

Retirement and Investment Committee Meeting
Tuesday, December 3, 2024
12:30 PM

AGENDA

1. Approve Minutes of the Retirement and Investment Committee Meeting of September 3, 2024.

Bryan Hedrick

2. Quarterly Investment Report - Tony Kay, Mariner Consulting

RETIREMENT AND INVESTMENT COMMITTEE

Action Items for Consideration

- | | | |
|---------------|------|---|
| Bryan Hedrick | R-1. | Approve to enter into an Asset Management Agreement with PCCP, LLC for the PCCP Fund X in the amount of \$10 million; and that the Chief Executive Officer or designee is authorized to execute said agreement. |
|---------------|------|---|

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Retirement & Investment
Committee**

Resolution No.:

Subject: Asset Management Agreement with PCCP, LLC

Department: Treasury Management

Amount: \$10,000,000

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into an Asset Management Agreement with PCCP, LLC for the PCCP Fund X in the amount of \$10 million; and that the Chief Executive Officer or designee is authorized to execute said agreement.

BACKGROUND:

- Relationship: New
- Headquarters: Los Angeles, CA
- Asset Allocation: Real Estate
- Return Objective: 15% net
- Term: 8 years plus two, one-year extensions
- Fees: 1.5% management fee on committed capital during the investment period, 1.5% on invested capital thereafter; 20% incentive fee after 9% hurdle
- Strategy: Now in its tenth iteration, the flagship PCCP strategy will seek to create a diversified portfolio of U.S. institutional-quality commercial real estate assets designed to add value and exit by selling to buyers of stabilized real estate. PCCP believes that it is well-positioned to source and execute on such a portfolio of investment opportunities over the life of the Fund, with a particular focus on: (i) assets with average total capitalization of approximately \$50 million; (ii) institutional-quality assets concentrated primarily in the industrial, multifamily apartments, and office property types; and (iii) assets located in the top 30 U.S. real estate investment markets and select secondary markets.
- This action will grow and diversify the real estate allocation by partnering with a long-tenured real estate manager that utilizes a conservative, cycle-tested approach focused on downside protection.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
Retirement Fund		

Attachments: None

Approvals

Bryan Hedrick, Retirement Funds Assistant Director - Treasury Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Asset Management Agreement with PCCP, LLC

Official Board Action - Action



**Operations Committee Meeting
Tuesday, December 3, 2024
12:40 PM**

AGENDA

1. Approval of Minutes of the Operations Committee Meeting of November 12, 2024.

OPERATIONS COMMITTEE

Consent Items for Consideration

- | | | |
|------------------|------|--|
| Robert Rodriguez | O-1. | Approve to execute contract no. PA1602 for Emergency Fence Installation with Ware Fencing, LLC of Crowley, Texas, in an amount not to exceed \$499,702, for the 45 calendar-day term of the contract; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Jon Taylor | O-2. | Approve to accept funding, in the amount of \$100,000, from the 2024 Urban Area Security Initiative Grant #5247801; that the Board agrees that the project 2024 UASI-DFW International Airport-Hazmat Chemical Detection will be operated through the DFW Department of Public Safety (DPS); that the Board agrees that in the event of loss or misuse of the Office of the Governor funds, Board assures that the funds will be returned to the Office of the Governor in full; that the Board designate the Vice President of Treasury Management or designee as the grantee's authorized official and gives the authorized official the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency; and that the Board approves submission of the grant application for project 2024 UASI-DFW International Airport-Hazmat Chemical Detection to the Office of the Governor. |
| Jon Taylor | O-3. | Designate the Vice President of Treasury Management or his designee as the grantee's authorized official and give the authorized official the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency, and authorize the authorized official to accept funding. |
| Jon Taylor | O-4. | Approve to accept funding, in the amount of \$963,000.00 from the FY24 COPS Technology and Equipment Program, DOJ Justice Grant System Award Number 15JCOPS-24-GG-02308-TECP; that the Board agrees that the project Mobile Bomb Squad Response Vehicle Replacement will be operated through the DFW Department of Public Safety (DPS); that the Board agrees that in the event of the loss or misuse of the Department of Justice Funds, Boards assures that the funds will be returned to the Department of Justice in full; that the Board designates the Vice President of Treasury Management or designee as the grantee's authorized official and gives the authorized official the power to apply for, accept, reject, or terminate the grant on behalf of the applicant agency; and that the Board approves submission of the grant application for project Mobile Bomb Squad Response Vehicle Replacement. |
| Jon Taylor | O-5. | Approve to increase contract no. PA1400, for Uniforms and Accessories with Galls LLC, of Lexington, Kentucky, in an amount not to exceed \$150,000, for a revised not to exceed contract amount of \$750,000, the current contract completion date of February 2025, is not affected by this action; and that the Chief Executive Office or designee is authorized to execute said contract. |
| Jon Taylor | O-6. | Approve to execute contract no. PA1534, Vehicle Mounted Fire Extinguisher |

Services, with Dennis Services, LLC, of Grapevine, Texas, for the initial one-year contract amount of \$18,707.90, and four, one-year options in the amount of \$74,831.60, for a total estimated contract amount of \$93,539.50, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to exercise option years at the Airport's discretion and execute said contract.

- | | | |
|------------|------|---|
| Jon Taylor | O-7. | Approve to execute contract no. PA1621, Magnet Forensics GrayKey Subscription Services, with Carashoft Technology Corporation, of Reston, Virginia, in an amount not to exceed \$96,832.14, for the three-year term of the contract, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Jon Taylor | O-8. | Approve to execute contract no. PA1620, Cellebrite Inseyets Subscription Services, with Carashoft Technology Corporation, of Reston, Virginia, in an amount not to exceed \$86,000.86, for the three-year term of the contract with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Jon Taylor | O-9. | Approve to execute contract no. PA1622, NightHawk Subscription Services, with LeadsOnline, of Plano, Texas, in an amount not to exceed \$94,435, for the three-year term of the contract; and that the Chief Executive Officer or designee is authorized to execute said contract. |

Action Items for Consideration

- | | | |
|------------------|-------|---|
| Tammy Huddleston | O-10. | Approve to execute contract no. PA1542 for RCC Peer-to-Peer Surface Lot with Batson-Cook Company of Irving, Texas, in an amount not to exceed \$1,714,493, for the 290 calendar-day term of the contract, with a start date of December 2024; and execute change orders to such contract on an as-needed basis, in the aggregate amount not to exceed \$250,000, for a total action amount of \$1,964,493; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Tammy Huddleston | O-11. | Approve to increase contract no. 9500758 - Terminal C Renovations - Construction Manager at Risk (CMAR), with Suffolk-3i, Joint Venture of Dallas, Texas, in an amount not to exceed \$4,173,503.84, for a revised not to exceed contract amount of \$107,965,643.41, the current contract completion date of May 1, 2027, is not affected by this action; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Tammy Huddleston | O-12. | Approve to increase contract no. 9500806 (PA1098), International Parkway Bridges & High Mast Lighting Poles Replacement Phase 2 Projects with Archer Western Construction, LLC of Irving, Texas, in an amount not to exceed \$5,499,944.97, for a revised not to exceed contract amount of \$226,162,434.97, the current contract completion date January 12, 2027, is not affected by this action; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Robert Rodriguez | O-13. | Approve to execute contract no. PA1527 for Runway Rubber Removal, Pavement Marking, Paint Removal Services with CKS Runway Services of Madison, Mississippi, in an amount not to exceed \$3,367,180, for the three-year term of the contract with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Jon Taylor | O-14. | Approve to execute contract no. PA1461, Indoor Gun Range Bullet Trap Maintenance, with Best Technology Systems, of Plainfield, Illinois, for the |



initial one-year term for a contract amount of \$145,425, and four, one-year options in the amount of \$585,700, for a total estimated contract amount of \$732,125, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract.

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Emergency Fence Installation

Department: Energy, Transportation, and Asset Management

Amount: \$499,702

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1602 for Emergency Fence Installation with Ware Fencing, LLC of Crowley, Texas, in an amount not to exceed \$499,702, for the 45 calendar-day term of the contract; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- Install boundary fencing at remote locations throughout the Airport.
- An emergency purchase and installation of boundary fencing will secure three key areas (American Blvd & Elm St., HWY 360 & Trinity Blvd, and Valley View Ln near the Dart Park and Ride) to address safety concerns due to trespassing and squatting.
- The fencing is essential to protect both public safety and DFW property by preventing unauthorized access.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Emergency Purchase for Public Health & Safety)

ADDITIONAL INFORMATION:

- The purchase is exempt from public procurement in accordance to Local Government Code 252.223, as it is a procurement necessary to preserve or protect the public health and safety of the Airport's traveling public, tenants and employees.

Fund	Project Number	External Funding Source
DFW Capital Acct		

Attachments: None

Approvals

Robert Rodriguez, Vice President - Energy, Transportation, and Asset Management
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Emergency Fence Installation

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: 2024 UASI-DFW International Airport-Hazmat Chemical Detection

Department: Department of Public Safety

Amount: \$100,000

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to accept funding, in the amount of \$100,000, from the 2024 Urban Area Security Initiative Grant #5247801; that the Board agrees that the project 2024 UASI-DFW International Airport-Hazmat Chemical Detection will be operated through the DFW Department of Public Safety (DPS); that the Board agrees that in the event of loss or misuse of the Office of the Governor funds, Board assures that the funds will be returned to the Office of the Governor in full; that the Board designate the Vice President of Treasury Management or designee as the grantee's authorized official and gives the authorized official the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency; and that the Board approves submission of the grant application for project 2024 UASI-DFW International Airport-Hazmat Chemical Detection to the Office of the Governor.

BACKGROUND:

- The Urban Area Security Initiative, established through the Office of the Governor, is awarding the Airport for the fiscal year 2025 to carry out homeland security projects to significantly improve local and regional terrorism prevention, preparedness, and response capabilities.
- DFW DPS Hazmat will use \$100,000 to purchase Hazmat Chemical Detection equipment.
- No matching funds are required for this grant. This grant allows the Airport to use its normal procurement procedures with reimbursement grant funds.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Grants)

ADDITIONAL INFORMATION:

- The purchase of the Hazmat Chemical Detection equipment allows DFW Department of Public Safety to further improve local and regional terrorism prevention, preparedness, and response capabilities.

Fund	Project Number	External Funding Source
	27255	2024 UASI DFW International Airport Hazmat Chemical Detection Grant

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

2024 UASI-DFW International Airport-Hazmat Chemical Detection

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations

Resolution No.:

Subject: Designee of Authorized Official

Department: Department of Public Safety

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Designate the Vice President of Treasury Management or his designee as the grantee's authorized official and give the authorized official the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency, and authorize the authorized official to accept funding.

BACKGROUND:

- This action authorizes the VP of Treasury Management or designee to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency, to authorized to accept funding.
- This action satisfies the requirement that the DFW Board designate a new authorized official authorized to accept funding.
- FY24 Rifle-Resistant Body Armor Grant #4817701.
- FY24 UASI Bomb Squad Enhanced Capabilities Grant #4898501.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Designee of Authorized Official

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Mobile Bomb Squad Response Vehicle Replacement

Department: Department of Public Safety

Amount: \$963,000

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to accept funding, in the amount of \$963,000.00 from the FY24 COPS Technology and Equipment Program, DOJ Justice Grant System Award Number 15JCOPS-24-GG-02308-TECP; that the Board agrees that the project Mobile Bomb Squad Response Vehicle Replacement will be operated through the DFW Department of Public Safety (DPS); that the Board agrees that in the event of the loss or misuse of the Department of Justice Funds, Boards assures that the funds will be returned to the Department of Justice in full; that the Board designates the Vice President of Treasury Management or designee as the grantee's authorized official and gives the authorized official the power to apply for, accept, reject, or terminate the grant on behalf of the applicant agency; and that the Board approves submission of the grant application for project Mobile Bomb Squad Response Vehicle Replacement.

BACKGROUND:

- The FY24 COPS Technology and Equipment Program, established through the Department of Justice, is awarding the Airport for the fiscal year 2025 to acquire Technology and Equipment to ensure the safety and security of residence, participants, and visitors of the Dallas Fort Worth International Airport and DFW Metroplex.
- DFW DPS Explosive Ordinance Disposal (EOD) will use \$963,000.00 to purchase a Bomb Squad Response Truck, to further improve bomb squad capabilities in the areas of resolution time, mobility, and communication.
- No matching funds are required for this grant. This grant allows the Airport to use its normal procurement procedures with reimbursement grant funds.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Grants)

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
	27252	FY24 COPS Technology and Equipment Program

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Mobile Bomb Squad Response Vehicle Replacement

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Uniforms and Accessories

Department: Department of Public Safety

Amount: \$150,000

Revised Amount: \$750,000.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to increase contract no. PA1400, for Uniforms and Accessories with Galls LLC, of Lexington, Kentucky, in an amount not to exceed \$150,000, for a revised not to exceed contract amount of \$750,000, the current contract completion date of February 2025, is not affected by this action; and that the Chief Executive Office or designee is authorized to execute said contract.

BACKGROUND:

- This increase is being requested to support the forecast ordering of uniforms and other accessories for the Department of Public Safety.
- Items will be ordered on an as-needed basis and the Airport will have no obligation to purchase any quantity under the contract.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Goods/Finished Products)

ADDITIONAL INFORMATION:

- On February 1, 2024, by Resolution No. 2024-02-028, the Airport awarded PA1400 (formerly PA1213), for Uniforms, Accessories, and Specialty Clothing to Galls LLC, of Lexington, Kentucky.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Uniforms and Accessories

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Vehicle Mounted Fire Extinguisher Services

Department: Department of Public Safety

Amount: \$93,200

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1534, Vehicle Mounted Fire Extinguisher Services, with Dennis Services, LLC, of Grapevine, Texas, for the initial one-year contract amount of \$18,707.90, and four, one-year options in the amount of \$74,831.60, for a total estimated contract amount of \$93,539.50, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to exercise option years at the Airport's discretion and execute said contract.

BACKGROUND:

- Execute a contract for inspecting, maintaining, and replacing portable fire extinguishers in accordance with NFPA 10 on all DPS vehicles; that includes fire, police, and airport security vehicles.
- This contract includes the following:
 - Annual inspection of all vehicle portable fire extinguishers.
 - Re-service vehicle fire extinguishers that have been discharged.
 - Repairing vehicle fire extinguishers that have been damaged.
 - Performing 6-year maintenance on vehicle fire extinguishers.
 - Replacing vehicle fire extinguishers at 12 years.
 - Providing vehicle mounts/brackets as needed for the fire extinguishers.
- Portable fire extinguishers are required in emergency response vehicles per the Texas Transportation Code.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 10%.
- Dennis Services, LLC, a certified Woman Business Enterprise (WF-C), has committed to achieving 100% participation through self-performance.

ADDITIONAL INFORMATION:

- Two bids, including one from a M/WBE firm, were received on or before the due date of November 5, 2024.
- The bid submitted by FireWise Texas, LLC, of Weatherford, Texas, was determined non-responsive as the submission did not meet the specifications outlined in the Airport's solicitation.
- Dennis Services, LLC, of Grapevine, Texas, is the lowest, responsive and responsible bidder.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance

Approved - 11/19/2024

Approved - 11/20/2024

Approved - 11/21/2024

Approved - 11/21/2024

Resolution No.:

Vehicle Mounted Fire Extinguisher Services

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Magnet Forensics GrayKey Subscription Service

Department: Department of Public Safety

Amount: \$96,832.14

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1621, Magnet Forensics GrayKey Subscription Services, with Carashoft Technology Corporation, of Reston, Virginia, in an amount not to exceed \$96,832.14, for the three-year term of the contact, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- Execute a contract for web-based software to extract digital data from supported cell phones, smartphones, and tablets.
- Magnet Forensic's GrayKey software has proven critical in the Police Department's Criminal Investigations Division's ability to investigate individuals who commit offenses at the Airport since 2020.
- This is one of three software platforms used to extract data from specific equipment.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Goods/Finished Products)

ADDITIONAL INFORMATION:

- This contract is a Specified Source.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Magnet Forensics GrayKey Subscription Service

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Cellebrite Inseyets Subscription Services

Department: Department of Public Safety

Amount: \$86,000.86

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1620, Cellebrite Inseyets Subscription Services, with Carahsoft Technology Corporation, of Reston, Virginia, in an amount not to exceed \$86,000.86, for the three-year term of the contract with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- Execute a contract for Cellebrite web-based software to extract and process digital data from, but not limited to, supported cell phones, smartphones, PDA devices, tablets, Internet Cloud Storage data, social media cloud data, and portable storage devices.
- This software can generate reports for investigators and attorneys that can be viewed without a license dongle.
- Cellebrite software has proven critical in the Police Department's Criminal Investigations Division's ability to investigate individuals who commit offenses at the airport since 2020.
- This is one of three software platforms used to extract data from specific equipment.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Goods/Finished Products)

ADDITIONAL INFORMATION:

- The contract is a Specified Source.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Cellebrite Inseyets Subscription Services

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: NightHawk Subscription Services

Department: Department of Public Safety

Amount: \$94,435.00

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1622, NightHawk Subscription Services, with LeadsOnline, of Plano, Texas, in an amount not to exceed \$94,435, for the three-year term of the contract; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- Execute a contract for web-based software that combines digital data and evidence from various sources, including but not limited to cell tower records, cloud data files, social media data files, police reports, and mobile phone forensic data extractions.
- The LeadsOnline NightHawk software has been used by DFW Airport Police Investigators since 2022, and moving to different software could make the existing data inaccessible as required for investigation and prosecution.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- No M/WBE goal determined. (No Availability)

ADDITIONAL INFORMATION:

- This contract is a Specified Source.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

NightHawk Subscription Services

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: RCC Peer-to-Peer Surface Lot

Department: Design, Code and Construction

Amount: \$1,964,493

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1542 for RCC Peer-to-Peer Surface Lot with Batson-Cook Company of Irving, Texas, in an amount not to exceed \$1,714,493, for the 290 calendar-day term of the contract, with a start date of December 2024; and execute change orders to such contract on an as-needed basis, in the aggregate amount not to exceed \$250,000, for a total action amount of \$1,964,493; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- Peer-to-peer vehicle rental is a growing service using online platforms to rent privately owned vehicles.
- Currently, users of the service pick up vehicles at numerous locations throughout the Airport, including within the Central Terminal Area (CTA).
- This contract will construct a surface parking lot near the Rental Car Center (RCC) specifically for peer-to-peer rental car use. Designating a location for these transactions will allow carshare patrons to ride the RCC Shuttle to the peer-to-peer parking lot, with the added benefit of keeping these rented vehicles out of the CTA.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%
- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 36%
- Batson-Cook Construction has committed to achieving 78.98% M/WBE participation utilizing Terradyne Group (WF-C: 1.11%), Texas Utility Services (HM-C:2.67%), Obra Ramos Construction (HM-C:22.10%), and Rumsey Site Construction (IM-C:53.10%)

ADDITIONAL INFORMATION:

- Five bids, including two from M/WBE firms, were received on or before the due date of November 5, 2024.
- Bid tabulation attached.
- Batson-Cook Company of Irving, Texas, is the lowest, responsive and responsible bidder.

Fund	Project Number	External Funding Source
PFIC	2712801	

Attachments: PA1542 - Rental Car Center Peer-to-Peer Surface Lot Bid Tab

Approvals

Tammy Huddleston, Vice President - Design, Code and Construction
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

RCC Peer-to-Peer Surface Lot

Official Board Action - Action

**Contract No. PA1542
RCC Peer-to-Peer Surface Lot
Bid Tabulation**

Bidders	Bid Amounts
Batson-Cook Company Irving, Texas	\$1,714,493
BOWA Construction Dallas, Texas	\$2,081,477.39
Reyes TX, Inc. ^{N1} Grand Prairie, Texas	\$2,158,703
Gilbert May, Inc. dba Phillips/May Corporation ^{N1} Dallas, Texas	\$2,389,333
McCarthy Building Companies, Inc. Richardson, Texas	\$2,624,380.19
Note: 1. MBE certified through the North Central Texas Regional Certification Agency	

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Terminal C Renovations - Construction Manager at Risk

Department: Design, Code and Construction

Amount: \$4,173,503.84

Revised Amount: \$107,965,643.41

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to increase contract no. 9500758 - Terminal C Renovations - Construction Manager at Risk (CMAR), with Suffolk-3i, Joint Venture of Dallas, Texas, in an amount not to exceed \$4,173,503.84, for a revised not to exceed contract amount of \$107,965,643.41, the current contract completion date of May 1, 2027, is not affected by this action; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- As part of the Terminal C Renovations, the existing utility delivery systems are receiving an extensive upgrade. A previous Board Action included the upgrades of several of the delivery systems including heating piping, cooling piping, precondition air piping and electrical conduits.
- The grease waste system in Terminal C was planned to be upgraded during Terminal C Renovations Phases 2 and 3. To mitigate delay and conflict risks to Terminal C operations, this action will transfer the grease waste upgrades to the Terminal C Renovation Utility Services Delivery phase.
- This action includes the procurement of long lead items for the upgraded grease waste system to minimize potential impacts to the project schedule.
- Future Board Action(s) will be brought forth for approval as required, for the balance of the grease waste system.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 15% for Pre-Construction and 30% for Construction.
- Suffolk-3i, Joint Venture has committed to achieving 24% M/WBE participation for Pre-Construction and 30% M/WBE participation for Construction on this contract and is currently achieving 7.67% for Pre-Construction. No payments have been made to date for Construction.
- Suffolk-3i, Joint Venture has committed to achieving the original 24% M/WBE commitment for Pre-Construction and 30% M/WBE commitment for Construction inclusive of this Board Action.

ADDITIONAL INFORMATION:

- On March 2, 2023, by Resolution No. 2023-03-063, the Airport increased contract no. 9500758 - Terminal C Renovations - Construction Manager at Risk (CMAR), to Suffolk-3i, Joint Venture of Dallas, Texas.
- On August 5, 2021, by Resolution No. 2021-08-138, the Airport awarded contract no. 9500758 - Terminal C Renovations - Construction Manager at Risk (CMAR), to Suffolk-3i, Joint Venture of Dallas, Texas.

Fund	Project Number	External Funding Source
Joint Capital Acct	Various	

Attachments: None

Approvals

Tammy Huddleston, Vice President - Design, Code and Construction
Resolution No.:

Approved - 11/19/2024
Terminal C Renovations - Construction Manager at Risk

Official Board Action - Action

Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: International Parkway Bridges & High Mast Lighting Poles Replacement Phase 2 Projects

Department: Design, Code and Construction

Amount: \$5,499,944.97

Revised Amount: \$226,162,434.97

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to increase contract no. 9500806 (PA1098), International Parkway Bridges & High Mast Lighting Poles Replacement Phase 2 Projects with Archer Western Construction, LLC of Irving, Texas, in an amount not to exceed \$5,499,944.97, for a revised not to exceed contract amount of \$226,162,434.97, the current contract completion date January 12, 2027, is not affected by this action; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- The flyover bridges used to access Terminals A, B and C from International Parkway are reaching the end of their service life. This design and construction contract will remove these left-hand exit bridges and replace with right-hand exit bridges utilizing more modern roadway design standards.
- This contract also includes removing and replacing high mast poles with lights along International Parkway that are similarly reaching the end of service life.
- During construction activities, an existing retaining wall along the south bound Service Road near Terminal D was found to have deteriorated beyond what was previously known. Due to impacts this retaining wall has on the Terminal C flyover bridge work, the retaining wall needs to be removed and replaced.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 22% for Design and 30% for Construction.
- Archer Western Construction, LLC has committed to achieving 29% M/WBE participation for Design and 30% M/WBE participation for Construction on this contract and is currently achieving 23.56% for Design and 8.01% for Construction.
- Archer Western Construction, LLC has committed to achieving the original 29% M/WBE commitment for Design and 30% M/WBE commitment for Construction inclusive of this Board Action and BDDD is in receipt of their compliance plan.

ADDITIONAL INFORMATION:

- On August 10, 2023, by Resolution No. 2023-08-193, the Airport awarded contract no. 9500806 for design and construction of International Parkway Bridges & High Mast Light Poles Replacement Phase 2 Projects, with Archer Western Construction, LLC of Irving, Texas.

Fund	Project Number	External Funding Source
Joint Capital Acct	2657902	

Attachments: None

Approvals

Tammy Huddleston, Vice President - Design, Code and Construction

Approved - 11/19/2024

Bruce Collins, Vice President - Procurement and Materials Management

Approved - 11/20/2024

Resolution No.:

International Parkway Bridges & High Mast Lighting Poles Replacement Phase 2 Projects

Official Board Action - Action

Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

International Parkway Bridges & High Mast Lighting Poles Replacement Phase 1

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Runway Rubber Removal, Pavement Marking, Paint Removal Services

Department: Energy, Transportation, and Asset Management

Amount: \$3,367,180

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1527 for Runway Rubber Removal, Pavement Marking, Paint Removal Services with CKS Runway Services of Madison, Mississippi, in an amount not to exceed \$3,367,180, for the three-year term of the contract with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- This contract will help ensure the safety of aircraft operations by maintaining pavement friction and surface painted markings to Federal Aviation Administration (FAA) standards.
- Services include the removal of rubber buildup on runways that reduces friction in wet weather, and the removal of excessive paint build-up and obsolete markings due to FAA regulations.
- Services will be ordered and used on an as-needed basis.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 10%.
- CKS Runway Services has committed to achieving 22% M/WBE participation utilizing IDM Products (BM-C).

ADDITIONAL INFORMATION:

- Two bids, none from M/WBE firms, were received on or before the due date of November 5, 2024.
- Bid tabulation attached.
- CKS Runway Services of Madison, Mississippi, is the lowest, responsive and responsible bidder.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: PA1527 - Runway Rubber Removal, Pavement Marking, Paint Removal Services Bid Tab

Approvals

Robert Rodriguez, Vice President - Energy, Transportation, and Asset Management
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Runway Rubber Removal, Pavement Marking, Paint Removal Services

Official Board Action - Action

Contract No. PA1527
Runway Rubber Removal, Pavement Marking, Paint Removal Services
Bid Tabulation

Bidders	Bid Amounts
CKS Runway Services Madison, Mississippi	\$3,367,180
Hi-Lite Airfield Services LLC Watertown, New York	\$4,269,993.20

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

Operations Committee

Resolution No.:

Subject: Indoor Gun Range Bullet Trap Maintenance

Department: Department of Public Safety

Amount: \$732,125

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1461, Indoor Gun Range Bullet Trap Maintenance, with Best Technology Systems, of Plainfield, Illinois, for the initial one-year term for a contract amount of \$145,425, and four, one-year options in the amount of \$585,700, for a total estimated contract amount of \$732,125, with a start date of December 2024; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- This contract provides for facility cleaning that removes lead, carbon, and other chemicals naturally deposited as ammunition is fired in an indoor space.
- The contract also includes replacing the rubber mat curtains which catch the expelled bullets as they reach the end of the range and cleaning and repair of the baffle.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- No M/WBE goal determined. (Limited Availability)

ADDITIONAL INFORMATION:

- Two bids received, none from M/WBE firms, were received on or before the due date of October 1, 2024.
- Bid tabulation attached.
- Best Technology Systems, of Plainfield, Illinois, is the lowest, responsive and responsible bidder.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: PA1461 - Indoor Gun Range Bullet Trap Maintenance Bid Tab

Approvals

Jon Taylor, Vice President and Director - Department of Public Safety
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Indoor Gun Range Bullet Trap Maintenance

Official Board Action - Action

**Contract No. PA1461
Indoor Gun Range Bullet Trap Maintenance
Bid Tabulation**

Bidders	Bid Amounts
Best Technology Systems Plainfield, Illinois	\$732,125
Metals Treatment Technologies, LLC Arvada, Colorado	\$999,285

Finance, Audit, and IT Committee Meeting
Tuesday, December 3, 2024
12:45 PM

AGENDA

- | | | |
|---------------|----|--|
| | 1. | Approve Minutes of the Finance, Audit & IT Committee Meeting of November 12, 2024. |
| Abel Palacios | 2. | Financial Report. |

FINANCE, AUDIT and IT COMMITTEE

Consent Items for Consideration

- | | | |
|------------------|------|---|
| Abel Palacios | F-1. | Approve the attached Investment Policy, Investment Strategies, Approved Broker/Dealers and Training sources for the period of February 1, 2025 through January 31, 2026. |
| Elaine Rodriguez | F-2. | Approve to increase Legal Services contract PA1442 (8005604) with Carter Arnett Bennett and Perez, PLLC, of Dallas, Texas, in the amount not to exceed \$50,000, for a revised not to exceed amount of \$95,000; and that the Chief Executive Officer or designee is authorized to execute said contract. |
| Elaine Rodriguez | F-3. | Approve to increase Legal Services contract 8004985 with Moses Palmer and Howell LLP of Fort Worth, Texas, in the amount not to exceed \$50,000 for a revised not to exceed \$1,058,000; and that the Chief Executive Officer or designer is authorized to execute said contract. |
| Michael Youngs | F-4. | Approve to execute contract no. PA1405, for Cybersecurity Software, with Carahsoft Technology Corp., of Reston, Virginia, for the initial one-year contract amount of \$66,000, and the four, one-year options in the amount of \$264,000, for a total estimated contract amount of \$330,000; with a start date of December 2024; and that the Chief Executive Office or designee is authorized to exercise options years at the Airport's discretion and execute said contract. |

Action Items for Consideration

- | | | |
|---------------|------|---|
| Abel Palacios | F-5. | Approve the attached resolution, approving the form of the Seventieth Supplemental Concurrent Bond Ordinance and requesting its passage by the City Councils of Dallas and Fort Worth; and authorizing the Authorized Officers to take other necessary actions in connection therewith. |
| Abel Palacios | F-6. | Approve the attached resolution, approving the form of the Seventy-First Supplemental Concurrent Bond Ordinance and requesting its passage by the City Councils of Dallas and Fort Worth; and authorizing the Authorized Officers to take other necessary actions in connection therewith. |
| Abel Palacios | F-7. | Approve the attached resolution, expressing official intent to reimburse project costs with Extendable Commercial Paper proceeds with the issuance of the Dallas Fort Worth International Airport Series II Commercial Paper Program tranche issued under the 67th Supplemental Bond Ordinance and authorizes the Authorized Officers to take any necessary actions in connection with the issuance of Extendable Commercial Paper (Tax-Exempt) proceeds. |
| Cyril Puthoff | F-8. | Approve to procure and bind Medical Stop Loss insurance coverage with |

Cigna Health and Life Insurance Company, in the amount of \$4,116,564, for a one-year policy term effective January 1, 2025.

- | | | |
|----------------|-------|--|
| Michael Youngs | F-9. | Approve to execute contract no. PA1595 for Critical Network Infrastructure, with Presidio Networked Solutions Group, LLC of Irving, Texas, for the initial one-year contract amount of \$7,496,296.11, and four one-year options in the amount of \$29,985,184.44, for a total estimated contract amount of \$37,481,480.55, with a start date of December 2024; and that the Chief Executive Office or designee is authorized to execute said contract. Each renewal option will be brought back to the Board for approval. |
| Michael Youngs | F-10. | Approve to execute contract no. PA1598, for Crisis Management Application, with SHI Government Solutions of Austin, Texas, in an amount not to exceed \$1,036,318.88 for the three-year term of the contract, with a start date of January 2025; and that the Chief Executive Office or designee is authorized to execute said contract. |

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Approval of Investment Policy

Department: Treasury Management

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve the attached Investment Policy, Investment Strategies, Approved Broker/Dealers and Training sources for the period of February 1, 2025 through January 31, 2026.

BACKGROUND:

- As required by the Texas Public Funds Investment Act (PFIA), all governing bodies of public entities must annually approve an investment policy, providing guidance for the investment of public funds.
- Additionally, the PFIA requires that the governing body also approve the investment strategies for the entity, the broker/dealers authorized to sell investments to the entity and the training sources utilized by the investment officers to meet the training requirements under the Act.
- A copy of the proposed Policy has been provided as well as a red-lined draft marked to the last approved policy.
- Performed a review of the Investment Strategy by fund.
- No changes were made to the approved, investment strategies, broker/dealers, or training sources.
- This provides guidelines for the Investment of DFW Public Funds and compliance with the Texas Public Funds Investment Act.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: FY-25 Investment Policy REDLINE, FY-25 Investment Policy Final

Approvals

Abel Palacios, Vice President - Finance
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Approval of Investment Policy

Official Board Action - Consent

Dallas Fort Worth International Airport

INVESTMENT POLICY and STRATEGIES



Revised and Approved: December 57th, 20243
Effective Date of Policy: February 3rd4st, 20254

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TABLE OF CONTENTS

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Section IV	Approved Investment Training Sources & Current Investment Officer's Training Certificates
Section V	Texas Public Funds Investment Act
Section VI	Texas Public Funds Collateral Act

SECTION I

INVESTMENT POLICY

1.0 INTRODUCTION AND PURPOSE

- A. This policy ("Investment Policy") shall provide the guidelines by which the Dallas Fort Worth International Airport Board ("DFW") will maintain adequate cash to meet its liquidity needs and to provide protection for its principal while optimizing yield. This policy also serves to satisfy the statutory requirements of defining and adopting a formal investment policy as required by the Texas Public Funds Investment Act, Government Code Chapter 2256 (the "Act") as amended and effective June 17, 2011 (see Section V below) and provides compliance with existing bond ordinances. All investments made by DFW shall comply with the Act, and federal, state, and local statutes, rules, and regulations.

