

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE NORTH EAST TEXAS
REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 16-95

WHEREAS, the North East Texas Regional Mobility Authority ("NET RMA") was created pursuant to the request of Gregg and Smith Counties and in accordance with provisions of the Transportation Code and the petition and approval process established in 43 Tex. Admin. Code § 26.1, et seq. (the "RMA Rules"); and

WHEREAS, the Board of Directors of the NET RMA has been constituted in accordance with the Transportation Code and the RMA Rules; and

WHEREAS, subsequent to the initial formation of the NET RMA the Counties of Cherokee, Rusk, Harrison, Upshur, Bowie, Panola, Wood, Van Zandt, Titus, and Kaufman joined the Authority and are represented on the Board of Directors; and

WHEREAS, in Resolution No. 13-12, adopted March 26, 2013, the Board of Directors selected First Southwest Company, now known as Hilltop Securities Inc. ("Hilltop") as the Financial Advisor to the NET RMA; and

WHEREAS, the NET RMA is obligated to file certain annual continuing disclosure information pursuant to Securities and Exchange Commission ("SEC") Rule 15c2-12; and

WHEREAS, FSC Continuing Disclosure Services ("FSCCDS"), a division of Hilltop, is capable of providing continuing disclosure services to the NET RMA; and

WHEREAS, the contract attached hereto as Attachment "A" (hereinafter the "Continuing Disclosure Contract") governs FSCCDS's provision of continuing disclosure services to the NET RMA; and

WHEREAS, the NET RMA Board of Directors must approve the Continuing Disclosure Contract with FSCCDS before work can be performed thereunder.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the NET RMA hereby approves the Continuing Disclosure Contract with FSCCDS in the form or substantially the same form attached hereto as Attachment "A"; and

BE IT FURTHER RESOLVED, the Executive Director is authorized to execute the Continuing Disclosure Contract on behalf of the NET RMA.

Adopted by the Board of Directors of the North East Texas Regional Mobility Authority
on the 11th day of October, 2016.

Submitted and reviewed by:



C. Brian Cassidy
General Counsel for the North East
Texas Regional Mobility Authority

Approved:



Linda Ryan Thomas
Chair, Board of Directors
Date Passed: 10/11/16

**AGREEMENT
FOR
CONTINUING DISCLOSURE SERVICES
BY AND BETWEEN**

**NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY
(HEREINAFTER REFERRED TO AS THE "ISSUER")**

**AND
FSC CONTINUING DISCLOSURE SERVICES,
A DIVISION OF HILLTOP SECURITIES INC.**

In connection with the sale and delivery of certain bonds, notes, certificates, or other municipal obligations (the "Bonds"), the Issuer has made certain undertakings to disclose to the investing public, on a periodic and continuing basis, certain information, as more fully set forth in such undertakings and as contemplated by the provisions of Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule").

Because Hilltop Securities Inc. has served as financial advisor to the Issuer, the Issuer has agreed to engage FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc. ("Continuing Disclosure Services"), to assist it with these continuing disclosure obligations, for the consideration and on the terms and conditions set forth herein, including the preparation and submission of annual reports (the "Annual Reports"), of Quarterly Reports and the reporting of certain specified events (the "Events"), which are set forth in the Issuer's undertakings, the Rule and in Subsection 2c. below.

This agreement (the "Agreement") between the Issuer and the Continuing Disclosure Services shall become effective as of the date of its acceptance as provided for below.

The parties agree as follows:

1. Unless otherwise directed by the Issuer, this Agreement shall apply to all issues of Bonds delivered subsequent to the effective date of the continuing disclosure requirements as specified in the Rule, to the extent that any particular issue does not qualify for exceptions to the continuing disclosure requirements of the Rule.
2. Continuing Disclosure Services agrees to perform the following in connection with providing services relating to the Issuer's continuing disclosure obligations:
 - a. assist the Issuer in compiling data determined or selected by the Issuer to be disclosed;
 - b. assist the Issuer in identifying other information to be considered by Issuer for continuing disclosure reporting purposes;
 - c. assist the Issuer in preparing the presentation of such information, to include Annual Reports containing financial information and operating data of the type provided in the final official statement of applicable issues, and Material Event Notices concerning the occurrence of the specified Events and other items listed below:
 - 1) Principal and interest payment delinquencies

