



## Travis County Commissioners Court Agenda Request

**Meeting Date:** June 12, 2012

**Prepared By/Phone Number:** David Walch 4.6663; Marvin Brice CPPB

**Elected/Appointed Official/Dept. Head:** Cyd Grimes

**Commissioners Court Sponsor:** Judge Biscoe

**Agenda Language: Approve Application/Contract to Moody's for bond issuance rating.**

This application is the contract used by Moody's for their services. It is applicable to the fees related to the bond rating provided by Moody's for the County's latest bond issuance and will continue to be used for future issuances. The estimated invoice amount for the services on the last issuance is \$37,000. The funds have been included in the proceeds from related debt issuance for this purpose, and will be encumbered upon activation of the County's new financial system, (SAP).

Pursuant to TEX. LOC. GOV'T. CODE ANN. § 262 et seq., Commissioners Court hereby orders that this Agreement is exempt from the requirements of the County.

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, [Cheryl.Aker@co.travis.tx.us](mailto:Cheryl.Aker@co.travis.tx.us) by Tuesdays at 5:00 p.m. for the next week's meeting.

MOODY'S APPLICATION & FEE SCHEDULE FOR  
LOCAL GOVERNMENT ISSUERS

TRAVIS County, Texas

ISSUING AUTHORITY NAME

TRAVIS County, Texas

BORROWING ENTITY'S NAME

The undersigned hereby applies for a Moody's rating, as described in this Application. A credit rating is Moody's current opinion regarding the relative future creditworthiness of a credit commitment, a debt or debt-like security, or an issuer of such obligations. Moody's credit ratings do not address any other risk, including but not limited to: liquidity risk, market value risk, or price volatility.

The undersigned agrees to furnish to Moody's pertinent financial reports and other information and data required by Moody's, in its sole discretion, in order that Moody's may appraise the Issuer or the specific issue. The undersigned also agrees on an ongoing basis to provide updated information, including periodic financial reports, and copies of compliance certificates, amendments or waivers, and any other pertinent information which may be necessary for the purposes of monitoring the rating. The undersigned agrees and acknowledges that it is solely responsible and liable for the quality of the information provided. Moody's will rely on such information in its analysis and Moody's owes no obligation to the undersigned or the Issuer to verify, audit or validate independently any such information. The undersigned warrants that it has undertaken all reasonable due diligence in respect of such information and all information supplied is true, accurate, and complete and not misleading in all respects. It is understood that Moody's may aggregate and/or transform any information provided by or on behalf of the Issuer so that it is not capable of association with any individual issuer, and publish, distribute or use such aggregated or transformed data in connection with its products and services. The terms of this Application supersede any other terms and conditions relating to the information, including terms and conditions of any website or electronic data room in which any of the information is posted, which terms and conditions will not apply to Moody's.

The parties hereto agree that in connection with any amendment, modification, supplement, restatement or waiver of any provision of this Application, at any time, no consent or agreement to any such amendment, modification, supplement, restatement or waiver shall be deemed effective and binding upon the other party if such consent or agreement is provided by means of an electronic click-through or any other electronic form of acceptance, and the undersigned agrees that neither Moody's nor any affiliate, employee or agent of Moody's shall be bound by or subject to any terms or conditions of use (hereinafter "Website Terms") for access to a web site containing information with respect to the issuer or securities to which this Application relates, including, without limitation, any website established by a third party engaged by or acting on behalf of the undersigned or the Issuer, even if Moody's or any affiliate, employee or agent of Moody's clicks-through or has clicked-through such Website Terms by electronic means at any time before or after the date hereof. The parties agree that no amendment, modification, supplement, restatement or waiver of the preceding sentence shall in any event be effective without the written consent of both parties, provided that such consent shall be effective only if evidenced by a writing signed by hand by an authorized representative of the Global Commercial Group of Moody's or a corporate officer or the holder of a power of attorney of Moody's and an authorized representative of the undersigned.

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

## **MOODY'S APPLICATION & FEE SCHEDULE FOR LOCAL GOVERNMENT ISSUERS**

The undersigned agrees to pay or where the undersigned is not the Issuer will ensure that the Issuer will pay and, if the Issuer does not pay, will itself pay fees in accordance with the attached Fee Schedule. Moody's reserves the right to revise this Application and Fee Schedule; provided that Moody's shall provide the undersigned with prior notice of any such revision and the undersigned may terminate this agreement prior to any such revision to which it does not consent.

This Application will renew annually on the anniversary of the date executed unless Moody's or the undersigned provides thirty (30) days prior written notice. Any termination of this Application shall not restrict Moody's from maintaining, revising or withdrawing any rating on the undersigned or any third party.