2.0 SCOPE

- A. This Investment Policy applies to the operating funds, special purpose funds, interest and sinking funds, reserve funds, bond funds and PFIC funds of DFW. Excluded from this policy are the Dallas Fort Worth International Airport Employees' Retirement Plans and funds held by a trustee in accordance with an authorized trust agreement. The investment of bond funds (as defined by the Internal Revenue Service) is managed in accordance with their governing resolution and all applicable state and federal law.

3.0 INVESTMENT OBJECTIVES

- A. Investment of the funds covered by this policy is governed by the following objectives in the order of priority:
- 1) Safety of Principal.
 - a) The primary objective of all investment activity is the preservation of capital and safety of principal in the overall portfolio. Each investment transaction will seek to ensure first that capital losses are avoided, whether they are from security defaults or erosion of market value.
 - b) DFW seeks to control risk of loss due to the failure of a security issuer or grantor. Such risk will be controlled by investing only in the safest type of securities as defined in the policy; by collateralization as required by law; and through portfolio diversification by maturity and type.
 - 2) Maintenance of Adequate Liquidity: To the extent that cash flow requirements can be reasonably anticipated, investments are managed to meet them. Liquidity needs are met by investing in investment pools, no-load money market funds and interest-bearing demand bank accounts that allow for same day withdrawals.
 - 3) Public Trust: All participants in DFW's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers (as defined in Section 13.0 below) shall avoid any transactions that impair the public confidence in DFW.
 - 4) Optimization of Interest Earnings: The investment portfolio is managed with the objective of optimizing interest earnings while remaining in compliance with the policy, the law, and the Airport's risk tolerance, as expressed in this policy. Optimizing interest earnings, although important, is subordinate to the safety and liquidity objectives of DFW.

4.0 AUTHORIZED INVESTMENTS

- A. Investments described below are authorized by the Act and are eligible investments for DFW. The purchase of specific issues may at times be restricted or prohibited by the Finance/Audit Committee and Board of Directors. Except for money market mutual funds, at no time shall any single security (cusip) exceed 5% of total DFW funds unless said

investment consists of or is collateralized by instruments described in Section 9.0. DFW funds governed by this policy may be invested in:

- 1) Obligations of the United States or its agencies or instrumentalities as permitted by Government Code 2256.009(a)(1).
- 2) Obligations of the State of Texas or its agencies or instrumentalities as permitted by Government Code 2256.009(a)(2).
- 3) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, as permitted by Government Code 2256.009 (a).
- 4) Municipal obligations having a minimum bond rating of A as permitted by Government Code 2256.009(a)(5).
- 5) Certificates of deposit and share certificates as permitted by Government Code 2256.010.
- 6) Fully collateralized repurchase agreements permitted by Government Code 2256.011.
- 7) Banker's acceptances as permitted by Government Code 2256.012.
- 8) Commercial paper as permitted by Government Code 2256.013 that is issued in the United States and pre-approved by at least two Investment Officers.
- 9) Two types of mutual funds as permitted by Government Code 2256.014 - money market mutual funds and no-load mutual funds.
- 10) A guaranteed investment contract ("GIC") as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
- 11) Public funds investment pools as permitted by Government Code 2256.016.

5.0 INTEREST-BEARING DEMAND BANK ACCOUNTS

- A. In addition to regular demand bank accounts, DFW may deposit funds into interest-bearing demand bank accounts.
 - 1) Interest-bearing demand bank accounts shall be considered the same as demand bank accounts in that collateral shall conform to the same levels contractually agreed upon in the depository contract.
 - 2) Letters of credit issued by the Federal Home Loan Bank ("FHLB") agency can be accepted as collateral for interest bearing demand bank accounts, in an amount not to exceed \$200 million.

6.0 UNAUTHORIZED INVESTMENTS

- A. The following investments are specifically prohibited under this Policy:
 - 1) Collateral mortgage obligations and any derivatives thereof.
 - 2) Asset-backed commercial paper.
 - 3) Investments specifically prohibited by Government Code 2256.009(b).
 - 4) Investments with maturities greater than ten years based on DFW's original settlement (purchase) date.
- B. Disposition of investments that were authorized investments at the time of purchase but have subsequently become unauthorized:
 - 1) DFW is not required to liquidate investments that were authorized investments at the time of purchase. Per Government Code 2256.017, the decision to sell such a security will be reasonably and prudently reviewed by the Investment Officers and a determination made with the best interest of DFW in mind.

7.0 CREDIT RATING MONITORING

- A. DFW will monitor credit rating changes monthly through the Bloomberg Launchpad Program.

Investments required to be monitored must have a minimum required rating as stated in Government Code 2256.009. If an investment no longer has the minimum rating required, the Investment Officers will take all prudent measures that are consistent with this investment policy, including possible liquidation of the investment.

8.0 SPECIAL PLACEMENT OF CERTIFICATES OF DEPOSIT

- A. The Board of Directors may authorize placement of certificates of deposit ("CD") with small, local financial institutions located in the Dallas Fort Worth metropolitan statistical area, in an amount not greater than \$1,000,000 and with maturities of one year or less, without seeking competitive bids.

9.0 COLLATERAL

A. CERTIFICATES OF DEPOSIT COLLATERAL

- 1) Authorization: Consistent with the Texas Government Code, Chapter 2257 (see Section VI), DFW requires all bank and savings and loan association deposits to be federally insured or collateralized with authorized securities. Financial institutions providing CDs, where collateral will be pledged, are required to sign a depository agreement with DFW. The safekeeping portion of the depository agreement will define DFW's rights to the collateral in case of default, bankruptcy, or closing and will establish a perfected security interest in compliance with federal and state regulations. The depository agreement must:
 - a) Be in writing.
 - b) Be executed by the depository and DFW contemporaneously with the acquisition of the asset.
 - c) Be approved by the depository's board of directors or loan committee, with a copy of the meeting minutes delivered to DFW.
 - d) Be part of the depository's "official record" continuously since its execution.
- 2) Allowable Collateral:
 - a) Obligations of the United States or its agencies or instrumentalities, as permitted by Government Code 2256.009.
 - b) Obligations of the State of Texas or its agencies or instrumentalities, as permitted by Government Code 2256.009.
 - c) Municipal obligations having a minimum bond rating of AA as permitted by Government Code 2256.009.
 - d) Letters of credit issued by the Federal Home Loan Bank ("FHLB") agency. The use of FHLB letters of credit as a form of collateral may be used for special placement of CDs as defined in Section 8.0.
 - e) Surety bonds issued by financial institutions having at least an AA or an equivalent credit rating from at least one nationally recognized rating firm. Surety bonds shall be monitored annually to assure the bond remains in place and is of an amount adequate to meet this policy.
 - f) Collateral as permitted by the pooled collateral state program under Subchapter F of the Public Funds Collateral Act.
- 3) Collateral Levels:
 - a) The market value of the principal portion of collateral pledged for CDs must always be equal to or greater than the par value of the CD plus accrued interest, less the applicable level of FDIC insurance. The collateral market value must be maintained at the following levels:
 - (1) US Treasuries or agencies, State of Texas agencies or instrumentalities, and municipal obligations rated AA – 102%.
 - (2) Surety bonds rated AA – 100%.
 - (3) FHLB letters of credit – 100%.
 - (4) If multiple forms of collateral are utilized, the total collateral should be at

least 102%.

- 4) Monitoring Collateral Adequacy: Surety bonds and FHLB letters of credit will be monitored on an annual basis. Other types of acceptable collateral will be monitored monthly. An Investment Officer will monitor adequacy of collateralization levels to verify market values and total collateral positions. If the collateral pledged for a certificate of deposit falls below the par value of the deposit, plus accrued interest, less FDIC insurance, the institution issuing the CD will be notified by an Investment Officer and will be required to pledge additional collateral no later than the end of the next succeeding business day after notice.
- 5) Safekeeping of Collateral: All collateral securing bank and savings and loan deposits, except for surety and FHLB Letters of Credit, must be held by a third-party institution, in DFW's name, meeting the requirements of the Public Funds Collateral Act and acceptable to DFW, or by the Federal Reserve Bank.

B. COLLATERAL FOR REPURCHASE AGREEMENTS AND GUARANTEED INVESTMENT CONTRACTS ("GICs")

- 1) Authorization: Repurchase agreements or GICs must also be secured in accordance with State law. Counter parties to a repurchase transaction will be required to sign a copy of the Bond Market Association Master Repurchase Agreement or a form compliant with such agreement as approved by DFW. An executed copy of this Agreement must be on file before DFW will enter any transaction with counter parties. The ~~Finance, Audit and IT~~ Finance and Audit Committee Committee and the Board of Directors must approve all Master Repurchase Agreements and GICs.
- 2) Allowable Collateral:
 - a) United States Treasuries
 - b) United States Agencies or Instrumentalities
 - c) Collateral as permitted by the pooled collateral state program under Subchapter F of the Public Funds Collateral Act.
 - d) Cash in combination with the obligations described in a) through c) above.
- 3) Collateral Levels:
 - a) A repurchase agreement or GIC's security value will be the par value plus accrued interest. The collateral market value must be maintained at the following minimum levels:

Agreement Maturities Greater Than One Business Day

U. S. Treasury Securities	102%
U. S. Agency and Instrumentalities	102%

Agreement Maturities Not Exceeding One Business Day

All Securities	100%
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- 4) Monitoring Collateral Adequacy: Monthly monitoring by an Investment Officer of market values of all underlying securities purchased as collateral for repurchase agreements and GICs is required. If the value of the securities underlying an agreement should fall below the required amount, an Investment Officer will notify the repo or GIC issuer, who will have one business day from notice to remedy the insufficiency.
 - 5) Safekeeping of Collateral: The securities pledged under repurchase agreements and GICs must be delivered to a third-party custodian with whom DFW has established a safekeeping agreement.
- C. COLLATERAL SUBSTITUTION
- 1) Collateral substitutions are permitted when the substitute collateral is of the type allowable by this policy and maintains the collateral levels required by this policy. Notice of collateral substitution must be submitted in writing to DFW within three business days of the substitution and include the type and market value of both the

collateral substituted and the substitute collateral. The Investment Officers may prohibit or limit substitution and assess appropriate fees if substitution becomes excessive or abusive. Any costs relating to the substitution of collateral must be the responsibility of the institution requesting the substitution.

10.0 SAFEKEEPING OF INVESTMENTS

- A. All securities transactions will be executed by “delivery versus payment” (DVP) or “receive versus payment” (RVP) through DFW’s Safekeeping Agent (as defined below). By so doing, DFW funds are not released until DFW has received, through the Safekeeping Agent, the securities purchased.
 - 1) Safekeeping Agreement - DFW will contract with an independent third-party custodian (the “Safekeeping Agent”) for the safekeeping of securities owned by DFW as a part of its investment portfolio. All securities shall be held in the name of DFW and shall be evidenced by a monthly statement from the Safekeeping Agent.

11.0 FINANCE/AUDIT COMMITTEE

- A. The ~~Finance, Audit and IT~~Finance and Audit Committee shall serve as the oversight committee relating to the investment of DFW’s funds. Responsibilities in this regard are to:
 - 1) Review and recommend approval by the Board of Directors of the Investment Policy on an annual basis as required by the Act.
 - 2) Review and recommend approval by the Board of Directors of an Annual Investment Strategy for each fund on an annual basis as required by the Act.
 - 3) Review investment reports on a quarterly basis.

12.0 REVIEW AND ADOPTION

- A. This Investment Policy, Investment Strategies, Approved Investment Training Sources, and Approved Broker/Dealers List will be reviewed annually by the ~~Finance, Audit and IT~~Finance and Audit Committee and approved by the Board of Directors. Interim amendments must be reviewed by the ~~Finance, Audit and IT~~Finance and Audit Committee and approved by the Board of Directors.

13.0 AUTHORITY TO INVEST

- A. The Chief Financial Officer, the Vice President of Treasury Management, Senior Cash & Investment Manager, Treasury Analyst, and the Cash & Investment Manager are the “Investment Officers” of DFW. Except as limited below, Investment Officers are authorized to deposit, withdraw, transfer, and execute documentation with regards to investments, and manage DFW funds in accordance with this Investment Policy and Strategies. All investment purchases and sales, excluding money market fund transfers on established accounts, require the approval of two investment officers. Approval may be effected by email or text message with signatures to follow.
- B. The Cash & Investment Manager and the Treasury Analyst will exercise the rights of an Investment Officer, respectively, solely in the absence of any one or more of the primary officers – Chief Financial Officer, Vice President Treasury Management and Senior Cash and Investment Manager.
- C. All documents pertaining to this policy signed by Adobe, similar electronic reproduction or signature transmitted by mail or facsimile shall constitute effective execution and delivery and may be used in lieu of originals for all purposes.

14.0 INVESTMENT TRAINING

- A. All “Investment Officers” are required to take at least 10 hours of investment training from an approved training source within 12 months after taking office or assuming duties. Thereafter, 10 hours of training is required once in every two fiscal years. The

training will address investment controls, security risks, strategy risks, market risks, and compliance with the Act. If an Investment Officer is not in compliance with the Act, the officer will be suspended from the duties and responsibilities of the office until such time as they regain compliance. To ensure quality and suitability, training will be obtained from independent sources not involved in investment transactions with DFW, and that are approved by the Board of Directors. See Section IV of this policy book for a list of approved investment training sources.

15.0 PRUDENCE

- A. The standard of prudence to be used by DFW will be the "prudent person standard" and will be applied in the context of managing the overall portfolio within the applicable legal constraints and under the prevailing economic conditions. The standard states: "Investments will be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived".
- B. The designated Investment Officers will perform their duties with judgment and care in accordance with the adopted Investment Policy and internal procedures. Investment Officers, acting in good faith and in accordance with these policies and procedures, will be relieved of personal liability. In determining whether an investment officer has exercised prudence with respect to an investment decision (in addition to compliance with policies and procedures) the determination will be made taking into consideration the investment of all funds, or funds under the entity's control, over which the officer had responsibility rather than a single investment.

16.0 STANDARD OF ETHICS

- A. The designated Investment Officers will adhere to Dallas / Fort Worth International Airport Board Code of Business Ethics and the Act. All Investment Officers will disclose to the Finance, Audit and IT~~Finance and Audit~~ Committee their financial interests in financial institutions that conduct business with DFW, and they will disclose all personal financial/investment positions that could be related to the performance of DFW's portfolio. Investment Officers will refrain from personal business activity, other than routine banking relations, that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Additionally, all Investment Officers will file with the Texas Ethics Commission and DFW a statement disclosing any personal business relationship with an entity seeking to sell investments to DFW or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to DFW.
- B. All Investment Officers shall certify in writing to the Chief Executive Officer no later than December 31 of each year that they have no personal business relationship with any investors or investment companies currently involved in investment activities or seeking investment opportunities with DFW. Written notice shall be made to the Texas Ethics Commission only if such relationship exists.

17.0 ESTABLISHMENT OF INTERNAL CONTROLS

- A. The Finance, Audit and IT~~Finance and Audit~~ Committee of the Board of Directors will oversee the investment officers in the maintenance of a system of internal controls over the investment activities of DFW. DFW, in conjunction with its annual financial audit, will perform a compliance audit of management controls on investments and adherence to the Investment Policy.

18.0 REPORTING

- A. Investment performance will be monitored and evaluated by the Investment Officers. The

Investment Officers will provide a quarterly comprehensive report, as defined in the Act, signed by all Investment Officers to the ~~Finance, Audit and IT~~ Finance and Audit Committee, the Board of Directors and to the Chief Executive Officer. An independent auditor will formally review the investment reports at least annually and the result of the review reported to the governing body by that auditor. DFW will utilize a nationally recognized pricing service to obtain market prices for investments acquired with public funds. This investment report will:

- 1) Describe in detail the investment position of DFW on the date of the report.
- 2) State the reporting period beginning market value and ending market value for the period of each pooled fund group.
- 3) Include all fully accrued interest as of the end of the reporting period.
- 4) State the reporting period, beginning market value and book value and ending market value and book value for each investment security by asset type and fund type.
- 5) State the maturity date of each investment security.
- 6) State the fund for which each investment security was purchased, and
- 7) State the compliance of the investment portfolio with the Investment Policy, Investment Strategy, and the Act.

19.0 BROKER/DEALERS

- A. Annually, DFW shall adopt a list of qualified broker/dealer firms authorized to engage in investment transactions with DFW.
- B. The Investment Officers shall evaluate the broker/dealers and select not less than five and not more than seven broker/dealers, excluding the depository bank, to be presented to the Board of Directors for approval.
- C. Each broker/dealer firm, at least annually, shall sign a letter of acknowledgment that:
 - 1) The qualified broker/dealer representative signing the acknowledgment is authorized to execute the document on behalf of the Broker/Dealer company.
 - 2) That the qualified broker/dealer representative has received and reviewed the Investment Policy and Strategies.
- D. DFW may not purchase investments from a new broker/dealer until the acknowledgement has been signed and received by the Investment Officer(s).
- E. New broker/dealers shall complete and submit a broker/dealer questionnaire provided by DFW.
- F. Approved broker/dealers with securities inventories available electronically for view and/or purchase, shall provide DFW the ability to view and purchase investments electronically. Failure of a broker/dealer to notify DFW of the ability to view and/or purchase investments electronically or to deny access may be cause for termination.
- G. In the event that DFW's current depository is not an approved broker/dealer, there shall be a separate certification signed by a qualified representative of the bank. Such certification will cover daily sweep investments and money market transactions within the depository bank.
- H. This Investment Policy is in effect until the Board of Directors approves a superseding policy and said policy has been made available to the broker/dealers. The Investment Officers shall provide a new investment policy approved by the Board of Directors within 60 days of approval.

20.0 COMPETITIVE PRACTICES

- A. Investment transactions governed by this policy will adhere to bidding procedures, whether the transaction is executed by an Investment Officer or by a contracted investment advisor. Viewing published broker/dealer's inventories available for sale may be considered an offer and a part of the competitive review process. At least three (3) competitive offers/bids for all security transactions are required.

21.0 ELECTRONIC PORTALS

- A. Investment Officers may use electronic portals such as Bloomberg to view, solicit and complete securities sales and purchase transactions.

22.0 DIVERSIFICATION

- A. Diversification by investment type will be maintained to ensure an active and efficient secondary market in portfolio investments and to control the market and credit risks associated with specific investment types.
- B. Bond proceeds may be invested in a single security or investment if the Finance/Audit Committee determines that such an investment is necessary to comply with federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

23.0 SALE OF SECURITIES

- A. A security may be liquidated to meet unanticipated cash requirements, to minimize the loss of principal on a declining credit security or to re-deploy cash into other investments expected to outperform current holdings, or otherwise improve the quality, yield, or target duration in the portfolio.

24.0 INVESTMENT POLICY ADOPTION

- A. DFW's Investment Policy shall be adopted by resolution of the Board of Directors at least annually. It is DFW's intent to comply with state law and regulations. The Investment Policy shall be subject to revisions consistent with changing laws, regulations, and needs of DFW. The resolution of the Board of Directors shall include details of all substantive changes to the policy.

25.0 PRECEDENCE

- A. Should there be any discrepancies, conflicts or inconsistencies between the Act and the Investment Policy, the Act shall take precedence. Similarly, if the Investment Policy does not provide complete or clear direction, the Act shall be the controlling guidance.

26.0 EFFECTIVE DATE

- A. To allow sufficient time for the approval process and to notify broker/dealers under this Investment Policy, the effective date of this Investment Policy is February 3rd 1st, 2025~~4~~. The Investment Policy approved on December 7th4st, 2023~~2~~, shall remain effective until that date.

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SECTION II
INVESTMENT STRATEGIES
A. PORTFOLIO STRATEGY

1.0 PURPOSE

- A. These investment strategies ("Investment Strategies") conform to the requirements of the Texas Public Funds Investment Act ("the Act") Government Code 2256.005 (d) which states: "As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the fund using the following priorities in order of importance:
 - 1) Understanding of the suitability of the investment to the financial requirements of the entity.
 - 2) Preservation and safety of principal.
 - 3) Liquidity.
 - 4) Marketability of the investment if a need arises to liquidate before maturity.
 - 5) Diversification of the investment portfolio.
 - 6) Yield.
- B. The strategies provide guidelines for the day-to-day management of DFW's investment portfolio in a dynamic and changing market environment.
- C. In the event a new fund is created that is not covered in the strategies below, that fund may be invested according to the guidelines established at the time by the Chief Financial Officer until this Investment Policy is amended by the approval of the board no later than the next annual adoption of the policy.

2.0 OPTIMIZATION OF INTEREST

- A. To optimize interest earnings, below are the recommended strategies to employ when market conditions vary.
 - 1) In markets where time risk is rewarded, invest for longer terms. This market has a normal Treasury yield curve.
 - 2) In markets where time risk is not rewarded, invest for shorter terms. This will provide the opportunity and the funds to reinvest when markets improve. This market has a flat or inverted Treasury yield curve.

3.0 PORTFOLIO DIVERSIFICATION

- A. Risk in the portfolio will be minimized by diversifying investment types and issuers according to the following limitations.
- B. Diversification targets and limits will be monitored on a quarterly basis.
- C. In the event a pooled fund group is formed at DFW, as defined in the Act, the maximum dollar- weighted average maturity will be 90 days.
- D. In case of Internal sales from one fund to another, the buying fund maximum maturity may not be a deterrent to buy. However, the buying fund cash balance may not go negative at the end of the month of transfer or purchase.
- E. Maximum maturity may be exceeded if internal sales were done based on the 3.0 D above.

Limits by Investment Sector	Minimum Ratings	Maximum	Maximum Maturity
U.S. Treasury Notes/Bills	N/A	100%	5 years
U.S. Agencies & Instrumentalities	N/A	100%	5 years
Texas Agencies or Instrumentalities	N/A	100%	5 years
Certificates of Deposit	N/A	100%	5 years
Banker's Acceptances	Short-Term A1/P1	20%	270 days
Municipals	"A" or equivalent by one nationally recognized ratings agency	30%	5 years
Repurchase Agreements	"A" or equivalent by one nationally recognized ratings agency	100%	5 years
Guaranteed Investment Contract	"A" or equivalent by one nationally recognized ratings agency	100%	5 years
Money Market Mutual Funds Stable Value	N/A	55%	N/A
No Load Mutual Funds	"AAA" or "AAAm" by one nationally recognized rating agency	15%	N/A
Local Government Pool	"AAA" or "AAAm" by one nationally recognized rating agency	55%	
Callable U.S. Agencies	N/A	40%	5 years
Commercial Paper	"A1"/"P1" by two recognized ratings agencies	25%	270 days

<u>Limits for Individual Issuers Under Each Category</u>	<u>Maximum Issuer Percentage</u>
U.S. Agencies & Instrumentalities	40%
Certificates of Deposit	20%
Banker's Acceptances	5%
Municipals – State & Local	10%
Municipals – Out-of-State	10%
Repurchase Agreements	25%
Guaranteed Investment Contracts	25%
Money Market Mutual Funds ("A1")	20%
Local Government Pools	55%
No Load Mutual Funds	15%
Commercial Paper	10%

B. STRATEGIES BY FUND

DFW's investment strategy varies by fund due to the purpose of each fund. The following section identifies the fund, the purpose of the fund and rationale for the retention period of cash in the fund. Certain funds include a "core amount" which is not expected to be needed for at least one year, and in most cases for multiple years. Funds with core amount may include securities with longer maturities to maximize interest earnings, but no security may have a maturity beyond the maximum allowed maturity (see Investment Strategy Summary below). The core amount is reviewed and updated annually as needed by the Finance and Treasury teams along with this Investment Policy and Strategy.

Operating Fund (102) – General

General operating fund cash is generated from airlines fees and charges and customers using airport services. The fund is used to pay ongoing operating and maintenance expenses of the airport, transfers for debt service payments, and a yearend transfer to the DFW Capital Account as described in the Use and Lease Agreement. The operating increases throughout the fiscal year until the amount to be transferred to the DFW Capital Account has been finalized. The transfer occurs in December each year. The general operating fund has a core amount that is not expected to be spent within the next year. The non-core component of this fund is considered shorter-term in nature.

Operating Fund (106, 107) – Reserves

The operating fund includes two reserve accounts: a 90-day operating reserve and a rolling coverage account. The rolling coverage account is required by the Use and Lease Agreement and is equal to 25% of annual debt service. Both reserves provide a cushion in the unlikely event of a revenue shortfall. DFW has not had to use either reserve in the past. Accordingly, the retention nature for this fund is long-term.

Passenger Facility Charges - PFCs (Fund 252)

The PFC collections are deposited into this restricted cash fund. Most PFC funds are transferred monthly to the interest and sinking fund from which DFW makes semi-annual debt service payments. A portion of PFCs may be retained in the PFC fund as a reserve in case of future collection shortfalls and/or for future pay-as-you-go capital projects. The retention nature of the cash in this fund is currently short-term.

Joint Capital Account -JCA (320)

The JCA is a capital fund that generally requires airline approval to use per the terms of the Use and Lease Agreement. The JCA has a core amount which is not expected to be spent within at least the next three years. The retention nature of this fund is long-term.

DFW Capital Account – DFWCA (340)

The DFWCA is a capital fund that is fully discretionary and may be spent for any legal purpose as determined by DFW. The DFWCA has a core amount which is not expected to be spent within at least the next three years. The non-core component of this fund is generally expected to be spent over the next one to three years.

Unspent Bond Proceeds

When DFW issues bonds it places the money into a bond fund. Each issuance is placed into a separate bond fund for tracking purposes. Bond funds are typically used to pay for capital projects over a six- to twelve-month timeframe but could be held for a period beyond that due to the size of the issuance and/or the timing of capital projects. The retention period for these restricted proceeds is short-term.

Unspent Commercial Paper Proceeds

Commercial paper is issued for interim financing of capital projects. These funds are typically used within a period of one to six months. Accordingly, the retention period for these restricted proceeds is short-term. This category also includes any other interim financing program DFW may put in place.

Interest and Sinking Funds (5xx)

Interest and sinking funds are required by DFW's Bond Ordinances. DFW transfers interest and sinking payments from the operating fund to the interest and sinking fund monthly. Then, on a semi-annual basis, the funds are used to pay debt service. The retention period for these restricted funds is short-term.

Debt Service Reserve Funds (6xx)

Debt service reserve funds are required by DFW's Bond Ordinances and are equal to average annual debt service of DFW's debt outstanding. These funds are only used in the unlikely event that DFW could not make its regularly scheduled debt service payments. This has never happened. Accordingly, the retention period for these restricted proceeds is longer-term.

Restricted PFIC Funds

The PFIC has several contractually required restricted cash accounts, including general operating and asset replacement accounts for the Grand Hyatt and Hyatt Place, and customer transportation charge (CTC) fees collected from rental car customers to pay bus transportation costs. Given the nature of the uses of these funds, the retention period is short-term.

Unrestricted PFIC Funds

PFIC businesses generate net revenues that can be used generally for any purpose on the Airport once the restricted accounts discussed above are funded. Unrestricted PFIC funds are held until a new PFIC project is identified and investments made. The retention period for these funds is currently long-term. The PFIC fund also has a core amount that is unlikely to be spent in the next one to three years.

The following table highlights the following items by fund-type:

- *Fund retention period* whether short- term or long-term.
- *Core amount* or the amount of funds not likely to be spent for a significant period of time.
- *Maximum maturity* of any security in that fund
- *Weighted average maturity target* of the securities in that fund. This is a target and may not be met occasionally due to shifts in the market and the timing of security purchases and sales.
- *Investment limitations* for securities in that fund; note that all securities purchased must comply with this Investment Policy
- *Yield objective to optimize interest earnings* – DFW's goal for each of its funds is to optimize interest earnings subject to the guidelines of this Investment Policy (which stresses capital preservation)
- *Benchmark target* - Funds will be compared to the benchmark target each quarter. This is a target only and does not require staff to take any actions to achieve the target. It may not be met at times due to market fluctuations.

DFW International Airport
Investment Strategy Summary

Fund Description (#)	Fund Retention Period*	Core Amount	Maximum Maturity	Weighted Average Maturity Target	Investment Limitations	Yield Objective: Optimize Interest Earnings**	Benchmark Target
Operating Fund (102) - General	Short-term	\$75 million	2 years	270 to 450 days	None	Yes	Average of 3-6 month T-Bill
Operating Fund (106, 107) - Reserves	Long-term	n/a	5 years	2 to 4 years	None	Yes	2 year T-Note (MTA)
PFC Fund (252)	Short-term	n/a	1 Year	90 to 270 days	None	Yes	3 month T-Bill
Joint Capital Account (320)	Long-term	\$200 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)
DFW Capital Account (340)	Long-term	\$150 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)
Unspent Bond Proceeds	Short-term	n/a	1 Year	180 days	None	Yes	Average of 3 month T-Bill
Unspent CP Proceeds	Short-term	n/a	180 days	30 days	None	Yes	Average of 3 month T-Bill
Interest and Sinking Funds (5xx)	Short-term	n/a	180 days	180 days	None	Yes	Average of 3 month T-Bill
Debt Service Reserve Funds (6xx)	Long-term	n/a	5 years	2 to 4 years	None	Yes	2 year T-Note (MTA)
PFIC Restricted	Short-term	n/a	1 Year	180 days	None	Yes	Average of 3 month T-Bill
PFIC Unrestricted	Long-term	\$100 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)

* Short-term retention is less than one year, excluding the "core amount." Long term is from one year up to five years.

** Assumes that all investments are made within the Investment Policy guidelines.

MTA - Moving Treasury Average over the quarterly reporting periods

SECTION III

2024 APPROVED BROKER/DEALERS

Rice Securities, LLC
Minority Owned
55 Broad Street, 27th Floor
New York, NY 10004
Jared Fragin & Tim Barbera
(212)-908-9260

Piper Sandler & Co.
1177 West Loop South,
Suite 1500
Houston, TX 77027
Jason Jeansonne
(713) 343-3915

Loop Capital Markets
Minority Owned
111 W. Jackson Blvd
Suite 1901
Chicago, IL 60604
Julie Karr (312) 913-4942
Eileen Piechocki (312) 913-4902

Stifel Nicolaus & Company
5956 Sherry Lane,
Suite 875
Dallas, TX 75225
Mike Bell
(214) 706-9469

Wells Fargo Securities LLC
1445 Ross Avenue,
2nd Floor
Dallas, TX 75202
Susan Ward
(214) 740-1586
Antone Douglas Gray
(952) 656-9571

Multi-Bank Securities, Inc.
20 North Wacker Dr.
Chicago, IL 60606
Carol Mackoff
(888) 857-4740
Ken Bruce
(888) 537-0740

Money Market Investments
JP Morgan Chase
(Commercial Bank)
420 Throckmorton, 4th Floor
Fort Worth, TX. 76102
Mike Wilson
(817) 884-4283

SECTION IV

2023 APPROVED INVESTMENT TRAINING SOURCES & INVESTMENT OFFICER'S TRAINING CERTIFICATES

- Alliance of Texas Treasury Associations (TEXPO Conferences)
- North Central Texas Council of Government
- Patterson & Associates
- Texas State University - William P. Hobby Center for Public Service
- Government Treasury Association of Texas - Conferences/Classes

SECTION V
PUBLIC FUNDS INVESTMENT ACT

There ~~was~~ ere no amendments to the PFIA in 202~~4~~³ by the Texas Legislature, that may affect this policy.

Sec. 2256.011. AUTHORIZED INVESTMENTS: REPURCHASE AGREEMENTS.

~~a-1) A repurchase agreement made by an investing entity under this section may be submitted for clearing and settlement to a covered clearing agency, as defined by the Securities and Exchange Commission in Rule 17Ad-22 (17 C.F.R. Section 240.17Ad-22).~~

~~(b) In this section:~~

~~(1) "Joint account" means an account maintained by a custodian bank and established on behalf of two or more parties to engage in aggregate repurchase agreement transactions.~~

~~(f) An investing entity that contracts with an investment management firm under Section 2256.003(b) may authorize the firm to invest the entity's public funds or other funds under the entity's control in repurchase agreements as provided by this section using a joint account.~~

~~(g) An investment management firm responsible for managing a repurchase agreement transaction using a joint account on behalf of an investing entity as authorized under Subsection (f) must ensure that:~~

~~(1) accounting and control procedures are implemented to document the investing entity's aggregate daily investment and pro rata share in the joint account;~~

~~(2) each party participating in the joint account retains the sole rights of ownership to the party's pro rata share of assets invested in the joint account, including investment earnings on those assets; and~~

~~(3) policies and procedures are implemented to prevent a party participating in the joint account from using any part of a balance of the joint account that is credited to another party.~~

Acts 2023, 88th Leg., R.S., Ch. 1093 (S.B. 1246), Sec. 7, eff. June 18, 2023

SECTION VI
PUBLIC FUNDS COLLATERAL ACT

| There are no amendments to the Texas PFCAs in 202~~4~~³ that affects this policy.

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Dallas Fort Worth International Airport

INVESTMENT POLICY and STRATEGIES

Revised and Approved: December 5th, 2024
Effective Date of Policy: February 3rd, 2025

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SECTION I

INVESTMENT POLICY

1.0 INTRODUCTION AND PURPOSE

- A. This policy ("Investment Policy") shall provide the guidelines by which the Dallas Fort Worth International Airport Board ("DFW") will maintain adequate cash to meet its liquidity needs and to provide protection for its principal while optimizing yield. This policy also serves to satisfy the statutory requirements of defining and adopting a formal investment policy as required by the Texas Public Funds Investment Act, Government Code Chapter 2256 (the "Act") as amended and effective June 17, 2011 (see Section V below) and provides compliance with existing bond ordinances. All investments made by DFW shall comply with the Act, and federal, state, and local statutes, rules, and regulations.