- 2) Non-payment related defaults
 - 3) Unscheduled draws on debt service reserves reflecting financial difficulties
 - 4) Unscheduled draws on credit enhancements reflecting financial difficulties
 - 5) Substitution of credit or liquidity providers, or their failure to perform
 - 6) Adverse tax opinions or events affecting the tax-exempt status of the security
 - 7) Modifications to rights of security holders
 - 8) Bond calls
 - 9) Defeasances
 - 10) Release, substitution, or sale of property securing repayment of the securities
 - 11) Rating changes
 - 12) The issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities of the Issuer
 - 13) Tender offers
 - 14) Bankruptcy, insolvency, receivership or similar proceeding
 - 15) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated person or their termination
 - 16) Appointment of a successor or additional trustee or the change of the name of a trustee
 - 17) Noncompliance with the Rule
- d. assist the Issuer in distributing or filing, in the Issuer's name, the above mentioned Annual Reports, notices and audited annual financial statements to the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA"), rating agencies, and other entities, as required by the Issuer's continuing disclosure obligations.

The Issuer, through Continuing Disclosure Services, will provide certain updated financial information and operating data to the MSRB, in an electronic format as prescribed by the MSRB. The information to be updated includes all quantitative financial information and operating data with respect to the Issuer and the System of the general type included in this Official Statement, under the headings "AUTHORITY FINANCIAL INFORMATION — Toll Rates," "ESTIMATED SYSTEM CASH FLOW AND DEBT SERVICE COVERAGE TABLE — Estimated System Cash Flow and Debt Service Coverage Table" (but not including any projections for any future period), "SCHEDULE I — DEBT SERVICE REQUIREMENTS" and "APPENDIX A — AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY." Included in the annual filing for each Fiscal Year through the Substantial Completion (as defined in the Master Trust Indenture) of the Segment 4 Project, the Issuer will furnish a copy of the construction progress report prepared by the General Engineering Consultant(s) relating thereto for the last quarter of the Fiscal Year. In addition, included in the annual filing, the Issuer will furnish a copy of each General Engineering Consultant's annual report relating to its inspection of the System (which reports may be provided as one report prepared jointly by more than one General Engineering Consultant). The Issuer will update and provide this information within six months after the end of each Fiscal Year. In addition to the annual information described above, the Issuer will furnish on a

quarterly basis, within 60 days after the end of each quarter of the Fiscal Year, through the Substantial Completion (as defined in the Master Trust Indenture) of the Segment 4 Project, a copy of the General Engineering Consultant's construction progress report relating thereto, each for the previous quarter of the Fiscal Year, and unaudited information regarding the number of toll transactions for the System and the Revenues generated by such toll transactions for the previous quarter of the Fiscal Year.

- e. provide to the Issuer confirmation of distribution or dissemination of reports and notices.

3. Issuer acknowledges and agrees to the following:

- a. Continuing Disclosure Services will be compensated for the performance of services with respect to assisting the Issuer with preparation and submission of continuing disclosure reports in accordance with the schedule as set forth below:
 - 1) \$1,500 per year for assistance in distribution of audited annual financial statements, if Issuer is not exempt from filing with EMMA, and Material Event Notice Filings, or
 - 2) \$4,500 per year for assistance in preparation and distribution of each annual report, quarterly report and assistance in distribution of audited annual financial statements, if Issuer is not exempt from filing reports with EMMA, and Material Event Notice Filings, plus
 - 3) \$100 minimum fee for assistance in preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule; in addition, a fee of \$125 per hour for all time in excess of five (5) hours spent in assisting with preparation and distribution of each notice concerning occurrence of an Event or noncompliance with the Rule, provided that Continuing Disclosure Services shall notify the Issuer that it anticipates exceeding five (5) hours and shall provide an estimate of the time and expense to be incurred.
- b. Issuer will provide to Continuing Disclosure Services, and Continuing Disclosure Services shall be entitled to reasonably rely upon, all information regarding the issuance of the Bonds, including the final official statement and the Issuer's commitment or undertaking regarding continuing disclosure as contained in the resolution authorizing issuance of the Bonds or separate contract or agreement; annual financial information and operating data of the type provided in the final official statement; information concerning the occurrence of an Event or noncompliance with the Rule; and any other information necessary to prepare continuing disclosure reports, provided that Continuing Disclosure Services shall review and assess the accuracy of all information that is within the scope of services provided by Hilltop Securities Inc.
- c. Issuer will provide to Continuing Disclosure Services, and Continuing Disclosure Services shall be entitled to reasonably rely upon, annual written confirmation of all outstanding Bond issues for which the Issuer has a continuing disclosure obligation.

