RESOLUTION 2017 - 94

A RESOLUTION

APPROVING THE 2018 METRO BOARD OF DIRECTORS MONTHLY BOARD MEETING CALENDAR, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, Section 451.514(a) of the Texas Transportation Code requires that the Metropolitan Transit Authority of Harris County, Texas ("METRO") Board of Directors hold at least one regular meeting each month, for the purpose of transacting the business of the authority; and

WHEREAS, Section 451.514(a) of the Texas Transportation Code and METRO's Bylaws require that the METRO Board of Directors by resolution recorded in the minutes of the board meetings, set the place, date and time for each regular meeting; and

WHEREAS, the regular meetings for 2018 of the METRO Board of Directors will be conducted at 1900 Main Street, 2nd Floor Board Meeting Room, at 10:00 a.m., typically on the fourth Thursday of each month except November and December to avoid conflicting with the Thanksgiving and Christmas holidays.

WHEREAS, the proposed dates for such regular meetings are as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Date</th>
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<tbody>
<tr>
<td>Thursday, January 25, 2018</td>
<td>Thursday, July 26, 2018</td>
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<tr>
<td>Thursday, February 22, 2018</td>
<td>Thursday, August 23, 2018</td>
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<tr>
<td>Thursday, March 22, 2018</td>
<td>Thursday, September 27, 2018</td>
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<td>Thursday, April 26, 2018</td>
<td>Thursday, October 25, 2018</td>
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<tr>
<td>Thursday, May 24, 2018</td>
<td>Thursday, November 15, 2018</td>
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<tr>
<td>Thursday, June 28, 2018</td>
<td>Thursday, December 13, 2018</td>
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NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby approves the proposed dates, times and location of the 2018 METRO Board of Directors monthly regular board meeting calendar.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
A RESOLUTION

APPROVING AND ACCEPTING THE DECEMBER 2017 WORKING COMMITTEE REPORTS, INCLUDING FINANCIAL AND INVESTMENT REPORTS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, certain committees of the Metropolitan Transit Authority of Harris County, Texas Board of Directors (the "Board of Directors") held meetings in December 2017; and

WHEREAS, each such committee has provided the Board of Directors with a monthly committee report for review; and

WHEREAS, the December 2017 Finance and Audit Committee Report includes the Compliance Report for the period ended November 30, 2017, the December 2017 Sales Tax Report, the November 2017 Investment Report, the November 2017 Debt Report, the November 2017 Monthly Performance Report and the Monthly Report of the Chief Financial Officer dated December 11, 2017; and

WHEREAS, the Board of Directors has reviewed such monthly committee reports, including the November 2017 Investment Report in the Finance and Audit Committee Report.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby approves and accepts the December 2017 Finance and Audit Committee, Administration Committee, Capital & Strategic Planning Committee and Public Safety, Customer Service, and Operations Committee monthly reports, including the November 2017 Investment Report.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydney Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Réca Perry
Assistant Secretary

Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A ONE-YEAR CONTRACT WITH MOTOROLA SOLUTIONS, INC. FOR MAINTENANCE, SUPPORT AND CERTAIN OTHER SERVICES FOR THE RADIO COMMUNICATIONS SYSTEM, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas' ("METRO") existing radio communications system was designed, manufactured and supplied by Motorola Solutions Inc.; and

WHEREAS, the radio communications system requires support, maintenance, and development services, which Motorola Solutions, Inc. and various qualified vendors are authorized to provide; and

WHEREAS, certain local vendors are authorized to maintain Motorola Network systems at the first tier level, but none are able to provide second and third tier level support; and

WHEREAS, in order to obtain first, second and third tier level support for its radio communications system, management recommends that METRO enter into a one-year contract with Motorola Solutions, Inc. for maintenance, support and certain other services, with a maximum contract amount of $128,092.32.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to enter into a one-year contract with Motorola Solutions, Inc. for maintenance, support and certain other services for METRO’s radio communications system, with a maximum contract amount of $128,092.32.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydona Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO MODIFY THE HOV/HOT LINES OPERATION & MAINTENANCE CONTRACT WITH TRANSCORE TO INCREASE THE MAXIMUM CONTRACT AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the electronic equipment controlling the entrances and exits of the Metropolitan Transit Authority of Harris County, Texas ("METRO") HOV/HOT Lanes, incurred extensive damage as a result of the flooding from Hurricane Harvey; and

WHEREAS, management recommends that the President & CEO modify the current HOV/HOT Lanes Operation & Maintenance contract with TransCore to increase the maximum contract amount by $800,000.00, in order to cover certain additional costs relating to the repair of the damage to such electronic equipment from Hurricane Harvey.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to modify the current HOV/HOT Lanes Operation & Maintenance contract with TransCore to increase the maximum contract amount thereunder by $800,000.00, resulting in a new maximum contract amount of $42,323,327.85.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

署名：

Cydnii Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

署名：

Reca Perry
Assistant Secretary

署名：

Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A FIVE-YEAR CONTRACT WITH TRANSCORE FOR OPERATION AND MAINTENANCE OF METRO’S HOV/HOT LANE ARGOS EQUIPMENT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) contracts with a third-party vendor to operate and maintain the Automated Reversible Gate Operation (“ARGO”) equipment that METRO uses to open and close METRO’s HOV/HOT Lane network; and

WHEREAS, METRO’s current contract for such services expires on February 28, 2018; and

WHEREAS, a Request for Proposals was issued for the operation and maintenance described above as well as additional maintenance services for pavement repairs, delineators, concrete traffic barriers, pavement markings, lane sweeping, and debris removal along METRO’s five HOV/HOT Lanes; and

WHEREAS, an evaluation committee concluded that TransCore’s proposal is the most advantageous and provides the best overall value to METRO; and

WHEREAS, management recommends that METRO execute a five-year contract with TransCore to provide operation and maintenance of the ARGO equipment and such other maintenance services on the HOV/HOT Lanes Network, for a maximum contract amount of $31,231,448.55.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a five-year contract with TransCore to manage, operate and maintain the ARGO equipment used to open and close METRO’s HOV/HOT Lanes Network and to provide certain other related maintenance services, for a maximum contract amount of $31,231,448.55.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydough Edifex
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO MODIFY THE CONTRACT WITH MOTOR COACH INDUSTRIES TO EXERCISE AN OPTION TO PURCHASE TEN ADDITIONAL DIESEL COMMUTER BUSES; AND TO INCREASE THE MAXIMUM CONTRACT AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECTS

WHEREAS, Resolution 2016-127 authorized the Metropolitan Transit Authority of Harris County, Texas ("METRO") to contract with Motor Coach Industries for the purchase of heavy duty clean diesel commuter buses ("Contract No. 7217003160"); and

WHEREAS, Contract No. 7217003160 includes three options for METRO to purchase up to ten buses each; and

WHEREAS, management recommends that the President & CEO modify Contract No. 7217003160 to exercise the second option for the purchase of ten diesel commuter buses and increase the maximum contract amount by $5,009,580.00, which includes a one percent contingency fee for any unforeseen changes that may be required by METRO during the manufacturing process, resulting in a new maximum contract amount of $75,411,676.00.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to modify Contract No. 7217003160 with Motor Coach Industries to exercise the second option to purchase ten diesel commuter buses and to increase the maximum contract amount to $75,411,676.00.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydoi Fairfax  
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017  
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry  
Assistant Secretary

Carrin F. Patman  
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A TWO-YEAR CONTRACT WITH CUMMINS SOUTHERN PLAINS FOR CERTAIN NECESSARY NON-WARRANTY SERVICE REPAIRS OF METRO BUSES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") has a fleet of buses, which may require non-warranty related repairs from time to time; and

WHEREAS, Cummins Southern Plains is the only authorized distributor and repair center in the Houston service area that can perform such related repairs; and

WHEREAS, the current contract with Cummins Southern Plains will expire on April 20, 2018; and

WHEREAS, management recommends that METRO enter into a two-year contract with Cummins Southern Plains for certain necessary non-warranty service repairs to METRO’s fleet of buses, with a maximum contract amount of $200,000.00.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a two-year contract with Cummins Southern Plains for certain necessary non-warranty service repairs to METRO’s fleet of buses, with a maximum contract amount of $200,000.00.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonii Fairfax  
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017  
APPROVED this 14th day of December, 2017

Carrin F. Patman  
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE A THREE-YEAR CONTRACT WITH ALLIED UNIVERSAL FOR NON-COMMISSIONED SECURITY SERVICES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires non-commissioned security services at its Bus Operating Facilities, Rail Operating Center, Inspection & Storage Facility, Field Service Center, Buffalo Bayou Operating Facility and its Administrative Office Building; and

WHEREAS, a Request for Proposals was issued for non-commissioned security services and Allied Universal was determined to be the most advantageous and best overall value of all those that submitted proposals; and

WHEREAS, management recommends that METRO enter into a three-year contract with Allied Universal for such non-commissioned security services, with a maximum contract amount of $6,835,222.00.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a three-year contract with Allied Universal for non-commissioned security services, with a maximum contract amount of $6,835,222.00.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonia Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

[Signature]
Reca Perry
Assistant Secretary

[Signature]
Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF HOUSTON FOR USE OF A PORTION OF THE BUFFALO BAYOU OPERATING FACILITY AS A TEMPORARY HOMELESS SHELTER AND APPROVING CERTAIN FACILITY MODIFICATIONS, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") owns property located at 810 San Jacinto known as the Buffalo Bayou Bus Operating Facility; and

WHEREAS, the City of Houston desires to use a portion of the Buffalo Bayou Operating Facility to operate and maintain a temporary low barrier homeless shelter ("Pilot Program"); and

WHEREAS, METRO desires to be a vital community partner and expects such actions will also help further the agency’s mission, however, it is ultimately at the City of Houston’s discretion whether the Pilot Program will move forward; and

WHEREAS, management recommends that METRO enter into a six-month Interlocal Agreement with the City of Houston to effect the foregoing, allow the President & CEO to exercise options to extend for two additional six-month terms, and that certain minor facility modifications, such as fencing and a commercial gate, be made to the property in connection therewith; and

WHEREAS, it is the intent and understanding of the METRO Board of Directors ("Board of Directors") that the Buffalo Bayou Operating Facility be used as a temporary location only and the President & CEO will periodically report the status of the Pilot Program to the Board.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby authorizes the President & CEO execute a six-month Interlocal Agreement with the City of Houston for the use of a portion of the Buffalo Bayou Operating Facility as a temporary homeless shelter, with options to extend for two additional six-month terms, and approves up to $100,000 in minor modifications to such property, including fencing and installing a commercial gate, in connection therewith.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
RESOLUTION 2017- 103A

A RESOLUTION

APPROVING THE FIRST AMENDMENT TO THE AMENDED AND RESTATED CREDIT AGREEMENT AND FEE LETTER AGREEMENT FOR THE SALES AND USE TAX COMMERCIAL PAPER NOTES, SERIES A-1 FOR THE PURPOSE OF PROVIDING MONEY FOR CERTAIN AUTHORIZED PURPOSES; APPROVING AND AUTHORIZING CERTAIN AUTHORIZED OFFICERS AND EMPLOYEES TO ACT ON BEHALF OF THE AUTHORITY IN THE SELLING AND DELIVERY OF SUCH NOTES; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (the "Authority") was created pursuant to Chapter 141, Acts of the 63rd Legislature of the State of Texas, Regular Session, 1973 (Article 1118x, Vernon's Texas Civil Statutes, as amended, now codified as Chapter 451, Transportation Code, as amended (the "Authority Act"), and was confirmed at a confirmation and tax election held on August 12, 1978, in accordance with the Authority Act;

WHEREAS, the principal municipality within the Authority has a population of 1.5 million or more;

WHEREAS, Chapter 1371, Texas Government Code, as amended ("Chapter 1371"), and Section 451.362, Texas Transportation Code, as amended ("Section 451.362"), authorize the Authority to issue notes with a maximum maturity of five years and to provide for the payment of principal of and interest on such obligations from revenues of the Authority, including sales and use tax revenues, received on or after the date of the issuance of such notes;

WHEREAS, pursuant to Chapter 1371, the Authority is authorized to issue all or a portion of the aforesaid obligations as commercial paper notes;

WHEREAS, by Resolution No. 2005-75 adopted on October 27, 2005, Resolution No 2009-43, adopted on April 22, 2009, and Resolution No. 2014-49, adopted April 24, 2014, (together the "Authorizing Resolution") each by the Board of Directors (the "Board") of the Authority, the Board authorized, and amended and restated such authorization, for the establishment of a program to issue Sales and Use Tax Commercial Paper Notes, Series A (the "Notes"), in a maximum principal amount of $400,000,000, as authorized by Chapter 1371 and Section 451.362;

WHEREAS, the Board has previously approved Credit Agreements (hereinafter defined) for the Subseries A-1 Notes and Subseries A-3 Notes, in an aggregate principal amount of $275,000,000;

WHEREAS, the Board has determined that the maximum principal amount of the Notes which may be issued under the Resolutions will remain $400,000,000;
WHEREAS, the Authority hereby finds that each Credit Agreement constitutes a "credit agreement" within the meaning of Chapter 1371;

WHEREAS, the Board has determined it is in the best interests of the Authority to (a) increase the Bank's Commitment under the Subseries A-1 Credit Agreement, and (b) extend the Maximum Maturity Date; and

WHEREAS, the Authority intends to refinance the Notes and any Loan Notes under the Subseries A-1 Credit Agreement with refunding bonds issued under Chapter 1207, Texas Government Code, as amended, which are expected to be issued as fixed rate obligations (at then current market rates for similarly-rated tax-exempt debt), payable in substantially equal annual installments of debt service over a term of five years; and

WHEREAS, the Authority hereby finds and determines that the issuance of the Notes and the execution and delivery of the First Amendment to the Subseries A-1 Credit Agreement (the "First Amendment"), the Fee Letter Agreement (the "Fee Letter") and the Loan Notes, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time;

NOW, THEREFORE, BE IT RESOLVED THAT:

ARTICLE I. DEFINITIONS AND INTERPRETATIONS

Section 1.01. DEFINITIONS. Throughout this Resolution, in addition to the terms defined in the recitals hereof, the following terms and expressions used herein shall have the meaning specified in this Section.


"Authority" means the Metropolitan Transit Authority of Harris County, Texas.

"Authorized Purposes" means the purposes for which Notes may be issued, as described in Section 2.01(b), as the same may be modified or amended from time to time pursuant to Section 6.01(a)(vi), or as permitted by Section 451.362, Texas Transportation Code, as amended.

"Authorized Representative" means that person designated as the Authorized Representative in writing and delivered to the Issuing and Paying Agent, the Credit Providers and the Dealer pursuant to Section 3.05. The Authorized Representative means the Chairman of the Board or, in the event of his or her inaccessibility or incapacity, the Vice Chairman of the Board or, in the event of their inaccessibility or incapacity, the President and Chief Executive Officer of the Authority or, in the event of their inaccessibility or incapacity, the Chief Financial Officer or, in the event of their inaccessibility or incapacity, the General Counsel of the Authority and, except for purposes of executing any Authorized Representative Certificate, their designees. The execution of a document by any such officer as an Authorized Representative
shall conclusively evidence the inaccessibility or incapacity of any other such officer with superior authority.

“Authorized Representative Certificate” means a written certificate of an Authorized Representative.


“Board” means the Board of Directors of the Authority.

“Commitment” means the maximum amount available to be drawn as Loans under a Credit Agreement for the payment of principal of and interest on the Notes, as such amount may be reduced and reinstated from time to time as provided in such Credit Agreement.

“Credit Agreement” means a credit agreement, as such term is defined in Chapter 1371, Texas Government Code, as amended, including but not limited to a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement, interest rate swap, cap, floor, collar, or similar agreement, or other commitment or agreement authorized by the Board in anticipation of, related to, or in connection with the authorization, issuance, sale, resale, security, exchange, payment, purchase, remarketing, or redemption of some or all of the Authority’s obligations (as such term is defined in Chapter 1371) or interest on obligations, or both, or as otherwise authorized by such chapter.

“Loan” means a loan made to the Authority pursuant to a Credit Agreement.

“Loan Notes” means any promissory note executed and delivered by the Authority to the order of a Credit Provider to evidence a Loan or Loans made by such Credit Provider to the Authority under the related Credit Agreement. Loan Notes shall carry the same designation as the related Notes (e.g. a Loan Note executed pursuant to the Credit Agreement for the Subseries A-1 Notes shall be the Subseries A-1 Loan Note).

“Maximum Maturity Date” means June 30, 2021, which is a date prior to the fifth anniversary of the date of the Attorney General’s approval of the Notes and this Resolution.

“Notes” means, collectively, the Authority’s Sales and Use Tax Commercial Paper Notes, Series A, comprising the following subseries: Subseries A-1, Subseries A-2, Subseries A-3 and Subseries A-4, authorized by this Resolution, and, whenever such Notes are authorized to be issued in book-entry only form pursuant to Section 2.06, such term shall refer to the Authority’s obligations under the Notes, which obligations shall be evidenced by one or more Master Notes as herein provided.

“Resolution” means this Resolution authorizing, among other things, the issuance and sale of the Notes, as it may from time to time be amended, supplemented or restated pursuant to its terms.
“Subseries A-1 Notes” means the Authority’s Sales and Use Tax Commercial Paper Notes, Series A, Subseries A-1, in a maximum principal amount not to exceed $400,000,000, as determined by the Authorized Representative Certificate.

“Subseries A-1 Credit Agreement” means the Credit Agreement for the Subseries A-1 Notes, as approved by the Authorized Representative Certificate.

Section 1.02. INTERPRETATIONS. The table of contents, titles and headings of the articles and sections of this Resolution 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.

ARTICLE II.
FIRST AMENDMENT; FEE LETTER AGREEMENT

Section 2.01. AGREEMENTS.

The Board hereby approves the First Amendment and Fee Letter, and the Authority is authorized to enter into each agreement with the Bank in substantially the forms attached hereto as Appendix A and Appendix B, respectively, the terms and provisions of which are hereby approved. The Authorized Representative is hereby authorized to execute and deliver such First Amendment and Fee Letter on behalf of the Authority in multiple counterparts.

Section 2.02. BOND COUNSEL AGREEMENT.

The engagement of Andrews Kurth Kenyon LLP as bond counsel is hereby confirmed.

Section 2.03. RELATED MATTERS.

In order that the Authority may satisfy in a timely manner all of its obligations under the Resolution, the Authorized Representative and all appropriate officers and agents of the Authority are hereby authorized and directed to take all other actions that are reasonably necessary, including without limitation, executing by manual or facsimile signature and delivering on behalf of the Authority all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the Authority’s obligations under the Resolution, and paying costs incurred in connection with the transactions contemplated herein.

ARTICLE III.
MISCELLANEOUS.

Section 3.01. FURTHER PROCEEDINGS.

The Authorized Representative and other appropriate officials of the Authority are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.
Section 3.02. SEVERABILITY.

If any Section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

[The remainder of this page left intentionally blank]
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
EXHIBIT A
FIRST AMENDMENT
FIRST AMENDMENT

dated as of December 19, 2017

to

AMENDED AND RESTATED REVOLVING CREDIT AND TERM LOAN AGREEMENT

dated as of June 1, 2014

by and between

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

relating to

$140,000,000
Metropolitan Transit Authority of Harris County, Texas
Sales and Use Tax Commercial Paper Notes, Subseries A-1
This FIRST AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT AND TERM LOAN AGREEMENT (this "First Amendment"), dated as of December 19, 2017, is entered into by and between the METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS (the "Authority") and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (the "Bank"). Terms used herein with initial capital letters and not otherwise defined herein shall have the respective meanings attributed thereto in the Agreement (as defined below).

I. RECITALS.

WHEREAS, the Authority and the Bank entered into an Amended and Restated Revolving Credit and Term Loan Agreement, dated as of June 1, 2014 (the "Original Agreement"), to provide liquidity support for the Authority’s Sales and Use Tax Commercial Paper Notes, Subseries A-1; and

WHEREAS, the Authority and the Bank now desire, amongst other things, to: (i) extend the Commitment Expiration Date; (ii) establish the Bank’s Available Commitment at $140,000,000; and (iii) make certain additional amendments to the Original Agreement.