2.0 SCOPE

- A. This Investment Policy applies to the operating funds, special purpose funds, interest and sinking funds, reserve funds, bond funds and PFIC funds of DFW. Excluded from this policy are the Dallas Fort Worth International Airport Employees' Retirement Plans and funds held by a trustee in accordance with an authorized trust agreement. The investment of bond funds (as defined by the Internal Revenue Service) is managed in accordance with their governing resolution and all applicable state and federal law.

3.0 INVESTMENT OBJECTIVES

- A. Investment of the funds covered by this policy is governed by the following objectives in the order of priority:
 - 1) Safety of Principal.
 - a) The primary objective of all investment activity is the preservation of capital and safety of principal in the overall portfolio. Each investment transaction will seek to ensure first that capital losses are avoided, whether they are from security defaults or erosion of market value.
 - b) DFW seeks to control risk of loss due to the failure of a security issuer or grantor. Such risk will be controlled by investing only in the safest type of securities as defined in the policy; by collateralization as required by law; and through portfolio diversification by maturity and type.
 - 2) Maintenance of Adequate Liquidity: To the extent that cash flow requirements can be reasonably anticipated, investments are managed to meet them. Liquidity needs are met by investing in investment pools, no-load money market funds and interest-bearing demand bank accounts that allow for same day withdrawals.
 - 3) Public Trust: All participants in DFW's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers (as defined in Section 13.0 below) shall avoid any transactions that impair the public confidence in DFW.
 - 4) Optimization of Interest Earnings: The investment portfolio is managed with the objective of optimizing interest earnings while remaining in compliance with the policy, the law, and the Airport's risk tolerance, as expressed in this policy. Optimizing interest earnings, although important, is subordinate to the safety and liquidity objectives of DFW.

4.0 AUTHORIZED INVESTMENTS

- A. Investments described below are authorized by the Act and are eligible investments for DFW. The purchase of specific issues may at times be restricted or prohibited by the Finance/Audit Committee and Board of Directors. Except for money market mutual funds, at no time shall any single security (cusip) exceed 5% of total DFW funds unless said

investment consists of or is collateralized by instruments described in Section 9.0. DFW funds governed by this policy may be invested in:

- 1) Obligations of the United States or its agencies or instrumentalities as permitted by Government Code 2256.009(a)(1).
- 2) Obligations of the State of Texas or its agencies or instrumentalities as permitted by Government Code 2256.009(a)(2).
- 3) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, as permitted by Government Code 2256.009 (a).
- 4) Municipal obligations having a minimum bond rating of A as permitted by Government Code 2256.009(a)(5).
- 5) Certificates of deposit and share certificates as permitted by Government Code 2256.010.
- 6) Fully collateralized repurchase agreements permitted by Government Code 2256.011.
- 7) Banker's acceptances as permitted by Government Code 2256.012.
- 8) Commercial paper as permitted by Government Code 2256.013 that is issued in the United States and pre-approved by at least two Investment Officers.
- 9) Two types of mutual funds as permitted by Government Code 2256.014 - money market mutual funds and no-load mutual funds.
- 10) A guaranteed investment contract ("GIC") as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
- 11) Public funds investment pools as permitted by Government Code 2256.016.

5.0 INTEREST-BEARING DEMAND BANK ACCOUNTS

- A. In addition to regular demand bank accounts, DFW may deposit funds into interest-bearing demand bank accounts.
 - 1) Interest-bearing demand bank accounts shall be considered the same as demand bank accounts in that collateral shall conform to the same levels contractually agreed upon in the depository contract.
 - 2) Letters of credit issued by the Federal Home Loan Bank ("FHLB") agency can be accepted as collateral for interest bearing demand bank accounts, in an amount not to exceed \$200 million.

6.0 UNAUTHORIZED INVESTMENTS

- A. The following investments are specifically prohibited under this Policy:
 - 1) Collateral mortgage obligations and any derivatives thereof.
 - 2) Asset-backed commercial paper.
 - 3) Investments specifically prohibited by Government Code 2256.009(b).
 - 4) Investments with maturities greater than ten years based on DFW's original settlement (purchase) date.
- B. Disposition of investments that were authorized investments at the time of purchase but have subsequently become unauthorized:
 - 1) DFW is not required to liquidate investments that were authorized investments at the time of purchase. Per Government Code 2256.017, the decision to sell such a security will be reasonably and prudently reviewed by the Investment Officers and a determination made with the best interest of DFW in mind.

7.0 CREDIT RATING MONITORING

- A. DFW will monitor credit rating changes monthly through the Bloomberg Launchpad Program.

Investments required to be monitored must have a minimum required rating as stated in Government Code 2256.009. If an investment no longer has the minimum rating required, the Investment Officers will take all prudent measures that are consistent with this investment policy, including possible liquidation of the investment.

8.0 SPECIAL PLACEMENT OF CERTIFICATES OF DEPOSIT

- A. The Board of Directors may authorize placement of certificates of deposit (“CD”) with small, local financial institutions located in the Dallas Fort Worth metropolitan statistical area, in an amount not greater than \$1,000,000 and with maturities of one year or less, without seeking competitive bids.

9.0 COLLATERAL

A. CERTIFICATES OF DEPOSIT COLLATERAL

- 1) Authorization: Consistent with the Texas Government Code, Chapter 2257 (see Section VI), DFW requires all bank and savings and loan association deposits to be federally insured or collateralized with authorized securities. Financial institutions providing CDs, where collateral will be pledged, are required to sign a depository agreement with DFW. The safekeeping portion of the depository agreement will define DFW’s rights to the collateral in case of default, bankruptcy, or closing and will establish a perfected security interest in compliance with federal and state regulations. The depository agreement must:
 - a) Be in writing.
 - b) Be executed by the depository and DFW contemporaneously with the acquisition of the asset.
 - c) Be approved by the depository’s board of directors or loan committee, with a copy of the meeting minutes delivered to DFW.
 - d) Be part of the depository’s “official record” continuously since its execution.
- 2) Allowable Collateral:
 - a) Obligations of the United States or its agencies or instrumentalities, as permitted by Government Code 2256.009.
 - b) Obligations of the State of Texas or its agencies or instrumentalities, as permitted by Government Code 2256.009.
 - c) Municipal obligations having a minimum bond rating of AA as permitted by Government Code 2256.009.
 - d) Letters of credit issued by the Federal Home Loan Bank (“FHLB”) agency. The use of FHLB letters of credit as a form of collateral may be used for special placement of CDs as defined in Section 8.0.
 - e) Surety bonds issued by financial institutions having at least an AA or an equivalent credit rating from at least one nationally recognized rating firm. Surety bonds shall be monitored annually to assure the bond remains in place and is of an amount adequate to meet this policy.
 - f) Collateral as permitted by the pooled collateral state program under Subchapter F of the Public Funds Collateral Act.
- 3) Collateral Levels:
 - a) The market value of the principal portion of collateral pledged for CDs must always be equal to or greater than the par value of the CD plus accrued interest, less the applicable level of FDIC insurance. The collateral market value must be maintained at the following levels:
 - (1) US Treasuries or agencies, State of Texas agencies or instrumentalities, and municipal obligations rated AA – 102%.
 - (2) Surety bonds rated AA – 100%.
 - (3) FHLB letters of credit – 100%.
 - (4) If multiple forms of collateral are utilized, the total collateral should be at

least 102%.

- 4) Monitoring Collateral Adequacy: Surety bonds and FHLB letters of credit will be monitored on an annual basis. Other types of acceptable collateral will be monitored monthly. An Investment Officer will monitor adequacy of collateralization levels to verify market values and total collateral positions. If the collateral pledged for a certificate of deposit falls below the par value of the deposit, plus accrued interest, less FDIC insurance, the institution issuing the CD will be notified by an Investment Officer and will be required to pledge additional collateral no later than the end of the next succeeding business day after notice.
- 5) Safekeeping of Collateral: All collateral securing bank and savings and loan deposits, except for surety and FHLB Letters of Credit, must be held by a third-party institution, in DFW's name, meeting the requirements of the Public Funds Collateral Act and acceptable to DFW, or by the Federal Reserve Bank.

B. COLLATERAL FOR REPURCHASE AGREEMENTS AND GUARANTEED INVESTMENT CONTRACTS ("GICs")

- 1) Authorization: Repurchase agreements or GICs must also be secured in accordance with State law. Counter parties to a repurchase transaction will be required to sign a copy of the Bond Market Association Master Repurchase Agreement or a form compliant with such agreement as approved by DFW. An executed copy of this Agreement must be on file before DFW will enter any transaction with counter parties. The Finance, Audit and IT Committee and the Board of Directors must approve all Master Repurchase Agreements and GICs.
- 2) Allowable Collateral:
 - a) United States Treasuries
 - b) United States Agencies or Instrumentalities
 - c) Collateral as permitted by the pooled collateral state program under Subchapter F of the Public Funds Collateral Act.
 - d) Cash in combination with the obligations described in a) through c) above.
- 3) Collateral Levels:
 - a) A repurchase agreement or GIC's security value will be the par value plus accrued interest. The collateral market value must be maintained at the following minimum levels:

Agreement Maturities Greater Than One Business Day

U. S. Treasury Securities	102%
U. S. Agency and Instrumentalities	102%

Agreement Maturities Not Exceeding One Business Day

All Securities	100%
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- 4) Monitoring Collateral Adequacy: Monthly monitoring by an Investment Officer of market values of all underlying securities purchased as collateral for repurchase agreements and GICs is required. If the value of the securities underlying an agreement should fall below the required amount, an Investment Officer will notify the repo or GIC issuer, who will have one business day from notice to remedy the insufficiency.
- 5) Safekeeping of Collateral: The securities pledged under repurchase agreements and GICs must be delivered to a third-party custodian with whom DFW has established a safekeeping agreement.

C. COLLATERAL SUBSTITUTION

- 1) Collateral substitutions are permitted when the substitute collateral is of the type allowable by this policy and maintains the collateral levels required by this policy. Notice of collateral substitution must be submitted in writing to DFW within three business days of the substitution and include the type and market value of both the

collateral substituted and the substitute collateral. The Investment Officers may prohibit or limit substitution and assess appropriate fees if substitution becomes excessive or abusive. Any costs relating to the substitution of collateral must be the responsibility of the institution requesting the substitution.

10.0 SAFEKEEPING OF INVESTMENTS

- A. All securities transactions will be executed by “delivery versus payment” (DVP) or “receive versus payment” (RVP) through DFW’s Safekeeping Agent (as defined below). By so doing, DFW funds are not released until DFW has received, through the Safekeeping Agent, the securities purchased.
 - 1) Safekeeping Agreement - DFW will contract with an independent third-party custodian (the “Safekeeping Agent”) for the safekeeping of securities owned by DFW as a part of its investment portfolio. All securities shall be held in the name of DFW and shall be evidenced by a monthly statement from the Safekeeping Agent.

11.0 FINANCE/AUDIT COMMITTEE

- A. The Finance, Audit and IT Committee shall serve as the oversight committee relating to the investment of DFW’s funds. Responsibilities in this regard are to:
 - 1) Review and recommend approval by the Board of Directors of the Investment Policy on an annual basis as required by the Act.
 - 2) Review and recommend approval by the Board of Directors of an Annual Investment Strategy for each fund on an annual basis as required by the Act.
 - 3) Review investment reports on a quarterly basis.

12.0 REVIEW AND ADOPTION

- A. This Investment Policy, Investment Strategies, Approved Investment Training Sources, and Approved Broker/Dealers List will be reviewed annually by the Finance, Audit and IT Committee and approved by the Board of Directors. Interim amendments must be reviewed by the Finance, Audit and IT Committee and approved by the Board of Directors.

13.0 AUTHORITY TO INVEST

- A. The Chief Financial Officer, the Vice President of Treasury Management, Senior Cash & Investment Manager, Treasury Analyst, and the Cash & Investment Manager are the “Investment Officers” of DFW. Except as limited below, Investment Officers are authorized to deposit, withdraw, transfer, and execute documentation with regards to investments, and manage DFW funds in accordance with this Investment Policy and Strategies. All investment purchases and sales, excluding money market fund transfers on established accounts, require the approval of two investment officers. Approval may be effected by email or text message with signatures to follow.
- B. The Cash & Investment Manager and the Treasury Analyst will exercise the rights of an Investment Officer, respectively, solely in the absence of any one or more of the primary officers – Chief Financial Officer, Vice President Treasury Management and Senior Cash and Investment Manager.
- C. All documents pertaining to this policy signed by Adobe, similar electronic reproduction or signature transmitted by mail or facsimile shall constitute effective execution and delivery and may be used in lieu of originals for all purposes.

14.0 INVESTMENT TRAINING

- A. All “Investment Officers” are required to take at least 10 hours of investment training from an approved training source within 12 months after taking office or assuming duties. Thereafter, 10 hours of training is required once in every two fiscal years. The training will address investment controls, security risks, strategy risks, market risks, and compliance with the Act. If an Investment Officer is not in compliance with the

Act, the officer will be suspended from the duties and responsibilities of the office until such time as they regain compliance. To ensure quality and suitability, training will be obtained from independent sources not involved in investment transactions with DFW, and that are approved by the Board of Directors. See Section IV of this policy book for a list of approved investment training sources.

15.0 PRUDENCE

- A. The standard of prudence to be used by DFW will be the “prudent person standard” and will be applied in the context of managing the overall portfolio within the applicable legal constraints and under the prevailing economic conditions. The standard states: “Investments will be made with judgment and care, under circumstances then prevailing, that a person of prudence, discretion and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived”.
- B. The designated Investment Officers will perform their duties with judgment and care in accordance with the adopted Investment Policy and internal procedures. Investment Officers, acting in good faith and in accordance with these policies and procedures, will be relieved of personal liability. In determining whether an investment officer has exercised prudence with respect to an investment decision (in addition to compliance with policies and procedures) the determination will be made taking into consideration the investment of all funds, or funds under the entity’s control, over which the officer had responsibility rather than a single investment.

16.0 STANDARD OF ETHICS

- A. The designated Investment Officers will adhere to Dallas / Fort Worth International Airport Board Code of Business Ethics and the Act. All Investment Officers will disclose to the Finance, Audit and IT Committee their financial interests in financial institutions that conduct business with DFW, and they will disclose all personal financial/investment positions that could be related to the performance of DFW’s portfolio. Investment Officers will refrain from personal business activity, other than routine banking relations, that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Additionally, all Investment Officers will file with the Texas Ethics Commission and DFW a statement disclosing any personal business relationship with an entity seeking to sell investments to DFW or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to DFW.
- B. All Investment Officers shall certify in writing to the Chief Executive Officer no later than December 31 of each year that they have no personal business relationship with any investors or investment companies currently involved in investment activities or seeking investment opportunities with DFW. Written notice shall be made to the Texas Ethics Commission only if such relationship exists.

17.0 ESTABLISHMENT OF INTERNAL CONTROLS

- A. The Finance, Audit and IT Committee of the Board of Directors will oversee the investment officers in the maintenance of a system of internal controls over the investment activities of DFW. DFW, in conjunction with its annual financial audit, will perform a compliance audit of management controls on investments and adherence to the Investment Policy.

18.0 REPORTING

- A. Investment performance will be monitored and evaluated by the Investment Officers. The Investment Officers will provide a quarterly comprehensive report, as defined in the Act, signed by all Investment Officers to the Finance, Audit and IT Committee, the Board of Directors and to the Chief Executive Officer. An independent auditor will formally review the investment reports at least annually and the result of the review reported to the governing

body by that auditor. DFW will utilize a nationally recognized pricing service to obtain market prices for investments acquired with public funds. This investment report will:

- 1) Describe in detail the investment position of DFW on the date of the report.
- 2) State the reporting period beginning market value and ending market value for the period of each pooled fund group.
- 3) Include all fully accrued interest as of the end of the reporting period.
- 4) State the reporting period, beginning market value and book value and ending market value and book value for each investment security by asset type and fund type.
- 5) State the maturity date of each investment security.
- 6) State the fund for which each investment security was purchased, and
- 7) State the compliance of the investment portfolio with the Investment Policy, Investment Strategy, and the Act.

19.0 BROKER/DEALERS

- A. Annually, DFW shall adopt a list of qualified broker/dealer firms authorized to engage in investment transactions with DFW.
- B. The Investment Officers shall evaluate the broker/dealers and select not less than five and not more than seven broker/dealers, excluding the depository bank, to be presented to the Board of Directors for approval.
- C. Each broker/dealer firm, at least annually, shall sign a letter of acknowledgment that:
 - 1) The qualified broker/dealer representative signing the acknowledgment is authorized to execute the document on behalf of the Broker/Dealer company.
 - 2) That the qualified broker/dealer representative has received and reviewed the Investment Policy and Strategies.
- D. DFW may not purchase investments from a new broker/dealer until the acknowledgement has been signed and received by the Investment Officer(s).
- E. New broker/dealers shall complete and submit a broker/dealer questionnaire provided by DFW.
- F. Approved broker/dealers with securities inventories available electronically for view and/or purchase, shall provide DFW the ability to view and purchase investments electronically. Failure of a broker/dealer to notify DFW of the ability to view and/or purchase investments electronically or to deny access may be cause for termination.
- G. In the event that DFW's current depository is not an approved broker/dealer, there shall be a separate certification signed by a qualified representative of the bank. Such certification will cover daily sweep investments and money market transactions within the depository bank.
- H. This Investment Policy is in effect until the Board of Directors approves a superseding policy and said policy has been made available to the broker/dealers. The Investment Officers shall provide a new investment policy approved by the Board of Directors within 60 days of approval.

20.0 COMPETITIVE PRACTICES

- A. Investment transactions governed by this policy will adhere to bidding procedures, whether the transaction is executed by an Investment Officer or by a contracted investment advisor. Viewing published broker/dealer's inventories available for sale may be considered an offer and a part of the competitive review process. At least three (3) competitive offers/bids for all security transactions are required.

21.0 ELECTRONIC PORTALS

- A. Investment Officers may use electronic portals such as Bloomberg to view, solicit and complete securities sales and purchase transactions.

22.0 DIVERSIFICATION

- A. Diversification by investment type will be maintained to ensure an active and efficient secondary market in portfolio investments and to control the market and credit risks associated with specific investment types.
- B. Bond proceeds may be invested in a single security or investment if the Finance/Audit Committee determines that such an investment is necessary to comply with federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

23.0 SALE OF SECURITIES

- A. A security may be liquidated to meet unanticipated cash requirements, to minimize the loss of principal on a declining credit security or to re-deploy cash into other investments expected to outperform current holdings, or otherwise improve the quality, yield, or target duration in the portfolio.

24.0 INVESTMENT POLICY ADOPTION

- A. DFW's Investment Policy shall be adopted by resolution of the Board of Directors at least annually. It is DFW's intent to comply with state law and regulations. The Investment Policy shall be subject to revisions consistent with changing laws, regulations, and needs of DFW. The resolution of the Board of Directors shall include details of all substantive changes to the policy.

25.0 PRECEDENCE

- A. Should there be any discrepancies, conflicts or inconsistencies between the Act and the Investment Policy, the Act shall take precedence. Similarly, if the Investment Policy does not provide complete or clear direction, the Act shall be the controlling guidance.

26.0 EFFECTIVE DATE

- A. To allow sufficient time for the approval process and to notify broker/dealers under this Investment Policy, the effective date of this Investment Policy is February 3rd st, 2025. The Investment Policy approved on December 7th st, 2023, shall remain effective until that date.

SECTION II
INVESTMENT STRATEGIES
A. PORTFOLIO STRATEGY

1.0 PURPOSE

- A. These investment strategies ("Investment Strategies") conform to the requirements of the Texas Public Funds Investment Act ("the Act") Government Code 2256.005 (d) which states: "As an integral part of an investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the fund using the following priorities in order of importance:
 - 1) Understanding of the suitability of the investment to the financial requirements of the entity.
 - 2) Preservation and safety of principal.
 - 3) Liquidity.
 - 4) Marketability of the investment if a need arises to liquidate before maturity.
 - 5) Diversification of the investment portfolio.
 - 6) Yield.
- B. The strategies provide guidelines for the day-to-day management of DFW's investment portfolio in a dynamic and changing market environment.
- C. In the event a new fund is created that is not covered in the strategies below, that fund may be invested according to the guidelines established at the time by the Chief Financial Officer until this Investment Policy is amended by the approval of the board no later than the next annual adoption of the policy.

2.0 OPTIMIZATION OF INTEREST

- A. To optimize interest earnings, below are the recommended strategies to employ when market conditions vary.
 - 1) In markets where time risk is rewarded, invest for longer terms. This market has a normal Treasury yield curve.
 - 2) In markets where time risk is not rewarded, invest for shorter terms. This will provide the opportunity and the funds to reinvest when markets improve. This market has a flat or inverted Treasury yield curve.

3.0 PORTFOLIO DIVERSIFICATION

- A. Risk in the portfolio will be minimized by diversifying investment types and issuers according to the following limitations.
- B. Diversification targets and limits will be monitored on a quarterly basis.
- C. In the event a pooled fund group is formed at DFW, as defined in the Act, the maximum dollar- weighted average maturity will be 90 days.
- D. In case of Internal sales from one fund to another, the buying fund maximum maturity may not be a deterrent to buy. However, the buying fund cash balance may not go negative at the end of the month of transfer or purchase.
- E. Maximum maturity may be exceeded if internal sales were done based on the 3.0 D above.

Limits by Investment Sector	Minimum Ratings	Maximum	Maximum Maturity
U.S. Treasury Notes/Bills	N/A	100%	5 years
U.S. Agencies & Instrumentalities	N/A	100%	5 years
Texas Agencies or Instrumentalities	N/A	100%	5 years
Certificates of Deposit	N/A	100%	5 years
Banker's Acceptances	Short-Term A1/P1	20%	270 days
Municipals	"A" or equivalent by one nationally recognized ratings agency	30%	5 years
Repurchase Agreements	"A" or equivalent by one nationally recognized ratings agency	100%	5 years
Guaranteed Investment Contract	"A" or equivalent by one nationally recognized ratings agency	100%	5 years
Money Market Mutual Funds Stable Value	N/A	55%	N/A
No Load Mutual Funds	"AAA" or "AAAm" by one nationally recognized rating agency	15%	N/A
Local Government Pool	"AAA" or "AAAm" by one nationally recognized rating agency	55%	
Callable U.S. Agencies	N/A	40%	5 years
Commercial Paper	"A1"/"P1" by two recognized ratings agencies	25%	270 days

<u>Limits for Individual Issuers Under Each Category</u>	<u>Maximum Issuer Percentage</u>
U.S. Agencies & Instrumentalities	40%
Certificates of Deposit	20%
Banker's Acceptances	5%
Municipals – State & Local	10%
Municipals – Out-of-State	10%
Repurchase Agreements	25%
Guaranteed Investment Contracts	25%
Money Market Mutual Funds ("A1")	20%
Local Government Pools	55%
No Load Mutual Funds	15%
Commercial Paper	10%

B. STRATEGIES BY FUND

DFW's investment strategy varies by fund due to the purpose of each fund. The following section identifies the fund, the purpose of the fund and rationale for the retention period of cash in the fund. Certain funds include a "core amount" which is not expected to be needed for at least one year, and in most cases for multiple years. Funds with core amount may include securities with longer maturities to maximize interest earnings, but no security may have a maturity beyond the maximum allowed maturity (see Investment Strategy Summary below). The core amount is reviewed and updated annually as needed by the Finance and Treasury teams along with this Investment Policy and Strategy.

Operating Fund (102) – General

General operating fund cash is generated from airlines fees and charges and customers using airport services. The fund is used to pay ongoing operating and maintenance expenses of the airport, transfers for debt service payments, and a yearend transfer to the DFW Capital Account as described in the Use and Lease Agreement. The operating increases throughout the fiscal year until the amount to be transferred to the DFW Capital Account has been finalized. The transfer occurs in December each year. The general operating fund has a core amount that is not expected to be spent within the next year. The non-core component of this fund is considered shorter-term in nature.

Operating Fund (106, 107) – Reserves

The operating fund includes two reserve accounts: a 90-day operating reserve and a rolling coverage account. The rolling coverage account is required by the Use and Lease Agreement and is equal to 25% of annual debt service. Both reserves provide a cushion in the unlikely event of a revenue shortfall. DFW has not had to use either reserve in the past. Accordingly, the retention nature for this fund is long-term.

Passenger Facility Charges - PFCs (Fund 252)

The PFC collections are deposited into this restricted cash fund. Most PFC funds are transferred monthly to the interest and sinking fund from which DFW makes semi-annual debt service payments. A portion of PFCs may be retained in the PFC fund as a reserve in case of future collection shortfalls and/or for future pay-as-you-go capital projects. The retention nature of the cash in this fund is currently short-term.

Joint Capital Account -JCA (320)

The JCA is a capital fund that generally requires airline approval to use per the terms of the Use and Lease Agreement. The JCA has a core amount which is not expected to be spent within at least the next three years. The retention nature of this fund is long-term.

DFW Capital Account – DFWCA (340)

The DFWCA is a capital fund that is fully discretionary and may be spent for any legal purpose as determined by DFW. The DFWCA has a core amount which is not expected to be spent within at least the next three years. The non-core component of this fund is generally expected to be spent over the next one to three years.

Unspent Bond Proceeds

When DFW issues bonds it places the money into a bond fund. Each issuance is placed into a separate bond fund for tracking purposes. Bond funds are typically used to pay for capital projects over a six- to twelve-month timeframe but could be held for a period beyond that due to the size of the issuance and/or the timing of capital projects. The retention period for these restricted proceeds is short-term.

Unspent Commercial Paper Proceeds

Commercial paper is issued for interim financing of capital projects. These funds are typically used within a period of one to six months. Accordingly, the retention period for these restricted proceeds is short-term. This category also includes any other interim financing program DFW may put in place.

Interest and Sinking Funds (5xx)

Interest and sinking funds are required by DFW's Bond Ordinances. DFW transfers interest and sinking payments from the operating fund to the interest and sinking fund monthly. Then, on a semi-annual basis, the funds are used to pay debt service. The retention period for these restricted funds is short-term.

Debt Service Reserve Funds (6xx)

Debt service reserve funds are required by DFW's Bond Ordinances and are equal to average annual debt service of DFW's debt outstanding. These funds are only used in the unlikely event that DFW could not make its regularly scheduled debt service payments. This has never happened. Accordingly, the retention period for these restricted proceeds is longer-term.

Restricted PFIC Funds

The PFIC has several contractually required restricted cash accounts, including general operating and asset replacement accounts for the Grand Hyatt and Hyatt Place, and customer transportation charge (CTC) fees collected from rental car customers to pay bus transportation costs. Given the nature of the uses of these funds, the retention period is short-term.

Unrestricted PFIC Funds

PFIC businesses generate net revenues that can be used generally for any purpose on the Airport once the restricted accounts discussed above are funded. Unrestricted PFIC funds are held until a new PFIC project is identified and investments made. The retention period for these funds is currently long-term. The PFIC fund also has a core amount that is unlikely to be spent in the next one to three years.

The following table highlights the following items by fund-type:

- *Fund retention period* whether short- term or long-term.
- *Core amount* or the amount of funds not likely to be spent for a significant period of time.
- *Maximum maturity* of any security in that fund
- *Weighted average maturity target* of the securities in that fund. This is a target and may not be met occasionally due to shifts in the market and the timing of security purchases and sales.
- *Investment limitations* for securities in that fund; note that all securities purchased must comply with this Investment Policy
- *Yield objective to optimize interest earnings* – DFW's goal for each of its funds is to optimize interest earnings subject to the guidelines of this Investment Policy (which stresses capital preservation)
- *Benchmark target* - Funds will be compared to the benchmark target each quarter. This is a target only and does not require staff to take any actions to achieve the target. It may not be met at times due to market fluctuations.

DFW International Airport
Investment Strategy Summary

Fund Description (#)	Fund Retention Period*	Core Amount	Maximum Maturity	Weighted Average Maturity Target	Investment Limitations	Yield Objective: Optimize Interest Earnings**	Benchmark Target
Operating Fund (102) - General	Short-term	\$75 million	2 years	270 to 450 days	None	Yes	Average of 3-6 month T-Bill
Operating Fund (106, 107) - Reserves	Long-term	n/a	5 years	2 to 4 years	None	Yes	2 year T-Note (MTA)
PFC Fund (252)	Short-term	n/a	1 Year	90 to 270 days	None	Yes	3 month T-Bill
Joint Capital Account (320)	Long-term	\$200 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)
DFW Capital Account (340)	Long-term	\$150 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)
Unspent Bond Proceeds	Short-term	n/a	1 Year	180 days	None	Yes	Average of 3 month T-Bill
Unspent CP Proceeds	Short-term	n/a	180 days	30 days	None	Yes	Average of 3 month T-Bill
Interest and Sinking Funds (5xx)	Short-term	n/a	180 days	180 days	None	Yes	Average of 3 month T-Bill
Debt Service Reserve Funds (6xx)	Long-term	n/a	5 years	2 to 4 years	None	Yes	2 year T-Note (MTA)
PFIC Restricted	Short-term	n/a	1 Year	180 days	None	Yes	Average of 3 month T-Bill
PFIC Unrestricted	Long-term	\$100 million	5 years	2 to 3 years	None	Yes	2 year T-Note (MTA)

* Short-term retention is less than one year, excluding the "core amount." Long term is from one year up to five years.

** Assumes that all investments are made within the Investment Policy guidelines.

MTA - Moving Treasury Average over the quarterly reporting periods

SECTION III

2024 APPROVED BROKER/DEALERS

Rice Securities, LLC
Minority Owned
55 Broad Street, 27th Floor
New York, NY 10004
Jared Fragin & Tim Barbera
(212)-908-9260

Piper Sandler & Co.
1177 West Loop South,
Suite 1500
Houston, TX 77027
Jason Jeansonne
(713) 343-3915

Loop Capital Markets
Minority Owned
111 W. Jackson Blvd
Suite 1901
Chicago, IL 60604
Julie Karr (312) 913-4942
Eileen Piechocki (312) 913-4902

Stifel Nicolaus & Company
5956 Sherry Lane,
Suite 875
Dallas, TX 75225
Mike Bell
(214) 706-9469

Wells Fargo Securities LLC
1445 Ross Avenue,
2nd Floor
Dallas, TX 75202
Susan Ward
(214) 740-1586
Antone Douglas Gray
(952) 656-9571

Multi-Bank Securities, Inc.
20 North Wacker Dr.
Chicago, IL 60606
Carol Mackoff
(888) 857-4740
Ken Bruce
(888) 537-0740

Money Market Investments
JP Morgan Chase
(Commercial Bank)
420 Throckmorton, 4th Floor
Fort Worth, TX. 76102
Mike Wilson
(817) 884-4283

SECTION IV

2023 APPROVED INVESTMENT TRAINING SOURCES & INVESTMENT OFFICER'S TRAINING CERTIFICATES

- Alliance of Texas Treasury Associations (TEXPO Conferences)
- North Central Texas Council of Government
- Patterson & Associates
- Texas State University - William P. Hobby Center for Public Service
- Government Treasury Association of Texas - Conferences/Classes

SECTION V
PUBLIC FUNDS INVESTMENT ACT

There was no amendment to the PFIAs in 2024 by the Texas Legislature, that may affect this policy.

SECTION VI
PUBLIC FUNDS COLLATERAL ACT

There are no amendments to the Texas PFCAs in 2024 that affects this policy.

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**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Legal Services for Carter Arnett Bennett and Perez PLLC

Department: Legal

Amount: \$50,000.00

Revised Amount: \$95,000.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to increase Legal Services contract PA1442 (8005604) with Carter Arnett Bennett and Perez, PLLC, of Dallas, Texas, in the amount not to exceed \$50,000, for a revised not to exceed amount of \$95,000; and that the Chief Executive Officer or designee is authorized to execute said contract.

BACKGROUND:

- The action would increase the Airport's contract for Legal Services in connection with the lawsuit Jose Torres Sol v DFW International Airport.
- The Letter Agreement was entered into between the Dallas Fort Worth International Airport and Carter Arnett Bennett and Perez PLLC, effective May 20, 2024.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Carter Arnett is a certified Minority Business Enterprise (BM-C). Therefore, its self-performance will count towards the annual M/WBE Program goal.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Elaine Rodriguez, General Counsel - Legal
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Legal Services for Carter Arnett Bennett and Perez PLLC

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Legal Services for Moses Palmer and Howell

Department: Legal

Amount: \$50,000.00

Revised Amount: \$1,058,000

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to increase Legal Services contract 8004985 with Moses Palmer and Howell LLP of Fort Worth, Texas, in the amount not to exceed \$50,000 for a revised not to exceed \$1,058,000; and that the Chief Executive Officer or designer is authorized to execute said contract.

BACKGROUND:

- The action would increase the Airport's contract for legal services in connection with oil and gas matters.
- The Letter Agreement was entered into between the Dallas Fort Worth International Airport and Moses, Palmer & Howell, LLP effective June 12, 2021.