This Application can be terminated at any time by Moody's or upon at least 3 months written notice by the undersigned.

It is understood that Moody's rating, if assigned, will be subject to revision or withdrawal by Moody's at any time, without notice, in the sole discretion of Moody's. It is further understood that Moody's is an independent rating agency and is therefore free to determine, apply and amend from time to time its methodologies in its sole discretion in accordance with applicable law.

The undersigned agrees that any rating requested and assigned shall only be used for its intended purpose. For the avoidance of doubt and as an example, an issuer that requests and is assigned an Issuer rating shall not represent such rating as the rating which would be applicable to any of its securities.

Moody's is not providing and shall not provide any financial, legal, tax, advisory, consultative or business services to the undersigned or the Issuer, or advice on structuring transactions or drafting or negotiating transaction documentation. The Issuer and/or the undersigned should take their own legal, tax, financial and other advice when structuring, negotiating and documenting transactions. A rating opinion or discussions with Moody's analysts shall not be deemed as rendering advice on business operations. Any rating must be construed solely as a statement of opinion and not a statement of fact, an offer, invitation, inducement or recommendation to purchase, sell or hold any securities or otherwise act in relation to the Issuer or any other entity or otherwise in connection with any associated transaction or any other matter.

Moody's is not party to any transaction documents and therefore is not bound by clauses in such transaction documents that provide that certain amendments to the structure or documentation are contingent upon receipt from a rating agency of a statement that the amendment will not result in a change in, or withdrawal of, the existing rating maintained by that rating agency. Moody's is not obliged to give any such statement and retains sole discretion whether to do so. The provisions of this Application shall apply to any letter or other communication, such as a press release, from Moody's (each such letter or communication, a "RAC") Issued after consideration of a request by the undersigned that Moody's provide such statement, and references to "rating" herein shall be deemed to include any such RACs. In the event that Moody's provides the undersigned a RAC, which has not been publicly disclosed by Moody's, the undersigned shall keep the RAC strictly confidential, and not disclose it to any person without Moody's prior written consent.

Moody's does not guarantee the correctness of any information, rating, RAC or communication relating to the undersigned or the Issuer. Notwithstanding anything to the contrary contained herein, Moody's shall not be liable in contract, tort, statutory duty or otherwise to the Issuer or the undersigned for any loss, injury or cost caused to the Issuer or the undersigned, in whole or in part, including by any negligence (but excluding fraud, dishonesty and/or willful misconduct or any other type of liability that by law cannot be excluded) on the part of, or any contingency within or beyond the control of, Moody's or any of its directors, officers, employees, agents or affiliates, including any losses arising from or in connection with the procuring, compilation, analysis, interpretation, communication, dissemination, or delivery of any information, RAC or rating relating to the undersigned or the Issuer, the withdrawal of any such rating and any associated disclosure, the inability to issue or monitor a rating due to legislative, judicial or administrative decisions, any change in Moody's methodologies, any unauthorized publication, unauthorized use or any misuse, or any reliance otherwise acknowledged as inappropriate.

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## MOODY'S APPLICATION & FEE SCHEDULE FOR LOCAL GOVERNMENT ISSUERS

It is understood that Moody's may use third party contractors or agents bound by confidentiality obligations to assist in the ratings process and its related business and research activities. In this Application, Moody's refers to the Moody's entity specified above and all its relevant group companies, unless otherwise specified. Moody's may assign this Application to any other Moody's group company and Moody's group companies are entitled to the benefit of the protective provisions in this Application.

Except where prohibited by law, the undersigned warrants that neither it nor the Issuer is owned or controlled, directly or indirectly, by any person or government from countries that are subject to economic, trade, or transactional sanctions imposed by the United States Government, including but not limited to Burma, Cuba, Iran, North Korea, Syria, or Sudan and that neither it nor the Issuer or any of their owners, directors, officers, employees, or group companies appears on any lists of known or suspected terrorists, terrorist organizations or other prohibited persons made publicly available or published by any agency of the government of the United States or any other jurisdiction in which the undersigned or the Issuer or any of their group companies are doing business, including but not limited to the List of Specially Designated Nationals and Blocked Persons ("SDNs") maintained by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The undersigned agrees that it will notify Moody's if these circumstances change.

For information on how we process and protect personal data, please see our Privacy Policy available at [moody.com](http://moody.com).

This Application represents the whole and only agreement in relation to the subject matter of this Application and supersedes any previous agreement between Moody's and the undersigned in relation to that subject matter. Accordingly, all other terms, conditions, representations, warranties and other statements which would otherwise be implied (by law or otherwise) shall not form part of this Application.

