

FIRST AMENDMENT TO NOTE PURCHASE AGREEMENT

This First Amendment to Note Purchase Agreement (this "Amendment") is dated as of _____, 2023 (the "Amendment Effective Date"), by and between the CITY OF NEW BRAUNFELS, TEXAS, acting by and through the New Braunfels Utilities (the "City") and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (together with its successors and assigns as such agent, the "Bank").

WITNESSETH

WHEREAS, the City and the Bank are parties to that certain Note Purchase Agreement dated as of March 25, 2019, (but effective as of May 29, 2019), (the "Note Purchase Agreement," and as amended, sometimes referred to herein as the "Agreement");

WHEREAS, the City has requested the Bank to support certain of the City's Utilities System Commercial Paper Notes, Series 2019B (the "Series 2019B Notes") issued from time to time under its Commercial Paper Program, in response to which the Bank has agreed (i) to directly purchase when and as issued Program Notes issued as "Series 2019B Notes" (the "Series 2019B Notes" or the "Notes") pursuant to the terms of the Note Purchase Agreement, and (ii) by making available a revolving line of credit (the "Series 2019A Commercial Paper Revolving Credit Agreement") initially aggregating \$75,000,000 (of an amount supporting Program Notes issued as "Series 2019A" (the "Series 2019A Notes") in a principal amount up to of \$75,000,000 entered into by the parties thereto; provided, however, that the combined support for both Series 2019A Notes and Series 2019B Notes shall not exceed \$75,000,000 in principal amount;

WHEREAS, the City and the Bank have agreed to amend certain terms of the Note Purchase Agreement, subject to and upon the terms and conditions set forth herein.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

ARTICLE 1

Amendments

1.1 Amendment to Definitions – Deletions.

The definitions of "Computation Date," "Default Rate," "Expiration Date," "Federal Funds Rate," "LIBOR Index," "LIBOR Index Rate" "London Business Day" and "Reset Date" in Section 1.01 are hereby deleted.

1.2 Amendments to Definitions – Additions.

The following definitions are hereby added to Section 1.01 in the appropriate alphabetical order:

“*Adjusted Base Rate*” means, for any day, a rate per annum equal to the highest of (a) the Federal Funds Rate plus 2.00% or (b) the Prime Rate plus 1.50%.

“*Adjusted Term SOFR Rate*” means, with respect to any Note for any Interest Period, an interest rate per annum equal to the sum of (i) the product of (A) the Applicable Factor multiplied by (B) the sum of (1) the Term SOFR Rate for such Interest Period, plus (2) 10 basis points, plus (ii) the Applicable Spread; provided, however, if the Adjusted Term SOFR Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement.

“*Alternate Rate*” has the meaning set forth in Section 2.19(c).

“*Available Tenor*” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (c) of Section 2.19.

“*Benchmark*” means, initially, the Term SOFR Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Rate, then “Benchmark” means the Alternate Rate to the extent that such Alternate Rate has replaced such prior benchmark rate pursuant to clause (b) of Section 2.19.

“*Benchmark Transition Event*” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to the Term SOFR Rate:

(1) a public statement or publication of information by or on behalf of the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that such CME Term SOFR Administrator has ceased or will cease to provide the Term SOFR Rate (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof);

(2) a public statement or publication of information by the Federal Reserve Board, the NYFRB, or, as applicable, the regulatory supervisor for the CME Term SOFR Administrator, an insolvency official with jurisdiction over the CME Term SOFR Administrator, a resolution authority with jurisdiction over the CME Term SOFR Administrator, or a court or an entity with similar insolvency or resolution authority over the CME Term SOFR Administrator, in each case, which states that CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) has ceased or will cease to provide the Term SOFR Rate (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Term SOFR Rate (or such component thereof);
or

(3) a public statement or publication of information by the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, or the regulatory supervisor for the administrator for the CME Term SOFR Administrator (or any successor administrator of the Term SOFR Rate, or the published component used in the calculation thereof) announcing that the Term SOFR Rate (or such component thereof) is no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to the Term SOFR Rate if a public statement or publication of information set forth above has occurred with respect to each then-current available tenor of the Term SOFR Rate.