D/S/M/WBE INFORMATION:

- The annual goal for the historical SBE Program is 20%.
- No SBE goal determined. (Limited Availability)

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
Joint Capital Acct	2602418	

Attachments: None

Approvals

Elaine Rodriguez, General Counsel - Legal	Approved - 11/20/2024
Bruce Collins, Vice President - Procurement and Materials Management	Approved - 11/20/2024
Tamela Burks Lee, Vice President - Business Diversity and Development	Approved - 11/21/2024
Abel Palacios, Vice President - Finance	Approved - 11/21/2024
Elaine Rodriguez, General Counsel - Legal	Approved - 11/21/2024
Sean Donohue, Chief Executive Officer	New -

Resolution No.:

Legal Services for Moses Palmer and Howell

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Cyber Security Software

Department: Information Technology Services

Amount: \$330,000

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1405, for Cybersecurity Software, with Carahsoft Technology Corp., of Reston, Virginia, for the initial one-year contract amount of \$66,000, and the four, one-year options in the amount of \$264,000, for a total estimated contract amount of \$330,000; with a start date of December 2024; and that the Chief Executive Office or designee is authorized to exercise options years at the Airport's discretion and execute said contract.

BACKGROUND:

- Replaces an existing contract that has been in place for one year.
- The contract provides for licensing and maintenance of cybersecurity software.
- The software is needed to monitor the Airport's networks for potential security threats.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- No M/WBE goal determined. (No Availability)

ADDITIONAL INFORMATION:

- This contract will be made through Omnia Partners, contract number R1911902, which is available to local Government agencies, and was approved by Resolution No. 2003-01-22, dated January 9, 2003.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Michael Youngs, Vice President - Information Technology Services
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Cyber Security Software

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Seventieth Supplemental Concurrent Bond Ordinance

Department: Treasury Management

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve the attached resolution, approving the form of the Seventieth Supplemental Concurrent Bond Ordinance and requesting its passage by the City Councils of Dallas and Fort Worth; and authorizing the Authorized Officers to take other necessary actions in connection therewith.

BACKGROUND:

- The Seventieth Supplemental Concurrent Bond Ordinance will provide for the authorization of new debt in an amount not to exceed \$3.0 billion from March 1, 2025, to February 28, 2026.
- Sets parameters for bond sales including, the maximum interest rate allowed by law and final maturity not to exceed 11/1/2055
- Currently planning for three issuances in FY25
 - \$500M-\$700M tax-exempt AMT in May 2025
 - \$500M tax-exempt non-AMT in June 2025
 - \$300M-\$500M tax-exempt AMT in June/July 2025
 - Provides \$1.5 billion of additional capacity into first half of FY26

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: 70th Resolution wSBO-2

Approvals

Abel Palacios, Vice President - Finance
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

RESOLUTION NO. 2024-__-__

**APPROVING THE FORM OF THE SEVENTIETH SUPPLEMENTAL
CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE
BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT
WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL
STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO
TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH**

THE STATE OF TEXAS	§
COUNTIES OF DALLAS AND TARRANT	§
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD	§

WHEREAS, prior to the adoption of this resolution (herein defined and cited as the "Resolution"), the City Councils of the Cities of Dallas and Fort Worth (the "Cities") passed the Master Bond Ordinance (defined and cited herein as the "Master Bond Ordinance") relating to the Dallas Fort Worth International Airport (the "Airport"); and

WHEREAS, terms not defined herein shall have the meanings set forth in the Master Bond Ordinance and the Seventieth Ordinance (as defined below); and

WHEREAS, the Master Bond Ordinance is the controlling document that relates to the financing of the Airport and that (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations and Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, this Resolution is adopted for the purposes set forth below; and

WHEREAS, in accordance with the Master Bond Ordinance, the Dallas Fort Worth International Airport Board (the "Board") has sought and obtained the preparation of a proposed ordinance to be passed concurrently by said Cities authorizing the issuance of one or more series of Dallas Fort Worth International Airport Joint Revenue Bonds (the "Bonds") which shall constitute Additional Obligations pursuant to the Master Bond Ordinance the proceeds of which will be used, among other things, to pay the cost of capital improvements at the Airport and to refund all or a portion of the obligations defined in the Seventieth Ordinance (as defined below) as the "Refunded Obligations" and for other purposes as permitted by the Master Bond Ordinance; and

WHEREAS, it is the desire of the Board by this Resolution to approve the Seventieth Ordinance (as defined below) in substantially the form attached hereto and to respectfully request the City Councils of the Cities of Dallas and Fort Worth to pass said ordinance and thus authorize the issuance and sale of the Bonds and the other matters authorized thereby; and

WHEREAS, the Seventieth Ordinance provides parameters subject to which the Bonds are to be sold to certain purchasers in accordance with the terms of an Underwriting Agreement (in the case of a negotiated sale) or Bidding Instructions (in the case of a competitive sale); and

WHEREAS, it is the desire of the Board to authorize the preparation of such Underwriting Agreements (in the case of a negotiated sale) and Bidding Instructions (in the case of a competitive sale) and authorize their execution by the proper officers of the Board, with parameters set forth in the Seventieth Ordinance and with such subsequent modifications and terms as may be determined by the Authorized Officers; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more official statements (the "Official Statements") to be used in connection with the issuance and sale of the Bonds; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Escrow Agreements to be used in connection with the issuance and sale of the Bonds and the refunding of all or a portion of the Refunded Obligations; and

WHEREAS, the Board hereby determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT:

Section 1. That the proposed concurrent ordinance of the City Councils of the Cities of Dallas and Fort Worth, bearing the short title "Seventieth Supplemental Concurrent Bond Ordinance" (the "Seventieth Ordinance") be and the same is hereby in all respects approved by the Board, with the parameters set forth therein and in substantially the form and substance attached hereto and made a part hereof. The Board hereby acknowledges and accepts its duties of continuing disclosure.

Section 2. That it is hereby recommended to the City Councils of the Cities of Dallas and Fort Worth that they pass the Seventieth Ordinance with the parameters set forth and in the form attached hereto and said City Councils are hereby requested to so do.

Section 3. That the Chief Executive Officer is hereby directed to promptly forward copies of the Seventieth Ordinance to the City Councils of said Cities along with a copy of this Resolution, together with the exhibits attached hereto.

Section 4. That, in accordance with the requirements of the Contract and Agreement and the Master Bond Ordinance, the Chief Executive Officer is further directed to forward by the earliest practical means a copy of the Seventieth Ordinance to the City Attorney of each of the Cities with the request that each present the same at a meeting of the respective City Council, along with the request of the Board, respectfully submitted, that the Seventieth Ordinance be approved and passed.

Section 5. That upon the passage of the Seventieth Ordinance by said City Councils the appropriate officers of this Board are hereby authorized and directed to take such steps as may be necessary or considered appropriate to accomplish the issuance, sale and delivery of one or more series of Bonds in accordance with the Seventieth Ordinance.

Section 6. That the Chief Executive Officer is hereby authorized to prepare the Official Statements and Escrow Agreements.

Section 7. That the Official Statements, with such subsequent modifications or amendments as shall be approved by subsequent action of the Board and in writing by the Chief Executive Officer, shall be used by the Purchasers in the sale of the Bonds.

Section 8. That the Chief Executive Officer is hereby authorized to execute one or more Underwriting Agreements (in the case of a negotiated sale) or Bidding Instructions and Official Bid Forms (in the case of a competitive sale), providing for the terms of sale of the Bonds by the Cities of Dallas and Fort Worth to the Purchasers therein named, at such price, in the aggregate principal amount, with such installments of principal, with such interest rates and such other matters as shall be determined in accordance with the Seventieth Ordinance, upon a determination by the Chief Executive Officer that the requirements of Article III of the Seventieth Ordinance have been met.

Section 9. That each Authorized Officer is hereby authorized to take any other actions appropriate or necessary in connection with the issuance, sale and delivery of the Bonds, the preparation of any of the documents described or referenced herein, or the delivery of copies of any such documents to the City Councils of the Cities. In the absence of the Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Vice President of Treasury Management are hereby authorized to act in his stead with respect to such matters.

ADOPTED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD ON THIS _____, 2024.

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND TARRANT §
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

1. That the Dallas Fort Worth International Airport Board convened in Regular Meeting on the ____ day of _____, 2024, at the Airport Administration Building, 2400 Aviation Drive, Dallas Fort Worth Airport, Texas, its regular meeting place, and the roll was called of the duly constituted officers and members of said Board, to wit:

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, a written resolution

was duly introduced for the consideration of said Board of Directors. It was then duly moved and seconded that said Resolution be adopted; and said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

ABSTENTIONS:

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

3. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the ____ day of _____, 2024.

Staff Secretary, Dallas Fort Worth
International Airport Board

(Seal)

**DALLAS FORT WORTH INTERNATIONAL AIRPORT
SEVENTIETH SUPPLEMENTAL CONCURRENT BOND ORDINANCE**

Passed concurrently by the City Councils of the Cities of Dallas and Fort Worth, Texas

Authorizing One or More Series of

**DALLAS FORT WORTH INTERNATIONAL AIRPORT
JOINT REVENUE BONDS**

Passed by the City Council of the City of Dallas _____, 2025

Passed by the City Council of the City of Fort Worth _____, 2025

Effective _____, 2025

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CITY OF DALLAS ORDINANCE NO. _____

CITY OF FORT WORTH ORDINANCE NO. _____

**SEVENTIETH SUPPLEMENTAL CONCURRENT BOND ORDINANCE
AUTHORIZING ONE OR MORE SERIES OF DALLAS FORT WORTH
INTERNATIONAL AIRPORT JOINT REVENUE BONDS, FOR LAWFUL
PURPOSES; PROVIDING THE SECURITY THEREFORE; PROVIDING FOR THE
SALE, EXECUTION AND DELIVERY THEREOF SUBJECT TO CERTAIN
PARAMETERS; AND PROVIDING OTHER TERMS, PROVISIONS AND
COVENANTS WITH RESPECT THERETO**

WHEREAS, prior to the adoption of this ordinance (herein defined and cited as the “Seventieth Supplemental Concurrent Bond Ordinance” or as this “Ordinance”), the City Councils of the Cities of Dallas and Fort Worth, Texas (the “Cities”) passed the Master Bond Ordinance relating to the Dallas Fort Worth International Airport (the “Airport”); and

WHEREAS, the Master Bond Ordinance constitutes the controlling bond ordinance of the Cities that relates to the financing of the Airport and (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations, any Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, each City Council hereby finds and determines that the refunding of all or a portion of the Refunded Bond Candidates and the Refunded Notes, each as defined herein, is in the best interests of the Cities; and

WHEREAS, each City Council hereby finds and determines that because it is not possible to determine the amount by which the aggregate amount of payments to be made under the Bonds is lesser or greater than the aggregate amount of payments that would have been made under the terms of the Refunded Obligations, as defined herein, such amount will be specified in the Officer's Pricing Certificate; and

WHEREAS, the issuance of the Bonds is in the best interest of the Cities; and

WHEREAS, each City Council finds and determines that the meeting at which this Ordinance was adopted was open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by Applicable Law; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.1 Short Title. This Ordinance may hereafter be cited in other documents and without further description as the “Seventieth Supplemental Concurrent Bond Ordinance.”

Section 1.2 Definitions. The capitalized terms used herein, including in the preambles hereto, that are not otherwise defined herein shall have the same meanings and definitions as are applied to such terms, respectively, in, or incorporated into, the Master Bond Ordinance. Additionally, unless otherwise expressly provided or unless the context clearly requires otherwise, the following additional terms shall have the respective meanings specified below:

Authorized Officer – means each of the Chief Executive Officer, the Executive Vice President, Chief Financial Officer, or the Vice President of Treasury Management of the Board, each acting singly, and, in the event any of such positions is renamed or otherwise reorganized, including any person holding or exercising the duties of any comparable position.

Bidding Instructions – means the Notice of Sale and Bidding Instructions distributed to potential purchasers of Bonds sold pursuant to a competitive sale.

Bond Date - means the date of such Bonds as designated in the Officer's Pricing Certificate.

Bond(s) - mean the bonds described in Section 3.1 as such series and titles are authorized by separate Officer’s Pricing Certificates.

Closing Date - means the dates on which each series of Bonds are actually delivered to and paid for by the Purchaser.

Code – means the Internal Revenue Code of 1986, as amended.

Comptroller - means the Comptroller of Public Accounts of the State of Texas.

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

DTC - means The Depository Trust Company of New York, New York, or any successor securities depository.

DTC Participant - means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among such parties.

Initial Bond - means the Bonds described in Section 3.2 with the insertions required by Section 6.2(d) and an Officer’s Pricing Certificate.

Insurer or Insurers - means the issuer of the Policy or of the Policies if more than one is issued, as certified by an Authorized Officer on the Closing Date.

Interest Payment Date - means the date or dates upon which interest on the Bonds is scheduled to be paid until the applicable Stated Maturity Date or Mandatory Redemption Date, as determined in the Officer's Pricing Certificate.

Mandatory Redemption Dates - mean the dates on which the Cities are obligated to redeem Bonds in advance of their respective Stated Maturity Dates in accordance with Section 4.4 and the Officer's Pricing Certificate.

Master Bond Ordinance - means the Master Bond Ordinance, approved by the City Councils of the Cities and effective upon receipt of the consents required by the Thirtieth Ordinance and as amended.

Master Paying Agent Agreement - means the paying agent agreement previously executed by the Board and the Paying Agent/Registrar that specifies the duties and responsibilities of the Paying Agent/Registrar with respect to bonds or other obligations issued by the Cities in relation to the Airport.

Non-PAB Bonds - means any series of Bonds issued under this Ordinance that is, or was, as the case may be, issued and designated by the Cities in the Officer's Pricing Certificate or otherwise as "Non-PAB" or as a "non-private activity bond."

Note Payment Fund - means, as applicable, (i) the "Subordinate Lien Joint Revenue Note Payment Fund" created pursuant to the Fifty-Sixth Supplement and (ii) the "Subordinate Lien Joint Revenue Note Payment Fund – Series II" created pursuant to the Sixty-Seventh Supplement.

Officer's Pricing Certificate(s) - means the certificate(s) to be executed by one of the Authorized Officers pursuant to Section 3.2. Multiple Officer's Pricing Certificates for multiple series of Bonds may be executed pursuant to this Ordinance.

Official Bid Form - means the bid form prepared in accordance with the Bidding Instructions and submitted by potential purchasers of any Bonds sold pursuant to a competitive sale.

Ordinance - means this Ordinance and all amendments hereof and supplements hereto.

Original Issue Date - means the Closing Date of each series of Bonds.

PAB Bonds - means any series of Bonds issues under this ordinance that is, or was, as the case may be, issued and designated by the Cities in the Officer's Pricing Certificate or otherwise as "PAB" or as a "private activity bond."

Paying Agent/Registrar - means U.S. Bank Trust Company, National Association or any successor thereto as provided in this Ordinance.

Policy or Policies - means the policy or policies, if any, of municipal bond insurance relating to the Bonds issued on the Closing Date by the Insurer or the Insurers if more than one.

Purchaser - means the person, firm or entity or the group thereof, or the representative of such group, initially purchasing the Bonds issued hereunder from the Cities pursuant to each Underwriting Agreement, in the case of a negotiated sale, or each Official Bid Form submitted by the highest and best bidder and accepted by an Authorized Officer, in the case of a competitive sale.

Record Date - means the 15th day of the month next preceding an Interest Payment Date.

Refunded Bonds - means those obligations designated as such in the Officer's Pricing Certificate from the Refunded Bond Candidates.

Refunded Bond Candidates - means the Outstanding Obligations previously issued by the Cities pursuant to the Forty-Ninth Supplemental Concurrent Bond Ordinance through the Sixty-Ninth Supplemental Concurrent Bond Ordinance.

Refunded Notes – means the Dallas Fort Worth International Airport Subordinate Lien Joint Revenue Commercial Paper Notes, Series I and Tax-Exempt Series II (Non-AMT) refunded by a series of Bonds issued under this Ordinance.

Refunded Obligations – means, collectively, the Refunded Notes, if any, and the Refunded Bonds, if any, refunded by each series of Bonds issued under this Ordinance.

Representation Letter - means the “Blanket Letter of Representations” between the Cities and DTC, as approved ratified in Section 3.9(c).

Rule - means Rule 15c2-12, as amended from time to time, adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934.

Stated Maturity Dates - mean the respective dates on which the Bonds are stated to mature in accordance with Section 3.2(b) and the Officer’s Pricing Certificate.

Thirtieth Ordinance - means the Thirtieth Supplemental Concurrent Bond Ordinance passed by the City Councils of the Cities and effective on February 23, 2000.

Underwriting Agreement - means the underwriting agreements or private placement agreements hereafter entered into as contemplated and authorized in Section 3.2(b) and in the Officer’s Pricing Certificates. Multiple Underwriting Agreements may be entered into for multiple series of Bonds authorized pursuant to this Ordinance and separate Officer’s Pricing Certificates.

Section 1.3 **Table of Contents, Titles and Headings.** The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4 **Interpretation.** Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(a) Article and Section references shall mean references to Articles and Sections of this Ordinance unless designated otherwise.

(b) If any one or more of the covenants, provisions or agreements contained herein should be contrary to Applicable Law, then such covenants, provisions or agreements shall be deemed separable from the remaining covenants, provisions, and agreements hereof, and shall in no way affect the validity of the remaining covenants, provisions, and agreements contained in this Ordinance.

Section 1.5 Declarations and Additional Rights and Limitations Under Master Bond Ordinance.

(a) For all purposes of the Outstanding Ordinances and the Master Bond Ordinance, as amended and supplemented, the Cities declare and provide as follows:

(i) The Bonds are Additional Obligations that are authorized by Section 3.2 of the Master Bond Ordinance.

(ii) The Bonds are not Interim Obligations.

(iii) Each Policy is a Credit Agreement, and each Insurer is a Credit Provider. However, a Policy does not create a Parity Credit Agreement Obligation. A Policy, if any, entered into for the purpose of providing all or a portion of the amount equal to the Debt Service Reserve Requirement is hereby declared to be a Credit Agreement that is on a parity with Subordinate Lien Obligations; provided however, the provisions of subsection 5.2(b) (iii) of the Master Bond Ordinance shall continue to apply with respect to any deficiencies in the Debt Service Reserve Fund, including any costs of a Policy with respect to the Debt Service Reserve Fund.

(iv) Administrative Expenses shall include the fees and expenses owed to the Paying Agent/Registrar.

(v) The amount of the Debt Service Reserve Requirement on account of the Bonds is an amount that is not less than the average annual Debt Service that will be required to be paid on or with respect to all Outstanding Obligations as of the date following the delivery of the Bonds. In the event that the amount on deposit in the Debt Service Reserve Fund is less than the amount required, the amount specified in the Officer's Pricing Certificate, pursuant to Section 8.1 shall be deposited to the Debt Service Reserve Fund out of the proceeds of the Bonds or shall be used to enter into a Credit Agreement to satisfy the Debt Service Reserve Requirement.

(vi) The Stated Maturity Dates and the Mandatory Redemption Dates established in accordance with Articles III and IV as modified by the Officer's Pricing Certificate are Principal Payment Dates for the purposes of the Master Bond Ordinance.

(vii) Each Insurer, as a Credit Provider, that is not at such time in default under its Policy is authorized to give and withdraw notices of default under the provisions of Section 7.1(vii) of the Master Bond Ordinance.

(viii) Each of the Authorized Officers is designated and appointed as an "officer" of the Cities for the limited purposes of administering this Ordinance, including particularly the related documents and agreements described herein in accordance with Chapters 1207 and 1371, Texas Government Code, as amended, as applicable.

(ix) This Ordinance is an Additional Supplemental Ordinance.

(b) For all purposes of the Outstanding Ordinances and the Master Ordinance, as amended and supplemented, the following additional rights and limitations are granted and imposed:

(i) No amendment to the Master Bond Ordinance or this Ordinance shall be approved or adopted pursuant to any of Sections 8.2, 8.3, 8.4, or 8.5 of the Master Bond Ordinance, whether with or without the consent of the Holders, unless and until the same is approved by the Insurer that at the time is not in default under its Policy and has a then

current credit rating of at least investment grade by two nationally recognized rating agencies, to the extent required under the terms of the Credit Agreement.

(ii) The Cities shall have the right to amend the Outstanding Ordinances, the Master Bond Ordinance, and this Ordinance without the consent of or notice to the Holders, for any purpose not prohibited by Section 8.3 of the Master Bond Ordinance, if such amendment is approved by the Insurer that at the time is not in default under its Policy and has a then current credit rating of at least investment grade by two nationally recognized rating agencies and such other Credit Providers, if any, as may be required by an Additional Supplemental Ordinance.

(iii) Whenever in this Ordinance, or in the Master Bond Ordinance, the right is granted to redeem Bonds in advance of a Stated Maturity Date, any such redemption may be accomplished with any lawfully available money. The Bonds may be redeemed according to their respective terms, and pro rata redemptions are not required.

(iv) In the event of the occurrence of an Event of Default, the right of acceleration of the Stated Maturity Date or the Mandatory Redemption Date of any Bond or of any Parity Credit Agreement Obligation is not granted as a remedy, and the right of acceleration is expressly denied.

(v) Pursuant to the terms of Section 8.4 of the Master Bond Ordinance, Holders of the Bonds confirm that the Credit Providers, whether or not related to the Bonds, have the right to consent to amendments to the Master Bond Ordinance, this Ordinance and the Outstanding Ordinances without notice to or the consent of the Holders of the Bonds.

ARTICLE II

PURPOSES, PLEDGE AND SECURITY FOR BONDS

Section 2.1 Purposes of Ordinance. The purposes of this Ordinance are to prescribe the specific terms and provisions of the Bonds, to extend expressly the pledge, lien, security and provisions of the Master Bond Ordinance to and for the benefit of the Holders, to provide certain covenants to and for the benefit of each Insurer and/or Credit Provider, and to sell the Bonds to the Purchaser.

Section 2.2 Pledge, Security for, Sources of Payment of Bonds. (a) The pledge, the security and the filing provisions of Sections 2.2 and 2.4, respectively, of the Master Bond Ordinance are hereby expressly restated, fixed, brought forward and granted to the Holders, and to each Insurer, as a Credit Provider.

(b) The Bonds, as “Additional Obligations” under the Master Bond Ordinance, are secured by a lien on and pledge of the Pledged Revenues and the Pledged Funds on a parity with any other Additional Obligations that are Outstanding, and with Parity Credit Agreement Obligations, if any, that are unpaid from time to time, as declared and provided in Section 2.2 of the Master Bond Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1 Authorization. Additional Obligations, to be designated as set forth in the Officer's Pricing Certificate, are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including specifically Chapters 1207 and 1371, Texas Government Code, as amended and Chapter 22, Texas Transportation Code, as amended. The Authorized Officer is hereby authorized and directed to modify the title of each series to the extent that, in the judgment of the Authorized Officer, it is necessary or appropriate. The final titles, the number of series and allocation of principal amount between each series of Bonds shall be determined by the Authorized Officer based on market conditions in the discretion of the Authorized Officer and set forth in the Officer's Pricing Certificate for each series. The Authorized Officer shall also be authorized to issue and sell any series of Bonds as taxable obligations if the Authorized Officer determines that it is in the best interest of the Cities and the Airport to do so. The designation of any series of Bonds as taxable shall be set forth in the Officer's Pricing Certificate for that series. The Bonds shall be issued in the number of series and aggregate principal amount per series designated in the Officer's Pricing Certificate, provided that the aggregate principal amount of all of the Bonds shall not exceed \$3,200,000,000, for the purpose of (1) paying the costs of capital improvements at the Airport (including capitalized interest, if any), (2) refunding all or a portion of the Refunded Bond Candidates and the Refunded Notes, as set forth in the Officer's Pricing Certificate(s), (3) to provide funding for the Debt Service Reserve Requirement through either the deposit of Bond proceeds or entering into a surety or such other agreement, if applicable, and (4) to pay the Cities' and the Board's costs incurred in connection with the issuance of the Bonds including the costs of the Policy or Policies or the surety or debt service reserve agreement.

Section 3.2 Initial Date, Denominations, Number, Maturity, Initial Registered Owner, Characteristics of the Initial Bond and Expiration Date of Delegation. (a) The Initial Bonds are hereby authorized to be issued, sold, and delivered hereunder as single fully registered Bonds, without interest coupons, dated the dates designated in the Officer's Pricing Certificate, in the denomination and maximum aggregate principal amount as designated in the Officer's Pricing Certificate, numbered T-1 or as otherwise set forth in the Officer's Pricing Certificate, payable in annual Principal Installments to the initial registered owner thereof (to be determined by the Authorized Officer), or to the registered assignee or assignees of said Bond or any portion or portions thereof (in each case, the "registered owner"), with the annual Principal Installments of the Initial Bonds to be payable on the dates, respectively, and in the principal amounts, respectively, to be stated in the Officer's Pricing Certificate, and as provided in this Ordinance, but with the final Principal Installment (the maximum term) to be not later than November 1, 2056.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, each Authorized Officer and the City Managers are hereby authorized, appointed, and designated as the officers or employees of the Cities authorized to act on behalf of the Cities in the selling and delivering of the Initial Bonds and carrying out the other procedures specified in this Ordinance, including the determination of the prices at which the Initial Bonds will be sold, the amount of each Principal Installment of each series issued hereunder, the due date of each Principal Installment of each series hereof, which shall be November 1 in each year in which a Principal Installment of each series is due unless modified by the Officer's Pricing Certificate, the rate of interest to be borne by each Principal Installment of each series issued hereunder, the redemption features, including any requirements of mandatory redemption, and all other matters relating to the issuance, sale, and delivery of the Initial Bonds and each series of the Bonds provided that:

(i) each series of Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; and

(ii) the combined aggregate principal amount of all the Bonds issued pursuant to this Ordinance and, authorized to be issued for the purposes described in Section 3.1 shall not exceed the maximum amount authorized in Section 3.1 hereof (\$3,200,000,000) and shall equal an amount at least sufficient to provide for the paying of the costs of refunding the Refunded Bond Candidates and Refunded Notes designated in the Officer's Pricing Certificate; and

(iii) all such terms and determinations pertaining to the pricing of each series of Bonds, including whether such series of Bonds shall be sold pursuant to a competitive sale, negotiated sale or private placement, shall be based on bond market conditions and available interest rates for each series of Bonds on the date of the sale of each series of the Bonds, all as set forth in the Officer's Pricing Certificate for each series. The Refunded Obligations shall be identified in the Officer's Pricing Certificate for each series in accordance with the preceding sentence, except that if less than an entire maturity is to be refunded, the Refunded Obligations to be refunded within a maturity shall be selected as provided in the Ordinance authorizing their issuance and, if not so provided, by lot; and

(iv) prior to delivery of each series of Bonds to the Purchasers, each series of Bonds must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations.

(c) *Negotiated Sale.* The Authorized Officers are hereby authorized to approve the final terms and provisions of each Underwriting Agreement in accordance with the terms of the Officer's Pricing Certificate and this Ordinance, such approval being evidenced by its execution thereof by any Authorized Officer. With regard to such terms and provisions of each Underwriting Agreement, the Authorized Officer is hereby authorized to come to an agreement with the Purchasers of each series of Bonds on the following, among other matters:

- (i) The details of the purchase and sale of the Bonds;
- (ii) The details of the public offering of the Bonds by the Purchasers;
- (iii) The details of an Official Statement (and, if appropriate, any Preliminary Official Statement), if applicable, relating to the Bonds and Rule compliance;
- (iv) A security deposit for the Bonds;
- (v) The representations and warranties of the Cities and the Board to the Purchasers;
- (vi) The details of the delivery of, and payment for, the Bonds;
- (vii) The Purchasers' obligations under the Underwriting Agreements;
- (viii) The certain conditions to the obligations of the Airport and the Cities under the Underwriting Agreements;
- (ix) Termination of the Underwriting Agreements;
- (x) Particular covenants of the Board and the Cities;

- (xi) The survival of representations made in the Underwriting Agreements;
- (xii) The payment of any expenses relating to the Underwriting Agreements;
- (xiii) Notices; and
- (xiv) Any and all such other details that are found by the Authorized Officer to be necessary and advisable for the purchase and sale of the Bonds.

Any Authorized Officer, acting singly, is hereby authorized to execute each Underwriting Agreement for and on behalf of the Board and the Cities and as the act and deed of the Board and the Cities.

(d) *Competitive Sale.* The Authorized Officers are hereby authorized to seek competitive bids for the sale of the Bonds authorized to be sold by this Ordinance, and are hereby authorized to prepare and distribute the Bidding Instructions and the Official Bid Form with respect to seeking competitive bids for the sale of the Bonds.

The Bidding Instructions shall contain the terms and conditions relating to the sale of the Bonds, including the date on which bids for the purchase of the Bonds are to be received, the date of the Bonds, any additional designation or title by which the Bonds shall be known, the aggregate principal amount of the Bonds to be sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Cities, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale and delivery of the Bonds so sold including, without limitation, the use of municipal bond insurance for the Bonds.

The Authorized Officers are hereby authorized to receive and accept bids for the sale of Bonds in accordance with the Bidding Instructions on such date as determined thereby. The Bonds so sold shall be sold at such price as an Authorized Officer shall determine to be the most advantageous to the Airport and the Cities, which determination shall be evidenced by the execution thereby of the Official Bid Form submitted by the best and winning bidder. One Bond in the principal amount maturing on each maturity date as set forth in the Official Bid Form shall be delivered to the Purchasers thereof. The Bonds shall initially be registered in the name as set forth in the Official Bid Form.

Any Authorized Officer, acting singly, is hereby authorized to execute an Official Bid Form submitted by the best and winning bidder, for and on behalf of the Board and the Cities and as the act and deed of the Board and the Cities.

(e) A portion of Bonds are expected to be issued for restructuring of the Airport's debt service requirements; however, to the extent any present value savings is achieved with the issuance of any series of Bonds pursuant to this Ordinance, such restructuring purpose and requirement is hereby deemed to be achieved. The manner in which the refunding of the Refunded Notes is being accomplished by the Cities does not make it practicable to make the determinations required by Section 1207.008, Texas Government Code, as amended.

(f) In connection with the issuance and delivery of the Bonds, the Authorized Officer, acting for and on behalf of the Cities, is authorized to set out in the Officer's Pricing Certificate such information as contemplated herein. The Officer's Pricing Certificate shall include such information as such Authorized Officer deems appropriate or is required by this Ordinance.

(g) The Authorized Officer is authorized to establish which maturity or maturities, if any, of each series of Bonds shall be insured based on recommendations of the co-financial advisors of the Airport, and such Authorized Officer shall specify the name or names of the Insurer or Insurers in the Bidding Instructions (in the case of a competitive sale), each Underwriting Agreement (in the case of a negotiated sale) and each Officer's Pricing Certificate and shall specify therein which maturity or maturities, if any, will be insured.

(h) The Initial Bonds of each series (i) may be prepaid or redeemed prior to the respective scheduled due dates of Principal Installments thereof as provided for in this Ordinance and in the Officer's Pricing Certificate, (ii) may be assigned and transferred, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and the principal of and interest on the Initial Bonds of each series shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in this Ordinance and as determined by an Authorized Officer, as provided herein and in the Officer's Pricing Certificate, with such changes and additions as are required to meet the terms of the Bidding Instructions and Official Bid Form (in the case of a competitive sale), each Underwriting Agreement (in the case of a negotiated sale) and the Officer's Pricing Certificate, including the names as to which the Initial Bond of each series shall be registered.

(i) The authority granted to the Authorized Officer under this Section 3.2 shall expire one year from the effective date of this Ordinance, as set forth in Section 9.3, unless otherwise extended by the City Councils of each of the Cities by separate action.

Section 3.3 Medium, Method and Place of Payment. (a) The principal of, redemption premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Bonds shall be payable to the Holders whose names appear in the Obligation Register (as defined in Section 3.5) at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Cities or the Board. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the Holder entitled to such payment, first class United States mail, postage prepaid, to the address of the Holder as it appears in the Obligation Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner.

(d) The principal of each Bond shall be paid to the Holder on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on a Bond is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the

Designated Payment/Transfer Office is located, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to any applicable escheat, unclaimed property, or similar and Applicable Law, unclaimed payments remaining unclaimed by the Holders entitled thereto for three years after the applicable payment date or redemption date shall be paid to the Board and thereafter neither the Cities, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds.

(g) The unpaid principal balance of each Initial Bond shall bear interest as set forth in such Initial Bond to the respective scheduled due dates, or to the respective dates of prepayment or redemption, of the Principal Installments, and said interest shall be payable to the registered owner thereof, all in the manner provided and on the dates fixed by the Authorized Officers in accordance with this Ordinance and the Officer's Pricing Certificate for each series, and with interest rates as fixed by the Authorized Officer in accordance with this Ordinance and the Officer's Pricing Certificate, and as set forth in the Official Bid Form submitted by the highest and best bidder and accepted by an Authorized Officer (in the case of a competitive sale) or the Underwriting Agreements (in the case of a negotiated sale).

Section 3.4 Ownership. (a) The Cities, the Board, the Paying Agent/Registrar and any other person may treat each Holder as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and redemption premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to each Holder on the Record Date), and for all other purposes, whether or not such Bond is overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Holder in accordance with this Section shall be valid and effectual and shall discharge the liability of the Cities, the Board, and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.5 Registration, Transfer and Exchange. (a) So long as any Bonds remain Outstanding, the Board shall cause the Paying Agent/Registrar to keep an Obligation Register at its principal trust office in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Ownership of any Bond may be transferred in the Obligation Register only upon the presentation and surrender thereof at the Paying Agent's Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Obligation Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer. As provided in any Underwriting Agreement related to a private placement, the bond purchaser covenants to not sell the Bonds unless such bond purchaser delivers a letter in the form attached to the related Underwriting Agreement.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the registered owner of the Bond or Bonds in not more than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

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

(e) The Board will pay, as Administrative Expenses, the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of the Bonds, but the Paying Agent/Registrar will require the Holder to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the Cities hereby covenant with the Holders of the Bonds that the Board will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

Section 3.6 Cancellation and Authentication. All Bonds paid or redeemed before their Stated Maturity Dates in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the canceled Bonds in accordance with Applicable Law.

