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**DALLAS AREA RAPID TRANSIT**

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**TENTH SUPPLEMENTAL DEBT RESOLUTION**

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Authorizing

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN SALES TAX REVENUE  
COMMERCIAL PAPER NOTES, SERIES I (SELF-LIQUIDITY)**

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Adopted April 9, 2013

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**RESOLUTION NO. 130030**

**TENTH SUPPLEMENTAL DEBT RESOLUTION AUTHORIZING DALLAS AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX REVENUE COMMERCIAL PAPER NOTES, SERIES I (SELF-LIQUIDITY); PROVIDING THE SECURITY THEREFOR; PROVIDING FOR THE SALE, EXECUTION AND DELIVERY THEREOF; AND PROVIDING OTHER TERMS, PROVISIONS AND COVENANTS WITH RESPECT THERETO**

**WHEREAS**, Dallas Area Rapid Transit (“DART”) is a regional transportation authority, public body corporate and politic, whose creation was confirmed at an election held on August 13, 1983, pursuant to the provisions and requirements of Chapter 452, Transportation Code, as amended (the “Act”); and

**WHEREAS**, the Subregional Board of Directions (the “Board of Directors” or the “Board”) of DART has heretofore adopted a certain “Master Debt Resolution” that establishes the provisions, terms, and conditions and security for DART’s bonds, notes, and other obligations that may be issued from time to time for its lawful purposes by (i) prescribing the terms and conditions upon the basis of which the Initial Senior Lien Obligations, Additional Senior Lien Obligations and Subordinate Lien Obligations, including Credit Agreement Obligations, may be issued and executed, and (ii) providing, establishing, and confirming the pledge, security, and liens securing DART’s obligations to pay all of such Obligations when due; and

**WHEREAS**, the Board, pursuant to the Act and Chapter 1371, Government Code, as amended, hereby determines that DART should authorize and issue commercial paper notes, in order to finance project costs and refund obligations previously issued to finance projects for Eligible Projects; and

**WHEREAS**, this Resolution is adopted for the purpose of prescribing the specific terms and provisions of the commercial paper notes described in and authorized as the Senior Subordinate Lien Obligations permitted by Section 3.3(c) of the Master Debt Resolution; and

**WHEREAS**, the Board finds and determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

**ARTICLE I**

**DEFINITIONS AND OTHER PRELIMINARY MATTERS**

Section 1.01. Short Title. This Resolution may hereafter be cited in other documents and without further description as the “Tenth Supplemental Debt Resolution.”

Section 1.02. Definitions. The capitalized terms used herein, including the capitalized terms used in the preambles hereto, that are not otherwise defined herein, shall have the same

meanings and definitions as are applied to such terms, respectively, in, or incorporated into, the Master Debt Resolution. Additionally, unless otherwise expressly provided or unless the context clearly requires otherwise, the following additional terms shall have the respective meanings specified below:

**Bond Counsel** - means one or more firms of nationally recognized attorneys selected by the Board that are experienced in financings through the issuance of tax-exempt obligations under Section 103 of the Code.

**Business Day** - means any day other than a Saturday, Sunday or a day on which banking institutions in the State of Texas, the State of New York, or the state which the Designated Payment/Transfer Office of the Issuing and Paying Agent is located are authorized or obligated by law or executive order to be closed, or a day on which the New York Stock Exchange is closed; and the definition of such term in the Master Debt Resolution shall not apply for purposes of the matters described in this Tenth Supplemental Resolution.

**Closing Date** - means the date on which all of the following events have occurred, to-wit:

- (i) this Resolution has been adopted by the Board of Directors;
- (ii) the Issuing and Paying Agent Agreement has been fully and properly executed and delivered to DART;
- (iii) the Dealer Agreements have been fully and properly executed and delivered to DART;
- (iv) the Attorney General of Texas has issued an opinion that the Master Debt Resolution and this Resolution were lawfully adopted, executed, and approved pursuant to the provisions of Chapter 1371, Government Code, as amended;
- (v) Bond Counsel have rendered and delivered their opinion to DART that, under the Constitution and laws of the State of Texas, the transcript of proceedings evidences lawful authority for the issuance, reissuance, and sale of the Series I Notes by DART; and
- (vi) This Resolution shall have become effective in accordance with Section 10.02.

**Dealer** – means each dealer named and appointed in Section 9.02 and that is a party to a Dealer Agreement and any successor thereto.

**Dealer Agreement** - means each Dealer Agreement by and between DART and a Dealer, approved and authorized to be executed pursuant to Section 9.02, as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms, or any similar agreement with a substitute or successor Dealer.

**Depository** - means (i) DTC, and (ii) any other qualified securities depository acting as Depository pursuant to Section 3.08.