“*CME Term SOFR Administrator*” means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

“*Corresponding Tenor*” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“*Default Rate*” means a per annum rate of interest equal to the sum of the Base Rate from time to time in effect plus 3.0% per annum; provided, that for any Note accruing interest at the Adjusted Term SOFR Rate at the time of the applicable Event of Default, the “Default Rate” shall mean the sum of 3.0% plus Adjusted Term SOFR Rate then in effect until the end of the Term SOFR Rate interest period applicable thereto and, thereafter, at a rate per annum equal to the sum of 3.0% plus the Base Rate from time to time in effect; provided further, however, that, subject to Section 2.6, in no event shall the Default Rate exceed the Highest Lawful Rate. For avoidance of doubt, if an Event of Default occurs while any Note is bearing interest at the Term Rate, the Default Rate for such Note shall be the Term Rate in effect at such time plus 3.0%.

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

“*Expiration Date*” means May 29, 2025. (Originally extended pursuant to the Notice of Extension dated December 16, 2021).

“*Federal Funds Rate*” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“*Floor*” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Adjusted Term SOFR Rate. For the avoidance of doubt the initial Floor for the Adjusted Term SOFR Rate shall be 0.00%.

“Interest Period” means with respect to any Note, the period commencing on the date of purchase of such Note and ending on the numerically corresponding day in the calendar month that is one, three, or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the Note or Commitment), as requested by the City in a Request for Purchase; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, and (iii) no tenor that has been removed from this definition pursuant to Section 2.19(c) shall be available for specification in such Request for Purchase.

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB’s Website” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“Objection Date” has the meaning assigned to it in Section 2.19(c) of this Agreement.

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

“QFC Credit Support” has the meaning assigned to it in Section 7.25.

“Reference Time” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two Business Days preceding the date of such setting and (2) if such Benchmark is not the Term SOFR Rate, the time determined by the Calculation Agent in its reasonable discretion.

“Relevant Governmental Body” means, the Federal Reserve Board and/or the NYFRB, the CME Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so - called Donetsk People’s Republic, the so- called Luhansk People’s Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, any Person subject or target of any Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, including by Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, U.S. Department of Commerce, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) (including, without

limitation for purposes of defining a Sanctioned Person, as ownership and control may be defined and/or established in and/or by any applicable laws, rules, regulations, or orders).

“*SOFR*” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“*SOFR Administrator*” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“*SOFR Administrator’s Website*” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“*Term Benchmark*” when used in reference to any Note, refers to such Note when bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

“*Term SOFR Determination Day*” has the meaning assigned to it under the definition of Term SOFR Reference Rate.

“*Term SOFR Rate*” means, with respect to any Note for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“*Term SOFR Reference Rate*” means, for any day and time (such day, the “Term SOFR Determination Day”), with respect to any Note for any tenor comparable to the applicable Interest Period, the rate per annum determined by the Bank as the forward-looking term rate based on SOFR; provided that if the Term SOFR Reference Rate as so determined would be less than 0.00%, such rate shall be deemed to be 0.00% for the purposes of this Agreement. If by 5:00 pm (New York City time) on the fifth (5th) U.S. Government Securities Business Day immediately following any Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Transition Event with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding Business Day is not more than five (5) Business Days prior to such Term SOFR Determination Day.

“*U.S. Government Securities Business Day*” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

1.3 Amendment to add Section 1.05.

The following is added as Section 1.05:

Section 1.05. Interest Rates; Benchmark Notification. The interest rate on a Note may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.19(b) provides a mechanism for determining an alternative rate of interest. The Calculation Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Calculation Agent affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Alternate Rate) and/or any relevant adjustments thereto, in each case, in a manner adverse to the City. The Calculation Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and absent negligence or willful misconduct, shall have no liability to the City, or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

1.4 Amendment to Section 2.01(b).

The third sentence of Section 2.01(b) is hereby deleted and replaced with the following:

To request purchase of the Notes, the City shall submit a Request for Purchase, properly completed, to the Bank, delivered by 3:00 p.m. at least two (2) Business Days prior to the date on which the requested purchase is to be made.

1.5 Amendment to Section 2.02(a).

The second sentence of Section 2.02(a) is hereby deleted.