Section 3.7 Temporary Bonds. (a) Following the delivery and registration of the Initial Bond issued hereunder and pending the preparation of definitive Bonds, the proper officers of the Cities may execute and, upon the Cities' or the Board's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the

officers of the Cities executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

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

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

Section 3.8 Replacement Bonds. (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Cities, the Board, or the Paying Agent/Registrar may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to Subchapter D of Chapter 1201, Texas Government Code, as amended, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Holder first:

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

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

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

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

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Cities, the Board, or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond.

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

Section 3.9 Book-Entry Only System. (a) The definitive Bonds for each series shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.10, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The Bonds will also be subject to DTC Book-Entry System and Global Clearance Procedures.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Holder, as shown on the Obligation Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Holder, as shown in the Obligation Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Obligation Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Holders, as shown in the Obligation Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Cities' obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Holder, as shown in the Obligation Register, shall receive a certificate evidencing the obligation of the Cities to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter setting respective duties with respect to the Bonds has been previously executed and delivered by an Authorized Officer of the Airport and made applicable to the Bonds delivered in book-entry-only form to DTC, as securities depository therefor, is hereby ratified and approved for the Bonds.

Section 3.10 Successor Securities Depository. In the event that the Cities, the Board, or the Paying Agent/Registrar determine that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Cities, the Board, or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC

Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Obligation Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Holders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.11 Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, redemption premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1 Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV and the Officer's Pricing Certificate.

Section 4.2 Optional Redemption. (a) The Authorized Officer shall specify in the Bidding Instructions (in the case of a competitive sale), the Underwriting Agreements (in the case of a negotiated sale), Officer's Pricing Certificates, Initial Bonds, and in the Bonds such rights of optional redemption, if any, and the Redemption Prices therefor that are to be reserved by the Cities.

(b) To the extent the Bonds are subject to optional redemption, the Board, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of the Bonds to be redeemed.

Section 4.3 Partial Redemption. (a) If less than all of the Bonds are to be redeemed pursuant to Section 4.2, the Board shall have the right to determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot, or portions thereof, within such maturity or maturities and in such principal amounts for redemption as determined by the Board in its sole discretion.

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

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.5 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.4 Mandatory Redemption of Certain Bonds. (a) The Authorized Officer shall specify in the Bidding Instructions (in the case of a competitive sale), Underwriting Agreements (in the case of a

negotiated sale), Officer's Pricing Certificates, Initial Bonds and in the Bonds such obligations to redeem the Bonds mandatorily, and the Redemption Prices therefor, as are to be imposed on the Cities.

(b) Subject to the provisions of subsection (c) of this Section, when less than all of the Bonds of a specified maturity on a specified Stated Maturity Date are required to be redeemed as determined in accordance with this Section, the Board, acting on behalf of the Cities, shall have the right and the particular maturities of the Bonds to be redeemed will be determined by the Board in its sole discretion. If the Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of such Bonds, if less than all of the Bonds of a maturity are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot. A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or an integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver an exchange Bond or Bonds in an aggregate amount equal to the unredeemed portion of the Bond so surrendered.

(c) In lieu of the procedure described in subsection (b) of this Section, if less than all of the Bonds of a Stated Maturity Date are required to be redeemed, the Cities and the Board shall have the right to accept tenders of Bonds of the applicable Stated Maturity Date and to purchase Bonds of such maturity in the open markets at any price that is less than the applicable Redemption Price for the Bonds required to be redeemed.

Section 4.5 Notice of Redemption to Holders. (a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, or by such other means as is acceptable to such Holders, not less than 30 days before the date fixed for redemption, to the Holder of each Bond (or part thereof) to be redeemed, at the address shown on the Obligation Register.

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

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

Section 4.6 Conditional Notice of Redemption. With respect to any optional redemption of Bonds, unless certain prerequisites to such redemption required by the Master Bond Ordinance or this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 4.7 Payment Upon Redemption. (a) Before or on each redemption date, the Board on behalf of the Cities shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the Board and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed, or the tender or negotiated price in the case of Bonds tendered or purchased under Section 4.4(c).

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

Section 4.8 Effect of Redemption. (a) Notice of redemption having been given as provided in Section 4.5 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Cities fail in their obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon on the date fixed for redemption, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the Cities shall fail to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same by the Cities.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.1 Appointment of Initial Paying Agent/Registrar. U.S. Bank Trust Company, National Association is hereby appointed as the initial Paying Agent/Registrar for the Bonds, under and subject to the terms and provisions of the Master Paying Agent Agreement.

Section 5.2 Qualifications. The Paying Agent/Registrar shall be a commercial bank, a trust company organized under applicable laws, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.3 Maintaining Paying Agent/Registrar. (a) At all times while any Bonds are Outstanding, the Cities will maintain a Paying Agent/Registrar that is qualified under Section 5.2 of this Ordinance.

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

Section 5.4 Termination. The Cities, acting through the Board, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.5 Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the Board will cause notice of the change to be sent to each Holder and Insurer by first

class United States mail, postage prepaid, at the address in the Obligation Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.6 Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar acknowledges receipt of copies of the Master Bond Ordinance and this Ordinance, and is deemed to have agreed to the provisions thereof, and to perform the duties and functions of Paying Agent/Registrar prescribed therein and herein.

Section 5.7 Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Obligation Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE BONDS

Section 6.1 Form Generally. (a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article VI, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance or the Officer's Pricing Certificates, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Board.

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

(c) The Bonds, including the Initial Bonds submitted to the Attorney General of the State of Texas and any temporary Bonds, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.2 Form of Bond. The forms of Bond, including the form of the Registration Certificate of the Comptroller of Public Accounts, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows for each Bond of each series:

(a) [Form of Bond]

REGISTERED

No. _____

REGISTERED

\$

United States of America
State of Texas
Cities of Dallas and Fort Worth

**DALLAS FORT WORTH INTERNATIONAL
AIRPORT JOINT REVENUE BOND, SERIES _____**

INTEREST RATE:	MATURITY DATE:	ORIGINAL ISSUE DATE:	CUSIP NO.:	ISIN ² :	COMMON CODE ¹ :
_____ %	_____, _____	_____ 1, 202_	_____	_____	_____

The Cities of Dallas and Fort Worth, Texas (the "Cities"), for value received, hereby promise to pay to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of _____, 202_¹, or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on May 1 and November 1 of each year, commencing _____, 202_¹. Interest on the Bonds shall accrue from the date of the initial delivery thereof.

Capitalized terms appearing herein that are defined terms in the Ordinances defined below, have the meanings assigned to them in the Ordinances. Reference is made to the Ordinances for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the "Designated Payment/Transfer Office"), of U.S. Bank Trust Company, National Association or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

¹ Applicable to Bonds sold outside of the United States in certain jurisdictions.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof, dated _____, 202_¹ issued in the aggregate principal amount of \$____¹ issued pursuant to the authority of Chapter 22, Texas Transportation Code, as amended, Chapters 1207 and 1371, Texas Government Code, as amended, the “Master Bond Ordinance,” as defined in the Seventieth Supplemental Concurrent Bond Ordinance adopted concurrently by the City Councils of the Cities (the “Seventieth Supplemental Ordinance”). The Master Bond Ordinance and the Seventieth Supplemental Ordinance are herein collectively referred to as the “Ordinances.” This Bond is one of the Additional Obligations authorized by the Ordinances and is subject to the terms and provisions thereof. The Ordinances and their respective terms and provisions are incorporated herein for all purposes.

The Bonds were issued by the Cities for the purposes of obtaining funds to pay costs of capital improvements at the Airport (including capitalized interest, if any), to refund certain obligations previously issued by the Cities, to provide funding for the Debt Service Reserve Requirements through either the deposit of Bond proceeds or entering into a surety or such other agreements, and to pay the Cities’ and the Board’s costs incurred in connection with the issuance of the Bonds, including the costs of the Policy or Policies, if any, or the surety or debt service reserve agreement.

The Bonds and the interest thereon are payable from, and are secured by a first lien on and pledge of the Pledged Revenues and the Pledged Funds.

The lien on and pledge of the Pledged Revenues and Pledged Funds created and granted in the Ordinances in favor of the Bonds is on a parity with the lien and pledge thereof granted by the Cities in favor of the Holders of Outstanding Obligations, and any Additional Obligations or Parity Credit Agreement Obligations that may be issued or executed pursuant to the Master Bond Ordinance, as defined and permitted therein. The Cities have reserved the right in the Ordinances to issue Additional Obligations and Parity Credit Agreement Obligations that, after issuance, may be secured by liens on and pledges of the Pledged Revenues and Pledged Funds on a parity with the lien thereon in favor of the Bonds.

The Cities have also reserved the right in the Ordinances to issue Subordinate Lien Obligations, and Credit Agreement Obligations in connection therewith, provided the lien and pledge securing the same are expressly made junior and subordinate to the pledge and lien securing the Obligations and Parity Credit Agreement Obligations.

All covenants requiring the Cities to pay principal and interest or other payments on Obligations, Subordinate Lien Obligations, and Credit Agreement Obligations shall be joint, and not several, obligations, and all monetary obligations shall be payable and collectible solely from the revenues and funds expressly pledged thereto by the Ordinances or by an Additional Supplemental Ordinance, such revenues and funds being owned in undivided interests by the City of Dallas (to the extent of 7/11ths thereof) and by the City of Fort Worth (to the extent of 4/11ths thereof); and, each and every Holder shall by his acceptance of this Bond consent and agree that no claim, demand, suit, or judgment for the payment of money shall ever be asserted, filed, obtained or enforced against either of the Cities apart from the other City and from sources other than the funds and revenues pledged thereto; and no liability or judgment shall ever be asserted, entered or collected against either City individually, except out of such pledged revenues and exceeding in the case of the City of Dallas an amount equal to 7/11ths of the total amount asserted or demanded, and in the case of the City of Fort Worth an amount equal to 4/11ths of the total amount asserted or demanded.

The Holders hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

[The Cities have reserved the right and option to redeem the Bonds maturing in the years ____ through _____, inclusive, in whole or part, in principal amounts equal to \$5,000 or any integral multiple thereof, before their respective maturity dates, on November 1, _____, or on any date thereafter, at a price equal to the principal amount thereof, plus interest to the date fixed for redemption, without premium.]

[The Bonds maturing November 1, _____, November 1, _____, November 1, _____, and November 1, _____, shall be redeemed prior to stated maturity in part at random on November 1 as indicated, in each of the years set forth below from moneys required to be deposited to the credit of the Debt Service Fund at the principal amount thereof and accrued interest to date of redemption, without premium. Such required sinking fund installments as to each maturity are as follows:

BONDS MATURING NOVEMBER 1, _____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, _____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, _____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, _____

<u>Year</u>	<u>Amount</u>
-------------	---------------

The Paying Agent/Registrar will select at random the specific Bonds (or with respect to Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the Board on behalf of the Cities, by the principal amount of any Bonds having the same maturity which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the Board on behalf of the Cities at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]²

Notice of such redemption or redemptions shall be given by first class United States mail, postage prepaid or by such other means as is acceptable to such Holders, not less than 30 days before the date fixed

² Mandatory redemption provisions to be inserted pursuant to the Officer's Pricing Certificate for the Bonds.

for redemption, to the Holder of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue. The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and if less than all Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

With respect to any optional redemption of Bonds, unless certain prerequisites to such redemption required by the Master Bond Ordinance or this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

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

Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The Cities, the Board, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law.

IN WITNESS WHEREOF, the City Council of the City of Dallas, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor and countersigned by the facsimile signatures of its Interim City Manager and City Secretary; and the City Council of the City of Fort Worth, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor, countersigned by the facsimile signature of its City Secretary, and approved as to form and legality by its City Attorney.

COUNTERSIGNED:

Interim City Manager,
City of Dallas, Texas

Mayor,
City of Dallas, Texas

City Secretary,
City of Dallas, Texas

COUNTERSIGNED:

City Secretary,
City of Fort Worth, Texas

Mayor,
City of Fort Worth, Texas

APPROVED AS TO FORM AND LEGALITY:

City Attorney,
City of Fort Worth, Texas

(b) [Form of Certificate of Paying Agent/Registrar]

**CERTIFICATE OF PAYING
AGENT/REGISTRAR**

This is one of the Bonds referred to in the within mentioned Ordinances. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Paying Agent/Registrar

Dated:

By: _____
Authorized Signatory

(c) [Form of Assignment]

ASSIGNMENT

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

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

Dated: _____

Signature Guaranteed By:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner satisfactory to the Paying Agent/Registrar.

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and "CUSIP NO. _____" deleted;

(B) in the first paragraph:

the words "on the Maturity Date, as specified above" shall be deleted and the following will be inserted:

(C) "on _____ in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(D) Information to be inserted in accordance with the Officer's Pricing Certificate; and

(E) the Initial Bond shall be numbered TC-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of the Paying Agent/Registrar:

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS**

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

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has examined and approved this Bond as required by law, and that he finds that it has been issued in conformity with the constitution and laws of the State of Texas, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

[SEAL]

Comptroller of Public Accounts
of the State of Texas

Section 6.3 CUSIP Registration. The Cities may secure identification numbers through the CUSIP Global Services managed by FactSet Research Systems Inc. on behalf of the American Bankers Association, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Cities, the Board, nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Cities may also secure such other identification numbers as they shall deem appropriate.

Section 6.4 Legal Opinion. The approving legal opinions of McCall, Parkhurst & Horton L.L.P., and West & Associates, L.L.P., Co-Bond Counsel, shall be delivered to the Paying Agent/Registrar and the delivery thereof shall be acknowledged by the Paying Agent/Registrar on behalf of the Holders of the Bonds.

ARTICLE VII

**EXECUTION, APPROVAL, REGISTRATION, SALE AND DELIVERY
OF BONDS AND RELATED DOCUMENTS**

Section 7.1 Method of Execution, Delivery of Initial Bond. (a) Each of the Bonds shall be signed and executed on behalf of the City of Dallas by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signatures of its City Manager and City Secretary, and the corporate seal of that City shall be impressed, printed, lithographed or otherwise reproduced or placed on each Bond. Each of the Bonds shall be signed and executed on behalf of the City of Fort Worth by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Secretary; the same shall be approved as to form and legality by the manual or facsimile signature of the City Attorney of the City, and its corporate seal shall be impressed, printed, lithographed or otherwise reproduced or placed upon each Bond. All manual or facsimile signatures placed upon the Bonds shall have the same effect as if manually placed thereon, all to be done in accordance with Applicable Law.

(b) In the event the Mayor, City Secretary, City Manager or City Attorney of either of the Cities is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, the Assistant City Secretary, an Assistant City Manager or an Assistant City Attorney, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary, and an Assistant City Manager and an Assistant City Attorney shall, for the purposes of this Ordinance, have the same force and effect as if such duties were performed by the Mayor, City Secretary, City Manager and City Attorney, respectively. If any official from either City whose manual or facsimile signature shall appear on the Bonds, shall cease to be such official before the Authentication of the Bonds or before delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such official had remained in such office.

(c) On the Closing Date, one "Initial Bond," of each series representing the entire principal amount of all Bonds of such series and the terms set forth in each Officer's Pricing Certificate applicable thereto, payable in stated installments to the Purchasers or its designee, executed by manual or facsimile signatures of the Mayors and the City Manager of the City of Dallas and countersigned by the City Secretaries of the Cities and approved as to form and legality by the City Attorney of the City of Fort Worth, approved by the Attorney General of Texas, and registered and signed by the Comptroller, will be delivered to the Purchaser of each series or its designee. Upon payment for the Initial Bonds, the Paying Agent/Registrar shall cancel the Initial Bonds and deliver to DTC on behalf of the Purchaser registered definitive Bonds for each maturity of each series as described in Section 3.7.

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

Section 7.2 Approval and Registration. The Board is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Chair, and the officers and employees of the Board and of the Cities are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds or the Initial Bond to the Attorney General of the State of Texas and to assure the investigation, examination and approval thereof by the Attorney General and their registration by the Comptroller. Upon registration of the Bonds, the Comptroller (or a deputy designated in writing to act for him) shall sign the Comptroller's Registration Certificate accompanying the Bonds and the seal of the Comptroller shall be impressed, or placed in facsimile, on such certificate. The Chair of the Board and the Chief Executive Officer of the Airport shall be further authorized to make such agreements and arrangements with the Purchasers of Bonds and with the Paying Agent/Registrar as may be necessary to assure that such Bonds will be delivered to such Purchasers in accordance with the terms of sale.

Section 7.3 TEFRA Approval. An Authorized Officer is hereby appointed to be the designated Hearing Officer for a public hearing, if applicable, relating to the Bonds to be held for purposes of satisfying Section 147 of the Code and the Mayors of the Cities are hereby authorized to approve the issuance of the Bonds and the use of the proceeds thereof for the purpose of satisfying the requirements of Section 147 of the Code.

Section 7.4 Approval of Credit Agreements. The Board is authorized to enter into Credit Agreements relating to the Bonds from time to time while the Bonds are Outstanding in accordance with Applicable Law.

Section 7.5 Official Statement. In order to satisfy the requirements of the Cities with respect to the Rule, the preparation, execution and delivery of a preliminary official statement and a final official statement for the Bonds and any supplements thereto which may be necessary to comply with the Rule are hereby authorized in such form and with such changes therein as shall be approved by an Authorized Officer or the Board. An Authorized Officer's execution of the Officer's Pricing Certificate for the Bonds shall constitute conclusive evidence of such approval by or on behalf of the Board. To the extent applicable, Authorized Officers are authorized to enter undertakings related to the Rule on behalf of the Cities and the Board.

Section 7.6 Attorney General Modification. In order to obtain the approval of the Bonds by the Attorney General of the State of Texas, any provision of this Ordinance may be modified, altered or amended after the date of its adoption if required by the Attorney General in connection with the Attorney General's examination as to the legality of the Bonds and approval thereof in accordance with the applicable law. Such changes, if any, shall be provided to the City Secretary of each City and such City Secretary shall insert such changes into this Ordinance as if approved on the date hereof.

Section 7.7 Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein, including the execution of an undertaking pursuant to the Rule, the preparation of Bidding Instructions and an Official Bid Form (in the case of Bonds sold through a competitive sale), and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Ordinance.

Section 7.8 Refunding and Payment of Refunded Obligations. (a) The Cities hereby direct that the Refunded Obligations, or portions thereof specified in each Officer's Pricing Certificate, be designated for payment on the date or dates set forth in the Officer's Pricing Certificate (the "Payment Date") and that the paying agent or escrow agent (the "Escrow Agent") for the Refunded Obligations deposit an amount sufficient, with investment earnings thereon, if any, to pay the amount due on the Refunded Obligations on the Payment Date. The Refunded Obligations shall not bear interest after the applicable Payment Date.

(b) The Authorized Officer is hereby authorized to enter into an escrow agreement (the "Escrow Agreement") with the Escrow Agent. The Escrow Agent is authorized to take such steps as may be necessary or appropriate to purchase securities and to create and fund the Escrow Fund pursuant to the Escrow Agreement through the use of the proceeds of the Bonds and other lawfully available monies, if any, and to use such monies to redeem the Refunded Obligations on the applicable Payment Date.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.1 Deposit and Uses of Bond Proceeds. The proceeds received from the sale of each series of the Bonds, together with other available funds, if any, shall be applied as follows: (i) an amount as specified in the Officer's Pricing Certificate shall be deposited as directed by an Authorized Officer to pay costs of capital improvements at the Airport (including capitalized interest, if any); (ii) an amount as specified in the Officer's Pricing Certificate shall be deposited to the Debt Service Reserve Fund or shall be used to purchase a Credit Agreement, which together with the amount on deposit therein, is equal to the Debt Service Reserve Requirement; (iii) an amount, specified in the Officer's Pricing Certificate shall be deposited into the Escrow Fund (or Note Payment Fund, if applicable) for the Refunded Obligations; and (iv) an amount

specified in the Officer's Pricing Certificate, equal to the Cities' and the Board's costs of issuance of the Bonds will be deposited as directed by an Authorized Officer. To the extent proceeds received from the sale of Bonds are deposited in the Construction Fund, the income or interest earned from the investment thereof may be used by the Board for deposit to the Debt Service Fund; provided, if such proceeds are derived from an issuance of tax-exempt Bonds, the Board shall first receive an opinion of nationally-recognized bond counsel that such use will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code.

Section 8.2 Payment of the Bonds. While any of the Bonds are Outstanding and unpaid, the Board shall make available to the Paying Agent/Registrar, out of the Debt Service Fund or the Debt Service Reserve Fund, the amounts and at the times required by this Ordinance and the Master Bond Ordinance, money sufficient to pay when due all amounts required to be paid by this Ordinance, the Master Bond Ordinance, the Outstanding Ordinances, and the Additional Supplemental Ordinances, if any, that authorize the issuance of the Outstanding Obligations or any Additional Obligations.

Section 8.3 Representations and Covenants. (a) The Cities and the Board will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the Master Bond Ordinance and this Ordinance; the Cities will promptly pay or cause to be paid from Pledged Revenues the principal of, interest on, and premium, if any, with respect to, each Bond on the dates and at the places and manner prescribed in each Bond; and the Cities will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by the Master Bond Ordinance and this Ordinance.

The Cities are duly authorized by Applicable Law to issue the Bonds; all action on their part for the issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Holders are and will be valid and enforceable special obligations of the Cities and the Board in accordance with their terms.

(b) The Board, the officers, employees and agents are hereby directed to observe, comply with and carry out the terms and provisions of this Ordinance.

Section 8.4 General Tax Covenant Regarding Tax-Exemption. The Cities and the Board covenant to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in Section 103 of the Code, the interest on which is not includable in the "gross income" of the Holder for purposes of federal income taxation. The Cities and the Board understand that the term "Proceeds" includes "disposition proceeds," as defined in the Treasury Regulations. It is the understanding of the Cities and the Board that the covenants contained in this Ordinance are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Bonds, the Cities and the Board will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Cities and the Board agree to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code.

Notwithstanding any other provision of this Ordinance, the terms, conditions and requirements of Section 8.4 through 8.10 of this Ordinance shall survive the defeasance and discharge of the Bonds and the Cities and the Board will continue to comply with such terms, conditions and requirements to the extent that a failure to do so would adversely affect the treatment of the Bonds as obligations derived in Section

103 of the Code, the interest on which is not includable in the “gross income” of the Holder for purposes of federal income taxation. For purposes of making the foregoing determination, the Cities and the Board may rely on the advice of nationally-recognized bond counsel.

Section 8.5 Use of Proceeds of Non-PAB Bonds. The Cities and Board covenant and agree that they will make use of the Proceeds of Non-PAB Bonds, including interest or other investment income derived from such Proceeds, regulate the use of property financed, directly or indirectly, with such Proceeds, and take such other and further action as may be required so that the Non-PAB Bonds will not be “private activity bonds” within the meaning of section 141 of the Code.

Section 8.6 Use of Proceeds Regarding PAB Bonds. The Cities and the Board covenant with respect to the PAB Bonds or any bonds refunded with the Proceeds of the PAB Bonds (the “PAB Refunded Bonds”):

(a) that they have taken any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the PAB Bonds or the PAB Refunded Bonds, if any, as “exempt facility bonds” as the term is defined in Section 142 of the Code.

(b) that at least 95 percent of the Net Proceeds of the PAB Bonds or the PAB Refunded Bonds, if any, actually expended have been and will be expended to finance or refinance costs of property (the “Financed Property”) that (A) either (1) were paid or incurred after the issue date of the PAB Refunded Bonds, or (2) paid prior to the issue date of the PAB Refunded Bonds, if any, but meet the requirements of section 1.150-2 of the Treasury Regulations; (B) are properly chargeable for federal income tax purposes to the capital account of the Financed Property, or would be so chargeable either with a proper election or but for a proper election to deduct such amounts; and (C) were incurred to provide “airport facilities,” which may include both an “airport” within the meaning of Section 142 of the Code and property that is functionally related and subordinate thereto within the meaning of section 1.103-8(a)(3) of the Treasury Regulations or directly related and essential thereto within the meaning of Section 1.103-8(e)(2)(ii) of the Treasury Regulations (for purposes of this covenant a storage or training facility shall be an “airport facility” only if such facility is directly related to the airport, and an “office” shall be considered an “airport facility” only if such office is located on the premises of an airport and all but a de minimis amount of the functions to be performed at such office are directly related to the day-to-day operations at such airport).

(c) that less than 25 percent of the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, has been and will be used, directly or indirectly, for the acquisition of land or an interest therein and no portion of the Net Proceeds of the PAB Bonds or the PAB Refunded Bonds, if any, has been or will be used, directly or indirectly, for the acquisition of land or an interest therein to be used for farming purposes (for purposes of this covenant, land acquired for noise abatement purposes or for future use as an airport shall not be taken into account, if there is no other significant use of such land).

(d) that no portion of the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, has been or will be used for the acquisition of any existing property or an interest therein unless (A) the first use of such property is pursuant to such acquisition or (B) the rehabilitation expenditures with respect to any building and the equipment therefor equal or exceed 15 percent of the cost of acquiring such building financed or refinanced with the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, (with respect to structures other than buildings, this covenant shall be applied by substituting 100 percent for 15 percent and the term “rehabilitation expenditures” shall have the meaning set forth in Section 147(d)(3) of the Code).

(e) to take such action to assure at all times while the PAB Bonds remain outstanding, the Financed Property, will be owned by a governmental unit within the meaning of Section 142(b) of the Code.

(f) that no part of the Financed Property, will constitute (i) any lodging facility, (ii) any retail facility (including food or beverage facilities) in excess of a size necessary to serve passengers and employees at the exempt facility, (iii) any retail facility (other than parking) for passengers or the general public located outside the exempt facility terminal, (iv) any office building for individuals who are not employees of a governmental unit or of the operating authority for the exempt facility, (v) any industrial park or manufacturing facility, (vi) any airplane, (vii) any skybox or other private luxury box, (viii) any health club facility, (ix) any facility primarily used for gambling, or (x) any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(g) that the maturity of the PAB Bonds does not exceed 120 percent of the economic life of the Financed Property, as more specifically set forth in Section 147(b) of the Code; and

(h) that the costs of issuance to be financed or refinanced with the Proceeds of the PAB Bonds do not exceed two (2) percent of the Sale Proceeds of the Bonds.

Section 8.7 No Federal Guarantee. The Cities and the Board covenant and agree to refrain from taking any action that would result in the Bonds being “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 8.8 No Arbitrage. The Cities and the Board covenant and agree that they will make such use of the Proceeds of the Bonds, including interest or other investment income derived from Proceeds of the Bonds, regulate investments of Proceeds of the Bonds, and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of Section 148(a) of the Code. In furtherance thereof, the Cities and the Board covenant and agree as follows:

(a) to refrain from using any portion of the Proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of each issue of the Bonds, other than investment property acquired with—

(i) Proceeds of the Bonds invested for a reasonable temporary period, within the meaning of Section 148 of the Code,

(ii) Proceeds or amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1(b) of the Treasury Regulations, and

(iii) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of more than a “de minimis amount” of original issue discount, the issue price, within the meaning of Section 1.148-1(b) of the Treasury Regulations) of the Bonds;

(b) to otherwise restrict the use of the Proceeds of the Bonds or amounts treated as Proceeds of the Bonds, as may be necessary, to satisfy the requirements of Section 148 of the Code (relating to arbitrage); and

(c) to create and maintain a Rebate Fund, as required below for each issue of the Bonds, to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the issue of the Bonds) an amount that is at least equal to 90 percent of the “Excess Earnings,” within the meaning of Section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds of such issue have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under Section 148(f) of the Code. In order to facilitate the requirements of subsection (c) of this Section, the Rebate Fund for each issue of the Bonds shall be

established and maintained by the Board, on behalf of itself and the Cities, for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other Person, including Holders and Credit Providers. Amounts on deposit in the Rebate Fund in accordance with Section 148 of the Code shall be paid periodically to the United States of America in such amounts and at such times as are required by said section.

Section 8.9 Record Retention. The City and the Board covenant and agree to retain all pertinent and material records relating to the use and expenditure of the Proceeds of each issue of the Bonds until six years after the last Bond is redeemed, or such shorter period as authorized by subsequent guidance issued by the Department of Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the Cities and the Board to retrieve and reproduce such books and records in the event of an examination of the Bonds by the Internal Revenue Service.

Section 8.10 Disposition of Project. The Cities and the Board covenant that the property constituting the projects financed or refinanced with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Cities or the Board of cash or other compensation, unless the Cities and the Board obtain an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Cities and the Board shall not be obligated to comply with this covenant if they obtain an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

Section 8.11 Bond Insurance. The Bonds may be offered with one or more commitments for municipal bond insurance provided by the Insurer or Insurers, with the bond insurance to be evidenced by one or more of the then current legal forms of the Policy or Policies. The Cities may sell one or more maturities of the Bonds based on such insurance but are not required to obtain bond insurance from another source if the Insurer does not honor or is unable to honor its obligations to deliver the Policy or Policies on the Closing Date. In the event that any of the Bonds are insured, the covenants and representations of the Cities relating to insurance shall be set forth in the Officer's Pricing Certificates.

Section 8.12 Reimbursement. The Cities reasonably expect to reimburse capital expenditures made from its own funds with respect to the projects financed with Bond proceeds and this Seventieth Supplemental Concurrent Bond Ordinance shall constitute a declaration of official intent under Treas. Reg. § 1.150-2.

Section 8.13 Issuance of Taxable Bonds. In the event the Authorized Officer determines to issue any series of Bonds as taxable obligations pursuant to the authority granted in Section 3.1 of this Ordinance, all covenants and representations of the Cities regarding the tax-exempt status of the Bonds or any obligations relating to the issuance of tax-exempt Bonds shall be null and void, including the covenants contained in Sections 8.4 through 8.10 of this Article VIII, with respect to such taxable obligations.

ARTICLE IX

REPEAL, SEVERABILITY, AND EFFECTIVE DATE

Section 9.1 Ordinance Irrepealable. After any of the Bonds shall be issued, this Ordinance shall constitute a contract between the Cities, the Holders, and each Insurer, and this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled, refunded or discharged or provision for the payment thereof shall be made.

Section 9.2 Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance. If any Section, paragraph, clause or provision of the Contract and Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of the Contract and Agreement, or of any other provisions of this Ordinance not dependent directly for effectiveness upon the provision of the Contract and Agreement thus declared to be invalid and unenforceable.

Section 9.3 Effective Date. This Ordinance, when duly passed by both Cities, shall be in full force and effect.

[Signature Pages Follow]

PASSED BY THE FORT WORTH CITY COUNCIL THIS _____ DAY OF _____, 2025.

ATTEST:

Mayor
City of Fort Worth, Texas

City Secretary
City of Fort Worth

APPROVED AS TO FORM AND LEGALITY:

City Attorney
City of Fort Worth, Texas

THE STATE OF TEXAS §
COUNTY OF TARRANT §
CITY OF FORT WORTH §

I, Jannette Goodall, City Secretary of the City of Fort Worth, Texas, do hereby certify:

1. That the above and foregoing is a true and correct copy of an Ordinance, duly presented and passed by the City Council of the City of Fort Worth, Texas, at a regular meeting held on _____, 2025, as same appears of record in the Office of the City Secretary.
2. That said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and the Official Seal of the City of Fort Worth, Texas, this ____ day of _____, 2025.

City Secretary,
City of Fort Worth, Texas

(SEAL)

APPROVED AND ADOPTED BY THE DALLAS CITY COUNCIL THIS _____, 2025.

CITY OF DALLAS:

Kimberly Bizzor Tolbert,
Interim City Manager

APPROVED AS TO FORM:

Tammy L. Palomino,
City Attorney

By: _____
Interim City Manager

By: _____
City Attorney

THE STATE OF TEXAS §
COUNTY OF DALLAS §
CITY OF DALLAS §

I, Bilierae Johnson, City Secretary of the City of Dallas, Texas, do hereby certify:

1. That the above and foregoing is a true and correct copy of an excerpt from the minutes of the City Council of the City of Dallas, had in regular meeting, _____, 2025, confirming the passage of Dallas Fort Worth International Airport Seventieth Supplemental Concurrent Bond Ordinance authorizing the issuance of Dallas Fort Worth International Airport Joint Revenue Bonds which ordinance is duly of record in the minutes of said City Council.

2. That said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and seal of the City of Dallas, Texas, this ____ day of _____, 2025.

City Secretary,
City of Dallas, Texas

(SEAL)

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Seventy-First Supplemental Concurrent Bond Ordinance

Department: Treasury Management

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve the attached resolution, approving the form of the Seventy-First Supplemental Concurrent Bond Ordinance and requesting its passage by the City Councils of Dallas and Fort Worth; and authorizing the Authorized Officers to take other necessary actions in connection therewith.