NOW, THEREFORE, in consideration of the respective agreements contained herein, in the Fee Letter and in the Agreement, and intending to be legally bound, the Authority and the Bank hereby agree as follows:

II. INTENTION OF PARTIES, AGREEMENT PROVISIONS.

The Bank and the Authority have entered into this First Amendment pursuant to Section 9.7 of the Original Agreement, and it is the intention of the parties hereto that the terms of the Original Agreement, as amended by this First Amendment (as so amended and as further amended and supplemented from time to time, the "Agreement"), and the Fee Letter (as defined hereinbelow) shall govern the rights and obligations of the Authority and the Bank in connection with the transactions contemplated by the Agreement.

III. AMENDMENTS.

Upon satisfaction of the conditions precedent set forth in Article IV hereof, the Original Agreement shall be amended as follows:

(1) Section 1.1 of the Original Agreement is hereby amended by deleting the definition of "Available Commitment" and replacing it with the following:

"Available Commitment" shall mean initially One Hundred Forty Million Dollars ($140,000,000) and, thereafter, such initial amount adjusted from time to time as follows: (a) downward by an amount equal to the principal amount of any Advance; (b) upward by an amount equal to the principal amount of any Advance or Term Loan that is repaid, including upon the sale of Subseries A-1 Notes pursuant to Section 2.4(b); (c) downward by an amount equal to any reduction thereof effected pursuant to Section 2.5; and (d) downward to zero upon
the expiration or termination of the Commitment in accordance with the terms hereof.”

(2) Section 1.1 of the Original Agreement is hereby amended by deleting the definition of “Commitment” and replacing it with the following:

“Commitment’ shall mean initially One Hundred Forty Million Dollars ($140,000,000) and, thereafter, shall mean such amount as reduced from time to time pursuant to Section 2.5.”

(3) Section 1.1 of the Original Agreement is hereby amended by deleting the definition of “Commitment Expiration Date” and replacing it with the following:

“Commitment Expiration Date’ shall mean June 30, 2021, as such date may be extended from time to time pursuant to Section 9.12.”

(4) Section 1.1 of the Original Agreement is hereby amended by deleting the definition of “Fee Letter” and replacing it with the following:

“Fee Letter’ shall mean the letter dated as of the First Amendment Effective Date from the Bank to the Authority regarding fees and expenses.”

(5) Section 1.1 of the Original Agreement is hereby amended by adding the following definitions:

“First Amendment’ shall mean that certain amendment to the Original Agreement, dated the First Amendment Effective Date, by and between the Authority and the Bank.”

“First Amendment Effective Date’ shall mean December 19, 2017.”

* * * * * * * * * * * * * * * * * * * * * * * * *

Unless otherwise specifically set forth herein and in the Fee Letter, references hereinafter to the Original Agreement shall be deemed to be references to the Original Agreement as amended hereby and terms defined in the Original Agreement shall, unless otherwise modified in this First Amendment, be used herein and defined therein.

IV. CONDITIONS TO DELIVERY OF THIS FIRST AMENDMENT.

This First Amendment shall become effective as of the First Amendment Effective Date provided that the Bank shall have first received all of the following (which shall be conclusively evidenced by the Bank’s execution and delivery of this First Amendment):

(a) Authorizations. The Bank shall have received: (i) executed counterparts of this First Amendment and the Fee Letter from the Authority; and (ii) all other legal matters
pertaining to the execution and delivery of this First Amendment and the Fee Letter shall be satisfactory to the Bank and the execution and delivery hereof and thereof by the Bank shall constitute conclusive evidence that all such legal matters have been completed to the satisfaction of the Bank.

(b) **Representations and Warranties by the Authority.**

(i) The representations and warranties of the Authority contained in Article VI of the Original Agreement and in this First Amendment shall be true and correct with the same effect as though made on and as of the First Amendment Effective Date; provided, however, that the representation set forth in Section 6.6 of the Original Agreement need only have been true and correct as of the date when made.

(ii) In addition to the foregoing representations, the Authority hereby represents and warrants as follows: (A) the execution, delivery and performance by the Authority of this First Amendment and the Fee Letter are within its powers, have been duly authorized by all necessary action and do not contravene any law or any contractual restriction binding on or affecting the Authority; (B) no further authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Authority of this First Amendment and the Fee Letter; (C) this First Amendment and the Fee Letter constitute the legal, valid and binding obligations of the Authority and are enforceable against the Authority in accordance with their respective terms; and (D) no Default or Event of Default has occurred and is continuing under, or would result from the execution, delivery or performance of, this First Amendment and the Fee Letter.

(c) **Representations and Warranties by the Bank.**

(i) Pursuant to Section 2270.002, Texas Government Code, the Bank hereby represents that it does not Boycott Israel and, subject to or as otherwise required by applicable Federal law, including, without limitation, 50 U.S.C. Section 4607, the Bank agrees not to Boycott Israel during the term of the Agreement. For purposes of this paragraph, “Boycott Israel” shall have the meaning given such term in Section 2270.002, Texas Government Code.

(ii) The Bank represents that, to the extent the Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required or permitted by or under federal law, neither the Bank, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Bank (A) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (B) is a company listed (to the extent such lists have been prepared and are maintained) by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term “foreign terrorist organization” in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.
(d) **Performance and Compliance.** The Authority shall have performed and complied with all agreements and conditions in the Agreement which are required to be performed or complied with by the Authority on or prior to the First Amendment Effective Date.

(e) **Absence of Certain Events.** There shall not have occurred any material adverse change in the financial condition or operations of the Authority since the date of the most recent financial information provided to the Bank pursuant to Section 7.1(a) of the Original Agreement; on or prior to the First Amendment Effective Date, no change shall have occurred in any law, rule or regulation or in any interpretation thereof that, in the opinion of counsel for the Bank, would make it illegal for the Bank to execute and deliver this First Amendment or the Fee Letter, and no event has occurred which constitutes a Default or Event of Default under the Agreement.

(f) **Fees.** All of the fees and disbursements due as of the First Amendment Effective Date as set forth in the Fee Letter shall be paid by the Authority on or before the First Amendment Effective Date.

(f) **Other Approvals.** The Bank shall have received such other approvals, opinions, certificates, instruments and documents as it may reasonably request.

V. **MISCELLANEOUS.**

(a) The parties hereto acknowledge and confirm that, from and after the First Amendment Effective Date, any reference in the Original Agreement or Basic Documents to the “Agreement” shall mean and refer to the Agreement and the Fee Letter.

(b) Except as provided herein and in the Fee Letter, the Original Agreement shall remain in full force and effect and unaffected hereby except, as set forth herein and in the Fee Letter, from and after the First Amendment Effective Date.

(c) This First Amendment and the Fee Letter, and the Original Agreement, as amended hereby and thereby, shall be deemed to be contracts made under, and for all purposes shall be construed in accordance with, the laws of the State of Texas; provided that the Bank’s obligations hereunder shall be governed by, and construed in accordance with, the laws of the State of New York. In case any one or more of the provisions contained herein or in the Fee Letter should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

(d) This First Amendment may be executed in one or more counterparts, each of which taken together shall constitute one original and all of which shall constitute one and the same instrument.
IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their respective duly authorized signatories as of the day and year first written above.

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

By: 
Name: 
Title: 

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

By: 
Name: David M. Bayer
Title: Executive Director
Ladies and Gentlemen:

This letter is in reference to the Amended and Restated Revolving Credit and Term Loan Agreement, dated as of June 1, 2014 (the "Original Agreement"), as amended by the First Amendment to the Amended and Restated Revolving Credit and Term Loan Agreement, dated as of June 1, 2014 (the "First Amendment") and, collectively with the Original Agreement and as amended and supplemented from time to time hereafter, the "Agreement"), in each case, between the Metropolitan Transit Authority of Harris County, Texas (the "Authority") and JPMorgan Chase Bank, N.A. (the "Bank"). Any capitalized term below that is defined in the Agreement shall have the same meaning when used herein. This Fee Letter replaces the fee letter that was delivered on June 10, 2014, specifying certain payment and fee information (the "Prior Fee Letter").

In order to induce the Bank to extend the Commitment Expiration Date and establish the Available Commitment at $140,000,000 in the Agreement and to continue to make Advances under the Agreement to provide funds for the payment of the Authority's Sales and Use Tax Commercial Paper Notes, Series A-1 (the "Series A-1 Notes"), the Authority agrees to make the following payments at the following times:

(a) **Commitment Fee.** In consideration of the Bank's undertakings under the Agreement, the Authority agrees to pay to the Bank a commitment fee equal to the product of (A) 0.34% per annum times (B) the average daily amount of the Available Commitment during the period of calculation as may be adjusted from time to time pursuant to the table below (the "Commitment Fee"): 

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<table>
<thead>
<tr>
<th>LEVEL</th>
<th>DEBT RATING (Moody's/S&amp;P)</th>
<th>COMMITMENT FEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Aa2/AA</td>
<td>0.34%</td>
</tr>
<tr>
<td>II</td>
<td>Aa3/AA-</td>
<td>0.44%</td>
</tr>
<tr>
<td>III</td>
<td>A1/A+</td>
<td>0.54%</td>
</tr>
<tr>
<td>IV</td>
<td>A2/A</td>
<td>0.64%</td>
</tr>
<tr>
<td>V</td>
<td>A3/A-</td>
<td>0.74%</td>
</tr>
<tr>
<td>VI</td>
<td>Baa1/ BBB+</td>
<td>0.84%</td>
</tr>
<tr>
<td>VII</td>
<td>Baa2/ BBB</td>
<td>0.94%</td>
</tr>
<tr>
<td>VIII</td>
<td>Baa3/ BBB-</td>
<td>1.04%</td>
</tr>
</tbody>
</table>

The Commitment Fee for any date shall be determined by reference to the Debt Rating\(^1\) for such date. If the Debt Ratings assigned by the Rating Agencies appear in more than one row (i.e., a split rating), the Commitment Fee will be based on the row that includes the lowest rating. In addition to the increases set forth above, if one or more Rating Agencies shall withdraw or suspend its Debt Rating for credit-related reasons, then the Commitment Fee shall increase automatically and immediately by 1.00% per annum above the Commitment Fee in effect immediately prior to such withdrawal or suspension, and shall remain in effect for so long as such withdrawal or suspension remains in effect. Each change in the Commitment Fee resulting from a change in the Debt Rating shall become effective on the date of the announcement or publication by the respective Rating Agency of a change in such rating or, in the absence of such announcement or publication, on the effective date of such changed rating. The Commitment Fee will be reduced by the amounts described in the foregoing provisions on such date that the Rating Agency in question shall have publicly announced the reinstatement of the Debt Rating. In addition to the increases set forth above, following the occurrence of an Event of Default under the Agreement, the Commitment Fee shall be increased by an amount equal to 1.00% per annum from and including the date upon which said Event of Default first occurred through and including the final day of the Commitment Period; provided, however, that the Commitment Fee will be reduced by the amount described in this sentence on such date that the Authority shall have cured such Event of Default under the Agreement or the Bank shall have waived such Event of Default in writing.

The Commitment Fee shall be payable in immediately available funds in arrears commencing on the first Business Day of January, 2018, and on each Quarterly Date thereafter and upon the last day of the Commitment Period, in all cases, covering the period from the date of the immediately preceding payment to such Business Day. In the case of the first payment on the first Business Day of January, 2018, such payment shall include the Commitment Fee payable to the Bank from the most recent Quarterly Date to which the Commitment Fee has been fully paid under the Prior Fee Letter.

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\(^1\) "Debt Rating" means the credit rating assigned by each Rating Agency to the unenhanced Parity Debt of the Authority.
(b) **Termination.** The Authority agrees not to terminate or reduce the Available Commitment prior to the Termination Date unless the Authority agrees to pay to the Bank, in addition to all other amounts that may be due and payable at such time, a termination fee (the "Termination Fee") equal to the Commitment Fee for the period commencing on the date hereof through the Termination Date, less any Commitment Fees already paid by the Authority to the Bank during such period; provided, however, in each instance in this paragraph (b), all obligations including, without limitation, all principal and interest evidenced by the Series A-1 Note and all amounts payable by the Authority under the Agreement and this Fee Letter, shall be paid by the Authority to the Bank at or prior to the time of termination. The Commitment Fee shall be calculated on the basis of a year of 360 days and actual days elapsed. Notwithstanding the foregoing provisions of this paragraph (b), no Termination Fee will be required to be paid by the Authority during the period described in the immediately preceding sentence, if (i) Moody’s shall have lowered the senior, unsecured short-term rating of the Bank below “P-1” or withdrawn the senior, unsecured short-term rating of the Bank; (ii) S&P shall have lowered the senior, unsecured short-term rating of the Bank below “A-1” or withdrawn the senior, unsecured short-term rating of the Bank; (iii) the Authority elects to repay or restructure the Series A-1 Notes in full or in part from a source funds that does not involve the issuance by a bank or other financial institution other than the Bank of a letter of credit, liquidity facility or credit facility; (iv) the Authority terminates the Available Commitment at any time following demand by the Bank for payment to the Bank of any increased costs requested pursuant to Section 2.7 of the Agreement; or (vii) the occurrence of a Trading Differential of an average of twenty (20) basis points (0.20%) or greater for sixty (60) consecutive days or fifteen (15) basis points (0.15%) or greater for ninety (90) consecutive days (any such period the "Trading Differential Period") with such Trading Differential Period being certified by an independent financial adviser selected by the Authority and reasonably acceptable to the Bank; provided, however, that such termination must occur within 180 days after the first day of any Trading Differential Period. As used herein, the term "Trading Differential" shall mean, for any day, a rate per annum equal to (x) the interest rate borne by the Series A-1 Notes, less (y) the average interest rate on such day borne by commercial paper notes issued by or on behalf of governmental entities in the United States with terms being approximately the same as the Series A-1 Notes, the payment of the principal of and interest on which is enhanced by credit facilities provided by commercial banks rated at least “P-1” by Moody’s and “A-1” by S&P, as calculated by the Bank and verified by the Authority’s independent financial advisors.

(c) **Advance Fee.** The Authority hereby agrees to pay a non-refundable drawing fee of $250 to the Bank on the date of each Advance under the Agreement.

(d) **Amendment and Transfer Fee.** The Authority agrees to pay, or cause to be paid, to the Bank, on the date of each amendment, supplement or modification to the Agreement or on the date on which the Bank provides its consent or waiver to any Basic Document, a non-refundable fee equal to $2,500 plus, in each case, the reasonable fees and expenses of counsel to the Bank; provided, however, that the fee payable pursuant to this paragraph (d) shall not be required in connection with an amendment to the Agreement executed solely for the purpose of extending the Termination Date in accordance with the terms thereof.

(e) **Legal Fees.** Within ten (10) days of the date hereof, the fees and expenses of Nixon Peabody LLP, counsel to the Bank, in an amount not to exceed $____.
All fees payable under this Fee Letter and the Agreement are to compensate the Bank for its commitment to lend, will be nonrefundable and will be deemed earned when paid.

This Fee Letter shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any otherwise applicable principles of conflicts of laws.

This Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Fee Letter is delivered to the Authority on the understanding that, except as required by law, regulation, rule or a court of competent jurisdiction or in connection with a dispute, including but not limited to legal proceedings, between the Authority and the Bank, neither this Fee Letter, in its final and executed form, nor any of its terms shall be disclosed by the Authority to any other financial institution nor posted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, except as provided in this paragraph. The Bank acknowledges that this Fee Letter is subject to open records requests received by the Authority. Should this Fee Letter be disclosed pursuant to such a request, the Authority shall have no responsibility or liability for the further dissemination of this Fee Letter or any of the information contained therein to other persons. Notwithstanding anything in this Fee Letter and the Agreement, the Authority's breach of the foregoing sentence shall not be a Default under the Agreement.

[SIGNATURE PAGE FOLLOWS]
Please confirm that the foregoing is the Authority’s mutual understanding by signing and returning to the Bank an executed counterpart of this Fee Letter. This Fee Letter shall become effective as of the date first above referenced upon the Bank’s receipt of an executed counterpart of this Fee Letter from the Authority.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By: _______________________________
Name: David M. Bayer
Title: Executive Director

Accepted and agreed to as of the date first written above by:

METROPOLITAN TRANSIT
AUTHORITY OF HARRIS COUNTY, TEXAS

By: _______________________________
Name: 
Title:
RESOLUTION 2017-103B

A RESOLUTION

APPROVING THE FIRST AMENDMENT TO THE AMENDED AND RESTATED CREDIT AGREEMENT AND FEE LETTER AGREEMENT FOR THE SALES AND USE TAX COMMERCIAL PAPER NOTES, SERIES A-3 FOR THE PURPOSE OF PROVIDING MONEY FOR CERTAIN AUTHORIZED PURPOSES; APPROVING AND AUTHORIZING CERTAIN AUTHORIZED OFFICERS AND EMPLOYEES TO ACT ON BEHALF OF THE AUTHORITY IN THE SELLING AND DELIVERY OF SUCH NOTES; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (the "Authority") was created pursuant to Chapter 141, Acts of the 63rd Legislature of the State of Texas, Regular Session, 1973 (Article 1118x, Vernon’s Texas Civil Statutes, as amended, now codified as Chapter 451, Transportation Code, as amended (the "Authority Act"), and was confirmed at a confirmation and tax election held on August 12, 1978, in accordance with the Authority Act;

WHEREAS, the principal municipality within the Authority has a population of 1.5 million or more;

WHEREAS, Chapter 1371, Texas Government Code, as amended ("Chapter 1371"), and Section 451.362, Texas Transportation Code, as amended ("Section 451.362"), authorize the Authority to issue notes with a maximum maturity of five years and to provide for the payment of principal of and interest on such obligations from revenues of the Authority, including sales and use tax revenues, received on or after the date of the issuance of such notes;

WHEREAS, pursuant to Chapter 1371, the Authority is authorized to issue all or a portion of the aforesaid obligations as commercial paper notes;

WHEREAS, by Resolution No. 2005-75 adopted on October 27, 2005, Resolution No 2009-43, adopted on April 22, 2009, and Resolution No. 2014-49, adopted April 24, 2014, (together the “Authorizing Resolution”) each by the Board of Directors (the “Board”) of the Authority, the Board authorized, and amended and restated such authorization, for the establishment of a program to issue Sales and Use Tax Commercial Paper Notes, Series A (the “Notes”), in a maximum principal amount of $400,000,000, as authorized by Chapter 1371 and Section 451.362;

WHEREAS, the Board has previously approved Credit Agreements (hereinafter defined) for the Subseries A-1 Notes and Subseries A-3 Notes, in an aggregate principal amount of $275,000,000;
WHEREAS, the Board has determined that the maximum principal amount of the Notes which may be issued under the Resolutions will remain $400,000,000;

WHEREAS, the Authority hereby finds that each Credit Agreement constitutes a “credit agreement” within the meaning of Chapter 1371;

WHEREAS, the Board has determined it is in the best interests of the Authority to (a) reduce the Bank’s Commitment under the Subseries A-3 Credit Agreement, and (b) extend the Maximum Maturity Date; and

WHEREAS, the Authority intends to refinance the Notes and any Loan Notes under the Subseries A-3 Credit Agreement with refunding bonds issued under Chapter 1207, Texas Government Code, as amended, which are expected to be issued as fixed rate obligations (at then current market rates for similarly-rated tax-exempt debt), payable in substantially equal annual installments of debt service over a term of five years; and

WHEREAS, the Authority hereby finds and determines that the issuance of the Notes and the execution and delivery of the First Amendment to the Subseries A-3 Credit Agreement (the “First Amendment”), the Fee Letter Agreement (the “Fee Letter”) and the Loan Notes, subject to the terms, conditions and limitations hereinafter prescribed, should be approved and authorized at this time;

NOW, THEREFORE, BE IT RESOLVED THAT:

ARTICLE I.
DEFINITIONS AND INTERPRETATIONS

Section 1.01. DEFINITIONS. Throughout this Resolution, in addition to the terms defined in the recitals hereof, the following terms and expressions used herein shall have the meaning specified in this Section.