Moody's does not consent to or authorize the use of its rating(s) in any registration statement, offering circular, or prospectus ("Offering Documents"), notwithstanding any past communications or dealings of the parties or anything herein to the contrary. The preceding sentence does not prohibit the disclosure of, or reference to, a Moody's rating in an Offering Document except in circumstances where such disclosure of, or reference to, a Moody's rating in an Offering Document would require a consent or authorization from Moody's to be given and/or filed under any applicable laws, regulations, directives or rules (including, if applicable, the U.S. securities laws or the rules of any securities market or securities exchange). For the avoidance of doubt, if as a result thereof Moody's consent would be required to be filed with the United States Securities and Exchange Commission, the following actions may not be taken by the undersigned or by any other offering participant without the prior written authorization of Moody's, which authorization may be withheld or withdrawn in the sole discretion of Moody's: quoting, summarizing, incorporating by reference, linking by hyperlink or otherwise disclosing or using in any Offering Document, or in any other way referencing, disclosing or disseminating in any other written communication (including a written communication as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) any of the following: (i) the fact that the undersigned has applied to Moody's for a rating, (ii) the fact that Moody's has reviewed information provided by the undersigned in connection with the assignment of a rating, (iii) the fact that Moody's has assigned a rating and/or (iv) the rating, if any, assigned by Moody's.

The undersigned agrees to keep the provisions of this Application and Fee Schedule and any other non-public information with respect to the rating disclosed by Moody's to the undersigned confidential and not to disclose such provisions or information to any person except (i) affiliates, officers, directors, employees, representatives, agents and advisors, and (ii) as required by applicable law, rule or regulation (including the Texas Public Information Act), or at the request of any governmental agency or authority having jurisdiction. The undersigned will cause its affiliates, officers, directors, employees, representatives, agents and advisors to comply with the foregoing.

All contractual or non-contractual duties, obligations and liabilities of the undersigned arising from or in connection with this Application shall be governed by and construed in accordance with the laws of the State of Texas and subject to the exclusive jurisdiction of the courts of the State of Texas. All contractual or non-contractual duties, obligations and liabilities of the Moody's arising from or in connection with this Application shall be governed by and construed in accordance with the laws of the State of New York and subject to the exclusive jurisdiction of the courts of the State of New York.

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MOODY'S APPLICATION & FEE SCHEDULE FOR  
LOCAL GOVERNMENT ISSUERS

PLEASE COMPLETE THIS SECTION (check only one):

1. Indicative Rating (Private Unmonitored Point in Time Rating)  
 2. Public Rating

PLEASE PRINT OR TYPE

APPLICANT: TRAVIS County, Texas

BY: Samuel T. Biscoe TITLE: County Judge

MAILING ADDRESS: P.O. Box 1748

CITY: AUSTIN STATE: TX ZIP CODE: 78767-1748

TELEPHONE NUMBER: 512 8549555 FAX NUMBER: \_\_\_\_\_ EMAIL: sam.biscoe@co.travis.tx.us

AUTHORIZED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Signature

Payment of fees is due on receipt of an invoice in accordance with Texas Government Code Chapter 225 (Texas Prompt Payment Act).

Please do not return this Application or Fee Schedule to any member of the analytic team involved in the rating process (including managers). Please return this application to the Moody's Account Management Team.

If you have any questions, please contact the Moody's Account Management Team at (212) 553-4055.

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**Moody's Public Finance Group  
2012 Rating Fee Schedule  
Local Governments**

*Moody's Code of Professional Conduct states that Moody's employees who approve or participate in determining or monitoring credit ratings, or who are involved in the development or approval of models or methodologies used in providing rating services, will not participate in discussions regarding fees or payments with any rated entity. Therefore, please do not return this rating application or Fee Schedule to any member of the analytic team involved in the rating process (including managers), or include the analytic team (including managers) in any fee-related correspondence. Moody's maintains a separate, dedicated group not involved in the rating process for handling applications, fee schedules and fee and payment discussions. If you have any questions regarding this Application or Fee Schedule, please contact the Moody's Account Management Team.*