BACKGROUND:

- Provides for authorizaton to refund commercial paper

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: 71st Resolution with SBO v3

Approvals

Abel Palacios, Vice President - Finance
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Seventy-First Supplemental Concurrent Bond Ordinance

Official Board Action - Action

Airport Board Resolution

RESOLUTION NO. 2024-__-__

**APPROVING THE FORM OF THE SEVENTY-FIRST SUPPLEMENTAL
CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE
BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT
WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL
STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO
TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH**

THE STATE OF TEXAS	§
COUNTIES OF DALLAS AND TARRANT	§
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD	§

WHEREAS, prior to the adoption of this resolution (herein defined and cited as the "Resolution"), the City Councils of the Cities of Dallas and Fort Worth (the "Cities") passed the Master Bond Ordinance (defined and cited herein as the "Master Bond Ordinance") relating to the Dallas Fort Worth International Airport (the "Airport"); and

WHEREAS, terms not defined herein shall have the meanings set forth in the Master Bond Ordinance and the Seventy-First Ordinance (as defined below); and

WHEREAS, the Master Bond Ordinance is the controlling document that relates to the financing of the Airport and that (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations and Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, this Resolution is adopted for the purposes set forth below; and

WHEREAS, in accordance with the Master Bond Ordinance, the Dallas Fort Worth International Airport Board (the "Board") has sought and obtained the preparation of a proposed ordinance to be passed concurrently by said Cities authorizing the issuance of one or more series of Dallas Fort Worth International Airport Joint Revenue Bonds (the "Bonds") which shall constitute Additional Obligations pursuant to the Master Bond Ordinance the proceeds of which will be used, among other things, to refund all or a portion of the Dallas Fort Worth International Airport Subordinate Lien Joint Revenue Commercial Paper Notes, Series I and Tax-Exempt Series II (Non-AMT) (the "Refunded Notes"), and for other purposes as permitted by the Master Bond Ordinance; and

WHEREAS, it is the desire of the Board by this Resolution to approve the Seventy-First Ordinance (as defined below) in substantially the form attached hereto and to respectfully request the City Councils of the Cities of Dallas and Fort Worth to pass said ordinance and thus authorize the issuance and sale of the Bonds and the other matters authorized thereby; and

WHEREAS, the Seventy-First Ordinance provides parameters subject to which the Bonds are to be sold to certain purchasers in accordance with the terms of an Underwriting Agreement (in the case of a negotiated sale) or Bidding Instructions (in the case of a competitive sale); and

WHEREAS, it is the desire of the Board to authorize the preparation of such Underwriting Agreements (in the case of a negotiated sale) and Bidding Instructions (in the case of a competitive sale) and authorize their execution by the proper officers of the Board, with parameters set forth in the Seventy-First Ordinance and with such subsequent modifications and terms as may be determined by the Authorized Officers; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more official statements (the "Official Statements") to be used in connection with the issuance and sale of the Bonds; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Escrow Agreements to be used in connection with the issuance and sale of the Bonds and the refunding of all or a portion of the Refunded Notes; and

WHEREAS, the Board hereby determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT:

Section 1. That the proposed concurrent ordinance of the City Councils of the Cities of Dallas and Fort Worth, bearing the short title "Seventy-First Supplemental Concurrent Bond Ordinance" (the "Seventy-First Ordinance") be and the same is hereby in all respects approved by the Board, with the parameters set forth therein and in substantially the form and substance attached hereto and made a part hereof. The Board hereby acknowledges and accepts its duties of continuing disclosure.

Section 2. That it is hereby recommended to the City Councils of the Cities of Dallas and Fort Worth that they pass the Seventy-First Ordinance with the parameters set forth and in the form attached hereto and said City Councils are hereby requested to so do.

Section 3. That the Chief Executive Officer is hereby directed to promptly forward copies of the Seventy-First Ordinance to the City Councils of said Cities along with a copy of this Resolution, together with the exhibits attached hereto.

Section 4. That, in accordance with the requirements of the Contract and Agreement and the Controlling Ordinances, the Chief Executive Officer is further directed to forward by the earliest practical means a copy of the Seventy-First Ordinance to the City Attorney of each of the Cities with the request that each present the same at a meeting of the respective City Council, along with the request of the Board, respectfully submitted, that the Seventy-First Ordinance be approved and passed.

Section 5. That upon the passage of the Seventy-First Ordinance by said City Councils the appropriate officers of this Board are hereby authorized and directed to take such steps as may be necessary or considered appropriate to accomplish the issuance, sale and delivery of one or more series of Bonds in accordance with the Seventy-First Ordinance.

Section 6. That the Chief Executive Officer is hereby authorized to prepare the Official Statements and Escrow Agreements.

Section 7. That the Official Statements, with such subsequent modifications or amendments as shall be approved by subsequent action of the Board and in writing by the Chief Executive Officer, shall be used by the Purchasers in the sale of the Bonds.

Section 8. That the Chief Executive Officer is hereby authorized to execute one or more Underwriting Agreements (in the case of a negotiated sale) or Bidding Instructions and Official Bid Forms (in the case of a competitive sale), providing for the terms of sale of the Bonds by the Cities of Dallas and Fort Worth to the Purchasers therein named, at such price, in the aggregate principal amount, with such installments of principal, with such interest rates and such other matters as shall be determined in accordance with the Seventy-First Ordinance, upon a determination by the Chief Executive Officer that the requirements of Article III of the Seventy-First Ordinance have been met.

Section 9. That each Authorized Officer is hereby authorized to take any other actions appropriate or necessary in connection with the issuance, sale and delivery of the Bonds, the preparation of any of the documents described or referenced herein, or the delivery of copies of any such documents to the City Councils of the Cities. In the absence of the Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Vice President of Treasury Management are hereby authorized to act in his stead with respect to such matters.

ADOPTED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
ON THIS _____, 2024.

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND TARRANT §
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

I, the undersigned officer of said Board, hereby certifies as follows:

1. That the Dallas Fort Worth International Airport Board convened in Regular Meeting on the ___ day of _____, 2024, at the Airport Administration Building, 2400 Aviation Drive, Dallas Fort Worth Airport, Texas, its regular meeting place, and the roll was called of the duly constituted officers and members of said Board, to wit:

DeMetris Sampson, Chair	Mayor Eric Johnson)
Vernon Evans, Vice-Chair	Mayor Mattie Parker)
Ben Leal, Secretary	Henry Borbolla III)
	Joel Burns)
	Vincent Hall)
	Angela Hunt)
	Mario Quintanilla)
	Gloria M. Tarpley)
	Mayor Wes Mays*)

* non-voting member

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, a written resolution

APPROVING THE FORM OF THE SEVENTY-FIRST SUPPLEMENTAL CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH

was duly introduced for the consideration of said Board of Directors. It was then duly moved and seconded that said Resolution be adopted; and said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: _____

NOES: _____

ABSTENTIONS: _____

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the minutes of said meeting

pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

3. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the _____ day of _____, 2024.

Staff Secretary, Dallas Fort Worth International
Airport Board

**DALLAS FORT WORTH INTERNATIONAL AIRPORT
SEVENTY-FIRST SUPPLEMENTAL CONCURRENT BOND ORDINANCE**

Passed concurrently by the City Councils of the Cities of Dallas and Fort Worth, Texas

Authorizing One or More Series of

**DALLAS FORT WORTH INTERNATIONAL AIRPORT
JOINT REVENUE BONDS**

Passed by the City Council of the City of Dallas _____, 2025

Passed by the City Council of the City of Fort Worth _____, 2025

Effective _____, 2025

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CITY OF DALLAS ORDINANCE NO. _____

CITY OF FORT WORTH ORDINANCE NO. _____

**SEVENTY-FIRST SUPPLEMENTAL CONCURRENT BOND ORDINANCE
AUTHORIZING ONE OR MORE SERIES OF DALLAS FORT WORTH
INTERNATIONAL AIRPORT JOINT REVENUE BONDS, FOR LAWFUL
PURPOSES; PROVIDING THE SECURITY THEREFORE; PROVIDING FOR THE
SALE, EXECUTION AND DELIVERY THEREOF SUBJECT TO CERTAIN
PARAMETERS; AND PROVIDING OTHER TERMS, PROVISIONS AND
COVENANTS WITH RESPECT THERETO**

WHEREAS, prior to the adoption of this ordinance (herein defined and cited as the “Seventy-First Supplemental Concurrent Bond Ordinance” or as this “Ordinance”), the City Councils of the Cities of Dallas and Fort Worth, Texas (the “Cities”) passed the Master Bond Ordinance relating to the Dallas Fort Worth International Airport (the “Airport”); and

WHEREAS, the Master Bond Ordinance constitutes the controlling bond ordinance of the Cities that relates to the financing of the Airport and (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities’ special obligations to pay when due the Outstanding Obligations, any Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, the City Councils of the Cities of Dallas and Fort Worth, on August 28, 2019 and September 10, 2019, respectively, concurrently adopted the Fifty-Sixth Supplemental Concurrent Bond Ordinance (the “Fifty-Sixth Supplement”) authorizing the issuance of the Dallas Fort Worth International Airport Subordinate Lien Joint Revenue Commercial Paper Notes, Series I (the “Series I Notes”), as may be outstanding from time to time; and

WHEREAS, the City Councils of the Cities of Dallas and Fort Worth, on February 14, 2024 and January 23, 2024, respectively, concurrently adopted the Sixty-Seventh Supplemental Concurrent Bond Ordinance (the “Sixty-Seventh Supplement”) authorizing the issuance of the Dallas Fort Worth International Airport Subordinate Lien Joint Revenue Commercial Paper Notes, Tax-Exempt Series II (Non-AMT) (the “Series II Notes”, together, with the Series I Notes, the “Notes”), as may be outstanding from time to time; and

WHEREAS, each City Council hereby finds and determines that the refunding of all or a portion of the outstanding is in the best interests of the Cities; and

WHEREAS, each City Council hereby finds and determines that because it is not possible to determine the amount by which the aggregate amount of payments to be made under the Bonds is lesser or greater than the aggregate amount of payments that would have been made under the terms of the Refunded Notes such amount will be specified in the Officer’s Pricing Certificate; and

WHEREAS, the issuance of the Bonds is in the best interests of the Cities; and

WHEREAS, each City Council finds and determines that the meeting at which this Ordinance was adopted was open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by Applicable Law; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.1 Short Title. This Ordinance may hereafter be cited in other documents and without further description as the “Seventy-First Supplemental Concurrent Bond Ordinance.”

Section 1.2 Definitions. The capitalized terms used herein, including in the preambles hereto, that are not otherwise defined herein shall have the same meanings and definitions as are applied to such terms, respectively, in, or incorporated into, the Master Bond Ordinance. Additionally, unless otherwise expressly provided or unless the context clearly requires otherwise, the following additional terms shall have the respective meanings specified below:

Authorized Officer - means each of the Chief Executive Officer, the Executive Vice President, Chief Financial Officer, or the Vice President of Treasury Management of the Board, each acting singly, and, in the event any of such positions is renamed or otherwise reorganized, including any person holding or exercising the duties of any comparable position.

Bidding Instructions - means the Notice of Sale and Bidding Instructions distributed to potential purchasers of Bonds sold pursuant to a competitive sale.

Bond Date - means the date of such Bonds as designated in the Officer's Pricing Certificate.

Bond(s) - mean the bonds described in Section 3.1 as such series and titles are authorized by separate Officer's Pricing Certificates.

Closing Date - means the dates on which each series of Bonds are actually delivered to and paid for by the Purchaser.

Code - means the Internal Revenue Code of 1986, as amended.

Comptroller - means the Comptroller of Public Accounts of the State of Texas.

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

DTC - means The Depository Trust Company of New York, New York, or any successor securities depository.

DTC Participant - means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among such parties.

Initial Bond - means the Bonds described in Section 3.2 with the insertions required by Section 6.2(d) and an Officer's Pricing Certificate.

Insurer or Insurers - means the issuer of the Policy or of the Policies if more than one is issued, as certified by an Authorized Officer on the Closing Date.

Interest Payment Date - means the date or dates upon which interest on the Bonds is scheduled to be paid until the applicable Stated Maturity Date or Mandatory Redemption Date, as determined in the Officer's Pricing Certificate.

Mandatory Redemption Dates - mean the dates on which the Cities are obligated to redeem Bonds in advance of their respective Stated Maturity Dates in accordance with Section 4.4 and the Officer's Pricing Certificate.

Master Bond Ordinance - means the Master Bond Ordinance, approved by the City Councils of the Cities and effective upon receipt of the consents required by the Thirtieth Ordinance and as amended.

Master Paying Agent Agreement - means the paying agent agreement previously executed by the Board and the Paying Agent/Registrar that specifies the duties and responsibilities of the Paying Agent/Registrar with respect to bonds or other obligations issued by the Cities in relation to the Airport.

Non-PAB Bonds - means any series of Bonds issued under this Ordinance that is, or was, as the case may be, designated by the Cities in the Officer's Pricing Certificate or otherwise as "Non-PAB" or as a "non-private activity bond."

Note Payment Fund - means, as applicable, (i) the "Subordinate Lien Joint Revenue Note Payment Fund" created pursuant to the Fifty-Sixth Supplement and (ii) the "Subordinate Lien Joint Revenue Note Payment Fund – Series II" created pursuant to the Sixty-Seventh Supplement.

Officer's Pricing Certificate(s) - means the certificate(s) to be executed by one of the Authorized Officers pursuant to Section 3.2. Multiple Officer's Pricing Certificates for multiple series of Bonds may be executed pursuant to this Ordinance.

Official Bid Form - means the bid form prepared in accordance with the Bidding Instructions and submitted by potential purchasers of any Bonds sold pursuant to a competitive sale.

Ordinance - means this Ordinance and all amendments hereof and supplements hereto.

Original Issue Date - means the Closing Date of each series of Bonds.

PAB Bonds - means any series of Bonds issued under this ordinance that is, or was, as the case may be, designated by the Cities in the Officer's Pricing Certificate or otherwise as "PAB" or as a "private activity bond."

Paying Agent/Registrar - means U.S. Bank Trust Company, National Association or any successor thereto as provided in this Ordinance.

Policy or Policies - means the policy or policies, if any, of municipal bond insurance relating to the Bonds issued on the Closing Date by the Insurer or the Insurers if more than one.

Purchaser - means the person, firm or entity or the group thereof, or the representative of such group, initially purchasing the Bonds issued hereunder from the Cities pursuant to each Underwriting

Agreement, in the case of a negotiated sale, or each Official Bid Form submitted by the highest and best bidder and accepted by an Authorized Officer, in the case of a competitive sale.

Record Date - means the 15th day of the month next preceding an Interest Payment Date.

Refunded Notes - means those obligations designated as such in the Officer's Pricing Certificate from the Notes described in the recitals hereto.

Representation Letter - means the "Blanket Letter of Representations" between the Cities and DTC, as approved and ratified in Section 3.9(c).

Rule - means Rule 15c2-12, as amended from time to time, adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934.

Stated Maturity Dates - mean the respective dates on which the Bonds are stated to mature in accordance with Section 3.2(b) and the Officer's Pricing Certificate.

Thirtieth Ordinance - means the Thirtieth Supplemental Concurrent Bond Ordinance passed by the City Councils of the Cities and effective on February 23, 2000.

Underwriting Agreement - means the underwriting agreements or private placement agreements hereafter entered into as contemplated and authorized in Section 3.2(b) and in the Officer's Pricing Certificates. Multiple Underwriting Agreements may be entered into for multiple series of Bonds authorized pursuant to this Ordinance and separate Officer's Pricing Certificates.

Section 1.3 Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4 Interpretation. Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(a) Article and Section references shall mean references to Articles and Sections of this Ordinance unless designated otherwise.

(b) If any one or more of the covenants, provisions or agreements contained herein should be contrary to Applicable Law, then such covenants, provisions or agreements shall be deemed separable from the remaining covenants, provisions, and agreements hereof, and shall in no way affect the validity of the remaining covenants, provisions, and agreements contained in this Ordinance.

Section 1.5 Declarations and Additional Rights and Limitations Under Master Bond Ordinance.

(a) For all purposes of the Outstanding Ordinances and the Master Bond Ordinance, as amended and supplemented, the Cities declare and provide as follows:

(i) The Bonds are Additional Obligations that are authorized by Section 3.2 of the Master Bond Ordinance.

(ii) The Bonds are not Interim Obligations.

(iii) Each Policy is a Credit Agreement, and each Insurer is a Credit Provider. However, a Policy does not create a Parity Credit Agreement Obligation. A Policy, if any, entered into for the purpose of providing all or a portion of the amount equal to the Debt Service Reserve Requirement is hereby declared to be a Credit Agreement that is on a parity

with Subordinate Lien Obligations; provided however, the provisions of subsection 5.2(b) (iii) of the Master Bond Ordinance shall continue to apply with respect to any deficiencies in the Debt Service Reserve Fund, including any costs of a Policy with respect to the Debt Service Reserve Fund.

(iv) Administrative Expenses shall include the fees and expenses owed to the Paying Agent/Registrar.

(v) The amount of the Debt Service Reserve Requirement on account of the Bonds is an amount that is not less than the average annual Debt Service that will be required to be paid on or with respect to all Outstanding Obligations as of the date following the delivery of the Bonds. In the event that the amount on deposit in the Debt Service Reserve Fund is less than the amount required, the amount specified in the Officer's Pricing Certificate, pursuant to Section 8.1 shall be deposited to the Debt Service Reserve Fund out of the proceeds of the Bonds or shall be used to enter into a Credit Agreement to satisfy the Debt Service Reserve Requirement.

(vi) The Stated Maturity Dates and the Mandatory Redemption Dates established in accordance with Articles III and IV as modified by the Officer's Pricing Certificate are Principal Payment Dates for the purposes of the Master Bond Ordinance.

(vii) Each Insurer, as a Credit Provider, that is not at such time in default under its Policy is authorized to give and withdraw notices of default under the provisions of Section 7.1(vii) of the Master Bond Ordinance.

(viii) Each of the Authorized Officers is designated and appointed as an "officer" of the Cities for the limited purposes of administering this Ordinance, including particularly the related documents and agreements described herein in accordance with Chapters 1207 and 1371, Texas Government Code, as amended, as applicable.

(ix) This Ordinance is an Additional Supplemental Ordinance.

(b) For all purposes of the Outstanding Ordinances and the Master Ordinance, as amended and supplemented, the following additional rights and limitations are granted and imposed:

(i) No amendment to the Master Bond Ordinance or this Ordinance shall be approved or adopted pursuant to any of Sections 8.2, 8.3, 8.4, or 8.5 of the Master Bond Ordinance, whether with or without the consent of the Holders, unless and until the same is approved by the Insurer that at the time is not in default under its Policy and has a then current credit rating of at least investment grade by two nationally recognized rating agencies, to the extent required under the terms of the Credit Agreement.

(ii) The Cities shall have the right to amend the Outstanding Ordinances, the Master Bond Ordinance, and this Ordinance without the consent of or notice to the Holders, for any purpose not prohibited by Section 8.3 of the Master Bond Ordinance, if such amendment is approved by the Insurer that at the time is not in default under its Policy and has a then current credit rating of at least investment grade by two nationally recognized rating agencies and such other Credit Providers, if any, as may be required by an Additional Supplemental Ordinance.

(iii) Whenever in this Ordinance, or in the Master Bond Ordinance, the right is granted to redeem Bonds in advance of a Stated Maturity Date, any such redemption may be accomplished with any lawfully available money. The Bonds may be redeemed according to their respective terms, and pro rata redemptions are not required.

(iv) In the event of the occurrence of an Event of Default, the right of acceleration of the Stated Maturity Date or the Mandatory Redemption Date of any Bond or of any Parity Credit Agreement Obligation is not granted as a remedy, and the right of acceleration is expressly denied.

(v) Pursuant to the terms of Section 8.4 of the Master Bond Ordinance, Holders of the Bonds confirm that the Credit Providers, whether or not related to the Bonds, have the right to consent to amendments to the Master Bond Ordinance, this Ordinance and the Outstanding Ordinances without notice to or the consent of the Holders of the Bonds.

ARTICLE II

PURPOSES, PLEDGE AND SECURITY FOR BONDS

Section 2.1 Purposes of Ordinance. The purposes of this Ordinance are to prescribe the specific terms and provisions of the Bonds, to extend expressly the pledge, lien, security and provisions of the Master Bond Ordinance to and for the benefit of the Holders, to provide certain covenants to and for the benefit of each Insurer and/or Credit Provider, and to sell the Bonds to the Purchaser.

Section 2.2 Pledge, Security for, Sources of Payment of Bonds. (a) The pledge, the security and the filing provisions of Sections 2.2 and 2.4, respectively, of the Master Bond Ordinance are hereby expressly restated, fixed, brought forward and granted to the Holders, and to each Insurer, as a Credit Provider.

(b) The Bonds, as “Additional Obligations” under the Master Bond Ordinance, are secured by a lien on and pledge of the Pledged Revenues and the Pledged Funds on a parity with any other Additional Obligations that are Outstanding, and with Parity Credit Agreement Obligations, if any, that are unpaid from time to time, as declared and provided in Section 2.2 of the Master Bond Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1 Authorization. Additional Obligations, to be designated as set forth in the Officer’s Pricing Certificate, are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including specifically Chapters 1207 and 1371, Texas Government Code, as amended and Chapter 22, Texas Transportation Code, as amended. The Authorized Officer is hereby authorized and directed to modify the title of each series to the extent that, in the judgment of the Authorized Officer, it is necessary or appropriate. The final titles, the number of series and allocation of principal amount between each series of Bonds shall be determined by the Authorized Officer based on market conditions in the discretion of the Authorized Officer and set forth in the Officer’s Pricing Certificate for each series. The Authorized Officer shall also be authorized to issue and sell any series of Bonds as taxable obligations if the Authorized Officer determines that it is in the best interests of the Cities and the Airport to do so. The designation of any series of Bonds as taxable shall be set forth in the Officer’s Pricing Certificate for that series. The Bonds shall be issued in the number of series and aggregate principal amount per series designated in the Officer’s Pricing Certificate, provided that the aggregate principal amount of all of the Bonds shall not exceed \$1,350,000,000, for the purpose of (1) refunding all or a portion of the Notes, as set forth in the Officer’s Pricing Certificate, (2) to provide funding for the Debt Service Reserve Requirement through either the deposit of Bond proceeds or entering into a surety or such other agreement, if applicable, and (3) to pay the Cities’ and the Board’s costs incurred in connection with the issuance of the Bonds including the costs of any Policy or Policies or the surety or debt service reserve agreement.

Section 3.2 Initial Date, Denominations, Number, Maturity, Initial Registered Owner, Characteristics of the Initial Bond and Expiration Date of Delegation. (a) The Initial Bonds are hereby authorized to be issued, sold, and delivered hereunder as single fully registered Bonds, without interest coupons, dated the dates designated in the Officer's Pricing Certificate, in the denomination and maximum aggregate principal amount as designated in the Officer's Pricing Certificate, numbered T-1 or as otherwise set forth in the Officer's Pricing Certificate, payable in annual Principal Installments to the initial registered owner thereof (to be determined by the Authorized Officer), or to the registered assignee or assignees of said Bond or any portion or portions thereof (in each case, the "registered owner"), with the annual Principal Installments of the Initial Bonds to be payable on the dates, respectively, and in the principal amounts, respectively, to be stated in the Officer's Pricing Certificate, and as provided in this Ordinance, but with the final Principal Installment (the maximum term) to be not later than November 1, 2056.

(b) As authorized by Chapters 1207 and 1371, Texas Government Code, as amended, each Authorized Officer and the City Managers are hereby authorized, appointed, and designated as the officers or employees of the Cities authorized to act on behalf of the Cities in the selling and delivering of the Initial Bonds and carrying out the other procedures specified in this Ordinance, including the determination of the prices at which the Initial Bonds will be sold, the amount of each Principal Installment of each series issued hereunder, the due date of each Principal Installment of each series hereof, which shall be November 1 in each year in which a Principal Installment of each series is due unless modified by the Officer's Pricing Certificate, the rate of interest to be borne by each Principal Installment of each series issued hereunder, the redemption features, including any requirements of mandatory redemption, and all other matters relating to the issuance, sale, and delivery of the Initial Bonds and each series of the Bonds provided that:

(i) each series of Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; and

(ii) the combined aggregate principal amount of all the Bonds issued pursuant to this Ordinance and, authorized to be issued for the purposes described in Section 3.1 shall not exceed the maximum amount authorized in Section 3.1 hereof (\$1,350,000,000) and shall equal an amount at least sufficient to provide for the paying of the costs of refunding the Refunded Notes designated in the Officer's Pricing Certificate; and

(iii) all such terms and determinations pertaining to the pricing of each series of Bonds, including whether such series of Bonds shall be sold pursuant to a competitive sale, negotiated sale or private placement, shall be based on bond market conditions and available interest rates for each series of Bonds on the date of the sale of each series of the Bonds, all as set forth in the Officer's Pricing Certificate for each series. The Refunded Notes shall be identified in the Officer's Pricing Certificate for each series of Bonds in accordance with the preceding sentence; and

(iv) prior to delivery of each series of Bonds to the Purchasers, each series of Bonds must have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations.

(c) *Negotiated Sale.* The Authorized Officers are hereby authorized to approve the final terms and provisions of each Underwriting Agreement in accordance with the terms of the Officer's Pricing Certificate and this Ordinance, such approval being evidenced by its execution thereof by any Authorized Officer. With regard to such terms and provisions of each Underwriting Agreement, the Authorized Officer is hereby authorized to come to an agreement with the Purchasers of each series of Bonds on the following, among other matters:

(i) The details of the purchase and sale of the Bonds;

- (ii) The details of the public offering of the Bonds by the Purchasers;
- (iii) The details of an Official Statement (and, if appropriate, any Preliminary Official Statement), if applicable, relating to the Bonds and Rule compliance;
- (iv) A security deposit for the Bonds;
- (v) The representations and warranties of the Cities and the Board to the Purchasers;
- (vi) The details of the delivery of, and payment for, the Bonds;
- (vii) The Purchasers' obligations under the Underwriting Agreements;
- (viii) The certain conditions to the obligations of the Board and the Cities under the Underwriting Agreements;
- (ix) Termination of the Underwriting Agreements;
- (x) Particular covenants of the Board and the Cities;
- (xi) The survival of representations made in the Underwriting Agreements;
- (xii) The payment of any expenses relating to the Underwriting Agreements;
- (xiii) Notices; and
- (xiv) Any and all such other details that are found by the Authorized Officer to be necessary and advisable for the purchase and sale of the Bonds.

Any Authorized Officer, acting singly, is hereby authorized to execute each Underwriting Agreement for and on behalf of the Board and the Cities and as the act and deed of the Board and the Cities.

(d) *Competitive Sale.* The Authorized Officers are hereby authorized to seek competitive bids for the sale of the Bonds authorized to be sold by this Ordinance, and are hereby authorized to prepare and distribute the Bidding Instructions and the Official Bid Form with respect to seeking competitive bids for the sale of the Bonds.

The Bidding Instructions shall contain the terms and conditions relating to the sale of the Bonds, including the date on which bids for the purchase of the Bonds are to be received, the date of the Bonds, any additional designation or title by which the Bonds shall be known, the aggregate principal amount of the Bonds to be sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Cities, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale and delivery of the Bonds so sold including, without limitation, the use of municipal bond insurance for the Bonds.

The Authorized Officers are hereby authorized to receive and accept bids for the sale of Bonds in accordance with the Bidding Instructions on such date as determined thereby. The Bonds so sold shall be sold at such price as an Authorized Officer shall determine to be the most advantageous to the Airport and the Cities, which determination shall be evidenced by the execution thereby of the Official Bid Form submitted by the best and winning bidder. One Bond in the principal amount maturing on each maturity date as set forth in the Official Bid Form shall be delivered to the Purchasers thereof. The Bonds shall

initially be registered in the name as set forth in the Official Bid Form.

Any Authorized Officer, acting singly, is hereby authorized to execute an Official Bid Form submitted by the best and winning bidder, for and on behalf of the Board and the Cities and as the act and deed of the Board and the Cities.

(e) A portion of Bonds are expected to be issued for restructuring of the Airport's debt service requirements; however, to the extent any present value savings is achieved with the issuance of any series of Bonds pursuant to this Ordinance, such restructuring purpose and requirement is hereby deemed to be achieved.

(f) In connection with the issuance and delivery of the Bonds, the Authorized Officer, acting for and on behalf of the Cities, is authorized to set out in the Officer's Pricing Certificate such information as contemplated herein. The Officer's Pricing Certificate shall include such information as such Authorized Officer deems appropriate or is required by this Ordinance.

(g) The Authorized Officer is authorized to establish which maturity or maturities, if any, of each series of Bonds shall be insured based on recommendations of the co-financial advisors of the Airport, and such Authorized Officer shall specify the name or names of the Insurer or Insurers in the Bidding Instructions (in the case of a competitive sale), each Underwriting Agreement (in the case of a negotiated sale) and each Officer's Pricing Certificate and shall specify therein which maturity or maturities, if any, will be insured.

(h) The Initial Bonds of each series (i) may be prepaid or redeemed prior to the respective scheduled due dates of Principal Installments thereof as provided for in this Ordinance and in the Officer's Pricing Certificate, (ii) may be assigned and transferred, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and the principal of and interest on the Initial Bonds of each series shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in this Ordinance and as determined by an Authorized Officer, as provided herein and in the Officer's Pricing Certificate, with such changes and additions as are required to meet the terms of the Bidding Instructions and Official Bid Form (in the case of a competitive sale), each Underwriting Agreement (in the case of a negotiated sale) and the Officer's Pricing Certificate, including the names as to which the Initial Bond of each series shall be registered.

(i) The authority granted to the Authorized Officer under this Section 3.2 shall expire one year from the effective date of this Ordinance, as set forth in Section 9.3, unless otherwise extended by the City Councils of each of the Cities by separate action.

Section 3.3 Medium, Method and Place of Payment. (a) The principal of, redemption premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Bonds shall be payable to the Holders whose names appear in the Obligation Register (as defined in Section 3.5) at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Cities or the Board. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Bonds shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the Holder entitled to such payment, first class United States mail, postage prepaid, to the address of the Holder as it appears in the Obligation Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner.

(d) The principal of each Bond shall be paid to the Holder on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on a Bond is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the Designated Payment/Transfer Office is located, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to any applicable escheat, unclaimed property, or similar and Applicable Law, unclaimed payments remaining unclaimed by the Holders entitled thereto for three years after the applicable payment date or redemption date shall be paid to the Board and thereafter neither the Cities, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds.

(g) The unpaid principal balance of each Initial Bond shall bear interest as set forth in such Initial Bond to the respective scheduled due dates, or to the respective dates of prepayment or redemption, of the Principal Installments, and said interest shall be payable to the registered owner thereof, all in the manner provided and on the dates fixed by the Authorized Officers in accordance with this Ordinance and the Officer's Pricing Certificate for each series, and with interest rates as fixed by the Authorized Officer in accordance with this Ordinance and the Officer's Pricing Certificate, and as set forth in the Official Bid Form submitted by the highest and best bidder and accepted by an Authorized Officer (in the case of a competitive sale) or the Underwriting Agreements (in the case of a negotiated sale).

Section 3.4 Ownership. (a) The Cities, the Board, the Paying Agent/Registrar and any other person may treat each Holder as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and redemption premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to each Holder on the Record Date), and for all other purposes, whether or not such Bond is overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Holder in accordance with this Section shall be valid and effectual and shall discharge the liability of the Cities, the Board, and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.5 Registration, Transfer and Exchange. (a) So long as any Bonds remain Outstanding, the Board shall cause the Paying Agent/Registrar to keep an Obligation Register at its principal trust office in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Ownership of any Bond may be transferred in the Obligation Register only upon the presentation and surrender thereof at the Paying Agent's Designated Payment/Transfer Office for transfer

of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Obligation Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer. As provided in any Underwriting Agreement related to a private placement, the bond purchaser covenants to not sell the Bonds unless such bond purchaser delivers a letter in the form attached to the related Underwriting Agreement.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds shall be delivered by the Paying Agent/Registrar to the registered owner of the Bond or Bonds in not more than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

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

(e) The Board will pay, as Administrative Expenses, the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of the Bonds, but the Paying Agent/Registrar will require the Holder to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the Cities hereby covenant with the Holders of the Bonds that the Board will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

Section 3.6 Cancellation and Authentication. All Bonds paid or redeemed before their Stated

Maturity Dates in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be canceled upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of the canceled Bonds in accordance with Applicable Law.

Section 3.7 Temporary Bonds. (a) Following the delivery and registration of the Initial Bond issued hereunder and pending the preparation of definitive Bonds, the proper officers of the Cities may execute and, upon the Cities' or the Board's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the Cities executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

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

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

Section 3.8 Replacement Bonds. (a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Cities, the Board, or the Paying Agent/Registrar may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to Subchapter D of Chapter 1201, Texas Government Code, as amended, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Holder first:

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

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

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

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

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the

original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Cities, the Board, or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond.

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

Section 3.9 Book-Entry Only System. (a) The definitive Bonds for each series shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.10, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The Bonds will also be subject to DTC Book-Entry System and Global Clearance Procedures.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the Cities, the Board, and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Holder, as shown on the Obligation Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Holder, as shown in the Obligation Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Cities, the Board, and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Obligation Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Holders, as shown in the Obligation Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Cities' obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Holder, as shown in the Obligation Register, shall receive a certificate evidencing the obligation of the Cities to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the registered owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The Representation Letter setting respective duties with respect to the Bonds has been previously executed and delivered by an Authorized Officer of the Airport and made applicable to the Bonds delivered in book-entry-only form to DTC, as securities depository therefor, is hereby ratified and approved for the Bonds.

Section 3.10 Successor Securities Depository. In the event that the Cities, the Board, or the Paying Agent/Registrar determine that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Cities, the Board, or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Obligation Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Holders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.11 Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, redemption premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1 Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV and the Officer's Pricing Certificate.

Section 4.2 Optional Redemption. (a) The Authorized Officer shall specify in the Bidding Instructions (in the case of a competitive sale), the Underwriting Agreements (in the case of a negotiated sale), Officer's Pricing Certificates, Initial Bonds, and in the Bonds such rights of optional redemption, if any, and the Redemption Prices therefor that are to be reserved by the Cities.