“Authority” means the Metropolitan Transit Authority of Harris County, Texas.

“Authorized Purposes” means the purposes for which Notes may be issued, as described in Section 2.01(b), as the same may be modified or amended from time to time pursuant to Section 6.01(a)(vi), or as permitted by Section 451.362, Texas Transportation Code, as amended.

“Authorized Representative” means that person designated as the Authorized Representative in writing and delivered to the Issuing and Paying Agent, the Credit Providers and the Dealer pursuant to Section 3.05. The Authorized Representative means the Chairman of the Board or, in the event of his or her inaccessibility or incapacity, the Vice Chairman of the Board or, in the event of their inaccessibility or incapacity, the President and Chief Executive Officer of the Authority or, in the event of their inaccessibility or incapacity, the Chief Financial Officer or, in the event of their inaccessibility or incapacity, the General Counsel of the Authority.
Authority and, except for purposes of executing any Authorized Representative Certificate, their
designees. The execution of a document by any such officer as an Authorized Representative
shall conclusively evidence the inaccessibility or incapacity of any other such officer with
superior authority.

“Authorized Representative Certificate” means a written certificate of an Authorized
Representative.

“Bank” means State Street Bank and Trust Company.

“Board” means the Board of Directors of the Authority.

“Commitment” means the maximum amount available to be drawn as Loans under a
Credit Agreement for the payment of principal of and interest on the Notes, as such amount may
be reduced and reinstated from time to time as provided in such Credit Agreement.

“Credit Agreement” means a credit agreement, as such term is defined in Chapter 1371,
Texas Government Code, as amended, including but not limited to a loan agreement, revolving
credit agreement, agreement establishing a line of credit, letter of credit, reimbursement
agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement,
interest rate swap, cap, floor, collar, or similar agreement, or other commitment or agreement
authorized by the Board in anticipation of, related to, or in connection with the authorization,
issuance, sale, resale, security, exchange, payment, purchase, remarketing, or redemption of
some or all of the Authority’s obligations (as such term is defined in Chapter 1371) or interest on
obligations, or both, or as otherwise authorized by such chapter.

“Loan” means a loan made to the Authority pursuant to a Credit Agreement.

“Loan Notes” means any promissory note executed and delivered by the Authority to the
order of a Credit Provider to evidence a Loan or Loans made by such Credit Provider to the
Authority under the related Credit Agreement. Loan Notes shall carry the same designation as
the related Notes (e.g. a Loan Note executed pursuant to the Credit Agreement for the Subseries
A-1 Notes shall be the Subseries A-1 Loan Note).

“Maximum Maturity Date” means June 30, 2021, which is a date prior to the fifth
anniversary of the date of the Attorney General’s approval of the Notes and this Resolution.

“Notes” means, collectively, the Authority’s Sales and Use Tax Commercial Paper
Notes, Series A, comprising the following subseries: Subseries A-1, Subseries A-2, Subseries A-
3 and Subseries A-4, authorized by this Resolution, and, whenever such Notes are authorized to
be issued in book-entry only form pursuant to Section 2.06, such term shall refer to the
Authority’s obligations under the Notes, which obligations shall be evidenced by one or more
Master Notes as herein provided.

“Resolution” means this Resolution authorizing, among other things, the issuance and
sale of the Notes, as it may from time to time be amended, supplemented or restated pursuant to
its terms.
“Subseries A-3 Notes” means the Authority’s Sales and Use Tax Commercial Paper Notes, Series A, Subseries A-3, in a maximum principal amount not to exceed $400,000,000, as determined by the Authorized Representative Certificate.

“Subseries A-3 Credit Agreement” means the Credit Agreement for the Subseries A-1 Notes, as approved by the Authorized Representative Certificate.

Section 1.02. INTERPRETATIONS. The table of contents, titles and headings of the articles and sections of this Resolution 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.

ARTICLE II.
FIRST AMENDMENT; FEE LETTER AGREEMENT

Section 2.01. AGREEMENTS.

The Board hereby approves the First Amendment and Fee Letter, and the Authority is authorized to enter into each agreement with the Bank in substantially the forms attached hereto as Appendix A and Appendix B, respectively, the terms and provisions of which are hereby approved. The Authorized Representative is hereby authorized to execute and deliver such First Amendment and Fee Letter on behalf of the Authority in multiple counterparts.

Section 2.02. BOND COUNSEL AGREEMENT.

The engagement of Andrews Kurth Kenyon LLP as bond counsel is hereby confirmed.

Section 2.03. RELATED MATTERS.

In order that the Authority may satisfy in a timely manner all of its obligations under the Resolution, the Authorized Representative and all appropriate officers and agents of the Authority are hereby authorized and directed to take all other actions that are reasonably necessary, including without limitation, executing by manual or facsimile signature and delivering on behalf of the Authority all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the Authority’s obligations under the Resolution, and paying costs incurred in connection with the transactions contemplated herein.

ARTICLE III.
MISCELLANEOUS.

Section 3.01. FURTHER PROCEEDINGS.

The Authorized Representative and other appropriate officials of the Authority are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.
Section 3.02. SEVERABILITY.

If any Section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

[The remainder of this page left intentionally blank]
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

Carrin F. Patman
Chair
EXHIBIT A
FIRST AMENDMENT
SECOND AMENDMENT TO
AMENDED AND RESTATED REVOLVING CREDIT AND TERM LOAN AGREEMENT

This SECOND AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT AND TERM LOAN AGREEMENT, dated as of December ___, 2017 (the “Amendment”), is entered into by and between METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS (the “Authority”), a body politic and corporate and a political subdivision of the State of Texas, and STATE STREET BANK AND TRUST COMPANY (the “Bank”).

WITNESSETH:

WHEREAS, the Authority and the Bank entered into that certain Amended and Restated Revolving Credit and Term Loan Agreement (as amended prior to the date hereof, the “Agreement”), dated as of June 1, 2014, pursuant to which the Bank agreed, subject to certain conditions, to make advances from time to time to provide funds for the payment of the principal on the Subseries A-3 Notes (as such capitalized term and all other capitalized terms which are otherwise not defined herein are given the meanings set forth in the Agreement) on the maturity dates thereof to the extent that proceeds of other Subseries A-3 Notes or Pledged Revenues are not available therefor;

WHEREAS, the Commitment Expiration Date of the Agreement is June 6, 2018, and the Authority and the Bank have agreed to extend the Commitment Expiration Date of the Agreement; and

WHEREAS, in addition to the foregoing, the Authority and the Bank desire to make certain other amendments and modifications to certain other provisions of the Agreement; and

WHEREAS, the Bank is willing to enter into this Amendment with the Authority, subject to the following terms and conditions;

NOW THEREFORE, in consideration of the foregoing and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. AUTHORITY AND DEFINITIONS

(a) This Amendment is entered into pursuant to Section 9.7 of the Agreement.

(b) This Amendment amends the Agreement.

(c) Capitalized terms used herein but not herein defined, shall have the meanings ascribed to them in the Agreement.

Section 2. AMENDMENTS

The Agreement shall be amended as of the Amendment Effective Date (as defined in Section 3 to this Amendment) as follows:

(a) The definition of “Available Commitment” set forth in Section 1.1 of the Agreement shall be amended in its entirety, as follows:

“Available Commitment” shall mean initially Twenty Five Million Dollars ($25,000,000) and, thereafter, such initial amount adjusted from time to
time as follows: (a) without duplication of subsection (d), downward by an amount equal to the principal amount of any Advance; (b) upward by an amount equal to the principal amount of any Advance or Term Loan that is repaid, including upon the sale of Subseries A-3 Notes pursuant to Section 2.5(b); (c) downward by an amount equal to any reduction thereof effected pursuant to Section 2.6; (d) without duplication of subsection (a), downward by an amount equal to the principal amount of any Term Loan, effective upon the making of such Term Loan; and (e) downward to zero upon the expiration or termination of the Commitment in accordance with the terms hereof.

(b) The definition of “Commitment” set forth in Section 1.1 of the Agreement shall be amended in its entirety, as follows:

“Commitment” shall mean initially Twenty Five Million Dollars ($25,000,000) and, thereafter, shall mean such amount as reduced from time to time pursuant to Section 2.6.

(c) The definition of “Commitment Expiration Date” set forth in Section 1.1 of the Agreement shall be amended in its entirety, as follows:

“Commitment Expiration Date” shall mean June 6, 2021, as such date may be extended from time to time pursuant to Section 9.12.

(d) The definition of “Fee Letter” set forth in Section 1.1 of the Agreement shall be amended in its entirety, as follows:

“Fee Letter” shall mean the third amended and restated fee letter dated December ___, 2017, between the Authority and the Bank, as the same may be amended and supplemented in accordance with the terms thereof and hereof.

Section 3. CONDITIONS TO EFFECTIVENESS OF AMENDMENT

This Amendment shall be effective on December ___, 2017 (the “Amendment Effective Date”), provided that all of the following conditions have been fulfilled:

(a) Delivery by the parties hereto of an executed counterpart of this Amendment.

(b) Delivery by the parties thereto of an executed counterpart of the Fee Letter.

(c) All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Bank and its counsel.

Section 4. REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to execute and deliver this Amendment, the Authority hereby makes each of the representations and warranties contained in Article VI of the Agreement as of the date hereof, provided that the representations and warranties contained in Section 6.6 of the Agreement shall be deemed to refer to the most recent audited financial statements of the Authority and all references to the Agreement therein shall be deemed to also refer to the Agreement, as amended by this Amendment.

In addition to the foregoing, the Authority represents and warrants as follows:
(a) The execution and delivery of this Amendment, and performance by the Authority of the Agreement, as amended by this Amendment, are within its powers, have been duly authorized by all necessary action and do not contravene any law or any contractual restriction binding on or affecting the Authority.

(b) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Authority of this Amendment or the Agreement, as amended hereby.

(c) This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the Authority, enforceable against the Authority, in accordance with their respective terms.

Section 5. COVENANTS

The Authority hereby reaffirms its agreement to observe and perform each covenant and obligation of the Authority contained in the Agreement.

Section 6. MISCELLANEOUS

(a) Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this specific Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to, or with respect to, the Agreement, it being hereby agreed that any reference in the Agreement to the “Agreement” shall be sufficient to refer to the Agreement, as hereby amended.

(b) In case any one or more of the provisions contained herein should be declared invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

(c) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS; PROVIDED, THAT THE BANK’S OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(d) This Amendment may be signed in any number of counterpart copies, but all such copies shall constitute one and the same voluntary, legal and binding instrument.

[signature page immediately follows]
IN WITNESS WHEREOF, the Authority and the Bank have caused this Amendment to be duly executed as of the date first above written.

METROPOLITAN TRANSIT AUTHORITY OF
HARRIS COUNTY, TEXAS

By ____________________________
Name: Arthur C. Smiley III
Title: Chief Financial Officer

STATE STREET BANK AND TRUST COMPANY, as the Bank

By ____________________________
Name: Amy Baribeault
Title: Managing Director

Signature page to
Second Amendment to Amended and Restated Revolving Credit and Term Loan Agreement
HOU:3851757.1
December __, 2017

Metropolitan Transit Authority of Harris County, Texas
1900 Main Street
Houston, Texas 77002
Attention: Chief Financial Officer

Re: Third Amended and Restated Fee Letter - $65,000,000 Metropolitan Transit Authority of Harris County, Texas Sales and Use Tax Commercial Paper Notes Subseries A-3

Ladies and Gentlemen:

Reference is made to the Amended and Restated Revolving Credit and Term Loan Agreement dated as of June 1, 2014, as amended from time to time (the “Agreement”), by and between the METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS (the “Authority”) and STATE STREET BANK AND TRUST COMPANY (the “Bank”). This fee letter amends and restates the second amended and restated fee letter dated January 31, 2017 between the Authority and the Bank and further constitutes the “Fee Letter” referred to in the Agreement. All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement.

(a) Commitment Fee. In consideration of the Bank’s undertakings under the Agreement, the Authority agrees to pay to the Bank a commitment fee equal to the product of (A) (i) prior to January 31, 2017, the rate per annum agreed to from time to time in writing signed by the Bank and the Authority, (ii) from, and including, January 31, 2017 and through and including December __, 2017, 0.39% per annum, and (iii) from, and including, December __, 2017 and thereafter, 0.40% per annum, times, in each case, (B) the average daily amount of the Available Commitment during the period of calculation as may be adjusted from time to time pursuant to Schedule I attached hereto (the “Commitment Fee”) commencing on the Effective Date and continuing for the duration of the Commitment Period. Such Commitment Fee shall be payable in immediately available funds in arrears, on each Quarterly Date and upon the last day of the Commitment Period, in all cases, covering the period from the date of the immediately preceding payment to such Business Day. If the Commitment is terminated in its entirety, the accrued but unpaid Commitment Fee shall be payable on the effective date of such termination. The Bank’s determination of the Commitment Fee pursuant hereto shall be conclusive absent manifest error. The Commitment Fee shall be calculated on the basis of a year of 360 days and actual days elapsed.

(b) Drawing Fee and Amendments. In consideration of the use of the Commitment, the Authority agrees to pay to the Bank, a fee equal to $500 for each Advance made by the Bank under the Agreement, payable upon the making of such Advance. In consideration of each amendment to the Agreement or to the other Basic Documents made at the request of the Authority, the Authority agrees to pay to the Bank an amendment fee equal to $1,000 for each such amendments, as well as all reasonable costs and expenses paid or incurred by the Bank in
connection therewith pursuant to Section 9.4 of the Agreement including, without limitation, fees
and expenses of counsel for the Bank.

(c) Voluntary Termination Fee. If the Authority terminates or replaces the
Agreement prior to the Commitment Expiration Date, then the Authority shall pay the Bank, a
termination fee in an amount equal to the Commitment Fee which would have been payable to the
Bank through the Commitment Expiration Date at the rate in effect for the Commitment Fee as of
the date of such termination, less the actual amount of Commitment Fees the Authority has
previously paid to the Bank pursuant to clause (a) above. Notwithstanding the foregoing, no
termination fee will be required to be paid by the Authority if (i) the Series A-3 Notes are then
rated by Moody's and Standards & Poor's and one of said Rating Agencies shall have lowered the
rating on the Series A-3 Notes below “P-1” or “A-1+”, as applicable, or withdrawn such rating as
a result of a reduction by said Rating Agency of the unsecured short-term rating of the Bank, (ii)
the long-term rating of the Bank shall be lowered to below “A” by S&P or below “A2” by
Moody's, (iii) the Authority has caused the Series A-3 Notes to be repaid, redeemed,
restructured or defeased, in full, or (iv) the Authority has otherwise caused the Series A-3 Notes
to be refinanced in full utilizing a source of funds that does not involve the issuance by a bank of
a letter of credit, liquidity facility or the execution by a bank or other financial institution of a
credit facility, direct purchase agreement or other lending arrangement; provided, however, all
obligations including, without limitation, all principal and interest evidenced by the Revolving
Note and the Term Note and all amounts payable hereunder and under the Agreement shall be
paid to the Bank at or prior to the time of termination or replacement. The Authority shall comply
with the requirements of the Resolution and the Issuing and Paying Agency Agreement with
respect to terminating or replacing the Agreement.

(d) Fees Nonrefundable. All fees payable under this Fee Letter are to compensate the
Bank for its commitment to lend, will be nonrefundable and will be deemed earned when paid.

(e) Bank Expenses and Legal Fees. The Authority agrees to pay all reasonable costs
and expenses incurred by the Bank in connection with the transactions contemplated by this Fee
Letter and the First Amendment to the Agreement dated the date hereof, including, promptly
upon receipt of invoice, the fees of special counsel to the Bank and out-of-pocket disbursements
related thereof (it being understood that all such fees and expenses remain payable in accordance
with the Agreement); provided, however, that the fees of special counsel to the Bank payable by
the Authority in connection with the transactions contemplated by this Fee Letter and the Second
Amendment to the Agreement dated the date hereof shall not exceed $5,000.

This Fee Letter is for the Authority's confidential use only and may not be disclosed by them to
any person other than their employees, attorneys and financial advisors (but not commercial lenders),
and then only in connection with the proposed transaction and on a confidential basis, except where (in the
Authority's judgment) disclosure is required by law or where the Bank consents to the proposed
disclosure, which consent shall not be unreasonably withheld.

This Fee Letter may not be amended or waived except by an instrument in writing signed by the
Bank and the Authority. THIS FEE LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN
ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS; PROVIDED, THAT THE BANK'S
OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN
ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. This Fee Letter may be
executed in any number of counterparts, each of which shall be an original, and all of which, when taken
together, shall constitute one agreement. Delivery of an executed signature page of this Fee Letter by
facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.
If the Authority is in agreement with the foregoing, please execute and return to the Bank the enclosed copy of this Fee Letter.

Very truly yours,

STATE STREET BANK AND TRUST COMPANY

By: __________________________
    Name: Amy Baribeault
    Title: Managing Director

Accepted and agreed to
as of the date first
written above by:

METROPOLITAN TRANSIT
AUTHORITY OF HARRIS COUNTY, TEXAS

By: __________________________
    Name: Arthur C. Smiley III
    Title: Chief Financial Officer
<table>
<thead>
<tr>
<th>LEVEL</th>
<th>DEBT RATING (Moody's/S&amp;P)</th>
<th>COMMITMENT FEE (Prior to December 2017)</th>
<th>COMMITMENT FEE (After December 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Aa2/AA or better</td>
<td>0.39%</td>
<td>0.40%</td>
</tr>
<tr>
<td>II</td>
<td>Aa3/AA-</td>
<td>0.49%</td>
<td>0.50%</td>
</tr>
<tr>
<td>III</td>
<td>A1/A+</td>
<td>0.64%</td>
<td>0.65%</td>
</tr>
<tr>
<td>IV</td>
<td>A2/A</td>
<td>0.84%</td>
<td>0.85%</td>
</tr>
<tr>
<td>V</td>
<td>A3/A-</td>
<td>1.04%</td>
<td>1.05%</td>
</tr>
<tr>
<td>VI</td>
<td>Baal/BBB+</td>
<td>1.54%</td>
<td>1.55%</td>
</tr>
<tr>
<td>VII</td>
<td>Baa2/BBB</td>
<td>2.04%</td>
<td>2.05%</td>
</tr>
<tr>
<td>VIII</td>
<td>Baa3/BBB-</td>
<td>3.04%</td>
<td>3.05%</td>
</tr>
</tbody>
</table>

The Commitment Fee for any date shall be determined by reference to the Debt Rating for such date. A Downgrade in the Debt Rating will result in an increase in the Commitment Fee set forth above. If the Debt Ratings assigned by the Rating Agencies appear in more than one row (i.e., a split rating), the Commitment Fee will be based on the row that includes the lowest rating. In addition to the increases set forth above, if one or more Rating Agencies shall withdraw or suspend its Debt Rating, then the Commitment Fee shall increase automatically and immediately by 1.00% per annum above the Commitment Fee in effect immediately prior to such withdrawal or suspension, and shall remain in effect for so long as such withdrawal or Suspension remains in effect. Each change in the Commitment Fee resulting from a change in the Debt Rating shall become effective on the date of the announcement or publication by the respective Rating Agency of a change in such rating or, in the absence of such announcement or publication, on the effective date of such changed rating. The Commitment Fee will be reduced by the amounts described in the foregoing provisions on such date that the Rating Agency in question shall have publicly announced the reinstatement of the Debt Rating. In addition to the increases set forth above, following the occurrence of an Event of Default under the Agreement, the Commitment Fee shall be increased by an amount equal to 1.00% per annum from and including the date upon which said Event of Default first occurred through and including the final day of the Commitment Period; provided, however, that the Commitment Fee will be reduced by the amount described in this sentence on such date that the Authority shall have cured such Event of Default under the Agreement.