**Moody's rating fees are shown in the schedule below.**

<b>Issue Size</b>	<b>General Obligation Bonds</b>	<b>Revenue, Lease, Special Tax &amp; State Revolving Fund Bonds</b>	<b>Short Term Notes</b>
Less than \$1 mil.**	\$8,000	\$10,000	\$3,000
\$1 mil to \$4,999,999	\$9,500	\$10,000	\$6,000
\$5 mil. to \$9,999,999	\$11,500	\$14,000	\$7,000
\$10 mil. to \$19,999,999	\$15,500	\$17,000	\$9,000
\$20 mil. to \$24,999,999	\$15,500	\$21,000	\$10,000
\$25 mil. to \$34,999,999	\$22,000	\$21,000	\$13,000
\$35 mil. to \$39,999,999	\$22,000	\$26,000	\$13,000
\$40 mil. to \$49,999,999	\$22,000	\$26,000	\$15,000
\$50 mil. to \$74,999,999	\$26,500	\$34,000	\$18,000
\$75 mil. to \$89,999,999	\$37,000	\$40,000	\$21,000
\$90 mil. to \$99,999,999	\$37,000	\$49,000	\$21,000
\$100 mil. to \$149,999,999	\$57,000	\$67,000	\$32,000
\$150 mil. to \$199,999,999	\$77,000	\$82,000	\$42,000
\$200 mil. to \$299,999,999	\$100,000	\$105,000	\$60,000
\$300 mil. to \$499,999,999	\$100,000	\$125,000	\$75,000
\$500 mil. to \$999,999,999	\$105,000	\$140,000	\$80,000
\$1 bil. and over	Case by case	Case by case	Case by case

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**Moody's Public Finance Group  
2012 Rating Fee Schedule  
Local Governments**

**Bond Anticipation Notes:**

<b>Issue Size</b>	<b>Standard Fee</b>
Less than \$5,000,000	\$3,000
\$5,000,000 - \$9,999,999	\$4,000
\$10,000,000 - \$14,999,999	\$5,000
\$15,000,000 - \$24,999,999	\$8,000
\$25,000,000 - \$49,999,999	\$10,000
\$50,000,000 - \$74,999,999	\$15,000
\$75,000,000 - \$99,999,999	\$20,000
\$100,000,000 - \$249,999,999	\$30,000
\$250,000,000 - \$499,999,999	\$40,000
\$500,000,000 - \$749,999,999	\$50,000
\$750,000,000 - \$999,999,999	\$60,000
\$1,000,000,000 and over	\$75,000

**Commercial Paper**

The Initial and annual fee for program sizes less than \$100m is \$16,000 and \$18,500 if greater than \$100m. Annual fees will be discounted for multiple programs.

**Variable Rate Issues**

Initial and annual fees for Variable Rate issues are as follows:

Initially: Additional \$6,750 added to the long term fees.

Annual Fees - based on principal amount (Excludes self-liquidity):

Less than \$5m	\$3,250
\$5m - \$9.9m	\$5,250
\$10m and over	\$7,250

**Self Liquidity**

Less than \$500m	\$15,000
\$500m-\$1b	\$20,000
\$1b and over	\$25,000

Annual Fees are non-refundable.

**Amendments to existing variable rate transactions**

\$1,200	Applies to extension of credit or liquidity enhancement.
\$1,500 and up	Applies to Rating Agency Comment or affirmation of rating.
\$6,000	Applies to substitution of credit or liquidity enhancement with no provision changes. Where there are multiple deals with identical documents, the fee for the first deal is \$6,000 and each additional deal is \$3,000.

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## Moody's Public Finance Group 2012 Rating Fee Schedule Local Governments

### Amendments to existing variable rate transactions (continued)

\$7,500	Applies to substitution of credit or liquidity enhancement with provision changes (amending auto terminations, amending indentures, changing any other document other than the LOC/SBPA). Where there are multiple deals with identical documents, the fee for the first deal is \$7,500 and each additional deal is \$3,750.
80% of new issuance fee	Applies to restructuring of security and complex substitutions, i.e., when the replacement credit or liquidity enhancement is a different type of enhancement vehicle.

### Bank Bonds

A \$5,000 fee will be charged for Bank Bond Ratings assigned in conjunction with the rating of the initial bonds.

### Termination of Rating Process

Applicable when substantial analytical research is provided, but the rating process is terminated. The fee is 75% of what the fee would have been if the rating process had not been terminated. This fee is payable at the time of the termination of the rating process. However, if the issue is reactivated and a rating is assigned within six months of the termination of the rating process, this fee will be credited against the applicable rating fee. Any excess over the actual charges for the definitive rating is non-refundable.

### Postponed/Canceled Sales

The fee for an issue that has been assigned a rating and is subsequently canceled or postponed will be 75% of that which would have been applicable had the issue sold. The fee is payable at the time of cancellation or postponement. If the issue sells within six months, the balance of the original fee will be invoiced. Any excess over the actual charges for the definitive rating is non-refundable.

### Indicative Rating Service

The fee for an issue that has been assigned a preliminary rating indicator will be 75% of the standard fee. If an application for a public underlying and/or insured rating is received within six months of the assignment of the indicative rating, the indicative rating fee will be credited against the charges outlined on the current fee schedule. Moody's reserves the right to publish its ratings upon any public disclosure of the ratings. Any excess of the indicative rating fee over the actual charges for the subsequently assigned definitive rating is non-refundable.