(b) To the extent the Bonds are subject to optional redemption, the Board, at least 45 days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of the Bonds to be redeemed.

Section 4.3 Partial Redemption. (a) If less than all of the Bonds are to be redeemed pursuant to Section 4.2, the Board shall have the right to determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot, or portions thereof, within such maturity or maturities and in such principal amounts for redemption as determined by the Board in its sole discretion.

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

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.5 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.4 Mandatory Redemption of Certain Bonds. (a) The Authorized Officer shall specify in the Bidding Instructions (in the case of a competitive sale), Underwriting Agreements (in the case of a negotiated sale), Officer's Pricing Certificates, Initial Bonds and in the Bonds such obligations to redeem the Bonds mandatorily, and the Redemption Prices therefor, as are to be imposed on the Cities.

(b) Subject to the provisions of subsection (c) of this Section, when less than all of the Bonds of a specified maturity on a specified Stated Maturity Date are required to be redeemed as determined in accordance with this Section, the Board, acting on behalf of the Cities, shall have the right and the particular maturities of the Bonds to be redeemed will be determined by the Board in its sole discretion. If the Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of such Bonds, if less than all of the Bonds of a maturity are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot. A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or an integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver an exchange Bond or Bonds in an aggregate amount equal to the unredeemed portion of the Bond so surrendered.

(c) In lieu of the procedure described in subsection (b) of this Section, if less than all of the Bonds of a Stated Maturity Date are required to be redeemed, the Cities and the Board shall have the right to accept tenders of Bonds of the applicable Stated Maturity Date and to purchase Bonds of such maturity in the open markets at any price that is less than the applicable Redemption Price for the Bonds required to be redeemed.

Section 4.5 Notice of Redemption to Holders. (a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, or by such other means as is acceptable to such Holders, not less than 30 days before the date fixed for redemption, to the Holder of each Bond (or part thereof) to be redeemed, at the address shown on the Obligation Register.

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

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

Section 4.6 Conditional Notice of Redemption. With respect to any optional redemption of Bonds, unless certain prerequisites to such redemption required by the Master Bond Ordinance or this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites

to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 4.7 Payment Upon Redemption. (a) Before or on each redemption date, the Board on behalf of the Cities shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust such amounts as are received by the Paying Agent/Registrar from the Board and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed, or the tender or negotiated price in the case of Bonds tendered or purchased under Section 4.4(c).

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

Section 4.8 Effect of Redemption. (a) Notice of redemption having been given as provided in Section 4.5 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Cities fail in their obligation to make provision for the payment of the principal thereof, redemption premium, if any, or accrued interest thereon on the date fixed for redemption, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the Cities shall fail to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same by the Cities.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.1 Appointment of Initial Paying Agent/Registrar. U.S. Bank Trust Company, National Association is hereby appointed as the initial Paying Agent/Registrar for the Bonds, under and subject to the terms and provisions of the Master Paying Agent Agreement.

Section 5.2 Qualifications. The Paying Agent/Registrar shall be a commercial bank, a trust company organized under applicable laws, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.3 Maintaining Paying Agent/Registrar. (a) At all times while any Bonds are Outstanding, the Cities will maintain a Paying Agent/Registrar that is qualified under Section 5.2 of this Ordinance.

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

Section 5.4 Termination. The Cities, acting through the Board, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Bonds.

Section 5.5 Notice of Change. Promptly upon each change in the entity serving as Paying Agent/Registrar, the Board will cause notice of the change to be sent to each Holder and Insurer by first

class United States mail, postage prepaid, at the address in the Obligation Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.6 Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar acknowledges receipt of copies of the Master Bond Ordinance and this Ordinance, and is deemed to have agreed to the provisions thereof, and to perform the duties and functions of Paying Agent/Registrar prescribed therein and herein.

Section 5.7 Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Obligation Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE BONDS

Section 6.1 Form Generally. (a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article VI, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance or the Officer's Pricing Certificates, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the Board.

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

(c) The Bonds, including the Initial Bonds submitted to the Attorney General of the State of Texas and any temporary Bonds, shall be typed, printed, lithographed, photocopied or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.2 Form of Bond. The forms of Bond, including the form of the Registration Certificate of the Comptroller of Public Accounts, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows for each Bond of each series:

(a) [Form of Bond]

REGISTERED

No. _____

REGISTERED

\$

United States of
America State
of Texas
Cities of Dallas and Fort Worth

**DALLAS FORT WORTH INTERNATIONAL AIRPORT
JOINT REVENUE BOND, SERIES _____¹**

INTEREST RATE:	MATURITY DATE:	ORIGINAL ISSUE DATE:	CUSIP NO.:	ISIN ² :	COMMON CODE ² :
_____%	_____, _____	_____, 202_	_____	_____	_____

The Cities of Dallas and Fort Worth, Texas (the “Cities”), for value received, hereby promise
to
pay to

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

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of _____, 202_¹, or the most recent interest payment date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on May 1 and November 1 of each year, commencing _____, 202_¹. Interest on the Bonds shall accrue from the date of the initial delivery thereof.

Capitalized terms appearing herein that are defined terms in the Ordinances defined below, have the meanings assigned to them in the Ordinances. Reference is made to the Ordinances for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the “Designated Payment/Transfer Office”), of U.S. Bank Trust Company, National Association or, with respect to a successor Paying Agent/Registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the

¹ To be completed pursuant to the Officer’s Pricing Certificate for the Bonds.

² Applicable to Bonds sold outside of the United States in certain jurisdictions.

interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the person to whom interest is to be paid. Upon written request of a registered owner of at least \$1,000,000 in principal amount of Bonds, all payments of the principal of, redemption premium, if any, and interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such registered owner. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by first class United States mail, postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the Cities or in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof, dated _____, 202¹ issued in the aggregate principal amount of \$____¹ issued pursuant to the authority of Chapter 22, Texas Transportation Code, as amended, Chapters 1207 and 1371, Texas Government Code, as amended, the "Master Bond Ordinance," as defined in the Seventy-First Supplemental Concurrent Bond Ordinance adopted concurrently by the City Councils of the Cities (the "Seventy-First Supplemental Ordinance"). The Master Bond Ordinance and the Seventy-First Supplemental Ordinance are herein collectively referred to as the "Ordinances." This Bond is one of the Additional Obligations authorized by the Ordinances and is subject to the terms and provisions thereof. The Ordinances and their respective terms and provisions are incorporated herein for all purposes.

The Bonds were issued by the Cities for the purposes of obtaining funds to refund certain obligations previously issued by the Cities, to provide funding for the Debt Service Reserve Requirements through either the deposit of Bond proceeds or entering into a surety or such other agreements, and to pay the Cities' and the Board's costs incurred in connection with the issuance of the Bonds, including the costs of the Policy or Policies, if any, or the surety or debt service reserve agreement.

The Bonds and the interest thereon are payable from, and are secured by a first lien on and pledge of the Pledged Revenues and the Pledged Funds.

The lien on and pledge of the Pledged Revenues and Pledged Funds created and granted in the Ordinances in favor of the Bonds is on a parity with the lien and pledge thereof granted by the Cities in favor of the Holders of Outstanding Obligations, and any Additional Obligations or Parity Credit Agreement Obligations that may be issued or executed pursuant to the Master Bond Ordinance, as defined and permitted therein. The Cities have reserved the right in the Ordinances to issue Additional Obligations and Parity Credit Agreement Obligations that, after issuance, may be secured by liens on and pledges of the Pledged Revenues and Pledged Funds on a parity with the lien thereon in favor of the Bonds.

The Cities have also reserved the right in the Ordinances to issue Subordinate Lien Obligations, and Credit Agreement Obligations in connection therewith, provided the lien and pledge securing the same are expressly made junior and subordinate to the pledge and lien securing the Obligations and Parity Credit Agreement Obligations.

All covenants requiring the Cities to pay principal and interest or other payments on Obligations, Subordinate Lien Obligations, and Credit Agreement Obligations shall be joint, and not several, obligations, and all monetary obligations shall be payable and collectible solely from the revenues and funds expressly pledged thereto by the Ordinances or by an Additional Supplemental Ordinance, such revenues and funds being owned in undivided interests by the City of Dallas (to the extent of 7/11ths thereof) and by the City of Fort Worth (to the extent of 4/11ths thereof); and, each and every Holder shall by his acceptance of this Bond consent and agree that no claim, demand, suit, or judgment for the payment of money shall ever be asserted, filed, obtained or enforced against either of the Cities apart from the other City and from sources other than the funds and revenues pledged thereto; and no liability or judgment shall ever be asserted, entered or collected against either City individually, except out of such pledged revenues and exceeding in the case of the City of Dallas an amount equal to 7/11ths of the total amount asserted or demanded, and in the case of the City of Fort Worth an amount equal to 4/11ths of the total amount asserted or demanded. The Holders hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

[The Cities have reserved the right and option to redeem the Bonds maturing in the years ____ through _____, inclusive, in whole or part, in principal amounts equal to \$5,000 or any integral multiple thereof, before their respective maturity dates, on November 1, ____, or on any date thereafter, at a price equal to the principal amount thereof, plus interest to the date fixed for redemption, without premium.]

[The Bonds maturing November 1, ____, November 1, ____, November 1, ____, and November 1, ____, shall be redeemed prior to stated maturity in part at random on November 1 as indicated, in each of the years set forth below from moneys required to be deposited to the credit of the Debt Service Fund at the principal amount thereof and accrued interest to date of redemption, without premium. Such required sinking fund installments as to each maturity are as follows:

BONDS MATURING NOVEMBER 1, ____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, ____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, ____

<u>Year</u>	<u>Amount</u>
-------------	---------------

BONDS MATURING NOVEMBER 1, ____

Year

Amount

The Paying Agent/Registrar will select at random the specific Bonds (or with respect to Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the Board on behalf of the Cities, by the principal amount of any Bonds having the same maturity which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the Board on behalf of the Cities at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]³

Notice of such redemption or redemptions shall be given by first class United States mail, postage prepaid or by such other means as is acceptable to such Holders, not less than 30 days before the date fixed for redemption, to the Holder of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and if less than all Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

With respect to any optional redemption of Bonds, unless certain prerequisites to such redemption required by the Master Bond Ordinance or this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Board, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent on or prior to the date fixed for such redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Board shall not redeem such Bonds and the Paying Agent shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

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

Neither the Cities, the Board, nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

³ Mandatory redemption provisions to be inserted pursuant to the Officer's Pricing Certificate for the Bonds.

The Cities, the Board, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the Cities, the Board, nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law.

IN WITNESS WHEREOF, the City Council of the City of Dallas, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor and countersigned by the facsimile signatures of its City Manager and City Secretary; and the City Council of the City of Fort Worth, Texas, has caused the facsimile seal of that City to be placed hereon and this Bond to be signed by the facsimile signature of its Mayor, countersigned by the facsimile signature of its City Secretary, and approved as to form and legality by its City Attorney.

COUNTERSIGNED:

Interim City Manager,
City of Dallas, Texas

Mayor,
City of Dallas, Texas

City Secretary,
City of Dallas, Texas

COUNTERSIGNED:

City Secretary,
City of Fort Worth, Texas

Mayor,
City of Fort Worth, Texas

APPROVED AS TO FORM AND LEGALITY:

City Attorney,
City of Fort Worth, Texas

(b) [Form of Certificate of Paying Agent/Registrar]

**CERTIFICATE OF PAYING
AGENT/REGISTRAR**

This is one of the Bonds referred to in the within mentioned Ordinances. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
as Paying Agent/Registrar

Dated:

By: _____
Authorized Signatory

(c) [Form of Assignment]

ASSIGNMENT

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

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

Dated: _____

Signature Guaranteed By:

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner satisfactory to the Paying Agent/Registrar.

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

(A) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and "CUSIP NO. _____" deleted;

(B) in the first paragraph:

the words “on the Maturity Date, as specified above” shall be deleted and the following will be inserted:

(C) “on_____in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
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(D) Information to be inserted in accordance with the Officer’s Pricing Certificate; and

(E) the Initial Bond shall be numbered TC-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond in lieu of the Certificate of the Paying Agent/Registrar:

**REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS**

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

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has examined and approved this Bond as required by law, and that he finds that it has been issued in conformity with the constitution and laws of the State of Texas, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this_____.

[SEAL]

Comptroller of Public Accounts
of the State of Texas

Section 6.3 CUSIP Registration. The Cities may secure identification numbers through the CUSIP Global Services managed by FactSet Research Systems Inc. on behalf of the American Bankers Association, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the Cities, the Board, nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Cities may also secure such other identification numbers as they shall deem appropriate.

Section 6.4 Legal Opinion. The approving legal opinions of McCall, Parkhurst & Horton L.L.P., and West & Associates, L.L.P., Co-Bond Counsel, shall be delivered to the Paying Agent/Registrar and the delivery thereof shall be acknowledged by the Paying Agent/Registrar on behalf of the Holders of the Bonds.

ARTICLE VII

EXECUTION, APPROVAL, REGISTRATION, SALE AND DELIVERY OF BONDS AND RELATED DOCUMENTS

Section 7.1 Method of Execution, Delivery of Initial Bond. (a) Each of the Bonds shall be signed and executed on behalf of the City of Dallas by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signatures of its City Manager and City Secretary, and the corporate seal of that City shall be impressed, printed, lithographed or otherwise reproduced or placed on each Bond. Each of the Bonds shall be signed and executed on behalf of the City of Fort Worth by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Secretary; the same shall be approved as to form and legality by the manual or facsimile signature of the City Attorney of the City, and its corporate seal shall be impressed, printed, lithographed or otherwise reproduced or placed upon each Bond. All manual or facsimile signatures placed upon the Bonds shall have the same effect as if manually placed thereon, all to be done in accordance with Applicable Law.

(b) In the event the Mayor, City Secretary, City Manager or City Attorney of either of the Cities is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem, the Assistant City Secretary, an Assistant City Manager or an Assistant City Attorney, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary, and an Assistant City Manager and an Assistant City Attorney shall, for the purposes of this Ordinance, have the same force and effect as if such duties were performed by the Mayor, City Secretary, City Manager and City Attorney, respectively. If any official from either City whose manual or facsimile signature shall appear on the Bonds, shall cease to be such official before the Authentication of the Bonds or before delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such official had remained in such office.

(c) On the Closing Date, one "Initial Bond," of each series representing the entire principal amount of all Bonds of such series and the terms set forth in each Officer's Pricing Certificate applicable thereto, payable in stated installments to the Purchasers or its designee, executed by manual or facsimile signatures of the Mayors and the City Manager of the City of Dallas and countersigned by the City Secretaries of the Cities and approved as to form and legality by the City Attorney of the City of Fort Worth, approved by the Attorney General of Texas, and registered and signed by the Comptroller, will be delivered to the Purchaser of each series or its designee. Upon payment for the Initial Bonds, the Paying Agent/Registrar shall cancel the Initial Bonds and deliver to DTC on behalf of the Purchaser registered definitive Bonds for each maturity of each series as described in Section 3.7.

(d) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate

of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/ Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bonds shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, executed by the Comptroller or by his duly authorized agent, which certificate shall be evidence that the Initial Bonds have been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Cities, and has been registered by the Comptroller.

Section 7.2 Approval and Registration. The Board is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Chair, and the officers and employees of the Board and of the Cities are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds or the Initial Bond to the Attorney General of the State of Texas and to assure the investigation, examination and approval thereof by the Attorney General and their registration by the Comptroller. Upon registration of the Bonds, the Comptroller (or a deputy designated in writing to act for him) shall sign the Comptroller's Registration Certificate accompanying the Bonds and the seal of the Comptroller shall be impressed, or placed in facsimile, on such certificate. The Chair of the Board and the Chief Executive Officer of the Airport shall be further authorized to make such agreements and arrangements with the Purchasers of Bonds and with the Paying Agent/Registrar as may be necessary to assure that such Bonds will be delivered to such Purchasers in accordance with the terms of sale.

Section 7.3 TEFRA Approval. An Authorized Officer is hereby appointed to be the designated Hearing Officer for a public hearing, if applicable, relating to the Bonds to be held for purposes of satisfying Section 147 of the Code and the Mayors of the Cities are hereby authorized to approve the issuance of the Bonds and the use of the proceeds thereof for the purpose of satisfying the requirements of Section 147 of the Code.

Section 7.4 Approval of Credit Agreements. The Board is authorized to enter into Credit Agreements relating to the Bonds from time to time while the Bonds are Outstanding in accordance with Applicable Law.

Section 7.5 Official Statement. In order to satisfy the requirements of the Cities with respect to the Rule, the preparation, execution and delivery of a preliminary official statement and a final official statement for the Bonds and any supplements thereto which may be necessary to comply with the Rule are hereby authorized in such form and with such changes therein as shall be approved by an Authorized Officer or the Board. An Authorized Officer's execution of the Officer's Pricing Certificate for the Bonds shall constitute conclusive evidence of such approval by or on behalf of the Board. To the extent applicable, Authorized Officers are authorized to enter undertakings related to the Rule on behalf of the Cities and the Board.

Section 7.6 Attorney General Modification. In order to obtain the approval of the Bonds by the Attorney General of the State of Texas, any provision of this Ordinance may be modified, altered or amended after the date of its adoption if required by the Attorney General in connection with the Attorney General's examination as to the legality of the Bonds and approval thereof in accordance with the applicable law. Such changes, if any, shall be provided to the City Secretary of each City and such City Secretary shall insert such changes into this Ordinance as if approved on the date hereof.

Section 7.7 Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein, including the execution of an undertaking pursuant to the Rule, the preparation of Bidding Instructions and an Official

Bid Form (in the case of Bonds sold through a competitive sale), and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Ordinance.

Section 7.8 Refunding and Payment of Refunded Notes. (a) The Cities hereby direct that the Refunded Notes, or portions thereof specified in each Officer's Pricing Certificate, be designated for payment on the date or dates set forth in the Officer's Pricing Certificate (the "Payment Date") and that the paying agent or escrow agent (the "Escrow Agent") for the Refunded Notes deposit an amount sufficient, with investment earnings thereon, if any, to pay the amount due on the Refunded Notes on the Payment Date. The Refunded Notes shall not bear interest after the applicable Payment Date.

(b) The Authorized Officer is hereby authorized to enter into an escrow agreement (the "Escrow Agreement") with the Escrow Agent. The Escrow Agent is authorized to take such steps as may be necessary or appropriate to purchase securities and to create and fund the Escrow Fund pursuant to the Escrow Agreement through the use of the proceeds of the Bonds and other lawfully available monies, if any, and to use such monies to redeem the Refunded Notes on the applicable Payment Date.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.1 Deposit and Uses of Bond Proceeds. The proceeds received from the sale of the Bonds, together with other lawfully available funds, if any, shall be applied as follows: (i) an amount as specified in the Officer's Pricing Certificate shall be deposited to the Debt Service Reserve Fund or shall be used to purchase a Credit Agreement, which together with the amount on deposit therein, is equal to the Debt Service Reserve Requirement; (ii) an amount, specified in the Officer's Pricing Certificate shall be deposited into the Escrow Fund (or Note Payment Fund, if applicable) for the Refunded Notes; and (iii) an amount specified in the Officer's Pricing Certificate, equal to the Cities' and the Board's costs of issuance of the Bonds will be deposited as directed by an Authorized Officer. To the extent proceeds received from the sale of Bonds are deposited in the Construction Fund, the income or interest earned from the investment thereof may be used by the Board for deposit to the Debt Service Fund; provided, if such proceeds are derived from an issuance of tax-exempt Bonds, the Board shall first receive an opinion of nationally-recognized bond counsel that such use will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code.

Section 8.2 Payment of the Bonds. While any of the Bonds are Outstanding and unpaid, the Board shall make available to the Paying Agent/Registrar, out of the Debt Service Fund or the Debt Service Reserve Fund, the amounts and at the times required by this Ordinance and the Master Bond Ordinance, money sufficient to pay when due all amounts required to be paid by this Ordinance, the Master Bond Ordinance, the Outstanding Ordinances, and the Additional Supplemental Ordinances, if any, that authorize the issuance of the Outstanding Obligations or any Additional Obligations.

Section 8.3 Representations and Covenants. (a) The Cities and the Board will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the Master Bond Ordinance and this Ordinance; the Cities will promptly pay or cause to be paid from Pledged Revenues the principal of, interest on, and premium, if any, with respect to, each Bond on the dates and at the places and manner prescribed in each Bond; and the Cities will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by the Master Bond Ordinance and this Ordinance.

The Cities are duly authorized by Applicable Law to issue the Bonds; all action on their part for the issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Holders

are and will be valid and enforceable special obligations of the Cities and the Board in accordance with their terms.

(b) The Board, the officers, employees and agents are hereby directed to observe, comply with and carry out the terms and provisions of this Ordinance.

Section 8.4 General Tax Covenant Regarding Tax-Exemption. The Cities and the Board covenant to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in Section 103 of the Code, the interest on which is not includable in the “gross income” of the Holder for purposes of federal income taxation. The Cities and the Board understand that the term “Proceeds” includes “disposition proceeds,” as defined in the Treasury Regulations. It is the understanding of the Cities and the Board that the covenants contained in this Ordinance are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand provisions of the Code, as applicable to the Bonds, the Cities and the Board will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Cities and the Board agree to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code.

Notwithstanding any other provision of this Ordinance, the terms, conditions and requirements of Section 8.4 through 8.10 of this Ordinance shall survive the defeasance and discharge of the Bonds and the Cities and the Board will continue to comply with such terms, conditions and requirements to the extent that a failure to do so would adversely affect the treatment of the Bonds as obligations derived in Section 103 of the Code, the interest on which is not includable in the “gross income” of the Holder for purposes of federal income taxation. For purposes of making the foregoing determination, the Cities and the Board may rely on the advice of nationally-recognized bond counsel.

Section 8.5 Use of Proceeds of Non-PAB Bonds. The Cities and Board covenant and agree that they will make use of the Proceeds of Non-PAB Bonds, including interest or other investment income derived from such Proceeds, regulate the use of property financed, directly or indirectly, with such Proceeds, and take such other and further action as may be required so that the Non-PAB Bonds will not be “private activity bonds” within the meaning of section 141 of the Code.

Section 8.6 Use of Proceeds Regarding PAB Bonds. The Cities and the Board covenant with respect to the PAB Bonds or any bonds refunded with the Proceeds of the PAB Bonds (the “PAB Refunded Bonds”):

(a) that they have taken any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the PAB Bonds or the PAB Refunded Bonds, if any, as “exempt facility bonds” as the term is defined in Section 142 of the Code.

(b) that at least 95 percent of the Net Proceeds of the PAB Bonds or the PAB Refunded Bonds, if any, actually expended have been and will be expended to finance or refinance costs of property (the “Financed Property”) that (A) either (1) were paid or incurred after the issue date of the PAB Refunded Bonds, or (2) paid prior to the issue date of the PAB Refunded Bonds, if any, but meet the requirements of section 1.150-2 of the Treasury Regulations; (B) are properly chargeable for federal income tax purposes to the capital account of the Financed Property, or would be so chargeable either with a proper election or but for a proper election to deduct such amounts; and (C) were incurred to provide “airport facilities,” which may include both an “airport” within the meaning of Section 142 of the Code and property that is functionally related and subordinate thereto within the meaning of section 1.103-8(a)(3) of the Treasury

Regulations or directly related and essential thereto within the meaning of Section 1.103-8(e)(2)(ii) of the Treasury Regulations (for purposes of this covenant a storage or training facility shall be an “airport facility” only if such facility is directly related to the airport, and an “office” shall be considered an “airport facility”

only if such office is located on the premises of an airport and all but a de minimis amount of the functions to be performed at such office are directly related to the day-to-day operations at such airport).

(c) that less than 25 percent of the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, has been and will be used, directly or indirectly, for the acquisition of land or an interest therein and no portion of the Net Proceeds of the PAB Bonds or the PAB Refunded Bonds, if any, has been or will be used, directly or indirectly, for the acquisition of land or an interest therein to be used for farming purposes (for purposes of this covenant, land acquired for noise abatement purposes or for future use as an airport shall not be taken into account, if there is no other significant use of such land).

(d) that no portion of the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, has been or will be used for the acquisition of any existing property or an interest therein unless (A) the first use of such property is pursuant to such acquisition or (B) the rehabilitation expenditures with respect to any building and the equipment therefor equal or exceed 15 percent of the cost of acquiring such building financed or refinanced with the Net Proceeds of the PAB Bonds or of the PAB Refunded Bonds, if any, (with respect to structures other than buildings, this covenant shall be applied by substituting 100 percent for 15 percent and the term “rehabilitation expenditures” shall have the meaning set forth in Section 147(d)(3) of the Code).

(e) to take such action to assure at all times while the PAB Bonds remain outstanding, the Financed Property, will be owned by a governmental unit within the meaning of Section 142(b) of the Code.

(f) that no part of the Financed Property, will constitute (i) any lodging facility, (ii) any retail facility (including food or beverage facilities) in excess of a size necessary to serve passengers and employees at the exempt facility, (iii) any retail facility (other than parking) for passengers or the general public located outside the exempt facility terminal, (iv) any office building for individuals who are not employees of a governmental unit or of the operating authority for the exempt facility, (v) any industrial park or manufacturing facility, (vi) any airplane, (vii) any skybox or other private luxury box, (viii) any health club facility, (ix) any facility primarily used for gambling, or (x) any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(g) that the maturity of the PAB Bonds does not exceed 120 percent of the economic life of the Financed Property, as more specifically set forth in Section 147(b) of the Code; and

(h) that the costs of issuance to be financed or refinanced with the Proceeds of the PAB Bonds do not exceed two (2) percent of the Sale Proceeds of the Bonds.

Section 8.7 No Federal Guarantee. The Cities and the Board covenant and agree to refrain from taking any action that would result in the Bonds being “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 8.8 No Arbitrage. The Cities and the Board covenant and agree that they will make such use of the Proceeds of the Bonds, including interest or other investment income derived from Proceeds of the Bonds, regulate investments of Proceeds of the Bonds, and take such other and further action as may be required so that the Bonds will not be “arbitrage bonds” within the meaning of Section 148(a) of the Code. In furtherance thereof, the Cities and the Board covenant and agree as follows:

(a) to refrain from using any portion of the Proceeds of the Bonds, directly or

indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in Section 148(b)(2) of the Code) which produces a materially higher yield over the term of each issue of the Bonds, other than investment property acquired with—

(i) Proceeds of the Bonds invested for a reasonable temporary period, within the meaning of Section 148 of the Code,

(ii) Proceeds or amounts invested in a bona fide debt service fund, within the meaning of Section 1.148-1(b) of the Treasury Regulations, and

(iii) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of more than a “de minimis amount” of original issue discount, the issue price, within the meaning of Section 1.148-1(b) of the Treasury Regulations) of the Bonds;

(b) to otherwise restrict the use of the Proceeds of the Bonds or amounts treated as Proceeds of the Bonds, as may be necessary, to satisfy the requirements of Section 148 of the Code (relating to arbitrage); and

(c) to create and maintain a Rebate Fund, as required below for each issue of the Bonds, to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the issue of the Bonds) an amount that is at least equal to 90 percent of the “Excess Earnings,” within the meaning of Section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds of such issue have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under Section 148(f) of the Code. In order to facilitate the requirements of subsection (c) of this Section, the Rebate Fund for each issue of the Bonds shall be established and maintained by the Board, on behalf of itself and the Cities, for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other Person, including Holders and Credit Providers. Amounts on deposit in the Rebate Fund in accordance with Section 148 of the Code shall be paid periodically to the United States of America in such amounts and at such times as are required by said section.

Section 8.9 Record Retention. The City and the Board covenant and agree to retain all pertinent and material records relating to the use and expenditure of the Proceeds of each issue of the Bonds until six years after the last Bond is redeemed, or such shorter period as authorized by subsequent guidance issued by the Department of Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the Cities and the Board to retrieve and reproduce such books and records in the event of an examination of the Bonds by the Internal Revenue Service.

Section 8.10 Disposition of Project. The Cities and the Board covenant that the property constituting the projects financed or refinanced with the proceeds of the Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by the Cities or the Board of cash or other compensation, unless the Cities and the Board obtain an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Cities and the Board shall not be obligated to comply with this covenant if they obtain an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Bonds.

Section 8.11 Bond Insurance. The Bonds may be offered with one or more commitments for municipal bond insurance provided by the Insurer or Insurers, with the bond insurance to be evidenced by one or more of the then current legal forms of the Policy or Policies. The Cities may sell one or more maturities of the Bonds based on such insurance but are not required to obtain bond insurance from another source if the Insurer does not honor or is unable to honor its obligations to deliver the Policy or Policies on the Closing Date. In the event that any of the Bonds are insured, the covenants and representations of the Cities relating to insurance shall be set forth in the Officer's Pricing Certificates.

Section 8.12 Issuance of Taxable Bonds. In the event the Authorized Officer determines to issue any series of Bonds as taxable obligations pursuant to the authority granted in Section 3.1 of this Ordinance, all covenants and representations of the Cities regarding the tax-exempt status of the Bonds or any obligations relating to the issuance of tax-exempt Bonds shall be null and void, including the covenants contained in Sections 8.4 through 8.10 of this Article VIII, with respect to such taxable obligations.

[Remainder of page intentionally left blank]

ARTICLE IX

REPEAL, SEVERABILITY, AND EFFECTIVE DATE

Section 9.1 Ordinance Irrepealable. After any of the Bonds shall be issued, this Ordinance shall constitute a contract between the Cities, the Holders, and each Insurer, and this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled, refunded or discharged or provision for the payment thereof shall be made.

Section 9.2 Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance. If any Section, paragraph, clause or provision of the Contract and Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of the Contract and Agreement, or of any other provisions of this Ordinance not dependent directly for effectiveness upon the provision of the Contract and Agreement thus declared to be invalid and unenforceable.

Section 9.3 Effective Date. This Ordinance, when duly passed by both Cities, shall be in full force and effect.

[Signature Pages Follow]

PASSED BY THE FORT WORTH CITY COUNCIL THIS _____ DAY OF _____, 2025.

ATTEST:

Mayor
City of Fort Worth, Texas

City Secretary
City of Fort Worth

APPROVED AS TO FORM AND LEGALITY:

City Attorney
City of Fort Worth, Texas

THE STATE OF TEXAS §
COUNTY OF TARRANT §
CITY OF FORT WORTH §

I, Jannette Goodall, City Secretary of the City of Fort Worth, Texas, do hereby certify:

1. That the above and foregoing is a true and correct copy of an Ordinance, duly presented and passed by the City Council of the City of Fort Worth, Texas, at a regular meeting held on _____, 2025, as same appears of record in the Office of the City Secretary.

2. That said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

WITNESS MY HAND and the Official Seal of the City of Fort Worth, Texas, this _____ day of _____, 2025.

City Secretary,
City of Fort Worth, Texas

(SEAL)

APPROVED AND ADOPTED BY THE DALLAS CITY COUNCIL THIS _____, 2025.

CITY OF DALLAS:

Kimberly Tolbert,
Interim City Manager

APPROVED AS TO FORM:

Tammy L. Palomino,
City Attorney

By: _____
City Manager

By: _____
City Attorney

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Reimbursement Resolution

Department: Treasury Management

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve the attached resolution, expressing official intent to reimburse project costs with Extendable Commercial Paper proceeds with the issuance of the Dallas Fort Worth International Airport Series II Commercial Paper Program tranche issued under the 67th Supplemental Bond Ordinance and authorizes the Authorized Officers to take any necessary actions in connection with the issuance of Extendable Commercial Paper (Tax-Exempt) proceeds.

BACKGROUND:

- In FY24, the Board authorized the use of an Extendable Commercial Paper program.
- In order to reimburse the temporary use of DFW's unrestricted cash, a reimbursement resolution expressing official intent to reimburse project costs with Extendable Commercial Paper proceeds form is required.
- This provides DFW the flexibility to reimburse itself for the temporary use of unrestricted cash for tax-exempt projects and then be reimbursed.

D/S/M/WBE INFORMATION:

- Not applicable.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: Reimbursement Resolution (ECP Program) - v1

Approvals

Abel Palacios, Vice President - Finance
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Reimbursement Resolution

Official Board Action - Action

RESOLUTION NO. 2024-__-__

EXPRESSING OFFICIAL INTENT TO REIMBURSE PROJECT COSTS
WITH NOTE PROCEEDS

THE STATE OF TEXAS	§
COUNTIES OF DALLAS AND TARRANT	§
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD	§

WHEREAS, prior to the adoption of this resolution (herein defined and cited as the “Resolution”), the Board of Directors (the “Board”) of Dallas Fort Worth International Airport (the “Airport”) and the City Councils of the Cities of Dallas and Fort Worth (the “Cities”) previously approved a Sixty-Seventh Supplemental Concurrent Bond Ordinance, authorizing the issuance of one or more series of Dallas Fort Worth International Airport Subordinate Lien Joint Revenue Commercial Paper Notes, Tax-Exempt Series II (Non-AMT) (the “Notes”) for several purposes, including the payment of costs of capital improvements at the Airport; and

WHEREAS, the Board, on behalf of the Cities, expects to pay, or have paid on its behalf, not more than 60 days prior to the date hereof, expenditures in connection with capital improvements at the Airport (the “Project”) prior to the issuance of Notes; and

WHEREAS, the Board, on behalf of the Cities, finds, considers, and declares that the reimbursement for the payment of such expenditures will be appropriate and consistent with the lawful objectives of the Cities and the Board and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as the Notes are issued to finance the Project; and

WHEREAS, the Board hereby determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law (as defined in the Master Bond Ordinance relating to the Airport);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT:

Section 1. The Board reasonably expects the issuance of one or more series of Notes, with an aggregate maximum principal amount equal to \$600,000,000, for the purpose of paying the costs of the Project.

