement may be terminated at any time by either Bank or City by 60 calendar days' prior written notice to the other, provided that, so long as City continues to pay the fees and expenses of Bank as set forth herein, Bank agrees to continue acting as issuing and paying agent hereunder until such time as Bank's successor has been selected and has entered into an agreement with City to that effect. Such termination shall not affect the respective liabilities of the parties hereunder arising prior to such termination.

(b) If no successor has been appointed within such 60 day period, then Bank shall have the right to petition a court of competent jurisdiction for the appointment of Bank's successor hereunder. Bank shall be reimbursed for any and all reasonable expenses in connection with any such petition and appointment.

(c) On the Business Day following the date of termination of this Agreement, Bank shall destroy all Certificated Commercial Paper Notes in Bank's possession and shall transfer to City all funds, if any, then on deposit in the Note Payment Account after deduction and payment to Bank of all reasonable fees and expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by Bank in connection with the performance of its duties and the exercise of its rights hereunder. Bank shall promptly notify City of all Certificated Commercial Paper Notes so destroyed.

**13. Binding Effect; Successors.** This Agreement shall be binding upon the respective parties hereto and their heirs, executors, successors or assigns. If Bank consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business (including this Agreement) to another corporation, Bank shall provide written notice to City of such event prior to its becoming effective, and the successor or transferee corporation without any further act shall be the successor Bank.

**14. Liability of Bank.**

(a) Bank shall not be liable for any act or omission hereunder, except in the case of negligence or willful misconduct as described in Section 15 herein. Bank's duties shall be determined by the express provisions of this Agreement, the Letter of Representations (including the documents referred to therein) and the Ordinance, and Bank shall be responsible for the performance of only such duties and obligations as are specifically set forth herein and therein, and no implied covenants shall be read into any such document against Bank. Bank has no fiduciary or discretionary duties of any kind.

(b) Bank shall have no liability under and no duty to inquire as to the provisions of any agreement other than this Agreement. Bank shall not be required to ascertain whether any issuance or sale of Commercial Paper Note(s) (or any amendment or termination of this Agreement) has been duly authorized or is in compliance with any other agreement to which City is a party (whether or not Bank is a party to such other agreement).

(c) In no event shall Bank be liable to City for incidental, indirect, special, consequential or punitive damages or penalties (including, but not limited to, lost profits) even if Bank has been advised of the likelihood of such damages or penalty and regardless of the form of action. Bank shall not be responsible for delays or failures in performance resulting from acts beyond its direct control, including, without limitation, acts of God, strikes, lockouts, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, insurrections or attacks, power failures, earthquakes or other disasters.

(d) Bank shall not be obligated to take any legal action or commence any proceeding in connection with this Agreement, any funds in the Note Payment Fund, prosecute or defend any such legal action or proceeding or to take any other action that Bank determines in its sole judgment, reasonably exercised, may expose it to liability or expense.

(e) If, at any time, Bank is unable to determine, to Bank's sole satisfaction, the proper disposition of all or any portion of the Note Payment Account or Bank's proper actions with respect to its obligations hereunder, then Bank may, in its sole discretion, take either or both of the following actions:

i. suspend the performance of any of its obligations (including without limitation any disbursement obligations) under this Agreement until such uncertainty shall be resolved in good faith satisfaction of Bank; or

ii. petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction, in any venue convenient to Bank, for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into such court, for holding and disposition in accordance with the instructions of such court, all funds held by it hereunder, after deduction and payment to Bank of all fees and reasonable expenses (including court costs and attorneys' fees) payable to, incurred by, or expected to be incurred by, Bank in connection with the performance of its duties and the exercise of its rights hereunder.

**15. Indemnification of Bank.** To the extent permitted by the laws of the State of Texas, City agrees to indemnify and hold the Issuing and Paying Agent, and its directors, officers and employees harmless from and against, and Bank shall not be liable for, any and all claims (whether asserted by City, Dealer, any Commercial Paper Note holder or any other person or entity), losses, liabilities (including liabilities for penalties), actions, suits, judgments, demands, damages, costs and expenses of any nature (including, without limitation, attorneys' fees and expenses) arising out of or resulting from the exercise of its rights and/or the performance of its duties hereunder; provided, however, that City shall not be liable to indemnify or pay Bank or any of its officers, employees or agents with respect to any claim, loss, liability, action, suit, judgment, demand, damage, cost or expense to the extent determined by a court of competent jurisdiction to have been directly caused by Bank's negligence or willful misconduct. The foregoing indemnity includes, but is not limited to, (i) any action taken or omitted to be taken by Bank or any of its officers, employees or agents upon written, telecopy, telephonic or other electronically transmitted instructions (authorized herein) received by Bank from, or believed by it in good faith to have been given by, the proper person or persons and (ii) all costs and expenses incurred by Bank and any of its directors, officers, and employees in connection with the enforcement of City's obligations under this Section 15. The

provisions of this **Section 15** shall survive (i) Bank's resignation or removal hereunder and (ii) the termination of this Agreement.