### Preferred Pricing

Preferred Pricing is applied only in circumstances where Moody's has rated an issue during the prior 9 months and there are no outstanding unpaid rating fees. Moody's normal BAN rating fees are discounted for preferred pricing clients. Contact the Moody's Account Management Team to verify eligibility. Preferred Pricing clients issuing bonds in the amount of \$500,000 or less would be charged \$2,500.

### Complex Financings

Moody's may charge an additional fee of up to \$105,000 for certain types of complex financings. Please contact the Moody's Account Management Team to discuss whether such complex deal fees apply to a planned financing.

### Rapid Turnaround

A fee of up to \$8,500 may be charged at Moody's sole discretion if there is a request for expedient delivery of a rating.

### Additional Fee for 3rd Party Service Providers/Out-of-pocket expenses

Moody's may: (i) request reimbursement of reasonable travel and related expenses; and (ii) in some instances, charge an additional fee for services provided by third party service providers, in connection with the ratings process. In either of these circumstances, Moody's will seek confirmation from the applicant in advance. Any such fees will be payable upon receipt of an invoice from Moody's.

Pooled financings, letters of credit and structured issues are not included in any of the above rates.

Moody's reserves the right to change rating fees without prior notification.

All inquiries may be directed to the Moody's Account Management Team at (212) 553-4055.

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**PLANNING AND BUDGET OFFICE  
TRAVIS COUNTY, TEXAS**

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314 W. 11th Street  
P.O. Box 1748  
Austin, Texas 78767

**TO:** Marvin Brice, Assistant Purchasing Agent *Travis R. Gatlin*  
**FROM:** Travis R. Gatlin, Sr. Planning and Budget Analyst  
**DATE:** May 31, 2012  
**RE:** Application/Contract Related to Bond Rating Option Provided by Moody's

Please place the attached application with Moody's on the agenda for the Commissioners Court meeting on June 12, 2012. The application is used by Moody's as a contract for their services. It is applicable to the fees related to the bond rating option provided by Moody's for the County's latest issuance and will continue to be used for future issuances. The estimated invoice is \$37,000 per Julia Lyapina with Moody's. Funds have been included in the proceeds from related debt issuance for this purpose.

cc: Ladd Pattillo  
Barbara Wilson, County Attorney's Office  
Hanna York, County Auditor's Office  
Leslie Browder, Planning and Budget Office  
Leroy Nellis, Planning and Budget Office  
Jessica Rio, Planning and Budget Office

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TRAVIS County, Texas

ISSUING AUTHORITY NAME

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The parties hereto agree that in connection with any amendment, modification, supplement, restatement or waiver of any provision of this Application, at any time, no consent or agreement to any such amendment, modification, supplement, restatement or waiver shall be deemed effective and binding upon the other party if such consent or agreement is provided by means of an electronic click-through or any other electronic form of acceptance, and the undersigned agrees that neither Moody's nor any affiliate, employee or agent of Moody's shall be bound by or subject to any terms or conditions of use (hereinafter "Website Terms") for access to a web site containing information with respect to the issuer or securities to which this Application relates, including, without limitation, any website established by a third party engaged by or acting on behalf of the undersigned or the issuer, even if Moody's or any affiliate, employee or agent of Moody's clicks-through or has clicked-through such Website Terms by electronic means at any time before or after the date hereof. The parties agree that no amendment, modification, supplement, restatement or waiver of the preceding sentence shall in any event be effective without the written consent of both parties, provided that such consent shall be effective only if evidenced by a writing signed by hand by an authorized representative of the Global Commercial Group of Moody's or a corporate officer or the holder of a power of attorney of Moody's and an authorized representative of the undersigned.

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Moody's is not providing and shall not provide any financial, legal, tax, advisory, consultative or business services to the undersigned or the issuer, or advice on structuring transactions or drafting or negotiating transaction documentation. The issuer and/or the undersigned should take their own legal, tax, financial and other advice when structuring, negotiating and documenting transactions. A rating opinion or discussions with Moody's analysts shall not be deemed as rendering advice on business operations. Any rating must be construed solely as a statement of opinion and not a statement of fact, an offer, invitation, inducement or recommendation to purchase, sell or hold any securities or otherwise act in relation to the issuer or any other entity or otherwise in connection with any associated transaction or any other matter.

Moody's is not party to any transaction documents and therefore is not bound by clauses in such transaction documents that provide that certain amendments to the structure or documentation are contingent upon receipt from a rating agency of a statement that the amendment will not result in a change in, or withdrawal of, the existing rating maintained by that rating agency. Moody's is not obliged to give any such statement and retains sole discretion whether to do so. The provisions of this Application shall apply to any letter or other communication, such as a press release, from Moody's (each such letter or communication, a "RAC") issued after consideration of a request by the undersigned that Moody's provide such statement, and references to "rating" herein shall be deemed to include any such RACs. In the event that Moody's provides the undersigned a RAC, which has not been publicly disclosed by Moody's, the undersigned shall keep the RAC strictly confidential, and not disclose it to any person without Moody's prior written consent.