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1. **Debt Rating** means the credit rating assigned by each Rating Agency to the unenhanced Parity Debt of the Authority.

2. **Downgrade** means each rating category reduction by any Rating Agency of the long term rating assigned to Parity Debt (without giving effect to any bond insurance policy or other credit enhancement securing such Parity Debt) below "Aa2" (or its equivalent) or "AA" (or its equivalent), as appropriate (for example, a rating reduction of "Aa2" to "Aa3" by Moody's or "AA" to "AA-" by Standard & Poor's would each constitute a "Downgrade" for purposes hereof; a rating reduction of "Aa2" to "A" by Moody's or "AA" to "A+" by Standard & Poor's, would each constitute two "Downgrades" for purposes hereof).
RESOLUTION 2017-104

A RESOLUTION

AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS, SALES AND USE TAX REFUNDING CONTRACTUAL OBLIGATIONS, SERIES 2017C IN AN AMOUNT NOT TO EXCEED $50,000,000 (WHICH INCLUDES COSTS OF ISSUANCE) AND RELATED AGREEMENTS; AUTHORIZING AUTHORIZED REPRESENTATIVES TO APPROVE THE AMOUNT, INTEREST RATES, PRICE AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (the “Authority” or “METRO”) was created pursuant to Chapter 141, Acts of the 63rd Legislature of the State of Texas, Regular Session, 1973 (Article 1118x, Vernon’s Texas Civil Statutes, as amended, now codified as Chapter 451, Texas Transportation Code, as amended (the “Authority Act”), and was confirmed at a confirmation and tax election held on August 12, 1978, in accordance with the Authority Act;

WHEREAS, the Public Property Finance Act, Sec. 271.001 et seq., Texas Local Government Code, authorizes the Board of Directors (the “Board”) of the Authority to execute, perform and make payments under contracts with any persons for the use, purchase or other acquisition of any personal property, as defined therein, or the financing thereof, on terms considered by the Board to be appropriate;

WHEREAS, the Board has previously issued its Sales and Use Tax Contractual Obligations, Series 2009B (the “Series 2009B Contractual Obligations’) in the amount of $40,580,000 to finance transit related costs and the purchase and acquisition of personal property;

WHEREAS, the Board has previously issued its Sales and Use Tax Contractual Obligations, Series 2009D (together, with the Sales and Use Tax Contractual Obligations, Series 2009B, the “Series 2009 Contractual Obligations”) in the amount of $30,195,000 to finance the purchase or acquisition of buses and its Sales and Use Tax Contractual Obligations, Series 2010A (the “Series 2010 Contractual Obligations”) in the amount of $37,625,000 to finance the purchase or acquisition of buses;

WHEREAS, the Board has previously issued its Sales and Use Tax Contractual Obligations, Series 2011B (the “Series 2011 Contractual Obligations”) in the amount of $49,405,000 to finance the purchase and acquisition of buses;

WHEREAS, the Board has previously issued its Sales and Use Tax Contractual Obligations, Series 2014A (the “Series 2014 Contractual Obligations”) in the amount of $130,605,000 to finance the purchase and acquisition of personal property, including, but not limited to, clean diesel and compressed natural gas transit and commuter buses;
WHEREAS, the Board has previously issued its Sales and Use Tax Refunding Contractual Obligations, Series 2016B (the "Series 2016B Contractual Obligations") in the amount of $25,635,000 to finance the refunding of a portion of the Series 2009B Contractual Obligations;

WHEREAS, the Board has previously issued its Sales and Use Tax Contractual Obligations, Series 2016D (the "Series 2016D Contractual Obligations" and together with the Series 2016B Contractual Obligations, the "Series 2016 Contractual Obligations") in the amount of $44,445,000 to finance the purchase and acquisition of personal property, including, but not limited to, clean diesel and compressed natural gas transit and commuter buses;

WHEREAS, the Board has previously issued its Sales and Use Tax and Refunding Contractual Obligations, Series 2017B (the "Series 2017B Contractual Obligations") in the amount of $100,950,000 to finance the refunding of a portion of the Series 2009B Contractual Obligations, the Series 2009D Contractual Obligations, the Series 2010A Contractual Obligations, the Series 2011 Contractual Obligations and the Series 2014 Contractual Obligations and to finance the purchase and acquisition of personal property, including, but not limited to, clean diesel and compressed natural gas transit and commuter buses;

WHEREAS, the Authority is authorized by Chapter 1207, Texas Government Code, as amended, to issue contractual obligations for the purpose of refunding all or a portion of the outstanding Prior Contractual Obligations, to be designated in the Officer’s Pricing Certificate attached hereto as Exhibit A (the “Refunded Contractual Obligations”), and to accomplish such refunding by entering into an escrow agreement with a paying agent for any of the obligations to be refunded and depositing proceeds of the Contractual Obligations (hereinafter defined), together with other available funds, in such amounts as will be sufficient to provide for the scheduled payment of the Refunded Contractual Obligations, and such deposits shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Contractual Obligations;

WHEREAS, the Board deems it necessary and advisable for the Authority to enter into an escrow agreement with Wells Fargo Bank, N.A., as escrow agent, (the “Escrow Agent”) as authorized in said Chapter 1207, pursuant to which proceeds of the revenue bonds as herein authorized, and other available funds, will be deposited, invested and applied in a manner independently certified to be sufficient to provide for the full and timely payment of all principal of and interest on the Refunded Contractual Obligations;

WHEREAS, if necessary or advisable, the Authority is authorized to purchase certain direct obligations of the United States of America in the open market and/or the subscription for certain book entry United States Treasury certificates of indebtedness, notes and bonds and other obligations of the United States of America to be purchased with a portion of proceeds of the Contractual Obligations, all for deposit into the escrow authorized pursuant to this Resolution

WHEREAS, the Board now deems it necessary, useful and appropriate to adopt this Resolution and issue the Contractual Obligations herein defined and authorized, as permitted by the Act; and
WHEREAS, pursuant to Chapter 1207, Texas Government Code, as amended, the Authority desires to delegate the authority to effect the sale of and approve the final terms of the Contractual Obligations to the Authorized Representative of the Board referred to herein;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Definitions. Throughout this Resolution the following terms and expressions as used herein shall have the meanings set forth below:

   "Acts" means, together, Chapters 1201 and 1207, Texas Government Code, as amended.

   "Acquisition Fund" means that certain fund established pursuant to and used in accordance with Section 27 of this Resolution.

   "Additional Obligations" means any bonds, notes or other debt obligations which the Authority reserves the right to issue or incur, as provided in Section 33 of this Resolution, which are secured by a senior lien on Pledged Revenues.

   "Adjustable Rate Obligations" means any Senior Lien Obligations that initially bear interest at an adjustable or variable rate of interest, including Adjustable Rate Obligations which may be, but have not yet been, converted to Senior Lien Obligations bearing a fixed rate of interest.

   "Attorney General" means the Attorney General of Texas.

   "Authority" means the Metropolitan Transit Authority of Harris County, Texas.

   "Authority Act" has the meaning provided in the recitals hereto.

   "Authorized Representative" means the Chief Executive Officer or, in the event of his or her inaccessibility or incapacity, the Chief Financial Officer of the Authority and, except for purposes of executing an Officer’s Pricing Certificate, their designees. The execution of a document by any such officer as an Authorized Representative shall conclusively evidence the inaccessibility or incapacity of any other such officer with superior authority.

   "BABs" means any Series 2009 Bonds which the Authority has designated as a “Build America Bond” pursuant to Section 54AA of the Code.

   "Board" means the Board of Directors of the Authority.

   "Bond Insurance Policy" means the financial guaranty insurance policy or policies, if any, issued by the Bond Insurer that guarantees the scheduled payment of principal of and interest on the Contractual Obligations when due, as provided in the Officer’s Pricing Certificate.

   "Bond Insurer" means the provider of a Bond Insurance Policy, if any, as provided in the Officer’s Pricing Certificate.
“Bullet Obligation” means all Senior Lien Obligations of a Series maturing in any single year in a principal amount that totals at least 15% of the initial aggregate principal amount of the entire series of such Senior Lien Obligations.

“Business Day” means any day other than a Saturday, a Sunday, or another day on which commercial banks generally located in the State of New York or the State of Texas are authorized or required by law or executive order to close.

“Code” means the Internal Revenue Code of 1986, as amended to the date of delivery of the Contractual Obligations.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Continuing Covenant Agreement” means the purchase agreement between the Authority and the Purchaser relating to the Contractual Obligations, to be provided and finalized after pricing and to be further designated as Exhibit C.

“Contractual Obligations” means the Authority’s Sales and Use Tax Refunding Contractual Obligations, Series 2017C issued and to be issued as Senior Lien Obligations pursuant to this Resolution.

“CP Notes” means the Sales and Use Tax Commercial Paper Notes, Series A of the Authority currently authorized to be issued in the maximum aggregate principal amount of $165,000,000.

“Credit Agreement” means a credit agreement, as such term is defined in Chapter 1371, Texas Government Code: as amended, including but not limited to a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement, interest rate swap, cap, floor, collar, or similar agreement, or other commitment or agreement authorized by the Board in anticipation of, related to, or in connection with the authorization, issuance, sale, resale, security, exchange, payment, purchase, remarketing, or redemption of some or all of the Authority’s obligations (as such term is defined in Chapter 1371) or interest on obligations, or both, or as otherwise authorized by such chapter.

“Credit Provider” means a party to a Credit Agreement other than the Authority.

“Debt Service Requirements” means, with respect to any Senior Lien Obligations for any period of time for which such calculation applies, an amount equal to the sum of the following:

(a) **Interest**: Current interest scheduled to be paid during such period on or under such Senior Lien Obligations; plus

(b) **Principal**: That portion of the principal of, or compounded interest on, such Senior Lien Obligations payable during such period (either at maturity or by reason of scheduled mandatory redemptions or upon demand, but after taking into account all prior optional and mandatory redemptions of Senior
Lien Obligations); provided, however, that, in making such calculation, the following rules shall apply:

(1) **Refinancing Assumption:** For any series of Senior Lien Obligations issued as Short Term Obligations, Demand Obligations, or Bullet Obligations, Debt Service Requirements may be computed on the assumption that the principal amount shall be refinanced at maturity (or an earlier date on which principal thereof is payable on demand) by fixed rate Senior Lien Obligations bearing interest at (a) if the interest on such obligations is excludable from gross income of the owners thereof for federal income tax purposes, a Revenue Bond Index published by the Bond Buyer or any successor publication or (b) if the interest on such obligations is not excludable from gross income of the owners thereof for federal income tax purposes, the yield on the Treasury Constant Maturity Series as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication, as certified by the Authority’s financial advisor, in both cases (a) and (b) within 30 days prior to the date of such calculation (or the gross fixed or capped rate payable by the Authority under an interest rate swap or cap agreement that substantially hedges the rate of interest on such Senior Lien Obligations) and maturing in substantially equal annual payments of principal and interest over a term of 25 years (or such longer period as a nationally recognized financial advisor or investment banker certifies is then reasonably attainable) or less; and

(2) **Interest Rate Assumption:** For any series of Senior Lien Obligations issued as Adjustable Rate Obligations that are not Short Term Obligations, Demand Obligations, or Bullet Obligations, Debt Service Requirements may be computed on the assumption that such Senior Lien Obligations will bear interest at (a) to the extent the rate of interest thereon is effectively hedged by an interest rate swap or cap agreement, the gross fixed or capped rate payable by the Authority under such agreement, and (b) otherwise the greater of (i) the average rate on such Senior Lien Obligations over a 12-month period ending within two months of the date of such calculation and (ii) a rate estimated by the Authority’s financial advisor in a written certificate delivered to the Authority at the time of such calculation to be the average rate of interest on such Senior Lien Obligations would bear if issued as long-term bonds, in the same principal amount and with the same priority of lien, bearing interest at fixed rates based on the average life of the Adjustable Rate Obligations; and

(3) **Effect of Federal Subsidies:** For any series of Senior Lien Obligations for which the Authority is entitled to receive payments from the federal or state government in such period on account of,
and substantially contemporaneously with, interest paid on such Senior Lien Obligations, the amount to be received in such period may be deducted from such interest in computing Debt Service Requirements.

Debt Service Requirements shall be calculated with the assumption that no Senior Lien Obligations Outstanding at the time of calculation will cease to be Outstanding except by reason of the payment of scheduled principal maturities or scheduled mandatory redemptions, except as provided above.

“Demand Obligation” means any Senior Lien Obligation the principal of which is payable by the Authority on demand of the owner or holder thereof.

“DTC” means The Depository Trust Company, 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 DTC Participants.

“Equipment” has the meaning specified in Section 2.

“Escrow Agent” means Wells Fargo Bank, N.A. and its successors in such capacity.

“Escrow Agreement” means the agreement between the Authority and the Escrow Agent for the Refunded Contractual Obligations, to be provided and finalized after pricing, and to be further designated as Exhibit D.

“Fiscal Year” means the Fiscal Year of the Authority, currently beginning on October 1 of any year and ending on September 30 of the next succeeding year, but which may be changed by the Board.

“Interest and Sinking Fund” means the fund confirmed by the Authority pursuant to Section 26 of this Resolution.

“Interest Payment Date,” means May 1, 2018, and each November 1 and May 1 thereafter until maturity or prior redemption, unless otherwise provided in the Officer’s Pricing Certificate.

“Junior Lien Obligations” means any one or more of those series of bonds, notes or other debt obligations (including capital lease obligations and obligations to make deferred payments for goods and services in furtherance of METRO Solutions Phase 2, which deferred payments have been assigned to a third party and used to make payments to owners of public securities) or Credit Agreements that are secured, with or without other security, by a lien on Pledged Revenues that is junior and subordinate to the lien thereon securing the Senior Lien Obligations but is senior and superior to the lien thereon securing the Subordinate Lien Obligations.
“Maximum Annual Debt Service Requirements” for any Senior Lien Obligations means the maximum Debt Service Requirements for such Senior Lien Obligations calculated to occur in any future Fiscal Year or the then current Fiscal Year.

“Officer’s Pricing Certificate” means a certificate to be signed by the Authorized Representative and containing the information regarding the Contractual Obligations specified in Sections 3, 4 and 5 hereof substantially in the form of Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted hereby.

“Outstanding” means, when used with respect to Senior Lien Obligations, as of the date of determination, all Senior Lien Obligations theretofore delivered under this Resolution or other authorizing resolution, except:

(a) **Cancelled Obligations**: Senior Lien Obligations theretofore canceled and delivered to the Authority or delivered to the Paying Agent/Registrar for cancellation;

(b) **Transferred and Exchanged Obligations**: Senior Lien Obligations upon transfer of or in exchange for and in lieu of which other Senior Lien Obligations have been delivered; and

(c) **Defeased Obligations**: Senior Lien Obligations which have been released, discharged or extinguished in accordance with the terms thereof, or due to the deposit of cash or investments with the paying agent therefor or an escrow agent, the obligation of the Authority to pay the same is payable solely from and to the extent of such cash and investments and income therefrom.

“Owner” or “Registered Owner” means any person who shall be the registered owner of any outstanding Contractual Obligation.

“Paying Agent/Registrar” means the entity identified as such in the Paying Agent/Registrar Agreement.

“Paying Agent/Registrar Agreement” means the paying agent/registrar agreement relating to the Contractual Obligations entered into in accordance with Section 9, to be provided and finalized after pricing, and to be further designated as Exhibit B.

“Person” means any individual, corporation, partnership, joint venture, unincorporated association, association, trust, joint stock company, unincorporated organization, government or government agency or other legal entity capable of carrying on a trade or business.

“Pledged Revenues” means seventy-five percent (75%) of the revenues collected and received by the Trustee or the Authority from its levy of the Sales and Use Tax, plus any investment income earned on any moneys in the Revenue Fund, the Interest and Sinking Fund and any reserve fund for Senior Lien Obligations that are Reserve Fund Participants, which are hereby pledged as security for payment of the Contractual Obligations and any other Senior Lien Obligations and all other funds or revenues, if any, including additional Sales and Use Tax
revenues, which the Authority pledges hereafter as security for payment of the Senior Lien Obligations.

“Purchaser” means the entity defined as such in the Continuing Covenant Agreement.

“Record Date” for interest due on the Contractual Obligations on any Interest Payment Date means the fifteenth day of the month next preceding such Interest Payment Date whether or not such day is a Business Day.

“Register” means the books of registration kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts of the Contractual Obligations of each maturity registered to, each Owner.

“Reserve Fund” means the shared reserve fund for the Reserve Fund Participants confirmed by the Authority pursuant to Section 24 of this Resolution.

“Reserve Fund Participant” means the Series 2009 Contractual Obligations, the Series 2010 Contractual Obligations, the Series 2011 Contractual Obligations and Additional Obligations which the Authority designates at or before the time of issue as Reserve Fund Participants to share the Reserve Fund. All such issues designated as a Reserve Fund Participant shall be entitled to a parity claim on the funds deposited in the shared Reserve Fund as and to the extent provided in Section 28 of this Resolution. None of the Series 2009 Bonds, the Series 2011 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017A Bonds, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017B Contractual Obligations or the Contractual Obligations are Reserve Fund Participants.

“Reserve Fund Requirement” means an amount equal to 50% of the Maximum Annual Debt Service Requirements on the Reserve Fund Participants. The reserve fund requirement, if any, for the Contractual Obligations or any Additional Obligations which are not Reserve Fund Participants shall be provided in the order or resolution authorizing their issuance.

“Reserve Fund Surety Policy” shall mean any reserve fund surety policy or bond, letter of credit or other instrument, however denominated, provided by a qualifying financial institution as described in the following sentence, pursuant to which the Trustee or Paying Agent/Registrar may draw on such Reserve Fund Surety Policy to enable the Reserve Fund to make a required transfer to the Interest and Sinking Fund. Reserve Fund Surety Policies may only be acquired from a financial institution with a long term credit rating in one of the two highest generic rating categories from at least two nationally recognized rating services and having a credit rating or claims paying ability such that the purchase of such surety policy will not cause any rating agency then rating any Senior Lien Obligations to withdraw or lower its rating.

“Resolution” as used herein and in the Contractual Obligations means this resolution authorizing the Contractual Obligations.

“Revenue Fund” means the fund confirmed by the Authority pursuant to Section 24 of this Resolution.
“Sales and Use Tax” means the tax levied by the Authority pursuant to the Authority Act, orders of the Authority's Board and an election held within the Authority on August 12, 1978. Under the authority of the Authority Act and pursuant to such resolutions, the rate of such tax is equal to 1% of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority.

“Senior Credit Agreement” means any Credit Agreement to the extent the obligations of the Authority thereunder are Senior Lien Obligations.

“Senior Lien Obligations” means the Series 2009 Bonds, the Series 2011 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017A Bonds, the Series 2009 Contractual Obligations, the Series 2010 Contractual Obligations, the Series 2011 Contractual Obligations, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017B Contractual Obligations, the Contractual Obligations, the CP Notes, any Additional Obligations, and any Senior Credit Agreements.

“Series 2009 Bonds” means the Authority’s Sales and Use Tax Bonds, Series 2009A and the Authority’s Sales and Use Tax Bonds, Taxable Series 2009C (Direct-Subsidy Build America Bonds), each previously issued as Senior Lien Obligations.

“Series 2009 Contractual Obligations” means, collectively, the Authority’s Sales and Use Tax Contractual Obligations, Series 2009B and Sales and Use Tax Contractual Obligations, Series 2009D, each previously issued as Senior Lien Obligations.

“Series 2010 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2010A, previously issued as Senior Lien Obligations.

“Series 2011 Bonds” means the Authority’s Sales and Use Tax Bonds, Series 2011A, previously issued as Senior Lien Obligations.

“Series 2011 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2011B, previously issued as Senior Lien Obligations.

“Series 2014 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2014A, previously issued as Senior Lien Obligations.

“Series 2015 Bonds” means the Authority’s Sales and Use Tax Bonds, Series 2015A, previously issued as Senior Lien Obligations.