1.6 Amendment to Section 2.03(i)(A).

Section 2.03(i)(A) is hereby deleted and replaced with the following:

- (A) Subject to adjustment from time to time as set forth in Sections 2.04, 2.05, 2.06, 2.07 and 2.19 hereof, on each Interest Payment Date, a rate per annum equal to the Adjusted Term SOFR Rate for the applicable Interest Period during the Initial Interest Rate Period;

1.7 Amendment to Section 2.03(i).

The following is hereby added as a new paragraph following Section 2.03(i)(D):

Except as otherwise set forth herein, accrued but unpaid interest on each Note shall be due and payable on each Interest Payment Date and on the applicable Maturity Date. The Bank shall promptly notify the City of the interest rate applicable to any Notes upon determination of such interest rate; provided, however, that the failure by the Bank to provide notice of the applicable interest rate shall not relieve the City of its obligation to make payment of amounts as and when due hereunder. Each determination by the Bank of an interest rate shall be conclusive and binding for all purposes, absent manifest error.

1.8 Amendment to Section 2.08.

The first sentence of Section 2.08 is hereby deleted and replaced with the following:

All computations of interest while the Notes bear interest at the Adjusted Term SOFR Rate shall be made on a 360-day year basis and actual days elapsed. While the Notes bear interest as the Adjusted Base Rate, Alternate Rate, Base Rate or Term Rate, interest on such Notes shall be calculated on a 365-day year basis (or 366 days in a leap year) and actual days elapsed.

1.9 Amendment to Section 2.10(a).

The following language is hereby deleted from Section 2.10(a):

“provided however, at all times the City shall have at least \$250,000 in principal amount of Notes outstanding to the Bank, unless this Agreement shall be terminated as provided herein”

1.10 Amendment to add Section 2.19.

Section 2.19 is hereby added to the Note Purchase Agreement:

Section 2.19 Alternate Rate of Interest.

(a) Subject to clauses (b), (c) and (d) of this Section 2.19, if:

(i) the Calculation Agent determines (which determination shall be conclusive absent manifest error) prior to the commencement of any Interest Period, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period; or

(ii) the Calculation Agent is advised by the Bank that prior to the commencement of any Interest Period, that Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to the Bank of purchasing or holding the Note for such Interest Period;

then the Calculation Agent shall give notice thereof to the City as promptly as practicable thereafter and, until the Calculation Agent notifies the City that the circumstances giving rise to such notice no longer exist, (A) any Note shall be (x) repaid or (y) begin to bear

interest at the Adjusted Base Rate plus the Applicable Spread on the last day of the then current Interest Period applicable thereto, and (B) if any Request for Purchase requests the Bank to purchase Notes, such Notes shall bear interest at the Adjusted Base Rate plus the Applicable Spread.

(b) If the Calculation Agent or the Bank determines that any requirement of law has made it unlawful, or if any Governmental Authority has asserted that it is unlawful, for the Bank or its applicable lending office to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate, or any Governmental Authority has imposed material restrictions on the authority of the Bank to purchase or sell, or to take deposits of, dollars in the interbank offering market, then, on notice thereof by the Bank to the City (which notice shall contain a description of the restriction or determination that is the basis for the delivery of notice by the Bank under this Section 2.19(b)), any obligations of the Bank to purchase or maintain any Notes bearing interest at the Adjusted Term SOFR Rate will be suspended until the Bank notifies City that the circumstances giving rise to such restriction or determination no longer exist. Upon receipt of notice from the Bank triggering the suspension of the Bank's obligation to purchase or maintain Notes bearing interest at the Adjusted Term SOFR Rate, City will upon demand from the Bank, either prepay such Notes bearing interest at the Adjusted Term SOFR Rate or convert such Notes to Notes accruing interest at the Adjusted Base Rate plus the Applicable Spread, either on the last day of the Interest Period therefor, if the Bank may lawfully continue to maintain such Notes bearing interest at the Adjusted Term SOFR Rate to such day, or as soon as reasonably practicable under the laws applicable to the City, if the Bank may not lawfully continue to maintain such Notes. Upon any such prepayment or conversion, the City will also pay accrued but unpaid interest on the amount so prepaid or converted.