- d. Issuer will provide to Continuing Disclosure Services information within its possession required for preparation of each Annual Report, including financial information and operating data of the type provided in the final official statement and other information deemed necessary by Issuer, no later than 45 days prior to the date on which each Annual Report is due.
 - e. Issuer will provide full and complete copies of the audited annual financial statement no later than ten (10) days prior to the date on which it is due.
 - f. Issuer will notify Continuing Disclosure Services immediately upon the Issuer's knowledge of the occurrence of each Event or noncompliance with the Rule, and the Issuer will immediately provide all information within its possession necessary for preparation of the notice of occurrence of each such Event or noncompliance with the Rule.
 - g. Issuer shall have the sole responsibility for determining the disclosure to be made in all cases, provided that the Issuer may reasonably rely on the advice of Continuing Disclosure Services in making that determination. The Issuer shall review and provide approval of the content and form of all continuing disclosure reports and notices, with the exception of the following, which will be filed automatically on the Issuer's behalf, unless the Issuer has notified Continuing Disclosure Services otherwise in writing: bond calls, defeasances, and rating changes. In the event of a disagreement between the Issuer and Continuing Disclosure Services regarding the disclosure to be made, either the Issuer or Continuing Disclosure Services may, but neither is obligated to, terminate this Agreement by written notice to the other party.
 - h. A separate Annual Report will be prepared and distributed for each type of security pledge in effect for outstanding financing issues or Bonds of the Issuer.
 - i. Issuer will inform Continuing Disclosure Services of the retirement of any Bonds included under the scope of this Agreement within 30 days of such retirement.
4. In the event that Continuing Disclosure Services and the Issuer determine that advice of counsel is appropriate with respect to any question concerning disclosure, then (i) the Issuer may consult with its counsel, or (ii) the Issuer may authorize Continuing Disclosure Services to seek legal advice from independent counsel regarding the disclosure, provided that the Issuer must approve, in writing, the scope of work and fees prior to such work being performed. The Issuer agrees that it shall be responsible for the fees and expenses of its own counsel. The Issuer agrees to reimburse Continuing Disclosure Services the fees and expenses of independent counsel, if paid by Continuing Disclosure Services, for advice rendered pursuant to the previous written authorization by the Issuer.
5. Continuing Disclosure Services agrees to hold harmless and to indemnify the Issuer and its employees, affiliates, officers, directors, and agents from and against any and all claims, damages, losses, liabilities, reasonable costs and expenses whatsoever including attorneys' fees and expenses ("Losses and Expenses") that the Issuer may incur by reason of or in connection with the performance or failure to perform the services to be provided by Continuing Disclosure Services under this Agreement, except to the extent such claims, damages, losses, liabilities,

costs and expenses result directly from the Issuer's willful misconduct or gross negligence in the distribution of such information.

In the event that such Losses and Expenses are attributable to the concurrent negligence or other fault of both the Issuer and Continuing Disclosure Services, each party shall bear proportionate responsibility for the degree of negligence or other fault attributable to each. Notwithstanding the foregoing, Continuing Disclosure Services shall not be obligated to contribute any amount hereunder that exceeds ten (10) times the amount of fees previously received by Continuing Disclosure Services pursuant to the Agreement.

6. The fees and expenses due to Continuing Disclosure Services in providing Continuing Disclosure Services shall be calculated in accordance with Section 3a. of this Agreement. The fees will be invoiced each year during the term of the Agreement, unless terminated earlier, and fees will be payable within 30 days of receipt of invoice, except that the fees for the first year's service will be invoiced and be payable upon acceptance of this Agreement.