“Series 2015 Contractual Obligations” means the Authority’s Sales and Use Tax Contractual Obligations, Series 2015B, previously issued as Senior Lien Obligations.

“Series 2016 Bonds” means, collectively, the Authority’s Sales and Use Tax Refunding Bonds, Series 2016A and Sales and Use Tax Bonds, Series 2016C, each previously issued as Senior Lien Obligations.
“Series 2016 Contractual Obligations” means, collectively, the Authority’s Sales and Use Tax Refunding Contractual Obligations, 2016B and the Authority’s Sales and Use Tax Contractual Obligations, Series 2016D, each previously issued as Senior Lien Obligations.

“Series 2017A Bonds” means the Authority’s Sales and Use Tax Refunding Bonds, Series 2017A, previously issued as Senior Lien Obligations.

“Series 2017B Contractual Obligations” means the Authority’s Sales and Use Tax and Refunding Contractual Obligations, Series 2017B, previously issued as Senior Lien Obligations.

“Short Term Obligations” means each series of bonds, notes and other debt obligations issued pursuant to a commercial paper or other similar financing program, the payment of principal of which is scheduled to be payable within one year from the date of issuance and is contemplated at the time of issuance to be refinanced through the issuance of Additional Obligations.

“Subordinate Lien Obligations” means any one or more of any series of bonds, notes or other obligations (including lease obligations and obligations to make deferred payments for goods and services in furtherance of METRO Solutions Phase 2 and which have been assigned to a third party and used by such third party to make payments to owners of public securities) or Credit Agreements secured, with or without other security, by a lien on Pledged Revenues that is junior and subordinate to the lien thereon of the Senior Lien Obligations and the Junior Lien Obligations.

“Trustee” means Wells Fargo Bank, N.A., as the trustee under this Resolution and any successor to or replacement of such trustee appointed to serve in such capacity in accordance with this Resolution.

All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the sections are 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 and provisions hereof. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Contractual Obligations and the validity of the levy of Sales and Use Tax to pay the principal of and interest on the Contractual Obligations. Unless the context indicates otherwise, all references herein to Sections and Exhibits are to the designated Sections of and Exhibits to this Resolution.

2. **Authorization.** The Contractual Obligations shall be issued in one series in fully registered form, without coupons, in the aggregate principal amount approved by the Authorized Representative, as set forth in the Officer’s Pricing Certificate, but not to exceed $50,000,000 (which includes costs of issuance) for the authorized purposes of (i) refunding the Refunded Contractual Obligations, the proceeds of which were used to finance the acquiring, and/or reimbursing the acquisition of the Equipment and (ii) paying the costs of issuance of the Contractual Obligations and the premium for any Bond Insurance Policy, if any. The Contractual Obligations shall be issued under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Authority Act, and the Acts.

3. **Designation and Date.** The Contractual Obligations shall be designated as the “Metropolitan Transit Authority of Harris County, Texas Sales and Use Tax Refunding
Contractual Obligations, Series 2017C” and shall be dated December 15, 2017, unless otherwise provided in the Officer’s Pricing Certificate.

4. Initial Contractual Obligations; Numbers, Interest Rates, Interest Payment Dates and Denominations. The Contractual Obligations shall mature on November 1 in each of the years and in the aggregate principal amounts, and shall bear interest from the initial date of delivery at the per annum rates, approved by the Authorized Representative, as set out in the Officer’s Pricing Certificate. Interest on the Contractual Obligations shall be payable on each Interest Payment Date. Contractual Obligations delivered upon transfer of or in exchange for other Contractual Obligations shall be in authorized denominations, Contractual Obligations shall be numbered (with appropriate prefix) in order of their authentication by the Paying Agent/Registrar, and shall mature on the same date and bear interest at the same rate as the Contractual Obligation or Contractual Obligations in lieu of which they are delivered. The Contractual Obligations shall be issuable in the denomination of $5,000 of principal amount and integral multiples thereof.

5. Selling and Delivering Contractual Obligations. As authorized by Chapter 1207, Texas Government Code, the Authorized Representative is authorized hereby to act on behalf of the Authority in selling and delivering the Contractual Obligations and carrying out the other procedures specified in this Resolution including, without limitation, determining the date on and price at which the Contractual Obligations will be sold, the issuance date and dated date, the years in which the Contractual Obligations will mature, the aggregate principal amount of the Contractual Obligations, the principal amount of Contractual Obligations to mature in each year of maturity, the rate of interest to be borne by the Contractual Obligations of each such maturity, any optional and mandatory sinking fund redemption provisions, the purchase of a Bond Insurance Policy, if any, for all or any portion of the Contractual Obligations, and all other matters not expressly provided in this Resolution relating to the issuance, sale and delivery of the Contractual Obligations, all of which shall be specified in the Officer’s Pricing Certificate, provided that:

(a) Maximum Interest Rate: the net effective interest rate on the Contractual Obligations shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, as amended;

(b) Aggregate Principal: the sum of the principal amount of the Contractual Obligations, which may not exceed the aggregate maximum principal amount authorized in Section 2 hereof, plus any net premium from the sale of the Contractual Obligations, must be sufficient to provide amounts necessary to refund the Refunded Contractual Obligations and fund the estimated costs of issuance of the Contractual Obligations, including underwriters’ discount, and any Bond Insurance Policy premium; and

(c) Savings: the refunding of the Refunded Contractual Obligations produces a net present value debt service savings, as shown by a calculation prepared by the Financial Advisors, and attached to the Officer’s Pricing Certificate.

Any finding by the Authorized Representative relating to the sale and delivery of the Contractual Obligations shall have the same force and effect as a finding or determination made by the Board.
The authority conferred by this Section shall expire at 5:00 p.m. on June 14, 2018.

6. Execution of Contractual Obligations; Seal. The Contractual Obligations shall be signed by the President and Chief Executive Officer or the Chief Financial Officer or an Authorized Representative of the Authority and attested to by the Secretary or Assistant Secretary of the Board, by their manual, lithographed or facsimile signatures, and the official seal of the Authority shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Contractual Obligations shall have the same effect as if each of the Contractual Obligations had been signed manually and in person by each of such officers, and such facsimile seal on the Contractual Obligations shall have the same effect as if the official seal of the Authority had been manually impressed upon each of the Contractual Obligations. If any officer of the Authority whose manual or facsimile signature shall be on the Contractual Obligations shall cease to be such officer before the authentication of such Contractual Obligations or before the delivery of such Contractual Obligations, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

7. Approval by Attorney General; Registration by Comptroller. The Contractual Obligations to be initially issued shall be delivered to the Attorney General for approval and shall be registered by the Comptroller. The Authorized Representative is authorized hereby to have control and custody of the Contractual Obligations and all necessary records and proceedings pertaining thereto pending their delivery, and the Authorized Representative and other officers and employees of the Authority are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Contractual Obligations and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Contractual Obligations by the Comptroller. Upon registration of the Contractual Obligations, the Comptroller (or the Comptroller’s bond clerk, or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually execute the registration certificate of the Comptroller substantially in the form provided in Section 20 of this Resolution, and such certificate shall be affixed or attached to the Contractual Obligations to be initially issued, and the seal of the Comptroller shall be impressed, or placed in facsimile, thereon. The Contractual Obligations shall initially be registered in the name of the Purchaser named in the Continuing Covenant Agreement.

8. Authentication Required. No Contractual Obligation shall be entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose unless there appears on such Contractual Obligation either a certificate of registration by the Comptroller of Public Accounts of the State of Texas or a certificate of authentication, executed by an authorized representative of the Paying Agent/Registrar, in each case by manual signature and substantially in the form provided in Section 20 of this Resolution and Exhibit A of the Officer’s Pricing Certificate. Such duly executed certificate of registration or authentication shall be conclusive evidence that the Contractual Obligation so authenticated was delivered hereunder.

9. Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the paying agent and registrar for the Contractual Obligations with power to act on behalf of the Authority pursuant to the terms and provisions of the Paying Agent/Registrar Agreement. The Paying Agent/Registrar Agreement is hereby authorized and approved by the Board substantially in the form and to the effect attached hereto as Exhibit B. The Authorized Representative is hereby
authorized to approve changes to such form and to execute and the Secretary of the Board is hereby authorized to attest and affix the Authority’s seal to the Paying Agent/Registrar Agreement. The Paying Agent/Registrar, by undertaking the performance of the duties of the registrar and paying agent hereunder, and in consideration of the payment of any fees pursuant to the terms of the agreement between the Paying Agent/Registrar and the Authority and/or the deposits of money pursuant to this Resolution, shall be deemed to accept and agree to abide by the terms of this Resolution. All money transferred to the Paying Agent/Registrar in its capacity as registrar or paying agent for the Contractual Obligations under this Resolution (except any sums representing registrar or paying agent fees) shall be held in trust for the benefit of the Owners of the Contractual Obligations for the payment of which such money is transferred) and shall be disbursed in accordance with this Resolution. Subject to the provisions of Section 12, all matured Contractual Obligations presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the Authority. Such Contractual Obligations shall be cancelled as provided herein.

The principal or redemption price of the Contractual Obligations shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable, at the corporate trust office of the Paying Agent/Registrar. The interest on each Contractual Obligation shall be payable by check on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before such Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register. Any accrued interest on a Contractual Obligation payable at maturity or redemption shall be paid upon presentation and surrender of such Contractual Obligation at the corporate trust office of the Paying Agent/Registrar.

If the date for payment of the principal of or interest on any Contractual Obligation is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due and without any increase in the amount then due.

10. **Successor Paying Agent/Registrars.** At all times while any Contractual Obligations are Outstanding, the Authority shall engage a legally qualified bank, trust company, financial institution or other agency with a minimum capital and surplus at the time of deposit of at least $1,000,000,000 to act as Paying Agent/Registrar for the Contractual Obligations. The Authority reserves the right to change the Paying Agent/Registrar for the Contractual Obligations on not less than sixty (60) days’ written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Contractual Obligations. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Resolution.

11. **Special Record Date.** If interest on any Contractual Obligation due on any Interest Payment Date remains unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall
establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Authority. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each Owner of record of an affected Contractual Obligation as of the close of business on the Business Day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. The Authority, the Paying Agent/Registrar, the Trustee and any other person may treat the person in whose name any Contractual Obligation is registered as the absolute Owner of such Contractual Obligation for the purpose of making and receiving payment of the principal or interest on such Contractual Obligation and for all other purposes, whether or not such Contractual Obligation is overdue, and neither the Authority nor the Paying Agent/Registrar nor the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Contractual Obligation in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, the Trustee and the Paying Agent/Registrar upon or in respect of such Contractual Obligation to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal of and interest on the Contractual Obligations remaining unclaimed by the Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of Texas law, including, to the extent applicable, Title 6 of the Texas Property Code, as amended. To the extent such provisions of the Property Code do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the Authority upon receipt by the Paying Agent/Registrar of a written request therefor from the Authority. The Paying Agent/Registrar shall have no liability to the Owners of the Contractual Obligations by virtue of actions taken in compliance with this Section.

13. Registration, Transfer and Exchange. As long as any Contractual Obligations remains Outstanding, the Paying Agent/Registrar shall keep the Register at its corporate trust office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Contractual Obligations in accordance with the terms of this Resolution.

Each Contractual Obligation shall be transferable only upon the presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Contractual Obligation in proper form for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Contractual Obligation or Contractual Obligations, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Contractual Obligation or Contractual Obligations so presented.
All Contractual Obligations shall be exchangeable upon presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar for a Contractual Obligation or Contractual Obligations of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Contractual Obligation or Contractual Obligations presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Contractual Obligations in accordance with the provisions of this Section.

Each Contractual Obligation delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Contractual Obligation or Contractual Obligations in lieu of which such Contractual Obligation is delivered.

The Authority or the Paying Agent/Registrar may require the Owner of any Contractual Obligation to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Contractual Obligation. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the Authority. The transferor shall also provide or cause to be provided to the Paying Agent/Registrar all information necessary to allow the Paying Agent/Registrar to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Paying Agent/Registrar may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The Paying Agent/Registrar shall not be required to transfer or exchange any Contractual Obligation called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Owner of the unredeemed portion of a Contractual Obligation called for redemption in part.

14. Reserved.
15. Reserved.
16. Reserved.
17. Mutilated, Lost or Stolen Contractual Obligations. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Contractual Obligation, the Paying Agent/Registrar shall authenticate and deliver to the Owner thereof in exchange therefor a replacement Contractual Obligation of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Paying Agent/Registrar may require the Owner of a damaged or mutilated Contractual Obligation to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith, and the fees and expenses of the Paying Agent/Registrar.

If any Contractual Obligation is lost, apparently destroyed or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Contractual Obligation has been acquired by a bona fide purchaser, shall execute and the Paying Agent/Registrar shall authenticate and deliver to the Owner thereof a replacement Contractual Obligation of like maturity, interest rate and principal amount, bearing a
number not contemporaneously outstanding. The Authority or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Contractual Obligation, before any replacement Contractual Obligation is issued, to:

(a) **Evidence of Loss, Etc:** furnish to the Authority and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Contractual Obligation;

(b) **Security or Indemnity:** furnish such security or indemnity as may be required by the Paying Agent/Registrar or the Authority to save them harmless;

(c) **Payment of Expenses:** pay 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 may be imposed; and

(d) **Other:** meet any other reasonable requirements of the Authority and the Paying Agent/Registrar.

If, after the delivery of a replacement Contractual Obligation, a bona fide purchaser of the original Contractual Obligation in lieu of which such replacement Contractual Obligation was issued presents for payment such original Contractual Obligation, the Authority and the Paying Agent/Registrar shall be entitled to recover such replacement Contractual Obligation 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 Authority or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Contractual Obligation has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement Contractual Obligation, authorize the Paying Agent/Registrar to pay such Contractual Obligation.

Each replacement Contractual Obligation delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Contractual Obligation or Contractual Obligations in lieu of which such replacement Contractual Obligation is delivered.

**18. Cancellation of Contractual Obligations.** All Contractual Obligations paid or redeemed in accordance with this Resolution, and all Contractual Obligations in lieu of which exchanged Contractual Obligations or replacement Contractual Obligations are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment or redemption, pursuant to the Paying Agent/Registrar’s retention policy then in effect. The Paying Agent/Registrar shall furnish the Authority with appropriate certificates of destruction of such Contractual Obligations upon the Authority’s written request.
19. **Redemption Prior to Maturity.** The Contractual Obligations shall be subject to redemption prior to maturity as determined by the Authorized Representative and set forth in the Officer's Pricing Certificate. The Authorized Representative shall have the authority on behalf of and in the name of the Authority to direct and/or consent to the delivery to the Registered Owners and other required notice parties of any notice of redemption of the Contractual Obligations, provided that any notice of optional redemption may be conditioned on the authorization and issuance of a series of refunding bonds by the Authority or on any other condition.

20. **Forms.** The form of the Contractual Obligations, the Paying Agent/Registrar’s Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, which shall be attached or affixed to the Contractual Obligations initially issued shall be, respectively, substantially as follows, with such additions, deletions and variations, including any insurance legend or statement, as may be necessary or desirable and not prohibited by this Resolution:

[Remainder of Page Intentionally Left Blank]
FORM OF CONTRACTUAL OBLIGATION

United States of America
State of Texas

NUMBER
R-1
REGISTERED

PRINCIPAL AMOUNT
$_____
REGISTERED

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS,
SALES AND USE TAX REFUNDING CONTRACTUAL OBLIGATIONS
SERIES 2017C

INTEREST RATE:

DATED DATE:

ISSUANCE DATE:

MATURE DATE:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

THE METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS, (the
"Authority"), for value received, promises to pay to the Registered Owner identified above, or
registered assigns, on the Maturity Date specified above, upon presentation and surrender of this
Contractual Obligation at the corporate trust office of Wells Fargo Bank, N.A., or its successor
(the "Paying Agent/Registrar"), the Principal Amount identified above (or so much as shall not
have been paid upon prior redemption), payable in any coin or currency of the United States of
America which on the date of payment of such principal is legal tender for the payment of debts
due the United States of America, and to pay interest thereon at the rate shown above, calculated
on the basis of a 360-day year of twelve 30-day months, from the later of the Issuance Date
specified above or the most recent interest payment date to which interest has been paid or duly
provided for. Interest on this Contractual Obligation is payable semiannually on May 1 and
November 1 of each year until maturity or prior redemption, beginning May 1, 2018, by check
mailed to the Registered Owner of record as of the fifteenth day of the month next preceding each
interest payment date, to the address of such owner as shown on the books of registration kept by
the Paying Agent/Registrar. Any accrued interest due at maturity shall be paid upon presentation
and surrender of this Contractual Obligation at the corporate trust office of the Paying
Agent/Registrar.

IN CONSIDERATION of the Owner’s acceptance hereof, which acceptance shall
constitute the Owner’s assent hereto and to the terms and conditions of the resolution adopted by
the Authority’s Board of Directors on December 14, 2017 (the “Resolution”), authorizing the
issuance of the Contractual Obligations, the Authority hereby unilaterally contracts with such
Owners that it will utilize the net proceeds of the Contractual Obligations, after payment of the
costs of issuance related thereto, to acquire the Equipment (as defined in the Resolution) and to

1 Initial Contractual Obligation shall be numbered T-1.
refund the Refunded Contractual Obligations, the proceeds of which were used to acquire the Equipment, in accordance with the provisions thereof. The Authority covenants with the Owner of this Contractual Obligation that on or before each date for the payment of interest on or principal of this Contractual Obligation it will make available to the Paying Agent/Registrar from the interest and sinking fund the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Contractual Obligations, when due. The Resolution is incorporated herein by reference. Terms used herein and not otherwise defined shall have the meanings ascribed to them in the Resolution.

THIS CONTRACTUAL OBLIGATION is one of a duly authorized issue of contractual obligations, aggregating $____ 2 (the “Contractual Obligations”), issued for the purposes of refunding Refunded Contractual Obligations the as described in the Resolution, including paying the costs of issuance, all pursuant to the authority of Chapter 1207, Texas Government Code, as amended. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms by the Resolution.

[THIS CONTRACTUAL OBLIGATION is not subject to redemption prior to maturity.] [THE CONTRACTUAL OBLIGATIONS maturing on and after __ , 20__ 3 are subject to optional redemption, in whole or (from time to time) in part on any date on or after 20__, at a redemption price equal to the principal amount thereof plus accrued interest thereon from the most recent interest payment date to which interest has been paid or duly provided for, to the date of redemption.]

[THE CONTRACTUAL OBLIGATIONS MATURING IN THE YEARS 20__ 4 and 20__ (the “Term Bonds”) are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates, in whole or in part, at a price equal to the principal amount thereof plus accrued interest thereon from the most recent interest payment date to which interest has been paid or duly provided for to the date of redemption, without premium:

<table>
<thead>
<tr>
<th>Term Bonds Due ___3</th>
<th>Principal Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td></td>
</tr>
</tbody>
</table>

2 To be completed in accordance with the Officer’s Pricing Certificate.

3 To be completed in accordance with the Officer’s Pricing Certificate.

4 To be completed in accordance with the Officer’s Pricing Certificate.
THE PRINCIPAL AMOUNT of Term Bonds of either maturity required to be redeemed on any redemption date pursuant to the foregoing mandatory redemption provisions shall be reduced, at the option of the Authority, by the principal amount of any Contractual Obligations having the same maturity which have been purchased or redeemed by the Authority at its option as follows, at least 45 days prior to the mandatory redemption date and cancelled by the Paying Agent/Registrar:

(i) if the Authority directs the Paying Agent to purchase Contractual Obligations with money in the Interest and Sinking Fund (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of such Contractual Obligations purchased will be made against the next mandatory redemption installment due, or

(ii) if the Authority purchases or redeems Contractual Obligations with other available moneys, then the principal amount of such Contractual Obligations will be credited against future mandatory redemption installments in any order, and in any annual amount, that the Authority may direct.