(c) Notwithstanding anything to the contrary herein or in any other Related Document, if a Benchmark Transition Event has occurred, the Bank may, by notice to the City, amend this Agreement to establish an alternate rate of interest for the Benchmark that gives due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) the then-evolving or prevailing market convention for determining a benchmark rate as a replacement for the then current Benchmark at such time (the "Alternate Rate"); the City acknowledges that the Alternate Rate may include a mathematical adjustment using any then-evolving or prevailing market convention or method for determining a spread adjustment for the replacement of the Benchmark (which may include, if any Benchmark already contains such a spread, adding that spread to the Alternate Rate). The Bank may further amend this Agreement by such notice to the City to make technical, administrative or operational changes (including, without limitation, changes to the definition of "Interest Period", timing and frequency of determining rates and making payments of interest, the timing of prepayment or conversion notices, the length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Bank decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of the Alternate Rate and are not in violation of the laws applicable to the City. The Alternate Rate, together with all such technical, administrative and operational changes as specified in any notice, shall become effective at the later of (i) the fifth Business Day after the Bank has provided notice (including without limitation for this purpose, by electronic means) to the City (the "Objection Date") and (ii) a date specified by the Bank in the notice, without any further action or consent of the City, so long as the Bank has not received, by 5:00 pm Eastern

time on the Objection Date, written notice of objection to the Alternate Rate from the City. If, on the date the Benchmark actually becomes permanently unavailable pursuant to a Benchmark Transition Event, an Alternate Rate has not been established in this manner, the Notes will, until an Alternate Rate is so established, bear interest at the Adjusted Base Rate plus the Applicable Spread. In no event shall the Alternate Rate be less than the Floor.

(d) All determinations by the Bank under this Section 2.19 shall be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Related Document, except, in each case, as expressly required pursuant to this Section 2.19.

1.11 Amendment to Section 4.19.

Section 4.19 is hereby deleted and replaced with the following:

Section 4.19. Anti-Corruption Laws and Sanctions. The City and NBU have implemented and maintain in effect policies and procedures designed to ensure compliance by their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the City and NBU and their respective officers and directors and to the knowledge of the City and NBU their respective employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the City, NBU, any of their respective directors or officers or to the knowledge of the City or NBU, employees, or (b) to the knowledge of the City or NBU, any agent of the City or NBU that will act in any capacity in connection with or benefit from the agreement established hereby, is a Sanctioned Person. No use of proceeds or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

1.12 Amendment to Section 7.03.

The Notice information regarding the Bank in Section 7.03 is hereby deleted and replaced with the following:

All Notices, Information required under Section 5.01 and a copy of each Request for Purchase:

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M301
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: Justin.d.wahn@jpmorgan.com

Each Request for Purchase and a copy of each other Notice:

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

In each case, with a copy to:

E-mail: public.finance.notices@jpmorgan.com

1.13 Amendment to add Section 7.25.

The following is added as Section 7.25:

Section 7.25. Acknowledgement Regarding Any Supported QFCs. To the extent that this Agreement provides support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

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

Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

1.14 Amendments to Exhibit A – Form of Request for Purchase.

“Exhibit A” is hereby deleted and replaced with the form attached hereto as Appendix I.

1.15 Deletion of Exhibit B.

“Exhibit B” is hereby deleted.

1.16 Amendments to Exhibit E - Form of Expiration Date Extension Request.

“Exhibit E” is hereby deleted and replaced with the form attached hereto as Appendix II.

1.17 Amendments to Exhibit F- Form of Default Certificate.

“Exhibit F” is hereby deleted and replaced with the form attached hereto as Appendix III.

ARTICLE 2

Conditions Precedent

2.1 Conditions Precedent to Effectiveness.

The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

- (a) The Bank shall have received such additional documents, instruments and information as the Bank or its legal counsel may reasonably request;
- (b) The representations and warranties contained herein and in the Note Purchase Agreement, as amended hereby, shall be true and correct as of the Amendment Effective Date as if made on the Amendment Effective Date;
- (c) No Default or Event of Default shall have occurred and be continuing as of the Amendment Effective Date hereof;
- (d) All proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments, and other legal matters incident thereto shall be satisfactory to the Bank and its legal counsel; and
- (e) The City shall have paid all fees of legal counsel to the Bank related to the preparation of this Amendment in the amount of \$3,500.

ARTICLE 3

Ratifications, Representations and Warranties

3.1 Ratifications.

The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Note Purchase Agreement are ratified and confirmed and shall continue in full force and effect. The Parties hereby agree that the Note Purchase Agreement, as amended hereby, shall continue to be legal, valid, binding and enforceable in accordance with its terms.