Section 2. All costs to be reimbursed pursuant hereto will be capital expenditures. No Notes will be issued by the Cities in furtherance of this Resolution after a date which is later than 18 months after the later of (1) the date the expenditures are paid or (2) the date on which the property, with respect to which such expenditures were made, is placed in service.

Section 3. The foregoing notwithstanding, no Notes will be issued pursuant to this Resolution more than three years after the date any expenditure which is to be reimbursed is paid.

ADOPTED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT
BOARD ON THIS _____, 2024.

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND TARRANT §
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

I, the undersigned officer of said Board, hereby certifies as follows:

1. That the Dallas Fort Worth International Airport Board convened in Regular Meeting on the ____ day of _____, 2024, at the Airport Administration Building, 2400 Aviation Drive, Dallas Fort Worth Airport, Texas, its regular meeting place, and the roll was called of the duly constituted officers and members of said Board, to wit:

DeMetris Sampson, Chair	Mayor Eric Johnson)
Vernon Evans, Vice-Chair	Mayor Mattie Parker)
Ben Leal, Secretary	Henry Borbolla III)
	Joel Burns)
	Vincent Hall)
	Angela Hunt)
	Mario Quintanilla)
	Gloria M. Tarpley)
	Mayor Wes Mays*)

* non-voting member

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, a written resolution **EXPRESSING OFFICIAL INTENT TO REIMBURSE PROJECT COSTS WITH NOTE PROCEEDS**

was duly introduced for the consideration of said Board of Directors. It was then duly moved and seconded that said Resolution be adopted; and said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: _____

NOES: _____

ABSTENTIONS: _____

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and

foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

3. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the ____ day of _____, 2024.

Staff Secretary, Dallas Fort Worth
International Airport Board

(Seal)

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Medical Stop Loss Insurance

Department: Human Resources

Amount: \$4,116,564

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to procure and bind Medical Stop Loss insurance coverage with Cigna Health and Life Insurance Company, in the amount of \$4,116,564, for a one-year policy term effective January 1, 2025.

BACKGROUND:

- This action will authorize the procurement and binding of Medical Stop Loss insurance to protect the employee health benefit plan from substantial claim exposures.
- The action will provide for the following 2025 coverage limits:
 - Specific Deductible: \$250,000
 - Premium: \$4,116,564
- The premium for the policy period represents a 6% decrease over the expiring premium.

D/S/M/WBE INFORMATION:

- Not subject to a contract-specific goal. (Insurance Premium)

ADDITIONAL INFORMATION:

- 8 insurance carriers were solicited by the Airport's Broker of Record.
- 5 carriers submitted proposals and BAFO's (Cigna, Voya, Symetra Life, Sun Life, and QBE). Of these proposals, Cigna and Voya presented the most competitive options.
- 3 carriers declined to quote (HM Insurance Group, Optum, and TMHCC)

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Cyril Puthoff, Vice President - Human Resources

Bruce Collins, Vice President - Procurement and Materials Management

Tamela Burks Lee, Vice President - Business Diversity and Development

Abel Palacios, Vice President - Finance

Elaine Rodriguez, General Counsel - Legal

Sean Donohue, Chief Executive Officer

Approved - 11/20/2024

Approved - 11/20/2024

Approved - 11/21/2024

Approved - 11/21/2024

Approved - 11/21/2024

New -

Resolution No.:

Medical Stop Loss Insurance

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Critical Network Infrastructure

Department: Information Technology Services

Amount: \$37,481,480.55

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1595 for Critical Network Infrastructure, with Presidio Networked Solutions Group, LLC of Irving, Texas, for the initial one-year contract amount of \$7,496,296.11, and four one-year options in the amount of \$29,985,184.44, for a total estimated contract amount of \$37,481,480.55, with a start date of December 2024; and that the Chief Executive Office or designee is authorized to execute said contract. Each renewal option will be brought back to the Board for approval.

BACKGROUND:

- Provides for purchase and maintenance of commodity IT hardware items such as network routers, switches, servers, and storage.
- Allows the Airport to leverage competitive pricing negotiated by The Interlocal Purchasing System (TIPS).
- The Board had previously approved use of a similar State of Texas Cooperative Purchase Agreement for the same amount that is no longer available to the Airport. This is a replacement contract.
- Request is needed to support purchase of key technology commodities to support planned lifecycle replacement and forecasted growth.
- Items will be ordered on an as-needed basis, and the Airport will have no obligation to purchase any quantity under the contract.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Goods/Finished Products)

ADDITIONAL INFORMATION:

- This contract will be made through The Interlocal Purchasing System (TIPS) contract no. 220105, which is available to local Government agencies, and was approved by Resolution No. 2024-01-010, dated January 11, 2024.

Fund	Project Number	External Funding Source
Various		

Attachments: None

Approvals

Michael Youngs, Vice President - Information Technology Services
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Critical Network Infrastructure

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Finance, Audit, and IT
Committee**

Resolution No.:

Subject: Emergency and Incident Management Application

Department: Information Technology Services

Amount: \$1,036,318.88

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to execute contract no. PA1598, for Crisis Management Application, with SHI Government Solutions of Austin, Texas, in an amount not to exceed \$1,036,318.88 for the three-year term of the contract, with a start date of January 2025; and that the Chief Executive Office or designee is authorized to execute said contract.

BACKGROUND:

- Action provides a new platform for emergency management and incident response to support the Integrated Operations Center.
- The solution will help enable real-time coordination and situational awareness during significant incidents at DFW.
- The platform enables stakeholders across multiple locations to access and share real-time data, improving the quality and speed of response efforts.
- It supports multi-agency collaboration by allowing IOC staff and field teams to input data and updates that everyone involved can see immediately.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (No Availability)

ADDITIONAL INFORMATION:

- This contract will be made through Omnia Partners contract no. 2024056-02, which is available to local Government agencies, and was approved by Resolution No 2003-01-22, dated January 9, 2003.

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Michael Youngs, Vice President - Information Technology Services
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Emergency and Incident Management Application

Official Board Action - Action

Concessions and Commercial Development Committee Meeting
Tuesday, December 3, 2024
12:55 PM

AGENDA

1. Approve Minutes of the Concessions and Commercial Development Committee Meeting of November 12, 2024.

CONCESSIONS AND COMMERCIAL DEVELOPMENT COMMITTEE

Consent Items for Consideration

Zenola Campbell	C-1.	Approve authorization to consent to the ownership change of Cursus Technologies, Inc. dba Servy.
Zenola Campbell	C-2.	Approve to amend Lease agreement 008363 with Ertekin, Inc. A Texas Corporation.
Dean Ahmad	C-3.	Approve to ratify the interlocal agreement between DFW Airport, Dallas Area Rapid Transit (DART), and Trinity Metro for bus service between the Trinity Rail Express (TRE) CentrePort Station and DFW Airport in an amount not to exceed \$418,030 for a term of two years and that the Chief Executive Officer or designee be authorized to execute said agreement.

Action Items for Consideration

Zenola Campbell	C-4.	Approve to enter into Lease Number 011790 with MRG Dallas/Fort Worth, LLC, dba Bonton Farms.
Zenola Campbell	C-5.	Approve to enter into Lease Number 011791 with MRG Dallas/Fort Worth, LLC dba Dude, Sweet Chocolate.
Zenola Campbell	C-6.	Approve to enter into Lease Number 011792 with MRG Dallas/Fort Worth, LLC dba iStore.
Zenola Campbell	C-7.	Approve to enter into Lease Number 011794 with MRG Dallas/Fort Worth, LLC dba Texas General Store.
Zenola Campbell	C-8.	Approve to enter into Lease Number 011793 with MRG Dallas/Fort Worth, LLC dba InMotion.
Zenola Campbell	C-9.	Approve to enter into a Lease Agreement with HDS & Partners at DFW, LLC dba iStore
Zenola Campbell	C-10.	Approve to enter into a Lease Agreement with TaxFree Shopping Ltd., dba Tax Free Shopping.
Zenola Campbell	C-11.	Approve to enter into a Lease Agreement with Air Sun Joint Venture (DFW), dba Sunglass Hut.

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Ownership change of Cursus Technologies, Inc. dba Servy

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve authorization to consent to the ownership change of Cursus Technologies, Inc. dba Servy.

BACKGROUND:

- Cursus Technologies, Inc. dba Servy has been acquired by GrayMatter, a US C Corp based in Delaware, a software services and analytics provider for airports.
- The acquisition serves to supercharge the strategic growth of the Servy network and enhance our ability to digitize the full non-aeronautical journey for travelers with GrayMatter's market-leading strengths in analytics and AI.
- All other terms and conditions of the Agreement remain the same.

D/S/M/WBE INFORMATION:

- Due to the proprietary nature of the service, the existing zero percent ACDBE and M/WBE goals will continue to apply.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Ownership change of Cursus Technologies, Inc. dba Servy

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Amend Lease agreement 008363 with Ertekin, Inc. A Texas Corporation.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to amend Lease agreement 008363 with Ertekin, Inc. A Texas Corporation.

BACKGROUND:

- Ertekin Fashions is a men & women's boutique sought by local and national customers seeking their brands.
- The lease term will be extended for an additional 7 years.
- The minimum annual guarantee will be waived for the first year. Beginning in year two, the minimum annual guarantee will be set at \$72,000.
- Percentage Rent will be set at 15%.

D/S/M/WBE INFORMATION:

- The existing zero percent ACDBE goal and 30% M/WBE commitment will continue to apply to the lease term extension.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Amend Lease agreement 008363 with Ertekin, Inc. A Texas Corporation.

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Approval of Interlocal Agreement Between DFW, DART and TRE.

Department: Transportation Business Unit

Amount: \$418,030

Revised Amount: \$0.00

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to ratify the interlocal agreement between DFW Airport, Dallas Area Rapid Transit (DART), and Trinity Metro for bus service between the Trinity Rail Express (TRE) CentrePort Station and DFW Airport in an amount not to exceed \$418,030 for a term of two years and that the Chief Executive Officer or designee be authorized to execute said agreement.

BACKGROUND:

- In 2021, DFW Airport entered into an interlocal agreement with Dallas Area Rapid Transit and Trinity Metro to provide bus service between the Trinity Rail Express (TRE) CentrePort Station and DFW Airport.
- This interlocal agreement stipulates that Trinity Metro will operate the service, with Trinity Metro, DART, and DFW Airport equally sharing any costs not covered by Federal Transportation Administration (FTA) funds.
- This action will continue the critical last mile bus service from CentrePort Station to DFW Airport at a substantially lower cost.
- Ratify this agreement for a two-year term from October 1, 2024 to September 30, 2026. The existing interlocal agreement expired on September 30, 2024. Over the term of the agreement, costs to DFW Airport will not exceed \$418,030.

D/S/M/WBE INFORMATION:

- The annual goal for the M/WBE Program is 31%.
- Not subject to a contract-specific goal. (Interlocal/Interagency Agreement)

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
Operating Fund		

Attachments: None

Approvals

Dean Ahmad, Vice President - Transportation Business Unit
Bruce Collins, Vice President - Procurement and Materials Management
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/19/2024
Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Approval of Interlocal Agreement Between DFW, DART and TRE.

Official Board Action - Consent

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into Lease Number 011790 with MRG Dallas/Fort Worth, LLC, dba Bonton Farms.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into Lease Number 011790 with MRG Dallas/Fort Worth, LLC, dba Bonton Farms.

BACKGROUND:

- As the result of a Request for Proposal, MRG Dallas/Fort Worth, LLC was awarded a retail location.
- MRG Dallas/Fort Worth, LLC will operate Bonton Farms, a retail location in the Terminal A Pier, Location ID A-2-038K-A01.
- The minimum annual guarantee shall be \$285,167 for a term of 10 years.
- Percent rent is set at 20%.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 35% and the M/WBE goal for design and construction is 30%.
- MRG Dallas/Fort Worth, LLC joint venture is comprised of The Marshall Retail Group, LLC (65%), Flying Leap, Inc. (ACDBE: WF-C, 20%), Gideon Toal Management Services, LLC (ACDBE: BM-C, 10%) and APW Brands, LLC (ACDBE: WF-C, 5%).
- MRG Dallas/Fort Worth, LLC has committed to 30% M/WBE participation in the design and construction of this lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into Lease Number 011790 with MRG Dallas/Fort Worth, LLC, dba Bonton Farms

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into Lease Number 011791 with MRG Dallas/Fort Worth, LLC dba Dude, Sweet Chocolate.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into Lease Number 011791 with MRG Dallas/Fort Worth, LLC dba Dude, Sweet Chocolate.

BACKGROUND:

- As the result of a Request for Proposal, MRG Dallas/Fort Worth, LLC was awarded a retail location.
- MRG Dallas/Fort Worth, LLC will operate Dude, Sweet Chocolate, a retail location in Terminal D near Gate D10, Location ID SC103.
- The minimum annual guarantee will be \$72,771 for a term of 7 years.
- Concessionaire shall pay the following Percent Rents:
 - Seventeen Percent of Gross Receipts for the sale of Specialty Retail.
 - Fourteen Percent of Gross Receipts for the sale of Display/Fixture Allowances and all other Gross Receipts.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 35% and the M/WBE goal for design and construction is 30%.
- MRG Dallas/Fort Worth, LLC joint venture is comprised of The Marshall Retail Group, LLC (65%), Flying Leap, Inc. (ACDBE: WF-C, 20%), Gideon Toal Management Services, LLC (ACDBE: BM-C, 10%) and APW Brands, LLC (ACDBE: WF-C, 5%).
- MRG Dallas/Fort Worth, LLC has committed to 30% M/WBE participation in the design and construction of this lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into Lease Number 011791 with MRG Dallas/Fort Worth, LLC dba Dude, Sweet Chocolate.

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into Lease Number 011792 with MRG Dallas/Fort Worth, LLC dba iStore.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into Lease Number 011792 with MRG Dallas/Fort Worth, LLC dba iStore.

BACKGROUND:

- As the result of a Request for Proposal, MRG Dallas/Fort Worth, LLC was awarded a retail location.
- MRG Dallas/Fort Worth, LLC will operate iStore, a retail location in Terminal D near Gate D21.
- The minimum annual guarantee will be \$307,837 for a term of 7 years.
- Concessionaire shall pay the following Percent Rents:
 - Six Percent of Gross Receipts for the sale of Apple Products and Hardware.
 - Sixteen Percent of Gross Receipts for the sale of Electronics and Technology Accessories.
 - Fourteen Percent of Gross Receipts for the sale of Display/Fixture Allowances and all other Gross Receipts.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 35% and the M/WBE goal for design and construction is 30%.
- MRG Dallas/Fort Worth, LLC joint venture is comprised of The Marshall Retail Group, LLC (65%), Flying Leap, Inc. (ACDBE: WF-C, 20%), Gideon Toal Management Services, LLC (ACDBE: BM-C, 10%) and APW Brands, LLC (ACDBE: WF-C, 5%).
- MRG Dallas/Fort Worth, LLC has committed to 30% M/WBE participation in the design and construction of this lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments:	None	

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into Lease Number 011792 with MRG Dallas/Fort Worth, LLC dba iStore

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into Lease Number 011794 with MRG Dallas/Fort Worth, LLC dba Texas General Store.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into Lease Number 011794 with MRG Dallas/Fort Worth, LLC dba Texas General Store.

BACKGROUND:

- As the result of a Request for Proposal, MRG Dallas/Fort Worth, LLC was awarded a retail location.
- MRG Dallas/Fort Worth, LLC will operate Texas General Store, a retail location in Terminal D near Gate D37, Location ID D-NC113.
- The minimum annual guarantee will be \$196,526 for a term of 7 years.
- Concessionaire shall pay the following Percent Rents:
 - Seventeen Percent of Gross Receipts for the sale of Specialty Retail.
 - Fourteen Percent of Gross Receipts for the sale of Display/Fixture Allowances and all other Gross Receipts.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 35% and the M/WBE goal for design and construction is 30%.
- MRG Dallas/Fort Worth, LLC joint venture is comprised of The Marshall Retail Group, LLC (65%), Flying Leap, Inc. (ACDBE: WF-C, 20%), Gideon Toal Management Services, LLC (ACDBE: BM-C, 10%) and APW Brands, LLC (ACDBE: WF-C, 5%).
- MRG Dallas/Fort Worth, LLC has committed to 30% M/WBE participation in the design and construction of this lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into Lease Number 011794 with MRG Dallas/Fort Worth, LLC dba Texas General Store

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into Lease Number 011793 with MRG Dallas/Fort Worth, LLC dba InMotion.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into Lease Number 011793 with MRG Dallas/Fort Worth, LLC dba InMotion.

BACKGROUND:

- As the result of a Request for Proposal, MRG Dallas/Fort Worth, LLC was awarded an electronic retail location.
- MRG Dallas/Fort Worth, LLC will operate InMotion, a retail location in Terminal D near Gate D31, Location ID D-NV114.
- The minimum annual guarantee will be \$194,721 for a term of 7 years.
- The Concessionaire shall pay the following percent rents:
 - Six Percent of Gross Receipts for the sale of Apple Products and Hardware
 - Sixteen Percent of Gross Receipts for the sale of Electronics and Technology Accessories
 - Fourteen Percent of Gross Receipts for the sale of Display/Fixture Allowances and all other Gross Receipts.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 35% and the M/WBE goal for design and construction is 30%.
- MRG Dallas/Fort Worth, LLC joint venture is comprised of The Marshall Retail Group, LLC (65%), Flying Leap, Inc. (ACDBE: WF-C, 20%), Gideon Toal Management Services, LLC (ACDBE: BM-C, 10%) and APW Brands, LLC (ACDBE: WF-C, 5%).
- MRG Dallas/Fort Worth, LLC has committed to 30% M/WBE participation in the design and construction of this lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into Lease Number 011793 with MRG Dallas/Fort Worth, LLC dba InMotion

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into a Lease Agreement with HDS & Partners at DFW, LLC dba iStore

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into a Lease Agreement with HDS & Partners at DFW, LLC dba iStore

BACKGROUND:

- The iStore located in Terminal A was terminated due to the security enabling project. As a result, HDS & Partners at DFW, LLC was awarded a replacement location.
- HDS & Partners at DFW, LLC will operate an iStore in Terminal A, Gate 18.
- The minimum annual guarantee will be \$97,858 for a term of 7 years.
- Concessionaire shall pay the following Percent Rents:
 - Fifteen Percent of Gross Receipts for the sale of Specialty Retail.
 - One Percent of Gross Receipts for the sale of Apple products (Specialty Retail - Branded Products).
- This action supports the Board's Concession Policy, 2.2.1 of Direct Negotiation.

D/S/M/WBE INFORMATION:

- The existing ACDBE and M/WBE commitments will continue to apply to the lease term.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into a Lease Agreement with HDS & Partners at DFW, LLC dba iStore

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into a Lease Agreement with TaxFree Shopping Ltd., dba Tax Free Shopping.

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into a Lease Agreement with TaxFree Shopping Ltd., dba Tax Free Shopping.

BACKGROUND:

- As the result of a request for proposal, TaxFree Shopping Ltd was awarded a Sales Tax Refund Service location.
- TaxFree Shopping Ltd will operate TaxFree Shopping, a sales tax refund service location in Terminal D, Gate D30LS.
- The minimum annual guarantee will be \$39,700 for a term of seven years.
- Concessionaire shall pay the following Percent Rents:
 - Seventeen Percent of Gross Receipts for the sale of Services.
 - Eleven Percent of Gross Receipts for Display/Fixture Allowances and all other Gross Receipts.
- This action supports the Board's Concessions Policy to improve the shopping, dining and service experience at DFW International Airport.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, no ACDBE goal was determined for this lease space due to no availability of ACDBE firms that operate this type of concept. The M/WBE goal for design and construction is 30%.
- TaxFree Shopping Ltd has committed to 30% M/WBE participation in the design and construction of the lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into a Lease Agreement with TaxFree Shopping Ltd., dba Tax Free Shopping

Official Board Action - Action

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Concessions and
Commercial Development
Committee**

Resolution No.:

Subject: Enter into a Lease Agreement with Air Sun Joint Venture (DFW), dba Sunglass Hut

Department: Concessions

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve to enter into a Lease Agreement with Air Sun Joint Venture (DFW), dba Sunglass Hut.

BACKGROUND:

- As the result of a request for proposal, Air Sun Joint Venture (DFW) was awarded a retail location.
- Air Sun Joint Venture (DFW) will operate Sunglass Hut, a retail location selling designer sunglasses, in Terminal C, C Pier, Location ID C-2-102F-A01.
- The minimum annual guarantee will be \$132,772 for a term of seven years.
- The percentage rent is set at 18%.
- This action supports the Board's Concession Policy, 2.1 Selection Criteria and the criteria within the Request for Proposal.

D/S/M/WBE INFORMATION:

- The annual goal for the ACDBE Program is 31%.
- In accordance with the Board's ACDBE Program, the ACDBE goal for this lease is 40% and the M/WBE goal for design and construction is 30%.
- Air Sun Joint Venture (DFW) is comprised of Luxottica of America Inc. (60%) and Corliss Stone-Littles, LLC (ACDBE: BF-C, 40%).
- Air Sun Joint Venture (DFW) has committed to 30% M/WBE participation in the design and construction of the lease space.

ADDITIONAL INFORMATION:

Fund	Project Number	External Funding Source
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Attachments: None

Approvals

Zenola Campbell, Vice President - Concessions
Tamela Burks Lee, Vice President - Business Diversity and Development
Abel Palacios, Vice President - Finance
Elaine Rodriguez, General Counsel - Legal
Sean Donohue, Chief Executive Officer

Approved - 11/20/2024
Approved - 11/21/2024
Approved - 11/21/2024
Approved - 11/21/2024
New -

Resolution No.:

Enter into a Lease Agreement with Air Sun Joint Venture (DFW), dba Sunglass Hut

Official Board Action - Action

Executive Compensation Committee Meeting
Tuesday, December 3, 2024
1:10 PM

AGENDA

1. Approval of Minutes of the Executive Compensation Committee Meeting of November 11, 2024.

CLOSED SESSION

1. In accordance with provisions of Section 551.074 of the Texas Government Code, a closed session will be held to discuss the qualifications or performance of identifiable Board employees, to wit:
 - a. Review and Evaluate the Performance of the Chief Executive Officer
 - b. Review and Evaluate the Performance of the Director of Audit Services

EXECUTIVE COMPENSATION COMMITTEE

Action Items for Consideration

Maruchy Cantu	E-1.	Approve a Management Incentive Compensation Payment for Fiscal Year 2024 for the Director of Audit Services.
Maruchy Cantu	E-2.	Approve a Salary Adjustment for the Director of Audit Services.
Maruchy Cantu	E-3.	Approve Fiscal Year 2025 Incentive Compensation Programs Goals for the Director of Audit Services.
Maruchy Cantu	E-4.	Approve a Management Incentive Compensation Payment for Fiscal Year 2024 for the Chief Executive Officer.
Maruchy Cantu	E-5.	Approve a Salary Adjustment for the Chief Executive Officer.
Maruchy Cantu	E-6.	Approve Fiscal Year 2025 Management Incentive Compensation Program Goals for the Chief Executive Officer.

Dallas Fort Worth International Airport Board
Official Board Action / Resolution

Date: December 5, 2024

Executive Compensation
Committee

Resolution No.:

Subject: Fiscal Year 2024 Management Incentive Compensation Payment for the Director of Audit Services

Department: Administration, Diversity, Equity & Inclusion

Amount: Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
Approve a Management Incentive Compensation Payment for Fiscal Year 2024 for the Director of Audit Services.

BACKGROUND:

- The Airport Board approves a _____% of base pay incentive compensation payment for the Director of Audit Services.
- This payment is based on management incentive compensation program performance for Fiscal Year 2024, which is attached.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments: None

Chair, Board of Directors

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Executive Compensation
Committee**

Resolution No.:

Subject: Merit Increase for the Director of Audit Services

Department: Administration, Diversity, Equity & Inclusion

Amount: **Revised Amount:**

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve a Salary Adjustment for the Director of Audit Services.

BACKGROUND:

- The Airport Board approves a _____% merit base pay increase, effective December _____, 2024, for the Director of Audit Services.
- The increase is based on performance for Fiscal Year 2024.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments: None

Chair, Board of Directors

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Executive Compensation
Committee**

Resolution No.:

Subject: Fiscal Year 2025 Incentive Compensation Program Goals for the Director of Audit Services

Department: Administration, Diversity, Equity & Inclusion

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve Fiscal Year 2025 Incentive Compensation Programs Goals for the Director of Audit Services.

BACKGROUND:

- The goals are to complete approved core projects/activities listed in the Annual Plan, provide quarterly reports for the three listed areas in the Annual Plan, complete Fiscal Year 2025 initiatives, reduce days between the audit exit conference and final report issuance, and complete additional projects
- The percent of target pool and percent of target paid amount are included in the attached "Payout Matrix."

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments:	Director of Audit Services - 2025 Goals	

Chair, Board of Directors

**DFW International Airport
Director of Audit Services Incentive Compensation Program
FY 2025 Payout Matrix**

	% of Target Pool	% of Target Pay Out
Complete Approved Core Projects/Activities Listed in the Annual Plan (1)	30%	
Complete 7 core projects/activities listed		75%
Complete 8 core projects/activities listed		100%
Complete 9 core projects/activities listed		125%
Implement Agile Auditing Projects into FY2025 Audit Services Activities (2)	20%	
Present 2 reports/memos on completed projects to Board of Directors		75%
Present 3 reports/memos on completed projects to Board of Directors		100%
Present 4 reports/memos on completed projects to Board of Directors		125%
Provide Quarterly Reports for the Three Listed Areas within the Approved Annual Plan (3)	15%	
Complete 11 quarterly reports		75%
Complete 12 quarterly reports		100%
Complete FY 2024 Initiatives (4)	15%	
Complete 3 of 5 initiatives		75%
Complete 4 of 5 initiatives		100%
Complete 5 of 5 initiatives		125%
Complete Additional Projects (5)	20%	
Complete 5 additional projects		75%
Complete 6 additional projects		100%
Complete 8 additional projects		125%

(1) Approved core projects/activities listed in the annual plan:

- Investment Controls and Compliance
- Implementation of Cyber Security Improvement Road Map
- B2G Now Reporting
- Contract Creation/Management Process
- Environmental, Social and Governance Reporting
- Contract Reviews (IT Contracts, Contract Renewals, Contracts Between 25-50K, Marketplace Purchase Reviews)

- Ethics Matters (Management of Airport Anonymous Hotline)
- Board of Directors Consulting
- Management Consulting

(2) Audit Services should be agile — able to add value in a nimble way in response to disruptions and evolving risks faced by the Airport. While the current audit plan is a good representation of where risks were when it was created, throughout the year risks can evolve. This evolution could warrant an audit of a specific activity not stated on the annual plan. In prior years, when non-plan approved projects were identified, they would be placed on hold to be included on the following years plan.

During FY2024 two possible audits were identified, during our work in other areas, that were delayed until they could be placed into the FY2025 annual plan. In order to be agile to the Airport's needs, this year Audit Services will identify and complete 2 to 4 additional projects not stated on the FY2025 plan but determined to be a current risk to Airport operations. When a project is completed, Audit Services will provide the Board with summary memos as part of our quarterly audit updates.

(3) The three listed areas for quarterly reporting, approved within the annual plan:

- Procurement and Materials Management
- Contract Assessments
- IT Controls and Process Consulting Assistance

(4) FY 2024 initiatives:

- Internal Quality Assurance Improvement Program
- Business Analytics Tool Assessment
- Update Audit Services' Policies and Procedures
- External Auditor Assistance
- Updated Risk Assessment FY2025

(5) Complete additional projects from the following categories:

- Concessions Compliance Audit Follow-Ups
- Controls Over Apple Products
- Revenue Agreements and Ground Transportation Charges (Concessions Compliance Audits)

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Executive Compensation
Committee**

Resolution No.:

Subject: Fiscal Year 2024 Management Incentive Compensation Payment for the CEO

Department: Administration, Diversity, Equity & Inclusion

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve a Management Incentive Compensation Payment for Fiscal Year 2024 for the Chief Executive Officer.

BACKGROUND:

- The Airport Board approves a _____% of base pay incentive compensation payment for the Chief Executive Officer.
- This payment is based on management incentive compensation program performance for Fiscal Year 2024, which is attached.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments:	None	

Chair, Board of Directors

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Executive Compensation
Committee**

Resolution No.:

Subject: Merit Increase for the Chief Executive Officer

Department: Administration, Diversity, Equity & Inclusion

Amount: **Revised Amount:**

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve a Salary Adjustment for the Chief Executive Officer.

BACKGROUND:

- The Airport Board approves a _____% merit base pay increase, effective December ____, 2024, for the Chief Executive Officer.
- This increase is based on performance for Fiscal Year 2024.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments: None

Chair, Board of Directors

**Dallas Fort Worth International Airport Board
Official Board Action / Resolution**

Date: December 5, 2024

**Executive Compensation
Committee**

Resolution No.:

Subject: Fiscal Year 2025 Management Incentive Compensation Program Goals for the Chief Executive Officer

Department: Administration, Diversity, Equity & Inclusion

Amount:

Revised Amount:

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

Approve Fiscal Year 2025 Management Incentive Compensation Program Goals for the Chief Executive Officer.

BACKGROUND:

- The FY 2025 Goals and Initiatives for each Key Result: (business performance, customer satisfaction, operational excellence, employee engagement, community impact and safe, secure and resilient) are included on the attached Management Incentive Compensation Matrix.
- Also included are the percent of target pool and percent of target paid percentages.

D/S/M/WBE INFORMATION:

- Not Applicable

ADDITIONAL INFORMATION:

- Not Applicable

Fund	Project Number	External Funding Source
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Attachments:	FY 25 Incentive Comp Plan Program	

Chair, Board of Directors

**DFW International Airport
FY 2025 Incentive Compensation Matrix**

Key Performance Indicator	Percent of Target Pool	Levels to be Achieved			Notes
		75%	100%	125%	
<u>Business Performance</u>					
Achieve higher DFWCC Net Revenues (Budget = \$288M)	25%	\$292.9	\$295.4	\$302.9	In millions; excludes use of contingency outside of rate base and budget amendments, and revenue sharing adjustments from budget.
Achieve lower Airline Cost (Budget = \$642M)	20%	\$637.0	\$632.0	\$627.0	In millions; excludes use of contingency outside of rate base and budget amendments, and revenue sharing adjustments from budget.
Achieve higher total passengers. (Budget = 92.7M)	5%	90.5	92.7	94.1	In millions
<u>Customer Experience</u>					
Achieve DFW survey overall satisfaction score.	5%	4.42	4.48	4.51	Excludes Terminal C
Achieve DFW survey cleanliness & condition score.	10%	4.43	4.49	4.52	Excludes Terminal C
<u>Operational Excellence</u>					
Achieve percent of waste diverted from landfills.	5%	16.5%	17.5%	20.0%	Excludes construction waste.
<u>Safe, Secure and Resilient</u>					
Reduce runway incursions by DFW employees.	5%	2	1	0	Specific to employee vehicle pedestrian deviations
<u>Community Impact</u>					
Achieve M/WBE, DBE and ACDBE goals.	10%	n/a	3 of 3	n/a	Must achieve all three.
Achieve MBE contract participation.			31%		
Achieve DBE contract participation.			20%		
Achieve ACDBE concessionaire participation.			31%		
<u>Employee Engagement</u>					
Complete "Leading. Transformed." training for 302 people managers (2 year program).	5%	40%	50%	70%	Training is 28 hours per person
<u>Strategic Imperatives/Initiatives</u>					
Achieve Strategic Imperatives	10%	7 of 10	8 of 10	10 of 10	
Total	100%				

**DFW International Airport
FY 2025 Incentive Compensation Matrix**

Key Strategic Imperatives / Initiatives		Target	Key Result/Approach
1	Complete the pilot for location-based, automated customer communications using CRM to mitigate the impact of construction.	Complete	Customer Experience/Digital Transformation
2	Achieve 95% completion of Data360 training module for identified roles.	95%	Employee Engagement/Digital Transformatoin
3	Fully implement cashless operations at the north and south parking control plazas.	Complete	Business Performance/Innovation
4	Complete the identified digital transformation initiative(s) using the new "product based, agile" approach in FY25.	Complete	Business Performance/Digital Transformatoin
5	Purchase at least \$3 million of products/services through the "DFW Marketplace" in FY25.	>\$3M	Business Performance/Innovation
6	Develop new five year business plans for at least 50% of departments (two-year program).	>50%	Business Performance/Digital Transformatoin
7	Demo Terminal C, Section C parking garage during Q2-FY25; achieve placement of the 1st Terminal C Pier module on the airside site during Q3-FY25; and E-CUP operational in Q3-FY25.	3 of 3	Operational Excellence
8	Implement a new software system to reduce non-responsive bids for missing or unsigned BDD forms by 50% in the seond half of FY25 compared to all of FY24.	>50%	Community Impact/DEI
9	Complete conversion of two terminals from legacy access control security system to new "On Guard" platform by the end of FY25.	2	Safe and Secure/Digital Transformation
10	Award a contract to construct a microgrid at the rental car center.	Compete	Safe and Secure/Sustainability