CONTRACTUAL OBLIGATIONS MAY BE REDEEMED IN PART only in integral multiples of $5,000. If less than all of the Contractual Obligations are to be redeemed at the option of the Authority, the Authority may select the principal amount of each maturity to be redeemed. If less than all of the Contractual Obligations of a maturity are to be redeemed at the option of the Authority, the Paying Agent/Registrar shall select the Contractual Obligations of such maturity to be redeemed by lot or other means acceptable to it. If a Contractual Obligation subject to redemption is in a denomination larger than $5,000, a portion of such Contractual Obligation may be redeemed, but only in integral multiples of $5,000. In selecting portions of Contractual Obligations for redemption, each Contractual Obligation shall be treated as representing that number of Contractual Obligations of $5,000 denomination which is obtained by dividing the principal amount of such Contractual Obligation by $5,000. Upon presentation and surrender of any Contractual Obligation for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Resolution, shall authenticate and deliver in exchange therefor a Contractual Obligation or Contractual Obligations of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Contractual Obligation so surrendered.

NOTICE OF ANY REDEMPTION, identifying the Contractual Obligations or portions thereof to be redeemed, shall be sent by first-class mail, postage prepaid, to the Registered Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Contractual Obligations called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Contractual Obligations which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.
THIS CONTRACTUAL OBLIGATION IS TRANSFERABLE only upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS CONTRACTUAL OBLIGATION IS EXCHANGEABLE at the corporate trust office of the Paying Agent/Registrar for Contractual Obligations in the same principal amount in denominations of $5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.

THE PAYING AGENT/REGISTRAR IS NOT REQUIRED to accept for transfer or exchange any Contractual Obligation called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of any Contractual Obligation called for redemption in part.

THIS CONTRACTUAL OBLIGATION shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Contractual Obligation is registered by the Comptroller of Public Accounts of the State of Texas by registration certificate endorsed hereon authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Contractual Obligation, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Resolution.

THE AUTHORITY has covenanted in the Resolution that it will at all times provide a legally qualified registrar for the Contractual Obligations and will cause notice of any change of registrar to be mailed to each registered owner.

THE CONTRACTUAL OBLIGATIONS are payable from all legally available funds of the Authority and are secured ratably with other Senior Lien Obligations by, in addition to other property described in the Resolution, a first lien on and pledge of the Pledged Revenues, which is expressly made senior to the pledge of and lien on the Pledged Revenues or any portions thereof, which the Authority has granted or may grant to secure the Authority's Junior Lien Obligations and Subordinate Lien Obligations, as both terms are defined in the Resolution. The Pledged Revenues are defined in the Resolution to include 75% of revenues collected and received by the Trustee or the Authority from its levy of sales and use taxes, plus any investment income earned on any moneys in the Revenue Fund, the Interest and Sinking Fund and any reserve fund for Senior Lien Obligations, including the Reserve Fund. The rate of such tax is equal to one percent (1%) of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority. Pursuant to the Resolution, the Pledged Revenues are required to be set aside for and are pledged to the payment of the Contractual Obligations and all additional Senior Lien Obligations issued on a parity therewith. The Authority has reserved the right to issue additional parity obligations.

IT IS HEREBY certified, recited and covenanted that this Contractual Obligation has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be
performed, to exist and to be done precedent to or in the issuance and delivery of this Contractual Obligation have been performed, exist and have been done in accordance with law and that the Contractual Obligations do not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, this Contractual Obligation has been signed with the manual or facsimile signature of the President and Chief Executive Officer or Chief Financial Officer or Authorized Representative of the Authority and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary, and the official seal of the Authority has been duly impressed, or placed in facsimile, on this Contractual Obligation.

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS,

__________________________
Chief Financial Officer

__________________________
Secretary

(SEAL)
FORM OF COMPTROLLER’S REGISTRATION CERTIFICATE

COMPTROLLER’S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Contractual Obligation has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Contractual Obligation has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this ___________________.

________________________________________
Comptroller of Public Accounts of the
State of Texas

(SEAL)

* * * *

FORM OF PAYING AGENT/REGISTRAR’S AUTHENTICATION CERTIFICATE

AUTHENTICATION CERTIFICATE

It is hereby certified that this Contractual Obligation has been delivered pursuant to the Resolution described in the text of this Contractual Obligation, in exchange for or in replacement of a Contractual Obligation, Contractual Obligations or a portion of a Contractual Obligation or Contractual Obligations of an issue of Contractual Obligations which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

WELLS FARGO BANK, N.A.
as Paying Agent/Registrar

By:

Authorized Signature ____________________________
Date of Authentication: ___________________________
FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto __

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Contractual Obligation and all rights thereunder, and hereby irrevocably constitutes and appoints ____________ attorney to transfer such Contractual Obligation on the books kept for registration thereof, with full power of substitution in the premises.

DATED: ____________________________

Signature Guaranteed: ____________________________

Registered Owner

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this bond in every particular, without any alteration, enlargement or change whatsoever.

***

FORM OF STATEMENT OF INSURANCE

[To be inserted if a Bond Insurance Policy is obtained in accordance with the Officer's Pricing Certificate.]
21. **Opinion of Bond Counsel.** The approving opinion of Andrews Kurth Kenyon LLP ("Bond Counsel") may be reproduced on the Contractual Obligations, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Contractual Obligations.

22. **Pledges and Sources of Payment; Tax Levy; Other Security.**

(a) **Pledge of Pledge Revenues.** The Authority has heretofore, transferred, set over and assigned, and does hereby again TRANSFER, SET OVER and ASSIGN, to the Trustee all of the Pledged Revenues in trust, in order to provide for the payment of the principal of, interest on, and other payment obligations under the Senior Lien Obligations, Junior Lien Obligations and Subordinate Lien Obligations and all expenses of paying the same, subject to paragraph (c) below, and to provide for the disposition of the remaining Pledged Revenues in accordance with this Resolution. In order to facilitate the transfer made in the foregoing sentence, the Authority has heretofore appointed and does hereby confirm its irrevocable appointment of the Trustee as its lawful agent and attorney-in-fact for the purpose of (i) performing those duties of its treasurer which consist of receiving the Pledged Revenues from the Comptroller pursuant to the Act and other applicable law and (ii) taking such steps as may be necessary, if any, to perfect and maintain the liens granted hereunder. The Pledged Revenues shall be set aside for and are hereby irrevocably pledged to the payment of the Senior Lien Obligations, including the Series 2009 Bonds, the Series 2009 Contractual Obligations, the Series 2010 Contractual Obligations, the Series 2011 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, the Series 2017A Bonds, the Series 2011 Contractual Obligations, the Series 2014 Contractual Obligations, the Series 2015 Contractual Obligations, the Series 2016 Contractual Obligations, the Series 2017B Contractual Obligations, the Contractual Obligations, any Additional Obligations, any Senior Credit Agreements, any Junior Lien Obligations and any Subordinate Lien Obligations.

(b) **Parity Senior Lien Obligations.** The Senior Lien Obligations may be payable from all legally available funds of the Authority and shall be equally and ratably secured by (i) a senior lien on and pledge of the Pledged Revenues, as collected and received by the Authority or the Trustee, which pledge and lien is expressly made senior to the pledge of and lien on Pledged Revenues which the Authority has granted or may grant to secure the Junior Lien Obligations and the Subordinate Lien Obligations and (ii) to the extent such Senior Lien Obligations are Reserve Fund Participants, the Reserve Fund.

(c) **Deposit of Pledged Revenues.** The Authority shall, by appropriate notice, direction, request or other legal method, cause the Comptroller to pay all Pledged Revenues (or, if required by the Comptroller, all Sales and Use Tax collections) directly to the Trustee for the account of the Revenue Fund. If the Comptroller shall refuse or shall not be legally obligated to make transfers in accordance with such notice, direction or request, then the Authority shall itself cause the Pledged Revenues to be transferred to the Trustee in their entirety immediately upon receipt thereof by the Authority or by others for its account wherever located. If all Sales and Use Tax collections are paid to the Trustee by the Comptroller, then the Trustee shall promptly remit all such payment that is not Pledged...
Revenues to the Authority. All Pledged Revenues received by the Trustee shall be deposited in the Revenue Fund and applied in accordance with this Resolution.

(d) Limitation on Security for Termination Payments. The lien on and pledge of Pledged Revenues granted by this Resolution shall not secure payment of any termination payment under an interest rate management agreement; provided, however, that nothing in this Resolution shall prevent the Authority from granting a junior or subordinate lien on and pledge of the Pledged Revenues for such purpose.

23. Levy of Sales and Uses Tax; Covenant to Levy Sales and Use Tax. The orders levying the Authority’s Sales and Use Tax previously adopted by the Board are hereby approved, ratified and readopted in full, and this Resolution shall be cumulative of such orders.

24. Special Funds. The Authority hereby recognizes and confirms the prior establishment of (a) the Revenue Fund, which fund shall be maintained with the Trustee and shall be kept separate and apart from all other funds and accounts of the Authority (b) the Interest and Sinking Fund, which shall be maintained as a separate fund with the Trustee, which shall hold such Fund in trust for the registered owners of the Senior Lien Obligations, and (c) the Reserve Fund, which shall be maintained as a separate fund with the Trustee, which shall hold such Fund in trust for the registered owners of the Reserve Fund Participants. All of the foregoing Funds shall be used solely as herein provided so long as any Senior Lien Obligation remains Outstanding.

The Authority or the Trustee may create accounts and subaccounts within any Fund created by this Resolution when, in the judgment of the Authority or the Trustee, the creation of such accounts or subaccounts will enable the Authority or the Trustee to better administer the Funds.

25. Flow of Funds. The Trustee shall deposit the portion of the Sales and Use Tax payment that constitutes Pledged Revenues into the Revenue Fund promptly after receipt. Immediately upon such deposit and upon each deposit to the Revenue Fund thereafter, the Trustee shall apply moneys from time to time on deposit to the credit of the Revenue Fund in the following order of priority:

(a) First, to make all deposits into the Interest and Sinking Fund as provided herein and, if the Contractual Obligations are ratably secured thereby, in any other interest and sinking fund provided in any order or resolution authorizing the issuance of any other Senior Lien Obligations;

(b) Second, to make all deposits into the Reserve Fund as provided herein and in any other reserve fund provided in any order or resolution authorizing the issuance of any Senior Lien Obligations other than Reserve Fund Participants, provided that on any date on which there is a deficiency in the Reserve Fund, the Trustee shall not apply any moneys to any other such fund in an amount greater than that required to produce a balance therein equal to 50% of the Maximum Annual Debt Service Requirements on the Senior Lien Obligations payable from such other reserve fund ratably over a 36-month period from the original date of any deficiency therein unless an additional deposit to the Reserve Fund is made to cure such deficiency in the Reserve Fund at the same rate;
(c) Third, to make all other deposits not made pursuant to clause (ii) above into any reserve fund provided in any order or resolution authorizing the issuance of any Senior Lien Obligations;

(d) Fourth, to make all other deposits required by any order or resolution authorizing the issuance of any Senior Lien Obligations and any related agreement or Credit Agreement;

(e) Fifth, to make all deposits required by any order or resolution authorizing the issuance of any Junior Lien Obligations (a copy of which shall be provided by the Authority to the Trustee on or before the date of issuance of such Junior Lien Obligations);

(f) Sixth, to make all deposits required by any order or resolution authorizing the issuance of any Subordinate Lien Obligations (a copy of which shall be provided by the Authority to the Trustee on or before the date of issuance of such Subordinate Lien Obligations); and

(g) Seventh, to the Authority for any lawful purpose.

In case such moneys on deposit in the Revenue Fund shall at any time be insufficient to make in full all deposits and transfers then due and unpaid as provided above, then such deposits and transfers shall be made from such moneys in the priority set out above, but ratably according to the aggregate amount within each priority to be deposited and without preference within a priority.

26. Revenue Fund and Interest and Sinking Fund. Moneys from time to time on deposit to the credit of the Revenue Fund shall be applied by the Trustee as follows:

(a) Transfers to Interest and Sinking Fund. Subject to subsections (b) and (c) below, for so long as any Contractual Obligations remain Outstanding, the Trustee shall transfer from the Revenue Fund to the Interest and Sinking Fund on each date on which funds are deposited to the Revenue Fund such amounts which, when added to other amounts in the Interest and Sinking Fund, will provide for the accumulation, in substantially equal monthly installments, of amounts sufficient to pay (i) the interest scheduled to become due on all Outstanding Senior Lien Obligations on the next succeeding interest payment date (other than interest scheduled to become due but anticipated to be paid with the proceeds of Senior Lien Obligations), (ii) the principal of all Outstanding Senior Lien Obligations scheduled to mature on the next succeeding principal payment date (other than maturing principal anticipated to be paid with the proceeds of Senior Lien Obligations), (iii) payments due and payable to Credit Providers on Senior Credit Agreements on ensuing payment dates; and (iv) the redemption price of all Outstanding Senior Lien Obligations called or scheduled for redemption on the next redemption date, plus all fees, charges and other amounts payable to any Paying Agent/Registrar, market agent, broker/dealer, remarketing agent or Credit Provider in respect of Senior Lien Obligation; provided that in all cases the Trustee shall transfer an amount sufficient to ensure that the Interest and Sinking Fund has adequate funds on deposit to make all required principal, interest, and other payments on Senior Lien Obligations through the immediately succeeding month,
assuming accrual of interest at the maximum rate for any period for which the rate has not been fixed and payment thereof on the last day of such succeeding month.

(b) **Limitation on Use of Capitalized Interest.** Proceeds of any issue of Senior Lien Obligations on deposit in the Interest and Sinking Fund shall be available to pay interest only on such Senior Lien Obligations and shall be credited against the transfer requirements described in subsection (a)(i) above only for such issue of Senior Lien Obligations.

(c) **BABs Subsidies.** The refundable credit received pursuant to Section 6431 of the Code in respect of the Series 2009 Bonds designated Series 2009C shall be deposited directly into the Interest and Sinking Fund upon receipt and shall be used solely for the purposes of paying interest on the Series 2009 Bonds designated Series 2009C while they remain Outstanding. In determining the amount to be transferred to the Interest and Sinking Fund, no balance therein attributable to the Series 2009 Bonds designated Series 2009C shall be credited against the principal, interest or other payment requirements on any other Senior Lien Obligations.

(d) **Suspension of Payments.** Whenever the total amount on deposit to the credit of the Interest and Sinking Fund shall be equal to the sum of the aggregate principal amount of all Outstanding Senior Lien Obligations plus the aggregate amount of all interest accrued and to accrue thereon and all bank charges and other costs and expenses related to the payment thereof, no further payments need be made into such Funds, and the Senior Lien Obligations shall not be regarded as being Outstanding except for the purpose of being paid with the moneys on deposit in such Funds.

(e) **Application of Interest and Sinking Fund.** Monies deposited to the credit of the Interest and Sinking Fund shall be used solely for the purpose of paying the principal of and interest and other payments on the Outstanding Senior Lien Obligations, plus all bank charges, fees and expenses of the Trustee and paying agents and registrars and Credit Providers, and other costs and expenses, relating to such payment. On or before each due date for the payment of principal and/or interest or other amounts on Senior Lien Obligations, the Trustee shall pay (or transfer to the applicable paying agent for the payment of) the principal of and interest and other amounts payable on the Senior Lien Obligations on such date, together with an amount equal to all bank charges, fees and expenses of the Trustee and paying agents and registrars and Credit Providers and other costs and expenses relating to such payment; provided that, if the balance of the Interest and Sinking Fund is insufficient on any such date to pay such principal, interest and other amounts then due in full, then the Trustee shall apply all available funds therein to pay (or transfer to the applicable paying agent for the payment of) such principal, interest, and other amounts ratably, in proportion to the amounts then due, without any preference or priority of any Senior Lien Obligation over any other Senior Lien Obligations. Any moneys remaining in the Interest and Sinking Fund after all Senior Lien Obligations are no longer Outstanding shall be transferred to the Revenue Fund.

(f) **Payment of the Contractual Obligations:** The Trustee shall pay, out of the Interest and Sinking Fund, to the Paying Agent/Registrar in no event later than each applicable principal payment date and Interest Payment Date for any Outstanding Contractual
Obligations, an amount (as determined by the Paying Agent/Registrar) sufficient for the Paying Agent/Registrar to pay principal of and interest on the Outstanding Contractual Obligations due on such dates (and to be paid by such Paying Agent/Registrar).

27. Acquisition Fund. The Authority does not anticipate creating a Series 2017C Acquisition Fund (the “Acquisition Fund”) as a special fund of the Authority held by the Authority.


(a) Funding of Reserve Fund. If the Reserve Fund is not fully funded on the date of issuance of any Reserve Fund Participant (including the Contractual Obligations if so designated by the Authority) with proceeds of such issuance, other funds of the Authority or a combination of both, or if the balance of the Reserve Fund is less than the Reserve Fund Requirement as of any other valuation date, then on each date on which funds are deposited to the Revenue Fund, the Trustee shall transfer into the Reserve Fund, out of money held in the Revenue Fund, an amount equal to 1/36 of the Reserve Fund Requirement or the amount needed to attain the Reserve Fund Requirement, whichever is lesser, which transfers shall continue until the Reserve Fund contains the Reserve Fund Requirement; provided, however, that the Authority may provide for other or greater transfers in connection with the purchase or acquisition of any Reserve Fund Surety Policy or otherwise.

(b) Application of Reserve Fund. If, on any Interest Payment Date, any date a principal installment is due or any other date, after giving effect to all transfers pursuant to Section 25, the Paying Agent/Registrar and other paying agents for the Reserve Fund Participants have not received sufficient funds to make all payments of interest on and principal of the Reserve Fund Participants then due and payable or to make any other then required payments on Reserve Fund Participants, the Trustee shall transfer amounts from the Reserve Fund to the Paying Agent/Registrar and other paying agents for the Reserve Fund Participants to the extent necessary to enable them to make such payments; provided that, if the balance of the Reserve Fund is insufficient on any such date to make all such transfers in full, then the Trustee shall apply all available funds therein to make transfers to the applicable paying agents ratably, in proportion to the transfers then due, without any preference or priority of any Reserve Fund Participant over any other Reserve Fund Participant.

(c) Use to Retire Reserve Fund Participant. When the amount in the Reserve Fund, together with the amounts in the Interest and Sinking Fund available for such purpose, is sufficient to fully pay all Outstanding Reserve Fund Participants in accordance with their terms (including principal or redemption price and interest thereon), the funds on deposit in the Reserve Fund at the direction of the Authority may be used to pay the principal and redemption price of and interest on all Outstanding Reserve Fund Participants.

(d) Surety Bonds. In lieu of cash or investment securities, the Reserve Fund Requirement may be satisfied in whole or in part with one or more Reserve Fund Surety Policies. Such policies may be drawn upon only after all other amounts in the Reserve Fund have been used or applied, and other amounts in the Reserve Fund may be used to
reimburse and repay issuers of such policies for amounts drawn thereon together with interest thereon and related costs.

(e) Application of Surplus. Whenever the amount in the Reserve Fund exceeds the Reserve Fund Requirement and all reimbursement and repayment obligations pursuant to any debt service Reserve Fund Surety Policy have been satisfied, the Authority may direct the Trustee to transfer such excess to the Interest and Sinking Fund or to any other Fund hereunder.

29. Investment of Trust Funds. Amounts in any fund or account held by the Trustee may, to the extent permitted by applicable law, be invested in accordance with the Authority’s investment policy upon written instruction of an Authorized Representative and the Trustee shall have no obligation or responsibility for selecting such investments or for any loss therefrom. Such investments shall mature in such amounts and at such times as may, in the judgment of such Authorized Representative, be necessary to provide funds when needed to make timely payments from such fund or account. In order to comply with the directions of such Authorized Representative, the Trustee may cause the liquidation prior to their maturities of obligations in which funds have been invested, and the Trustee shall not be liable for any loss or penalty of any nature resulting therefrom. In order to avoid loss in the event of a need for funds, the Authority may instruct the Trustee, in lieu of a liquidation of investments in the fund or account needing funds, to exchange such investments for investments in another fund or account that may be liquidated at no, or at a reduced, loss.

