

RESOLUTION NO. 11-13

RESOLUTION AUTHORIZING THE EXECUTION OF A STATE INFRASTRUCTURE BANK (SIB) LOAN AGREEMENT AND A TOLL EQUITY LOAN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION FOR TOLL 49 SEGMENT 3B; AUTHORIZING THE ISSUANCE AND DELIVERY OF SEPARATE PROMISSORY NOTES IN CONNECTION WITH SUCH LOAN AGREEMENTS; APPROVING THE TRUST AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

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

WHEREAS, subsequent to its initial formation, the Counties of Cherokee, Rusk, Harrison, Upshur, Bowie, Cass, Panola, Van Zandt, Wood and Titus joined the Issuer and are represented on its Board of Directors; and

WHEREAS, the Issuer is pursuing the development and construction of the Loop 49 Toll Highway System, currently comprised of Segments 1, 2, 3A and 5 (the "System"); and

WHEREAS, the Issuer is currently pursuing the development and financing of Segment 3B of the System (such segment, the "Project"); and

WHEREAS, Chapter 370, Texas Transportation Code, as amended (the "Act") authorizes the Issuer to issue bonds, notes or other obligations to pay all or a portion of the costs of the Project, and to secure repayment of such bonds, notes or other obligations with a pledge of and lien on revenues of the System; and

WHEREAS, the Issuer has submitted applications to the Texas Department of Transportation ("TxDOT") to borrow an aggregate principal amount of approximately \$89,232,598.00, consisting of a loan in the amount of thirty-nine million two hundred thousand dollars (\$39,200,000.00) from the State Infrastructure Bank (the "SIB Loan"), and a toll equity loan (the "Toll Equity Loan") in the amount of fifty million five hundred ninety seven six hundred dollars (\$50,032,598.00), for the purpose of paying the costs related to the acquisition of right of way and funding of design, development and construction of the Project; and

WHEREAS, under the terms of the SIB Loan and the Toll Equity Loan, repayment of the loans will be secured by the issuance and delivery by the Issuer of separate promissory notes, in the respective principal amounts of the loans, and by a pledge of and first lien on revenues of the System; and

WHEREAS, the Texas Transportation Commission has approved the Issuer's applications and authorized TxDOT to make the SIB Loan and the Toll Equity Loan pursuant to Minute Order No. 112475 and Minute Order No. 112498, respectively;

NOW THEREFORE, BE IT RESOLVED, that the State Infrastructure Bank (SIB) Loan Agreement (the "SIB Loan Agreement"), dated as of March 1, 2011, by and between the Issuer and TxDOT, in substantially the form attached to this Resolution as Exhibit A, is hereby approved and the Chairman and Vice Chairman of the Issuer are each hereby authorized to approve the final terms thereof, including those

requested or required by the Office of the Attorney General of the State of Texas, to execute the SIB Loan Agreement and to issue and deliver the SIB Note pursuant to the terms thereof; and

BE IT FURTHER RESOLVED, that the Toll Equity Loan Agreement (the "Toll Equity Loan Agreement"), dated as of March 1, 2011, by and between the Issuer and TxDOT, in substantially the form attached to this Resolution as Exhibit B, is hereby approved and the Chairman and Vice Chairman of the Issuer are each hereby authorized to approve the final terms thereof, including those requested or required by the Office of the Attorney General of the State of Texas, to execute the Toll Equity Loan Agreement and to issue and deliver the Toll Equity Note pursuant to the terms thereof; and

BE IT FURTHER RESOLVED, that the Trust Agreement (the "Trust Agreement"), dated as of March 1, 2011, by and between the Issuer and the trustee selected by the Issuer, in substantially the form attached to this Resolution as Exhibit C, is hereby approved and the Chairman and Vice Chairman of the Issuer are each hereby authorized to approve the final terms thereof, including those requested or required by the Office of the Attorney General of the State of Texas, and to execute the Trust Agreement; and

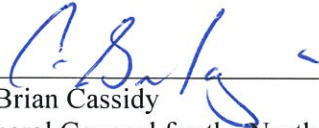
BE IT FURTHER RESOLVED, that the Issuer hereby covenants to provide to TxDOT copies of any financial, continuing disclosure, traffic and revenue reports or other reports delivered in connection with the development, construction, operation or financing of the Project or the System or filings made in compliance with the federal securities laws or the NET RMA Board relating to the Project or any part of the System; and

BE IT FURTHER RESOLVED, that the Issuer hereby covenants to provide to TxDOT on an ongoing basis the information described in Section 8.7 of the SIB Loan Agreement and Section 8.7 of the Toll Equity Loan Agreement; and

BE IT FURTHER RESOLVED, that this Resolution shall be liberally construed to evidence the intent of the Issuer to comply with state law in the issuance of notes for the Project.

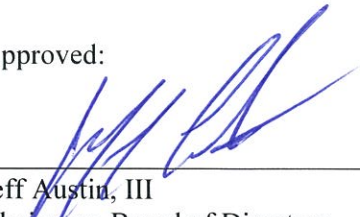
Adopted by the Board of Directors of the North East Texas Regional Mobility Authority on the 4th day of March, 2011.

Submitted and reviewed by:



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

Approved:



Jeff Austin, III
Chairman, Board of Directors
Resolution Number 11-13
Dated Passed: 03/04/11