3.2 Representations and Warranties.

The City hereby represents and warrants to the Bank that (i) the execution, delivery and performance of this Amendment have been authorized by all requisite action on the part of the City, (ii) the representations and warranties contained in the Note Purchase Agreement are true and correct on and as of the date hereof as though made on and as of the date hereof, (iii) as of the Amendment Effective Date hereof no Default or Event of Default has occurred and is continuing and no event or condition has occurred that with the giving of notice or lapse of time or both would be an Event of Default, and (iv) as of the Amendment Effective Date hereof the City is in full compliance with all covenants and agreements contained in the Note Purchase Agreement.

ARTICLE 4

Bank Representations

4.1 Texas Government Code Section 2252.908(c)(4) Exemption.

The Bank hereby certifies that as a publicly traded business entity or a wholly owned subsidiary of such an entity it is exempt under Section 2252.908(c)(4) of the Texas Government Code.

4.2 Texas Government Code Section 2271.002 (No Boycott of Israel) Verifications.

The Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent the Note Purchase Agreement is a contract for goods or services, will not boycott Israel during the term of the Note Purchase Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but

does not include an action made for ordinary business purposes. As used in this Section the Bank understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

4.3 Texas Government Code Section 2252.152 (Sanctioned Company) Verifications.

The Bank hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in this Section the Bank understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

4.4 Section 2274.002 Texas Government Code (No Discrimination Against Fossil-Fuel Companies) Verifications.

To the extent the Note Purchase Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in the foregoing verification, “boycott energy companies,” a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. As used in this Section, the Bank understands ‘affiliate’ to

mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.”

4.5 Section 2274.002 Texas Government Code (No Discrimination Against Firearm Entities and Firearm Trade Associations) Verifications.

To the extent the Note Purchase Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session (“SB 19”)), Texas Government Code, as amended, the Bank hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable federal law or the Texas Constitution. As used in this Section, the Bank understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

As used in the foregoing verification and the following definitions,

a. ‘discriminate against a firearm entity or firearm trade association,’ a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association,

b. ‘firearm entity,’ a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable

firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. ‘firearm trade association,’ a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in this Section, the Bank understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Bank within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

ARTICLE 5

Miscellaneous

5.1 Survival of Representations and Warranties.

All representations and warranties made in this Amendment shall survive the execution and delivery of this Amendment, and no investigation by the Bank shall affect the representations and warranties or the right of the Bank to rely upon them.

5.2 Counterparts/Electronic Signatures.

This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Amendment shall be as valid as an original signature of such party and shall be effective to bind such party to this Amendment. The parties agree that any electronically signed document (including this Amendment) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable

document format) or other replicating image attached to an e mail message; and “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

5.3 Construction/Governing Law.

This Amendment shall be governed by all of the provisions of the Note Purchase Agreement, unless the context expressly requires otherwise, including the governing law provision set forth in Section 7.11 of the Note Purchase Agreement.

5.4 Entire Agreement.

THIS AMENDMENT AND THE NOTE PURCHASE AGREEMENT REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG THE PARTIES.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers on the date and year first above written.

CITY OF NEW BRAUNFELS, TEXAS,
ACTING BY AND THROUGH
NEW BRAUNFELS UTILITIES

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION

By: _____
Name: Justin Wahn
Title: Executive Director

APPENDIX I

EXHIBIT A

FORM OF REQUEST FOR PURCHASE

[DATE]

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M165
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: Justin.d.wahn@jpmorgan.com

Copy:
E-mail: public.finance.notices@jpmorgan.com

Re:

Ladies and Gentlemen:

The City hereby requests that the Purchaser purchase Notes in the amount of \$[_____] on [_____] (the “Purchase Date”) pursuant to the Agreement, such amount to be [deposited to the City’s account number _____ with the Purchaser/transferred as follows [specify payment instructions]]. The City requests [1-month/3-month/6-month] SOFR and for the Notes to mature on _____, 20____. The City hereby requests that the Purchaser use its best efforts to make such purchase no later than 11:00 a.m. on the Purchase Date. The Notes shall be dated the Purchase Date. The Notes shall be [exchange Notes to repay Outstanding Notes/new money Notes]. Capitalized terms used herein and not defined shall have the meanings assigned in the Agreement.