Obligations purchased as an investment of any money credited to any Fund or any account thereof shall be deemed at all times to be a part of such Fund or account. Except as otherwise provided herein, the interest accruing on obligations so purchased and any profit realized from such investment shall be credited to the Revenue Fund and any loss resulting from such investment shall be charged to such Fund or account. For the purpose of determining the amount on deposit to the credit of any such Fund, obligations in which money in such Fund shall have been invested shall be computed at the fair market value thereof.

All money in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured by the Trustee, for the benefit of the Authority and the owners of the Senior Lien Obligations, as their interests appear, either (a) in the manner provided by the Public Funds Collateral Act, Chapter 2257, Texas Government Code, or (b) in any other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee or the Paying Agent/Registrar to give such security for the deposit with it of any money to be used to pay principal (and premium, if any) or interest which is at the time of such deposit due and payable with respect to any Senior Lien Obligations, or for the Trustee to give security for any money which shall be represented by obligations purchased under the provisions of this Section as an investment of such money.

The Trustee shall retain all records of its application and investment of funds hereunder for at least six years after the final maturity of Contractual Obligations. The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory
entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Authority may receive brokerage confirmations at no additional cost at its written request.

30. **Sale; Continuing Covenant Agreement; Escrow Agreement; Bond Insurance.** The Contractual Obligations shall be sold and delivered to the Purchaser at a price (not less than 90% of the aggregate initial offering price of the Contractual Obligations) determined by the Authorized Representative and set forth in the Officer’s Pricing Certificate and in accordance with the terms of the Continuing Covenant Agreement. Upon completion of the terms of the Officer’s Pricing Certificate, the Authorized Representative is hereby authorized and directed to execute the Continuing Covenant Agreement on behalf of the Authority substantially in the form attached hereto as Exhibit C and completed in accordance with the terms specified in the Officer’s Pricing Certificate, and the Authorized Representative and all other officers, agents and representatives of the Authority are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Contractual Obligations.

The Authority hereby acknowledges that the sale of the Contractual Obligations pursuant to the Continuing Covenant Agreement may be contingent upon the issuance of a Bond Insurance Policy from the Bond Insurer insuring the timely payment of principal of and interest on the Contractual Obligations. The Authorized Representative and other appropriate Authority officials are hereby authorized and directed to execute such documents and certificates and to do any and all things necessary or desirable to obtain such insurance, if any, and the printing on the Contractual Obligations of an appropriate legend or statement regarding such insurance is hereby approved.

31. **Covenants to Maintain Tax Exempt Status.**

(a) **Definitions.** When used in this Section, the following terms have the following meanings:

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, enacted on or before the Issue Date.

“Computation Date” has the meaning stated in section 1.148-1(b) of the Regulations.

“Gross Proceeds” has the meaning stated in section 1.148-1(b) of the Regulations.

“Investment” has the meaning stated in section 1.148-1(b) of the Regulations.

“Issue Date” for the Obligations or other obligations of the Authority is the respective date on which such bonds or other obligations of the Authority are first delivered against payment therefor.

“Issue Price” has the meaning stated in section 1.148-1(b) of the Regulations.
“Net Sale Proceeds” has the meaning stated in section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” has the meaning stated in section 1.148-1(b) of the Regulations.

“Obligations” means the Contractual Obligations.

“Proceeds” has the meaning stated in section 1.148-1(b) of the Regulations.

“Rebate Amount” has the meaning stated in section 1.148-3 of the Regulations.

“Regulations” means the temporary or final Income Tax Regulations applicable to the Obligations issued pursuant to sections 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to sections 141 through 150 of the Code and applicable to the Obligations.

“Yield of’ 

(1) any Investment shall be computed in accordance with section 1.148-5 of the Regulations, and

(2) the Obligations shall be computed in accordance with section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The Authority shall not use, permit the use of or omit to use Gross Proceeds of the Obligations or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds of the Obligations) in a manner which, if made or omitted, respectively, would cause the interest on any Contractual Obligations to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Authority shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Obligation, the Authority shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the regulations and rulings thereunder, the Authority shall, at all times prior to the last stated maturity of the Obligations.

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Obligations and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or
(2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Obligations or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the Authority shall not use Gross Proceeds of the Obligations to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the final stated maturity or final payment of the Obligations, directly or indirectly invest Gross Proceeds of the Obligations in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Obligations.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the regulations and rulings thereunder, the Authority shall not take or omit to take any action which would cause any Obligation to be federally guaranteed within the meaning of section 149(b) of the Code and the regulations and rulings thereunder.

(g) Information Report. The Authority shall timely file with the Secretary of the Treasury the information required by section 149(e) of the Code with respect to the Contractual Obligations on such forms and in such place as such Secretary may prescribe.

(h) Payment of Rebate Amount. Except to the extent otherwise provided in section 148(f) of the Code and the regulations and rulings thereunder, the Authority shall:

(1) account for all Gross Proceeds (including all receipts, expenditures and investments thereof) of the Obligations on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least six years after the final Computation Date, although the Authority may, however, to the extent permitted by law, commingle Gross Proceeds of the Obligations
with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith,

(2) calculate the Rebate Amount with respect to the Obligations, not less frequently than each Computation Date, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Regulations, and the rulings thereunder and maintain a copy of such calculations for at least six years after the final Computation Date,

(3) as additional consideration for the purchase of the Obligations by the initial purchaser thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in paragraph (ii) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder, and

(4) exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (ii) and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the Authority shall not, at any time prior to the earlier of the final stated maturity or final payment of the Obligations, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm’s length and had the Yield of the Obligations not been relevant to either party.

(j) Not Hedge Bonds. The Authority will not invest more than 50 percent of the Proceeds of each series of the Obligations and the original bonds refunded with the Obligations, if any, in Nonpurpose Investments having a substantially guaranteed yield for four years or more. As of the respective Issue Dates of the Obligations and the original bonds refunded with the Obligations, the Authority reasonably expects that at least 85 percent of the Net Sale Proceeds of the Obligations will be used to carry out the governmental purpose of the Obligations within three years after such respective Issue Date.

32. Use of Proceeds. Proceeds from the sale of the Contractual Obligations shall, promptly upon receipt by the Authority, be applied as follows:
(a) Costs of Issuance: A portion of the proceeds shall be applied to pay expenses arising in connection with the issuance of the Contractual Obligations and the premium for any Bond Insurance Policy; and

(b) Refunding: Sufficient proceeds shall be applied, and other legally available funds of the Authority, to deposit with the Escrow Agent an amount sufficient to provide for the redemption of the Refunded Contractual Obligations to pay the principal of, premium if any, and accrued interest on the Refunded Contractual Obligations on their respective maturities or redemption dates and to pay all expenses (or to reimburse amounts withdrawn from legally available funds of the Authority to pay such expenses) arising in connection with the issuance of the Contractual Obligations, the establishment of the escrow fund and the refunding of the Refunded Contractual Obligations, as more particularly described in the Officers Pricing Certificate.

The Authority authorizes the deposit of other funds of the Authority into the Reserve Fund as may be set forth in the Officer’s Pricing Certificate.

33. Additional Obligations.

(a) Right to Issue: Subject to the requirements of subsection (b) of this Section, the Authority reserves the right to issue or enter into, at any time and from time to time, in one or more installments, for any lawful purpose, the CP Notes, Additional Obligations, and Senior Credit Agreements, all of which, when issued or otherwise entered into and delivered, shall be payable from and secured by the senior lien on and pledge of the Pledged Revenues to the Trustee confirmed by this Resolution on a parity with all other Senior Lien Obligations and shall in all respects be on a parity and of equal dignity with and shall be secured in the same manner as the Contractual Obligations. Such pledge of and lien on the Pledged Revenues securing the Senior Lien Obligations is and shall be senior to the pledge of and lien on the Pledged Revenues which the Authority has granted or may grant to secure the Junior Lien Obligations and the Subordinate Lien Obligations.

(b) Conditions to Issuance: Except as provided in paragraph (c) of this Section, no Additional Obligations may be issued and no Senior Credit Agreements may be entered into unless the Chief Financial Officer of the Authority shall certify to the Trustee in writing that, for either the preceding Fiscal Year or any consecutive 12-month period out of the 18-month period preceding the month in which the order or resolution authorizing such Additional Obligations or Senior Credit Agreement is adopted (the “Base Period”):

(1) Historical/Pro Forma Coverage: The Pledged Revenues were not less than 200% of the Maximum Annual Debt Service Requirements, after giving effect to the issuance of the Additional Obligations or execution of the Senior Credit Agreement, as applicable; or

(2) Pro Forma Coverage: Pledged Revenues, adjusted to give effect to the occurrence prior to the adoption of the order or resolution authorizing such Additional Obligations of (A) any increase in the Sales and Use Tax rate or (B) any increase in the percentage of the Sales and Use Tax revenues designated by the
Authority as Pledged Revenues, as if either such increase had been in effect for the entire Base Period, would have been not less than 200% of the Maximum Annual Debt Service Requirements after giving effect to the issuance of the Additional Obligations or execution of the Senior Credit Agreement, as applicable.

(c) Exception. Additional Obligations issued to refund Senior Lien Obligations are not subject to subsection (b) of this Section if their issuance will not increase Maximum Annual Debt Service Requirements by more than 10%.

34. Covenant to Maintain Sales and Use Tax Rate. The Authority agrees and covenants that at all times while there are Outstanding Contractual Obligations, (i) it will not reduce the rate at which the Sales and Use Tax is levied below its current rate of 1% of the receipts from the sale at retail or on the sale price or the lease or rental price on the storage, use or other consumption of all taxable items within the boundaries of the Authority or take action to apply such tax to less than all of such transactions and (ii) it will maintain its sales and use tax rate and apply such amounts to pay its Outstanding Series 2009 Bonds, Outstanding Series 2009 Contractual Obligations, Outstanding Series 2010 Contractual Obligations, Outstanding Series 2011 Bonds, Outstanding Series 2011 Contractual Obligations, Outstanding Series 2014 Contractual Obligations, Outstanding Series 2015 Bonds, Outstanding Series 2015 Contractual Obligations, Outstanding Series 2016 Bonds, Outstanding Series 2016 Contractual Obligations, and other obligations issued pursuant to the authority of the election held within the Authority on November 4, 2003 or other obligations issued pursuant to Chapter 451, Texas Transportation Code, as amended.

35. No Continuing Disclosure Undertaking. The Obligations are sold as a private placement to the Purchaser pursuant to the Continuing Covenant Agreement, generally in denominations of $100,000 or integral multiples of $5,000 in excess thereof. Therefore the acquisition of the Obligations by the Purchaser is exempt from the United States Securities and Exchange Commission’s rule codified at 17 C.F.R. Section 240.15c2-12, as amended (the “Rule”). Accordingly, no participating underwriter is required to obtain the Authority’s agreement to provide continuing disclosure of financial information and operating data after the issuance of the Obligations. Notwithstanding the foregoing, the Authority has agreed to provide certain financial information to the Purchaser as provided in the Continuing Covenant Agreement.

36. The Trustee.

(a) Appointment. Wells Fargo Bank, N.A. has heretofore been appointed, and is hereby again appointed as Trustee, for the sole purpose of holding, investing, securing and disbursing the Pledged Revenues in accordance with this Resolution and is not acting in a fiduciary capacity for the Owners. The Trustee shall not be responsible for any Pledged Revenues until such Pledged Revenues are actually received by the Trustee. The Trustee undertakes to perform such functions and duties and only such functions and duties as are specifically set forth in this Resolution, and no implied duties or obligations shall be read into this Resolution against the Trustee.

(b) Limited Obligations. The Trustee shall be under no obligation to perform any duty or exercise any right or power under this Resolution until it is provided with adequate funds to do so and receives an indemnity reasonably satisfactory to it against any and all costs.
and expenses, outlays, and counsel fees and other disbursements, and against all liability not due to its negligence or willful misconduct. No provision of this Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or to take any action, which in the judgment of the Trustee would conflict with any rule of law or with the terms of this Resolution or would expose it to liability.

(c) **Compensation.** The Authority shall pay to the Trustee from time to time reasonable compensation for its services. The Trustee’s compensation shall not be limited by any law on compensation of a trustee of an express trust. The Authority shall promptly reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred by it. Such expense shall include the reasonable compensation and out-of-pocket expenses of its agents and counsel.

(d) **Limited Liability.** The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Resolution, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or documents which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this Resolution, or upon the written opinion of any attorney (who may be an attorney for the Authority), engineer, appraiser or accountant (any of which, unless otherwise specified herein, may be an employee of the Authority) reasonably believed by the Trustee to be qualified in relation to the subject matter. The Trustee shall not be liable for any error of judgment made in good faith by the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the express provisions of this Resolution.

(e) **Establishing Facts Prior to Action.** Whenever, in the administration of the trust confirmed by this Resolution, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof is specifically prescribed herein) may, in the absence of bad faith on the part of the Trustee, be deemed to be proved and established by a certificate of an Authorized Representative; and, in the absence of bad faith on the part of the Trustee, such certificate shall constitute full authority for any action taken, suffered or omitted by the Trustee under the provisions of this Resolution in reliance thereon.

(f) **Use of Released Funds.** The Trustee shall not be concerned with or accountable to anyone for the subsequent use or application of any money which shall be released or withdrawn and used in accordance with the provisions hereof.

(g) **Executing Powers Through Third Parties.** The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, accountants, agents or receivers and may, in all cases, pay, and be reimbursed for, the reasonable fees and expenses thereof. The Trustee shall not be responsible for the conduct of such attorneys, accountants, agents or receivers it appointed with due care.
(h) Limited Responsibility for the Contractual Obligations and Related Documents. The Trustee shall not be responsible for any recital or statement in this Resolution, any amendment to this Resolution, the Contractual Obligations, or any official statement or other disclosure document prepared or distributed in connection with the Contractual Obligations or for the validity of the execution by the Authority of this Resolution, any amendment to this Resolution or the Contractual Obligations, or for the validity of the execution of any other or supplemental instrument by the Authority, or for the validity or sufficiency of the security for the Contractual Obligations issued hereunder or intended to be secured hereby, or for the value of or title to the security for the Contractual Obligations pledged hereunder or for the creditworthiness of the Authority. Except as otherwise expressly provided herein, the Trustee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or in an amendment to this Resolution, but the Trustee may require of the Authority full information and advice as to the performance of such covenants, conditions and agreements set forth herein and in an amendment to this Resolution.

(i) No Representation of Warranty. The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal requirements, quality, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the Authority of the Equipment. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Resolution for the existence, furnishing or use of the Equipment.

(j) No Obligation or Duty. The permissive right of the Trustee to do things enumerated in this Resolution shall not be construed as an obligation or duty of the Trustee. The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder or otherwise in respect of these premises, except as provided in Section 29. Nothing contained herein or in the Contractual Obligations shall be construed to impose any duties upon the Trustee beyond those expressly contained in this Resolution or in an amendment to this Resolution. All immunities, indemnities and other provisions of this Resolution as related to the duties and liabilities of the Trustee shall apply to its duties and liabilities with respect to the Contractual Obligations.

(k) No Individual Liability. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Contractual Obligations. In accepting the trust hereby created, the Trustee acts solely as Trustee for the trust estate hereunder and not in its individual capacity and, except as otherwise provided herein, all persons, including without limitation the Owners and the Authority, having any claim against the Trustee arising from this Resolution shall look for payment only from the funds and accounts held by the Trustee hereunder.

(l) Indemnification of the Trustee. The Authority hereby covenants and agrees, to the extent permitted by applicable law and solely from the amounts held or required to be held hereunder, to indemnify the Trustee for any loss, liability, outlays and reasonable fees of its in- house and/or outside counsel, other reasonable disbursements, expenses or advances reasonably incurred or made, without negligence or willful misconduct on the part of the Trustee, arising out of or in connection with its acceptance or administration of the trust or
performance of its duties hereunder. All indemnifications and releases from liability granted to the Trustee hereunder shall extend to its directors, officers, employees, officials and agents.

(m) **Trustee May Purchase Senior Lien Obligations.** The Trustee shall not be disqualified from buying, selling, holding, owning or dealing in Senior Lien Obligations solely because it is trustee hereunder, nor is the Trustee disqualified from being the depository of the Authority of moneys not entrusted to it hereunder.

(n) **Trustee May Resign or be Removed.** The Trustee may resign and thereby become discharged from the trusts confirmed upon the acceptance thereof by a successor by notice in writing to be given to the Authority and by notice mailed, postage prepaid to all Owners not less than 60 days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a successor Trustee pursuant to this Section, if such successor Trustee shall be appointed before the time specified by such notice and shall accept such appointment. If no successor Trustee is appointed within 60 days after the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee. The Trustee may be removed, with or without cause, at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Senior Lien Obligations.

(o) **Successor Trustee.** The Authority covenants that at all times while any Contractual Obligations are Outstanding it will engage a legally qualified bank, trust company, financial institution or other agency with a minimum capital and surplus at the time of deposit of at least $1,000,000,000 to act as Trustee for the Contractual Obligations. The Authority reserves the right to change the Trustee for the Contractual Obligations on not less than sixty (60) days’ written notice to the Trustee, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Contractual Obligations. Any successor Trustee appointed under this Resolution shall execute, acknowledge, and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, execute, acknowledge, and deliver such instruments of assignment and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title, and interest of the predecessor Trustee in and to any property held by it under this Resolution, and shall pay over, assign, and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Any such successor Trustee shall promptly notify any paying agents and registrars of its appointment as Trustee. Each Trustee hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Resolution. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Section shall become effective until the acceptance of appointment by the successor Trustee under this Section.
37. **Related Matters.** To satisfy in a timely manner all of the Authority’s obligations under this Resolution, the Paying Agent/Registrar Agreement and the Continuing Covenant Agreement, the Authorized Representative and all other appropriate officers, agents and representatives of the Authority are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance of the Contractual Obligations, including, without limitation, executing and delivering on behalf of the Authority all certificates, consents, receipts, requests and other documents as may be reasonably necessary to satisfy the Authority’s obligations under the Continuing Covenant Agreement, the Paying Agent/Registrar Agreement, the Escrow Agreement and this Resolution and to direct the transfer and application of funds of the Authority consistent with the provisions of this Resolution.

38. **Resolution a Contract -Amendments.** The Authority hereby contractually obligates and commits itself to utilize the net proceeds of the Contractual Obligations, after payment of the costs of issuance and any Bond Insurance Policy premium related thereto, for the acquisition of the Equipment and the refunding of the Refunded Contractual Obligations, the proceeds of which were used to fund the acquisition of the Equipment in accordance with the terms and provisions hereof. This Resolution shall constitute a contract with the Owners from time to time, be binding on the Authority and the Trustee, and shall not be amended or repealed by the Authority so long as any Contractual Obligation remains Outstanding except as permitted in this Section. The Authority may, without the consent of or notice to any Owners, but with notice to the Trustee, from time to time and at any time, amend this Resolution in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Authority may, with the written consent of the Trustee and Owners who own in the aggregate 51% of the principal amount of the Contractual Obligations then Outstanding, amend, add to, or rescind any of the provisions of this Resolution; provided that, without the consent of all Owners of Outstanding Contractual Obligations, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Contractual Obligations, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Contractual Obligations, (ii) give any preference to any Contractual Obligation over any other Contractual Obligation, or (iii) reduce the aggregate principal amount of Contractual Obligations required to be held by Owners for consent to any such amendment, addition, or rescission.

No one or more Owner of Outstanding Contractual Obligations shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Resolution to affect, disturb, or prejudice the rights of any other Owner of Outstanding Contractual Obligations or the Trustee, or to obtain or to seek to obtain priority or preference over any other Owner of Outstanding Contractual Obligations or to enforce any right under this Resolution, except in the manner herein provided and for the equal and ratable benefit of all Owners of Outstanding Senior Lien Obligations and, on a basis subordinate thereto, all Owners of Junior Lien Obligations and Subordinate Lien Obligations.