Moody's does not guarantee the correctness of any information, rating, RAC or communication relating to the undersigned or the issuer. Notwithstanding anything to the contrary contained herein, Moody's shall not be liable in contract, tort, statutory duty or otherwise to the issuer or the undersigned for any loss, injury or cost caused to the issuer or the undersigned, in whole or in part, including by any negligence (but excluding fraud, dishonesty and/or willful misconduct or any other type of liability that by law cannot be excluded) on the part of, or any contingency within or beyond the control of, Moody's or any of its directors, officers, employees, agents or affiliates, including any losses arising from or in connection with the procuring, compilation, analysis, interpretation, communication, dissemination, or delivery of any information, RAC or rating relating to the undersigned or the issuer, the withdrawal of any such rating and any associated disclosure, the inability to issue or monitor a rating due to legislative, judicial or administrative decisions, any change in Moody's methodologies, any unauthorized publication, unauthorized use or any misuse, or any reliance otherwise acknowledged as inappropriate.

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

**MOODY'S APPLICATION & FEE SCHEDULE FOR  
LOCAL GOVERNMENT ISSUERS**

It is understood that Moody's may use third party contractors or agents bound by confidentiality obligations to assist in the ratings process and its related business and research activities. In this Application, Moody's refers to the Moody's entity specified above and all its relevant group companies, unless otherwise specified. Moody's may assign this Application to any other Moody's group company and Moody's group companies are entitled to the benefit of the protective provisions in this Application.

Except where prohibited by law, the undersigned warrants that neither it nor the Issuer is owned or controlled, directly or indirectly, by any person or government from countries that are subject to economic, trade, or transactional sanctions imposed by the United States Government, including but not limited to Burma, Cuba, Iran, North Korea, Syria, or Sudan and that neither it nor the Issuer or any of their owners, directors, officers, employees, or group companies appears on any lists of known or suspected terrorists, terrorist organizations or other prohibited persons made publicly available or published by any agency of the government of the United States or any other jurisdiction in which the undersigned or the Issuer or any of their group companies are doing business, including but not limited to the List of Specially Designated Nationals and Blocked Persons ("SDNs") maintained by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury. The undersigned agrees that it will notify Moody's if these circumstances change.

For information on how we process and protect personal data, please see our Privacy Policy available at [moodys.com](http://moodys.com).

This Application represents the whole and only agreement in relation to the subject matter of this Application and supersedes any previous agreement between Moody's and the undersigned in relation to that subject matter. Accordingly, all other terms, conditions, representations, warranties and other statements which would otherwise be implied (by law or otherwise) shall not form part of this Application.

Moody's does not consent to or authorize the use of its rating(s) in any registration statement, offering circular, or prospectus ("Offering Documents"), notwithstanding any past communications or dealings of the parties or anything herein to the contrary. The preceding sentence does not prohibit the disclosure of, or reference to, a Moody's rating in an Offering Document except in circumstances where such disclosure of, or reference to, a Moody's rating in an Offering Document would require a consent or authorization from Moody's to be given and/or filed under any applicable laws, regulations, directives or rules (including, if applicable, the U.S. securities laws or the rules of any securities market or securities exchange). For the avoidance of doubt, if as a result thereof Moody's consent would be required to be filed with the United States Securities and Exchange Commission, the following actions may not be taken by the undersigned or by any other offering participant without the prior written authorization of Moody's, which authorization may be withheld or withdrawn in the sole discretion of Moody's: quoting, summarizing, incorporating by reference, linking by hyperlink or otherwise disclosing or using in any Offering Document, or in any other way referencing, disclosing or disseminating in any other written communication (including a written communication as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) any of the following: (i) the fact that the undersigned has applied to Moody's for a rating, (ii) the fact that Moody's has reviewed information provided by the undersigned in connection with the assignment of a rating, (iii) the fact that Moody's has assigned a rating and/or (iv) the rating, if any, assigned by Moody's.

The undersigned agrees to keep the provisions of this Application and Fee Schedule and any other non-public information with respect to the rating disclosed by Moody's to the undersigned confidential and not to disclose such provisions or information to any person except (i) affiliates, officers, directors, employees, representatives, agents and advisors, and (ii) as required by applicable law, rule or regulation (including the Texas Public Information Act), or at the request of any governmental agency or authority having jurisdiction. The undersigned will cause its affiliates, officers, directors, employees, representatives, agents and advisors to comply with the foregoing.

