

North East Texas Regional Mobility Authority Conflict of Interest Policy for Financial Team Members

The North East Texas Regional Mobility Authority (NET RMA) anticipates utilizing outside consultants for a significant portion of the work necessary to develop financial plans for the financing of specific NET RMA projects and for advice concerning the overall management of the NET RMA's financial affairs. The NET RMA also anticipates developing projects through a variety of means, including through private sector involvement and contracts which combine various elements of the work necessary for design, construction, financing, operation and/or maintenance of projects. The NET RMA recognizes that many of the same individuals and firms that provide financial planning and advisory services to it may also have, or previously have had, some business relationship with individuals and firms seeking to do business with the NET RMA. To assure that any such relationships are fully disclosed and so as to assure that the impartiality of the individuals and firms working for the NET RMA on financial matters is not compromised, individuals and firms working for the NET RMA, and those seeking to do business with the NET RMA, must adhere to the following procedures:

1. The NET RMA shall maintain, on its website and in the records of the authority, a list of key financial personnel and firms performing work for the NET RMA. At a minimum, this group will include the NET RMA's financial advisor(s), bond counsel, accountants and auditors, and investment banking firms which are part of an underwriting syndicate for any NET RMA project. Other individuals or firms may be classified as NET RMA key financial personnel at the sole discretion of the authority.

2. Any individual, firm, or team (including individual team members) submitting a proposal (including an unsolicited proposal and a response to a solicited proposal) to the NET RMA to perform work for the authority shall disclose in its submittal the existence of any current or previous (defined as one terminating within 12 months prior to submission of the proposal) business relationship with any of the NET RMA's key financial personnel. The disclosure shall include information on the nature of the relationship, the current status, and the date of termination (or expected termination, if known) of the relationship. Failure to make the disclosure required in this paragraph is grounds for rejection of the proposal and disqualification from further consideration for the project or work which is the subject of the proposal.

3. Separate and apart from the disclosure required to be made by proposers under the preceding paragraph, any key financial personnel of the NET RMA must disclose the existence of any current or previous business relationship with any individual, firm, or team (including team members) making a proposal to provide goods or services or a proposal to perform work to be supervised. Failure to make the disclosure required in this paragraph is grounds for termination of work by the key financial personnel failing to make the disclosure. Disclosures required under this paragraph shall be made to the NET RMA's general counsel within three business days of receipt of information from the NET RMA concerning the identity of a proposer (including its team members and known sub-consultants). Disclosures shall be made in accordance with paragraph 6 below.

4. For any disclosures required under paragraphs 2 or 3 above, the affected key financial personnel shall complete and submit the form attached hereto as Attachment A. (Submittal of such form shall be sufficient to constitute the disclosure required under paragraph 3 above.) Completion of the required information is necessary to provide the NET RMA with information to assess the nature of the prior or current business relationships, the role of individuals and firms involved, internal safeguards which may be implemented by the key financial personnel to protect against access to, or disclosure of, information, and the potential for the prior or current business relationship to compromise the independence of the affected key financial personnel.

5. Except for investment banking firms, key financial personnel shall not be permitted to be part of a team (as a partner, sub-consultant, or in any other capacity) proposing or competing to develop a transportation project through a comprehensive development agreement. Investment banking firms shall not be permitted to participate in a syndicate of firms designated by the NET RMA to participate in the financing of a NET RMA project and also be part of a team (as a partner, sub-consultant, or in any other capacity) proposing or competing to develop that same project (or a variation of that project). Investment banking firms may be part of a team proposing or competing to develop a project for which they have not been designated as part of the underwriting syndicate for that project by the NET RMA. These prohibitions are intended to preclude key financial personnel from working both for the NET RMA and for (or with) entities seeking to do business with the NET RMA in a manner which would result in or create the appearance of conflicting loyalties in financial matters.

6. The NET RMA's general counsel shall be responsible for compiling and presenting to the Executive Committee information concerning all conflict of interest disclosures (e.g., those contained in proposals and those made by key financial personnel). The Executive Committee shall determine whether to permit the affected key financial personnel to continue its work on the proposal or the work giving rise to the conflict, and if such work is permitted to continue, the safeguards to be implemented as a condition of the continuation. *If continuation of work is approved subject to the implementation of safeguards, failure to implement and maintain those measures is grounds for termination of that work and any further work for the authority.* If the Executive Committee does not approve of the continuation of work by the key financial personnel, the key financial personnel shall immediately cease any work and shall turn over all records concerning such work to the authority.

7. These policies and procedures may be amended or modified at any time action of the NET RMA board of directors. Key financial personnel and proposers seeking do business with the NET RMA are responsible for complying with these policies and procedures as amended from time to time.

DISCLOSURE STATEMENT FORM

This Disclosure Statement outlines potential conflicts of interest as a result of a previous or current business relationship between the undersigned individual (and/or the firm for which the individual works) and an individual or firm submitting a proposal or otherwise under consideration for a contract associated with _____.

Section I of this Disclosure Statement Form describes the potential conflicts of interest. Section II of this Disclosure Statement Form describes the proposer's management plan for dealing with the potential conflicts of interest as described in Section I of this form. This Disclosure Statement is being submitted in compliance with the North East Texas Regional Mobility Authority's Conflict of Interest Policy for Financial Team Members. The undersigned acknowledges that approval of the proposed management plan is within the sole discretion of the North East Texas Regional Mobility Authority.

SECTION I. Description of Potential Conflicts of Interest

SECTION II. Management Plan for Dealing with Potential Conflicts of Interest.

SIGNED: _____ DATE: _____

NAME AND TITLE: _____

REPRESENTING: _____

APPROVED BY THE NORTH EAST TEXAS REGIONAL MOBILITY AUTHORITY:

SIGNED: _____ DATE: _____

NAME AND TITLE: _____

Confidential