39. **Official Statement.** Reserved

40. **Power to Revise Form of Documents.** Notwithstanding any other provision of this Resolution, the Authorized Representative is authorized hereby to make or approve such revisions,
additions, deletions, and variations to this Resolution and in the form of the documents attached hereto as exhibits as, in the judgment of the Authorized Representative, and in the opinion of Bond Counsel to the Authority, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution or as may be required for approval of the Contractual Obligations by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Contractual Obligations or such documents shall be subject to the prior approval of the Board and the provisions of Section 38 of this Resolution.

41. **No Personal Liability.** No recourse shall be had for payment of the principal of or interest on any Contractual Obligation or for any claim based thereon, or on this Resolution, against any official or employee of the Authority or any person executing any Contractual Obligations.

42. **Engagement of Professionals.** The engagement of the firm of Andrews Kurth Kenyon LLP as Bond counsel is hereby approved and confirmed.

43. **Escrow Agreement.** To provide for the deposit of proceeds of the Contractual Obligations into an escrow fund, the discharge and defeasance of the Refunded Contractual Obligations will be effectuated pursuant to the terms and provisions of the Escrow Agreement as determined in the Officers’ Pricing Certificate to be entered into by and between the Authority and the Escrow Agent for Refunded Contractual Obligations, which shall be substantially in the form of Exhibit D, the terms and provisions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary (a) to carry out the program designed for the Authority by the underwriters, (b) to comply with all applicable laws and regulations relating to the refunding of the Refunded Contractual Obligations, and (c) to carry out the other intents and purposes of this Resolution and the Officers’ Pricing Certificate, and the Authorized Representative is hereby authorized to execute and deliver such Escrow Agreement on behalf of the Authority.

44. **Purchase of Escrowed Securities.** In order to assure the purchase of the escrowed securities shown in the Officers’ Pricing Certificate and to be held pursuant to the Escrow Agreement, the Authorized Representative is hereby authorized to subscribe for, agree to purchase and purchase, securities authorized by the ordinances relating to the Refunded Contractual Obligations and by applicable law, in such amounts, maturities, and bearing interest at such rates as may be provided for in the Escrow Agreement, and the Chief Financial Officer is authorized to execute, and the Secretary is authorized to attest to any and all subscriptions, purchase agreements, forward purchase agreements, commitments, letters of authorization, and other documents necessary to effectuate the foregoing, and any actions heretofore taken by the Chief Financial Officer for such purpose are hereby ratified and approved.

45. **Defeasance.** The Authority may defease the provisions of this Resolution (except as herein expressly stated), and discharge its obligation to the Owners of any or all of the Senior Lien Obligations (except to the extent otherwise expressly provided therein) to pay the principal of and interest thereon from other funds, by depositing with the Paying Agent/Registrar, the Comptroller or any other entity with which such deposits may be made (as specified in Section
1207.061, Texas Government Code, as amended) which has a minimum capital and surplus at the
time of deposit of at least $100,000,000 either:

(a) **Cash Deposit**: Cash in an amount equal to the principal amount of and interest
thereon to the date of maturity or earlier redemption, if any, or

(b) **Governmental Obligations**: Pursuant to an escrow or trust agreement, cash and/or
(i) direct noncallable obligations of United States of America, including obligations that
are unconditionally guaranteed by the United States of America; (ii) noncallable
obligations of an agency or instrumentality of the United States, including obligations that
are unconditionally guaranteed or insured by the agency or instrumentality and that are
rated as to investment quality by a nationally recognized investment rating firm not less
than “AAA” or its equivalent; or (iii) noncallable obligations of a state or an agency or a
county, municipality, or other political subdivision of a state that have been refunded and
that are rated as to investment quality by a nationally recognized investment rating firm
not less than “AAA” or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-
entry form, and the principal of and interest on which will, when due or redeemable at
the option of the holder, without further investment or reinvestment of either the principal
amount thereof or the interest earnings thereon, provide money in an amount which,
together with other moneys, if any, held in such escrow at the same time and available for
such purpose, shall be verified by a nationally recognized firm of accountants or actuaries
sufficient to provide for the timely payment of the principal of and interest thereon to the
date of maturity or earlier redemption, if any; provided, however, that if any of such
Contractual Obligations are to be redeemed prior to their respective dates of maturity,
irrevocable provision shall have been made for giving notice of redemption as provided in
this Resolution. Upon such deposit, such Contractual Obligations shall no longer be
regarded to be Outstanding and shall no longer be subject to other redemption at the option
of the Authority. Any surplus amount not required to accomplish such defeasance shall be
returned to the Authority.

Upon such defeasance of all Senior Lien Obligations as provided in this Section, the lien
on and pledge of the Pledged Revenues and powers of the Trustee granted under this Resolution
and all covenants, agreements and other obligations of the Authority to the Owners thereof shall
thereupon cease, terminate and become void and be discharged and satisfied. In such event, the
Trustee shall cause an accounting for such period or periods as shall be requested by the Authority
to be prepared and filed with the Authority and, upon the request of the Authority, shall execute
and deliver to the Authority all such instruments as may be desirable to evidence such discharge
and satisfaction, and shall pay over or deliver to the Authority all moneys or securities held by it
pursuant to this Resolution which are not required for the payment of principal or redemption
price, if applicable, on Senior Lien Obligations not theretofore surrendered for such payment, or
redemption.

46. **Notice.** Any notice, demand, direction, request or other instrument authorized or
required by this Resolution to be given to or filed with the Authority, the Trustee or the Paying
Agent/Registrar shall be deemed to have been given only upon receipt. Any notice shall be sent
by first class mail, postage prepaid, to the address specified below or, to such other address as may
be designated in writing by the parties:
Authority: Metropolitan Transit Authority of Harris County, Texas
1900 Main Street
Houston, Texas 77002
Chief Financial Officer
Facsimile Transmission Number: (713) 758-9771

Paying Agent/Registrar: Wells Fargo Bank, N.A.
MAC T9216-430
1445 Ross Avenue, Suite 4300
Dallas, TX 75201
Attn: Corporate Trust Department
Facsimile Transmission Number: (469) 729-7638

Trustee: Wells Fargo Bank, N.A.
MAC T9216-430
1445 Ross Avenue, Suite 4300
Dallas, TX 75201
Attn: Corporate Trust Department
Facsimile Transmission Number: (469) 729-7638

47. Legal Holidays. In any case where the date interest becomes payable on the Contractual Obligations or principal of the Contractual Obligations matures or the date fixed for redemption of any Contractual Obligations shall not be a Business Day, then payment of interest or principal need not be made on such date, but payment may be made on the next succeeding Business Day and in the same amount with the same force and effect as if made on the scheduled date for payment and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment.

48. Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended.

49. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

50. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

51. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

[The remainder of this page left intentionally blank]
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonia Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

Carrin F. Patman
Chair
ACCEPTANCE OF TRUST

The Trustee, acting by and through the below named duly authorized officers, hereby accepts the trusts confirmed by this Resolution and agrees to perform the duties of Trustee hereunder, but only upon and subject to the express terms and conditions herein, on this ___ day of _____________, 2017.

WELLS FARGO BANK, N.A., as Trustee

By: ________________________________
    Authorized Officer
EXHIBIT A
FORM OF OFFICER'S PRICING CERTIFICATE

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS,
SALES AND USE TAX REFUNDING CONTRACTUAL OBLIGATIONS, SERIES 2017C

THIS OFFICER'S PRICING CERTIFICATE is executed as of _______, 2017, by the Authorized Representative of the Metropolitan Transit Authority of Harris County, Texas (the "Authority") pursuant to the authorization contained in a resolution of the Board of Authority, acting as the governing body of the Authority, adopted on December 14, 2017 (the "Resolution"), authorizing the issuance of the captioned series of Contractual Obligations and delegating to the undersigned the authority to agree to and stipulate certain terms and provisions thereof, all of which are set forth herein.

Capitalized terms used in this Officer's Pricing Certificate shall have the meanings assigned to them in the Resolution.

1. **Principal Amount, Numbers, Interest Rates and Maturities.** The Contractual Obligations shall be issued in the total authorized principal amount of __________.

   The Contractual Obligations shall mature on November 1 in each of the years and in the amounts set out in the following schedule:

<table>
<thead>
<tr>
<th>Bond Number</th>
<th>Year of Maturity (November 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
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<tbody>
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<td>R-1</td>
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<td>R-2</td>
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2. **Redemption.** [The Contractual Obligations are not subject to redemption prior to maturity.] [The Contractual Obligations maturing on and after _____ are subject to optional redemption, in whole or, from time to time, in part on any date on or after _____ at a redemption price of par plus accrued interest.]

   [The Contractual Obligations maturing in the years __ and __ will be issued as term bonds and shall be subject to the following mandatory redemption requirements:]

3. **Purchase Price.** The sale of the Contractual Obligations is authorized pursuant to the form of Continuing Covenant Agreement approved in the Resolution at the following price:

   A-1
It is hereby found and declared that the sale of the Contractual Obligations pursuant to the Continuing Covenant Agreement at such price is on the best terms and at the best prices reasonably obtainable by the Authority.

4. **Deposits.** Pursuant to Section 32 of the Resolution, $______ from the proceeds of the Contractual Obligations, [and $______ of legally available funds] shall be deposited with the Escrow Agent to pay the principal, premium, if any, and accrued interest on the Refunded Contractual Obligations on their respective maturities or redemption dates (as provided in Schedule I attached hereto).

5. **Form of Contractual Obligation.** Pursuant to Section 5 of the Resolution, the Form of Contractual Obligation as set forth in Exhibit A hereto is hereby approved and supersedes the Form of Contractual Obligation set forth in the Resolution.

6. **YES ** NO ** Bond Insurance.** The payment of principal of and interest on the Contractual Obligations, when due, shall be insured by a Bond Insurance Policy issued by __________, upon the terms and conditions of the commitment attached hereto as Exhibit B. The statement of insurance set forth in Exhibit A hereto is hereby approved and authorized to be printed on each Contractual Obligation.

7. Pursuant to Section 5 of the Resolution, we hereby further find and determine that:
   a. The net effective interest rate on the Contractual Obligations does not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, and
   b. The aggregate principal amount of the Contractual Obligations plus any net premium from the sale of the Contractual Obligations, does not exceed the maximum principal amount authorized in Section 5 of the Resolution and, when added to any premium, is equal to an amount sufficient to refund the Refunded Contractual Obligations and pay the estimated costs of issuance of the Contractual Obligations, including underwriter’s discount, and any Bond Insurance Policy premium.
   c. The refunding of the Refunded Contractual Obligations produces a net present value savings, as shown by a calculation prepared by the Financial Advisors, and attached hereto as Schedule II.

8. The undersigned hereby find, determine and declare, that in accordance with the requirements of the Resolution, this Officer’s Pricing Certificate complies with and
satisfies the terms and provisions of the Resolution in accordance with the
delegation contained therein.
WITNESS MY HAND this ______, 2017.

Authorized Representative

Authorized Representative
SCHEDULE I

SCHEDULE OF REFUNDED CONTRACTUAL OBLIGATIONS

[to be completed post-pricing]
SCHEDULE II

NET PRESENT VALUE SAVINGS CALCULATION

[to be completed post pricing]
EXHIBIT A TO OFFICER'S PRICING CERTIFICATE

FORM OF CONTRACTUAL OBLIGATION

[to be completed post-pricing]
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO EXECUTE CONTRACTS WITH BROWN CONSULTING AND FTI CONSULTING FOR LEGISLATIVE COORDINATION CONSULTING SERVICES, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas ("METRO") requires coordination consulting services to help monitor and advise METRO on state and federal legislative changes that affect the agency, and to represent METRO at the state legislature; and

WHEREAS, management recommends that METRO enter into a one-year contract with each of Brown Consulting and FTI Consulting for such legislative coordination consulting services, with an aggregate maximum contract amount of $530,000.00.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to execute a one-year contract with each of Brown Consulting and FTI Consulting for legislative coordination consulting services, with an aggregate maximum contract amount of $530,000.00.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydomi Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

ATTEST:
Reca Perry
Assistant Secretary

Carrin F. Patman
Chair
RESOLUTION 2017 - 106

A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO AMEND THE LEASE AGREEMENT WITH THE HARRIS COUNTY SHERIFF’S OFFICE TO EXERCISE A ONE-YEAR EXTENSION AND APPROVE THE LEASE AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, the Metropolitan Transit Authority of Harris County, Texas (“METRO”) entered into a lease agreement with the Harris County Sheriff’s Office for a portion of the METRO property located at 810 San Jacinto known as the Buffalo Bayou Bus Operating Facility (the “Lease Agreement”); and

WHEREAS, the Lease Agreement will expire on December 31, 2017 and both parties wish to extend the term for an additional year; and

WHEREAS, the Harris County Sheriff’s Office has agreed to pay an annual base lease amount of $925,717.00, plus other cost and expenses (the “Lease Amount”); and

WHEREAS, management recommends that METRO amend the Lease Agreement with the Harris County Sheriff’s Office to extend the term through December 31, 2018, and approve the Lease Amount.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to amend the current Lease Agreement with the Harris County Sheriff’s Department for a portion of the Buffalo Bayou Bus Operating Facility to extend the term to December 31, 2018, and approves the Lease Amount.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonia Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

Carrin F. Patman
Chair

Assistant Secretary

Carrin F. Patman
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO AMEND THE LEASE AGREEMENT WITH THE HARRIS COUNTY SHERIFF’S OFFICE TO EXERCISE A ONE-YEAR EXTENSION AND APPROVE THE LEASE AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

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Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonia Fairfax  
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017  
APPROVED this 14th day of December, 2017

ATTEST:

Reca Perry  
Assistant Secretary

Carrin F. Patman  
Chair
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO AMEND THE LEASE AGREEMENT WITH THE HARRIS COUNTY SHERIFF’S OFFICE TO EXERCISE A ONE-YEAR EXTENSION AND APPROVE THE LEASE AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

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NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to amend the current Lease Agreement with the Harris County Sheriff’s Department for a portion of the Buffalo Bayou Bus Operating Facility to extend the term to December 31, 2018, and approves the Lease Amount.

Section 2. This Resolution is effective immediately upon passage.
A RESOLUTION

AUTHORIZING THE PRESIDENT & CEO TO AMEND THE LEASE AGREEMENT WITH THE HARRIS COUNTY SHERIFF'S OFFICE TO EXERCISE A ONE-YEAR EXTENSION AND APPROVE THE LEASE AMOUNT, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

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WHEREAS, management recommends that METRO amend the Lease Agreement with the Harris County Sheriff's Office to extend the term through December 31, 2018, and approve the Lease Amount.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The METRO Board of Directors hereby authorizes the President & CEO to amend the current Lease Agreement with the Harris County Sheriff's Department for a portion of the Buffalo Bayou Bus Operating Facility to extend the term to December 31, 2018, and approves the Lease Amount.

Section 2. This Resolution is effective immediately upon passage.
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.

Cydonia Fairfax
Executive Vice President & General Counsel

PASSED this 14th day of December, 2017
APPROVED this 14th day of December, 2017

Carrin F. Patman
Chair

ATTEST
Reca Perry
Assistant Secretary
SECOND LEASE EXTENSION AGREEMENT

This SECOND LEASE EXTENSION AGREEMENT (the "Second Extension Agreement") dated effective as of January 1, 2018 (the "Effective Date"), is made and entered into between METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS ("Landlord") and HARRIS COUNTY ("Tenant").

RECITALS

Reference is made to the Buffalo Bayou Facility Lease Agreement (the "Original Lease") executed by Landlord and Tenant approved by the Commissioners Court of Harris County, Texas on March 22, 2014, and commencing on April 1, 2014 and the First Lease Extension Agreement approved by the Commissioners Court of Harris County, Texas on April 11, 2017, and commencing on April 1, 2017. Tenant has requested a second extension of the term of the Original Lease, and Landlord is willing to grant such extension, on the terms set forth below. Accordingly, for and in consideration of the mutual undertakings set forth in the Original Lease, First Lease Extension Agreement and in this Second Extension Agreement, and for TEN DOLLARS ($10.00) and other good and valuable consideration, the parties hereto agree to amend the Original Lease and the First Lease Extension Agreement as set forth below.

AGREEMENT

1. Any reference to the "Lease" or "this lease" shall mean the Original Lease as modified by the First Lease Extension Agreement and this Second Extension Agreement. All Section references in this Second Extension Agreement mean the specified section in the Original Lease. All capitalized terms used in this Second Extension Agreement that are not specifically defined herein shall have the meanings for such terms set forth in the Original Lease.

2. In Section 3.A, the "Expiration Date" of the Lease is hereby extended to December 31, 2018.

3. Section 29 is amended to provide that copies of any notices to Landlord shall also be sent to METROPOLITAN TRANSIT AUTHORITY of HARRIS COUNTY, TEXAS, Attn: General Counsel, 1900 Main Street, 14th Fl., Houston, TX 77002 or by email to Cydonii.Fairfax@ridemetro.org. Copies of any notices to the Tenant shall be sent to Real Property Division, Attn: Division Manager, 10555 Northwest Freeway, Suite 210, Houston, Texas 77092.

4. In Section 32, as contemplated in the last paragraph of that section, the total maximum compensation under this Second Extension Agreement for the extension period of the term of Lease (that is, January 1, 2018, through December 31, 2018) to which Landlord may become entitled and for which Tenant shall become liable is NINE HUNDRED TWENTY-FIVE THOUSAND SEVEN HUNDRED SEVENTEEN AND 00/100 DOLLARS ($925,717.00). This amount represents the total maximum sum of funds certified available by the Harris County Auditor for such extension period, for the purpose of fully satisfying and discharging any and all the Tenant's obligations and liabilities which may be incurred under this Second Extension Agreement.

5. Landlord and Tenant stipulate that the Original Lease, as modified by the First Lease Extension Agreement and this Second Extension Agreement, remains in full force and effect in accordance with its terms. Each party hereby stipulates that as of the Effective Date of this Second Extension Agreement, no defaults by the other party hereto have occurred that have not been cured by such other party or that have not been waived by the stipulating party.

6. All other terms of the Original Lease remain unchanged. If there is a conflict between the Original Lease, the First Lease Extension Agreement, and this Second Lease Extension Agreement, this Second Lease Extension Agreement shall prevail.
[Remainder of this page intentionally left blank; signature pages follow.]
EXECUTED in multiple counterparts pursuant to Section 34: to be effective for all purposes as of the Effective Date set forth above.

LANDLORD:

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

By: __________________________
Name: Thomas G. Lambert
Title: President & Chief Executive Officer

By: __________________________
Name: Arthur Smiley
Title: Chief Financial Officer

TENANT:

HARRIS COUNTY

By: __________________________
Name: Ed Emmett
Title: County Judge

APPROVED AS TO FORM:

By: __________________________
Name: Cydonia Fairfax
Title: General Counsel

APPROVED AS TO FORM:

VINCE RYAN
COUNTY ATTORNEY

By: __________________________
Name: Amy Samples
Address: Assistant County Attorney
C.A. File No. 17GEN2168
ORDER OF COMMISSIONERS COURT  
Authorizing execution of an amendment to an agreement  

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the ___ day of __________________, 2017 with all members present except __________________.  

A quorum was present. Among other business, the following was transacted:  

ORDER AUTHORIZING EXECUTION OF A LEASE WITH METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS  

Commissioner ___________________________ introduced an order and made a motion that the same be adopted. Commissioner ___________________________ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:  

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<th>Vote of the Court</th>
<th>Yes</th>
<th>No</th>
<th>Abstain</th>
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<td>Judge Emmett</td>
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<td>Comm. Ellis</td>
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The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:  

**IT IS ORDERED** that County Judge Ed Emmett be, and he is hereby, authorized to execute for and on behalf of Harris County, a lease between Harris County and Metropolitan Transit Authority of Harris County, Texas for space at 810 North San Jacinto, Houston, Texas, 77002. The Lease is incorporated herein as though fully set forth word for word.  

All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.