All contractual or non-contractual duties, obligations and liabilities of the undersigned arising from or in connection with this Application shall be governed by and construed in accordance with the laws of the State of Texas and subject to the exclusive jurisdiction of the courts of the State of Texas. All contractual or non-contractual duties, obligations and liabilities of the Moody's arising from or in connection with this Application shall be governed by and construed in accordance with the laws of the State of New York and subject to the exclusive jurisdiction of the courts of the State of New York.

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

MOODY'S APPLICATION & FEE SCHEDULE FOR  
LOCAL GOVERNMENT ISSUERS

PLEASE COMPLETE THIS SECTION (check only one):

1. Indicative Rating (Private Unmonitored Point in Time Rating)  
 2. Public Rating

PLEASE PRINT OR TYPE

APPLICANT: TRAVIS County, Texas

BY: Samuel T. Biscoe TITLE: County Judge

MAILING ADDRESS: P.O. Box 1748

CITY: AUSTIN STATE: TX ZIP CODE: 78767-1748

TELEPHONE NUMBER: 512.8549555 FAX NUMBER: \_\_\_\_\_ EMAIL: sam.biscoe@co.travis.tx.us

AUTHORIZED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Signature

Payment of fees is due on receipt of an invoice in accordance with Texas Government Code Chapter 225 (Texas Prompt Payment Act).

Please do not return this Application or Fee Schedule to any member of the analytic team involved in the rating process (including managers). Please return this application to the Moody's Account Management Team.

If you have any questions, please contact the Moody's Account Management Team at (212) 553-4055.

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

**Moody's Public Finance Group  
2012 Rating Fee Schedule  
Local Governments**

*Moody's Code of Professional Conduct states that Moody's employees who approve or participate in determining or monitoring credit ratings, or who are involved in the development or approval of models or methodologies used in providing rating services, will not participate in discussions regarding fees or payments with any rated entity. Therefore, please do not return this rating application or Fee Schedule to any member of the analytic team involved in the rating process (including managers), or include the analytic team (including managers) in any fee-related correspondence. Moody's maintains a separate, dedicated group not involved in the rating process for handling applications, fee schedules and fee and payment discussions. If you have any questions regarding this Application or Fee Schedule, please contact the Moody's Account Management Team.*

**Moody's rating fees are shown in the schedule below.**

<b>Issue Size</b>	<b>General Obligation Bonds</b>	<b>Revenue, Lease, Special Tax &amp; State Revolving Fund Bonds</b>	<b>Short Term Notes</b>
Less than \$1 mil.**	\$8,000	\$10,000	\$3,000
\$1 mil. to \$4,999,999	\$9,500	\$10,000	\$6,000
\$5 mil. to \$9,999,999	\$11,500	\$14,000	\$7,000
\$10 mil. to \$19,999,999	\$15,500	\$17,000	\$9,000
\$20 mil. to \$24,999,999	\$15,500	\$21,000	\$10,000
\$25 mil. to \$34,999,999	\$22,000	\$21,000	\$13,000
\$35 mil. to \$39,999,999	\$22,000	\$26,000	\$13,000
\$40 mil. to \$49,999,999	\$22,000	\$26,000	\$15,000
\$50 mil. to \$74,999,999	\$26,500	\$34,000	\$18,000
\$75 mil. to \$89,999,999	\$37,000	\$40,000	\$21,000
\$90 mil. to \$99,999,999	\$37,000	\$49,000	\$21,000
\$100 mil. to \$149,999,999	\$57,000	\$67,000	\$32,000
\$150 mil. to \$199,999,999	\$77,000	\$82,000	\$42,000
\$200 mil. to \$299,999,999	\$100,000	\$105,000	\$60,000
\$300 mil. to \$499,999,999	\$100,000	\$125,000	\$75,000
\$500 mil. to \$999,999,999	\$105,000	\$140,000	\$80,000
\$1 bil. and over	Case by case	Case by case	Case by case

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

**Moody's Public Finance Group  
2012 Rating Fee Schedule  
Local Governments**

**Bond Anticipation Notes:**

<b>Issue Size</b>	<b>Standard Fee</b>
Less than \$5,000,000	\$3,000
\$5,000,000 - \$9,999,999	\$4,000
\$10,000,000 - \$14,999,999	\$5,000
\$15,000,000 - \$24,999,999	\$8,000
\$25,000,000 - \$49,999,999	\$10,000
\$50,000,000 - \$74,999,999	\$15,000
\$75,000,000 - \$99,999,999	\$20,000
\$100,000,000 - \$249,999,999	\$30,000
\$250,000,000 - \$499,999,999	\$40,000
\$500,000,000 - \$749,999,999	\$50,000
\$750,000,000 - \$999,999,999	\$60,000
\$1,000,000,000 and over	\$75,000

**Commercial Paper**

The initial and annual fee for program sizes less than \$100m is \$16,000 and \$18,500 if greater than \$100m. Annual fees will be discounted for multiple programs.