**16. Compensation of Bank.**

(a) Fees and Expenses. City agrees to compensate Bank on demand for its services hereunder in accordance with the Schedule of Fees attached hereto as Exhibit E, as such Schedule of Fees may be amended from time to time by written agreement of each party hereto. The obligations of City under this Section 16 shall survive any termination of this Agreement and the resignation or removal of Bank.

(b) Security and Offset. City hereby grants to Bank a security interest in, lien upon and right of offset against the Note Funds with respect to any compensation or reimbursement due any of them hereunder. If for any reason the Note Funds are insufficient to cover such compensation and reimbursement, City shall promptly pay such amounts to Bank upon receipt of an itemized invoice. All disbursements of funds from the Note Funds shall be subject to the fees and claims of Bank pursuant to this Section.

**17. Identifying Information.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, Bank requires documentation to verify its formation and existence as a legal entity. Bank may ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. The parties acknowledge that a portion of the identifying information set forth herein is being requested by Bank in connection with the USA Patriot Act, Pub.L.107-56 (the "Act"), and each agrees to provide any additional information requested by Bank in connection with the Act or any other legislation or regulation to which Bank is subject, in a timely manner.

**18. SPANS Online**

(a) City and each Authorized Representative may use the U.S. Bank Securities Processing Automated Notes System Online ("SPANS Online") instruction and reporting communication service to transmit instructions to Bank or obtain reports with respect to the Commercial Paper Notes. City may, by separate agreement between City and one or more of its Authorized Persons, authorize the Authorized Person to directly access SPANS Online for the purposes of transmitting instructions to Bank or obtaining reports with respect to the Commercial Paper Notes. City acknowledges that (i) some or all of the services utilized in connection with SPANS Online are furnished by SS&C Technologies, Inc. ("SS&C"), (ii) SPANS Online is provided to City "AS IS" without warranties or representations of any kind whatsoever, and (iii) SPANS Online is proprietary and confidential property disclosed to City in confidence and may be utilized only on the SPANS Online Terms and Conditions as set forth in the SPANS Online website and for purposes set forth in this Agreement.

(b) To permit the use of SPANS Online to transmit instructions and/or obtain reports with respect to the Commercial Paper Notes, Bank will supply City with a customer identification number and initial passwords. City may thereafter change its passwords directly through SPANS Online. City

will keep all information relating to its identification number and passwords strictly confidential and will be responsible for the maintenance of adequate security over its customer identification number and passwords. Instructions transmitted over SPANS Online and received by Bank pursuant to this Agreement shall be deemed conclusive evidence that such instructions are correct and complete and that the issuance or redemption of the Commercial Paper Notes directed thereby has been duly authorized by City.

**19. Notices.**

(a) All communications to Bank by or on behalf of City or a Dealer, by writing or telephone, which relate to the completion, delivery or payment of any Commercial Paper Note, are to be delivered to Bank via SPANS Online or directed to Commercial Paper Operations at the address or telephone number indicated below or to such other address or telephone number as Bank specifies to City in writing.

U.S. Bank National Association  
100 Wall Street, 16th Floor  
New York, NY 10005

Attention: Commercial Paper Operations

Facsimile No.: (212) 509-4529

Telephone No.: (212) 951-8508

Email address: [mimi.processing@usbank.com](mailto:mimi.processing@usbank.com)

(b) Notices and other communications hereunder to Bank (other than communications that relate to the completion, delivery or payment of any Commercial Paper Note) or to City are to be directed to the address or telephone number indicated below, or to such other address or telephone number as the party receiving such notice shall have previously specified in writing to the party sending such notice:

If to City at:

City of Fort Worth, Texas  
200 Texas Street, Third Floor  
Fort Worth, Texas 76102  
Attention: Chief Financial Officer/Director of Financial Management Services  
Telephone: (817) 392-8500  
Fax: (817) 392-8966  
E-Mail: [aaron.bovos@fortworthtexas.gov](mailto:aaron.bovos@fortworthtexas.gov)

With a copy to the City Law Department at the same address.