In addition, the Issuer agrees to reimburse Continuing Disclosure Services for the following expenses: (i) legal fees and expenses of counsel incurred by Continuing Disclosure Services pursuant to the terms of Section 4. above that the Issuer has previously approved in writing, and (ii) other out-of-pocket expenses reasonably incurred by Continuing Disclosure Services in performing its obligations hereunder provided that such expenses may not exceed \$1,000 without the prior written consent of the Issuer. The Issuer shall remit payment for expenses to Continuing Disclosure Services within 30 days of receipt of invoice.

7. **Bonds Issued Subsequent to Agreement:** The provisions of this Agreement will include additional municipal bonds and financings (including financing lease obligations) issued during the stated term of this Agreement, if such bonds are subject to the continuing disclosure requirements. In this connection, the Issuer agrees that the Issuer will notify Continuing Disclosure Services of any municipal bonds and financing (including financing lease obligations) issued by the Issuer during any fiscal year of the Issuer during the term of this Agreement, and will provide Continuing Disclosure Services with such information as shall be necessary in order for Continuing Disclosure Services to perform the services contracted for hereunder.
8. **Effective Dates of Agreement:** This Agreement shall become effective as of the date of acceptance by the Issuer as set out below and remain in effect thereafter for a period of five (5) years from the date of acceptance. Unless Continuing Disclosure Services or Issuer shall notify the other party in writing at least thirty (30) days in advance of the applicable anniversary date that this Agreement will not be renewed, this Agreement will be automatically renewed on the fifth anniversary of the date hereof for an additional one (1) year period and thereafter will be automatically renewed on each anniversary date for successive one (1) year periods. This agreement may be terminated with or without cause by the Issuer or Continuing Disclosure Services upon thirty (30) days' written notice to the other party. In the event of such termination, it is understood and agreed that only the amounts due to Continuing Disclosure Services for services provided and expenses incurred to and including the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated prior to its stated term, all records provided to Continuing Disclosure Services by the Issuer shall be returned to the Issuer as soon as practicable. In

addition, the parties hereto agree that upon termination of this Agreement Continuing Disclosure Services shall have no continuing obligation to the Issuer regarding any service contemplated herein. Notwithstanding the foregoing, all indemnification, hold harmless and/or contribution obligations, pursuant to Section 5 of this Agreement, shall survive any termination, regardless of whether the termination occurs as a result of the expiration of the term hereof or the Agreement is terminated sooner by either the Issuer or Continuing Disclosure Services under this Section 8, pursuant to Subsection 3.g., or otherwise.

Provision of Notices

Provision of information, delivery of certification and notices of Events and noncompliance with the Rule, unless directed otherwise in writing, shall be sent to:

North East Texas Regional Mobility Authority
909 ESE Loop 323
Suite 520
Tyler, TX 75701
Chris Miller
Executive Director
Phone: 903.630.7447
Fax:
Email: Chris.Miller@netrma.org

FSC Continuing Disclosure Services, a Division of Hilltop Securities Inc.

1201 Elm Street, 35th Floor
Dallas, Texas 75270
Attention: Tanya Calvit
Director for Continuing Disclosure
Phone: (214) 953-4037
Fax: (214) 953-4050
Email: tanya.calvit@hilltopsecurities.com

Acceptance of Agreement

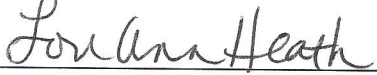
9. This Agreement is submitted in triplicate originals. When accepted by the Issuer, it will constitute the entire Agreement between the Issuer and Continuing Disclosure Services for the purposes and the consideration specified above.

Acceptance will be indicated on all copies and returned to Continuing Disclosure Services. An executed original will be returned for your files.

Respectfully submitted,

FSC Continuing Disclosure Services, a Division of
Hilltop Securities Inc.

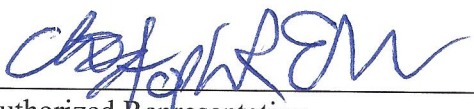
By 
Hill A. Feinberg
Chairman and Chief Executive Officer

By 
Lou Ann Heath
Director

Date 9-12-2016

ACCEPTANCE CLAUSE

The above and foregoing is hereby in all things accepted and approved by the North East Texas Regional Mobility Authority, on this the _____ day of _____, 2016.

By 
Authorized Representative
Executive Director, NETRMA
Title