**Variable Rate Issues**

Initial and annual fees for Variable Rate issues are as follows:

Initially: Additional \$6,750 added to the long term fees.

Annual Fees - based on principal amount (Excludes self-liquidity):

Less than \$5m	\$3,250
\$5m - \$9.9m	\$5,250
\$10m and over	\$7,250

**Self Liquidity**

Less than \$500m	\$15,000
\$500m-\$1b	\$20,000
\$1b and over	\$25,000

Annual Fees are non-refundable.

**Amendments to existing variable rate transactions**

\$1,200	Applies to extension of credit or liquidity enhancement.
\$1,500 and up	Applies to Rating Agency Comment or affirmation of rating.
\$6,000	Applies to substitution of credit or liquidity enhancement with no provision changes. Where there are multiple deals with identical documents, the fee for the first deal is \$6,000 and each additional deal is \$3,000.

This Fee Schedule sets out Moody's fees for the period 1/1/2012 to 12/31/2012. Moody's reserves the right to revise this Fee Schedule from time to time. If Moody's does not revise this Fee Schedule, the current Fee Schedule will also apply in subsequent periods. Please request a current Fee Schedule at the time of your rating assignment.

## **Moody's Public Finance Group 2012 Rating Fee Schedule Local Governments**

### **Amendments to existing variable rate transactions (continued)**

<b>\$7,500</b>	Applies to substitution of credit or liquidity enhancement with provision changes (amending auto terminations, amending indentures, changing any other document other than the LOC/SBPA). Where there are multiple deals with identical documents, the fee for the first deal is \$7,500 and each additional deal is \$3,750.
<b>80% of new issuance fee</b>	Applies to restructuring of security and complex substitutions, i.e., when the replacement credit or liquidity enhancement is a different type of enhancement vehicle.

### **Bank Bonds**

A \$5,000 fee will be charged for Bank Bond Ratings assigned in conjunction with the rating of the initial bonds.

### **Termination of Rating Process**

Applicable when substantial analytical research is provided, but the rating process is terminated. The fee is 75% of what the fee would have been if the rating process had not been terminated. This fee is payable at the time of the termination of the rating process. However, if the issue is reactivated and a rating is assigned within six months of the termination of the rating process, this fee will be credited against the applicable rating fee. Any excess over the actual charges for the definitive rating is non-refundable.

### **Postponed/Canceled Sales**

The fee for an issue that has been assigned a rating and is subsequently canceled or postponed will be 75% of that which would have been applicable had the issue sold. The fee is payable at the time of cancellation or postponement. If the issue sells within six months, the balance of the original fee will be invoiced. Any excess over the actual charges for the definitive rating is non-refundable.

### **Indicative Rating Service**

The fee for an issue that has been assigned a preliminary rating indicator will be 75% of the standard fee. If an application for a public underlying and/or insured rating is received within six months of the assignment of the indicative rating, the indicative rating fee will be credited against the charges outlined on the current fee schedule. Moody's reserves the right to publish its ratings upon any public disclosure of the ratings. Any excess of the indicative rating fee over the actual charges for the subsequently assigned definitive rating is non-refundable.

### **Preferred Pricing**

Preferred Pricing is applied only in circumstances where Moody's has rated an issue during the prior 9 months and there are no outstanding unpaid rating fees. Moody's normal BAN rating fees are discounted for preferred pricing clients. Contact the Moody's Account Management Team to verify eligibility.

Preferred Pricing clients issuing bonds in the amount of \$500,000 or less would be charged \$2,500.

### **Complex Financings**

Moody's may charge an additional fee of up to \$105,000 for certain types of complex financings. Please contact the Moody's Account Management Team to discuss whether such complex deal fees apply to a planned financing.

### **Rapid Turnaround**

A fee of up to \$8,500 may be charged at Moody's sole discretion if there is a request for expedient delivery of a rating.

### **Additional Fee for 3rd Party Service Providers/Out-of-pocket expenses**

Moody's may: (i) request reimbursement of reasonable travel and related expenses; and (ii) in some instances, charge an additional fee for services provided by third party service providers, in connection with the ratings process. In either of these circumstances, Moody's will seek confirmation from the applicant in advance. Any such fees will be payable upon receipt of an invoice from Moody's.

Poolled financings, letters of credit and structured issues are not included in any of the above rates.

Moody's reserves the right to change rating fees without prior notification.

All inquiries may be directed to the Moody's Account Management Team at (212) 553-4055.

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