If to Bank at:

U.S. Bank National Association  
100 Wall Street, Suite 1600  
New York, NY 10005

Attention: Corporate Trust Administration

Facsimile No.: (212) 509-3384

Telephone No.: (212) 951-8561

Notices shall be deemed delivered when received at the applicable address specified above. For purposes of this Section 19, "when received" shall mean actual receipt (i) of an electronic communication by facsimile or email transmission or SPANS Online; or (ii) of an oral communication by any person answering the telephone at the office of the individual or department specified in or pursuant to this Agreement; or (iii) of a written communication hand-delivered, by national overnight courier service, or by first class, certified or registered mail, return receipt requested, at the office specified in or pursuant to this Agreement.

**20. Optional Security Procedures.** In the event funds transfer instructions, address changes or change in contact information are given (other than in writing at the time of execution of this Agreement), whether in writing, by facsimile or otherwise, Bank is authorized but shall be under no duty to seek confirmation of such instructions by telephone call-back to an Authorized Representative, and Bank may rely upon the confirmation of anyone purporting to be the person or persons so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by Bank and shall be effective only after Bank has a reasonable opportunity to act on such changes. City agrees that Bank may at its option record any telephone calls made pursuant to this Section. Bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by City to identify (a) the beneficiary, (b) the beneficiary's bank, or (c) an intermediary bank. Bank may apply funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. City acknowledges that these optional security procedures are commercially reasonable.

**21. Amendment, Waiver and Assignment.** None of the terms or conditions of this Agreement may be changed, waived, modified, discharged, terminated or varied in any manner whatsoever unless in writing duly signed by each party to this Agreement. No course of conduct shall constitute a waiver of any of the terms and conditions of this Agreement, unless such waiver is specified in writing, and then only to the extent so specified. A waiver of any of the terms and conditions of this Agreement on one occasion shall not constitute a waiver of the other terms of this Agreement, or of such terms and conditions on any other occasion. Except as provided in Section 13 hereof, this Agreement may not be assigned by any party without the written consent of the other party.

**22. Severability.** To the extent any provision of this Agreement is prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

**23. No Israel Boycott.** Pursuant to Section 2270.002, Texas Government Code, Bank hereby represents that as a "Company", as defined in Section 808.001, Texas Government Code, Bank, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of

Bank, does not Boycott Israel and, subject to or as otherwise required by applicable Federal law, including, without limitation, 50 U.S.C. Section 4607, Bank, 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 Bank, 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 2270.002, Texas Government Code.

**24. 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, Bank hereby represents and warrants that as a "Company", as defined in Sections 806.001 and 807.001, Texas Government Code, Bank, or any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Bank, (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.

**25. Governing Law.** This Agreement shall be governed and construed in accordance with laws of the State of Texas; however, the rights, duties and obligations of Bank shall be governed and construed in accordance with the laws of the State of New York applicable to contracts made and performed in the State of New York and, to the extent applicable, operating circulars of the Federal Reserve Bank, federal laws and regulations as amended, New York Clearing House rules and, to the extent not otherwise inconsistent with this Agreement, general commercial bank practices applicable to commercial paper issuance and payment.

**26. Entire Agreement, No Third Party Beneficiaries.** This Agreement, together with the Letter of Representations, constitutes the entire agreement between the parties relating to Bank's issuing agent, paying agent and depository duties and obligations to City. Except as provided in Section 15 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**27. Execution in Counterparts, Facsimiles.** This Agreement may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement. The delivery of copies of this Agreement as executed by PDF or facsimile transmission shall constitute effective execution and delivery as to the parties and may be used in lieu of originals for all purposes.

**28. Dealings.** Bank and any stockholder, director, officer or employee of Bank may buy, sell, and deal in any of the securities of City, any Dealer or any purchaser of the Commercial Paper Notes and become financially interested in any transaction in which City, any Dealer or any such purchaser may be interested, and contract and lend money to City, any Dealer or any such purchaser and otherwise act as fully and freely as though it were not a depository, issuing or paying agent under this Agreement. Nothing herein shall preclude Bank from acting in any other capacity for City, any Dealer or any such purchaser or for any other person or entity.

**29. Tax Reporting.** Bank shall have no responsibility for the tax consequences of this

Agreement and City shall consult with independent counsel concerning any and all tax matters. City shall provide IRS Form W-9 or Form W-8. To the extent required by the Internal Revenue Code or regulations promulgated thereunder, Bank shall report the amount of interest paid or the amount treated as interest accrued on the Commercial Paper Notes which is required to be reported by the holders of the Commercial Paper Notes on their returns of federal income tax, or assure that such report is made, to such holders and the Internal Revenue Service.

**30. WAIVER OF TRIAL BY JURY.** EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT.

**31. Publicity.** No party will (a) use any other party's proprietary indicia, trademarks, service marks, trade names, logos, symbols, or brand names, or (b) otherwise refer to or identify any other party in advertising, publicity releases, or promotional or marketing publications, or correspondence to third parties without, in each case, securing the prior written consent of such other party.