The City hereby represents and warrants that:

- (a) no Event of Default has occurred and is continuing under the Agreement;
- (b) the Purchase Date meets the requirements of Section 2.01 and 3.01 of the Agreement;
- (c) the amount of the purchase does not exceed the Commitment Amount less the sum of all previous purchases made under the Agreement; and
- (d) all representations and warranties of the City in the Agreement are true and correct and are deemed to be made on the date hereof.

When the Notes are purchased, please provide confirmation of such purchase to the undersigned, with copies to the City at the electronic mail addresses specified below.

JPMorgan Chase Bank, National Association, as Calculation Agent, is requested to determine the interest rate for the Notes and to advise the City of such interest rate via the electronic email addresses specified below.

Please advise if the foregoing terms are acceptable.

Very truly yours,

CITY OF NEW BRAUNFELS, TEXAS,
ACTING BY AND THROUGH
NEW BRAUNFELS UTILITIES

By _____
Name _____
Title _____

[Add City email addresses for Notice]

APPENDIX II

EXHIBIT E

FORM OF EXPIRATION DATE EXTENSION REQUEST

[Date]

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M301
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: Justin.d.wahn@jpmorgan.com

Copy:
E-mail: public.finance.notices@jpmorgan.com

Re: City of New Braunfels, Texas Utility System Commercial Paper Notes, Series 2019B - Expiration Date Extension Request

Ladies and Gentlemen:

Pursuant to Section 2.16 of that certain Note Purchase Agreement, dated as of March 25, 2019 (but effective as of May 29, 2019), as amended, between the City of New Braunfels, Texas (the “City”) and the Bank, the City requests that the Expiration Date (as defined in the Note Purchase Agreement) be extended to _____.

Very truly yours,

CITY OF NEW BRAUNFELS, TEXAS,
ACTING BY AND THROUGH
NEW BRAUNFELS UTILITIES

By _____
Authorized Representative

APPENDIX III

EXHIBIT F

FORM OF NO DEFAULT CERTIFICATE

_____, 20__

JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, NCC5, Floor 01
Newark, DE 19713-2107
Attention: Contact Name – PFG Servicing
Telephone: Contact Number – 302-634-9588
Email/Fax: PFG_Servicing@jpmorgan.com

JPMorgan Chase Bank, National Association
383 Madison Avenue, Floor 3
Mail Code: NY1-M301
New York, NY 10179
Attention: Public Finance, Justin Wahn
Telephone: (212) 270-3813
Facsimile: (917) 456-3564
E-mail: Justin.d.wahn@jpmorgan.com

Copy:
E-mail: public.finance.notices@jpmorgan.com

Dear Sir or Madam:

In accordance with Section 5.01 ___ of the Note Purchase Agreement between the City of New Braunfels, Texas and JPMorgan Chase Bank, National Association, dated as of March 25, 2019 (but effective as of May 29, 2019), as amended, we have enclosed the No Default Certificate for the fiscal year ended _____.

Very truly yours,

CITY OF NEW BRAUNFELS, TEXAS,
ACTING BY AND THROUGH
NEW BRAUNFELS UTILITIES

By _____
Authorized Representative

NO DEFAULT CERTIFICATE

AS REQUIRED BY SECTION 5.01___ OF THE NOTE PURCHASE AGREEMENT

City of New Braunfels, Texas and JPMorgan Chase Bank, N.A., executed and delivered that Note Purchase Agreement (the “*Agreement*”) dated as of March 25, 2019 (but effective as of May 29, 2019), as amended. Any term defined in the Agreement and used in this Certificate shall have the meaning ascribed to it in the Agreement.

I hereby certify that:

1. I am an Authorized Representative.
2. The City of New Braunfels, Texas has kept, observed, performed and fulfilled, in all material respects, each and every of their obligations under the Agreement for the fiscal year ending _____, and there exists no Default or Event of Default.

IN WITNESS WHEREOF, I have hereunto set my hand on the date set forth below.

Date: _____

CITY OF NEW BRAUNFELS, TEXAS,
ACTING BY AND THROUGH
NEW BRAUNFELS UTILITIES

By _____
Authorized Representative