**32. Consent to Jurisdiction and Venue.** Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the United States Federal courts located in Tarrant County, Texas and waives any objection to such jurisdiction or venue. The parties hereto consent to and agree to submit to the jurisdiction of any of the courts specified herein, and agree to accept service of process to vest personal jurisdiction over them in any of these courts.

*[Execution Page Follows]*

**IN WITNESS WHEREOF**, the parties have caused this Issuing and Paying Agent Agreement to be duly executed and delivered as of the day and year first above written.

**CITY OF FORT WORTH TEXAS**

By: \_\_\_\_\_  
Name: David Cooke  
Title: City Manager

ATTEST:

(SEAL)

By: \_\_\_\_\_  
Name: Mary J. Kayser  
Title: City Secretary

**U.S. BANK NATIONAL  
ASSOCIATION**

\_\_\_\_\_  
Authorized Officer's Signature

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

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



**EXHIBIT A**  
**Certificate of Authorized Representatives**

We are the officers and employees of the City of Fort Worth, Texas (the "City") as specified below. We are duly authorized pursuant to the "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") and the Issuing and Paying Agent Agreement dated as of December 1, 2017 between the City and U.S. Bank National Association to act severally as an Authorized Representative (as defined in the Ordinance) in connection with the issuance, from time to time, by the City of commercial paper notes (the "Commercial Paper Notes") in accordance with the Ordinance. The signature of each Authorized Representative is set forth beside their respective names.

<u>Authorized Representatives</u>	<u>Title</u>	<u>Signature</u>
David Cooke	City Manager	_____
Aaron Bovos	Chief Financial Officer	_____
Jay Rutledge	Treasury Supervisor	_____
John Samford	Assistant Finance Director	_____
Alex Laufer	Debt and Compliance Manager	_____

Executed this \_\_\_\_ day of \_\_\_\_\_, 2017.

Before me, on this day personally appeared the foregoing individuals, known to me to be the officers whose true and genuine signatures were subscribed above in my presence.

Given under my hand and seal of office this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

(Seal)

**Exhibit B**  
**Direction to Redeem**

U.S. Bank National Association  
100 Wall Street, 16th Floor  
New York, New York 10005

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

Ladies and Gentlemen:

U.S. Bank National Association, as Issuing and Paying Agent for the captioned Notes, is hereby directed to cause City of Fort Worth, Texas Water and Sewer System Commercial Paper Notes, Callable CP Series, CUSIP Number \_\_\_\_\_, in the aggregate principal amount of \$ \_\_\_\_\_, to be called for redemption on \_\_\_\_\_, 20\_\_ [(the "Original Redemption Date")]\*, at the price of par plus accrued but unpaid interest to, but excluding, the date of redemption.

Dated: \_\_\_\_\_

J.P. MORGAN SECURITIES LLC, as Dealer

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

cc: Chief Financial Officer/Director of Financial  
Management Services, City of Fort Worth, Texas

\*To be included if the redemption is to occur on an Original Redemption Date

**Exhibit C**  
**Redemption Notice**

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

U.S. Bank National Association, as Issuing and Paying Agent for the captioned Notes, has been directed to give notice that the City of Fort Worth, Texas Water and Sewer System Commercial Paper Notes, Callable CP Series, CUSIP Number \_\_\_\_\_, in the aggregate principal amount of \$\_\_\_\_\_, have been called for redemption, in accordance with the terms of the ordinance of the City of Fort Worth, Texas authorizing the issuance of the captioned Notes, on \_\_\_\_\_, 20\_\_ [(the "Original Redemption Date")]\*, at the price of par plus accrued but unpaid interest to, but excluding, the date of redemption.

Dated: \_\_\_\_\_

\*To be included if the redemption is to occur on an Original Redemption Date

**Exhibit D**  
**Notice of Rescission**

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

U.S. Bank National Association, as Issuing and Paying Agent for the captioned Notes, has been directed, in accordance with the terms of the ordinance of the City of Fort Worth, Texas authorizing the issuance of the captioned Notes, to rescind the redemption of City of Fort Worth, Texas Water and Sewer System Commercial Paper Notes, Callable CP Series, CUSIP Number \_\_\_\_\_, in the aggregate principal amount of \$\_\_\_\_\_, which was scheduled to occur on \_\_\_\_\_, 20\_\_ (the “Original Redemption Date” for such Commercial Paper Notes).

Dated: \_\_\_\_\_

**Exhibit E**  
**Fee Schedule**