**Depository Letter of Representation** – means the Letter of Representations between the Board and the Depository authorized pursuant to Section 3.08(c).

**Depository System Participant** - means a member of, or a participant in, the Depository's book-entry system that will act on behalf of a Holder.

**Designated Payment/Transfer Office** - means (i) with respect to the initial Issuing and Paying Agent named herein, the office designated by the Issuing and Paying Agent in the Issuing and Paying Agent Agreement, and (ii) with respect to any successor Issuing and Paying Agent, the office of such successor designated and located as may be agreed upon by DART.

**DTC** - means The Depository Trust Company, New York, New York, and its successor and assigns.

**Eligible Project** - means the acquisition, purchase, construction, improvement, enlargement, and/or equipping of any property, program, or improvement authorized by Applicable Law for, on behalf of, or as a part of the System.

**Federal Tax Certificate** - means a certificate regarding federal income tax matters, approved by Bond Counsel, and delivered, amended or supplemented by DART, from time to time, including at the time of the first delivery of any of the Tax-Exempt Series I Notes.

**Initial Issuance of Series I Notes** - means the initial issuance, sale and delivery of Series I Notes by the Dealers on the Closing Date.

**Issuing and Paying Agent** – means the agent appointed pursuant to Section 9.01, or its successor in interest acting under the Issuing and Paying Agent Agreement.

**Issuing and Paying Agent Agreement** - means the Commercial Paper Issuing and Paying Agent Agreement approved and authorized to be executed pursuant to Section 9.01, as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms, or any similar agreement with a substitute or successor issuing and paying agent selected by DART.

**Issuing and Paying Agent Fund** - means the fund by that name established in and to be administered pursuant to Sections 5.01 and 5.02.

**Master Debt Resolution** - means the Master Debt Resolution adopted by the Board on January 23, 2001, as amended.

**Master Series I Notes** - means the form of the Series I Notes issued to and registered in the name of Cede & Co., as nominee of DTC, or in the name of another Depository, which evidence DART's aggregate obligations under the Series I Notes.

**Maximum Interest Rate** - means, (i) with respect to the Series I Notes, the lesser of (A) the maximum "net effective interest rate" allowable under Chapter 1204, Government Code, as amended, currently 15%, or (B) such lesser rate as shall from time to time be fixed by the Board, which initially shall be 12%.

**Maximum Maturity Date** - means September 1, 2052.

**Moody's** - means Moody's Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then such term shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board.

**Nominee** - means (i) initially, Cede & Co., as nominee of DTC, and (ii) any other nominee of a successor Depository.

**Rebate Fund** - means a special fund by that name of a type contemplated by the Master Debt Resolution and established by pursuant to Section 5.01.

**S&P** - means Standard & Poor's Rating's Services, a division of The McGraw-Hill Companies, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then such term shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board.

**Series I Note Date** - means the date of actual issuance of each Series I Note as determined in accordance with Section 3.02(b).

**Series I Note Proceeds Account(s)** - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.01.

**Series I Noteholder** - means in each case, any Person who is in possession of any Outstanding Series I Note.

**Series I Notes** - mean the commercial paper notes, to be issued as Senior Subordinate Lien Obligations under the Master Debt Resolution and authorized by this Resolution and described in Section 3.01.



**Series II Notes** - mean the Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Notes, Series II (Credit Provider Liquidity) that the Board may approve in the future.

**Stated Maturity Date** - means the date on which the amount of principal and interest on each respective Series I Note is due and payable, as designated pursuant to Section 3.02(a), which date shall not in any event be later than the applicable Maximum Maturity Date.

**Tax-Exempt Series I Note** - means any Series I Note, the interest on which is excludable from gross income for federal income tax purposes.

**Tax-Exempt Series I Note (AMT)** - means any Tax-Exempt Series I Note, the interest on which is subject to alternative minimum tax under section 57(a)(5) of the Code.

**Tax-Exempt Series I Note (Non-AMT)** - means any Tax-Exempt Series I Note, the interest on which is not subject to alternative minimum tax under section 57(a)(5) of the Code.

**Taxable Series I Note** - means any Series I Note, the interest on which is not excludable from gross income for federal income tax purposes.

Section 1.03. Table of Contents, Titles and Headings. 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 and shall never be considered or given any effect in construing this Resolution or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and Section references shall mean references to Articles and Sections of this Resolution unless designated otherwise.

(c) If any one or more of the covenants, provisions or agreements contained herein should be contrary to Applicable Law, then such covenants, provisions or agreements shall be deemed separable from the remaining covenants, provisions, and agreements hereof, and shall in no way affect the validity of the remaining covenants, provisions, and agreements contained in this Resolution.

Section 1.05. Declarations and Additional Rights and Limitations Under Master Debt Resolution. (a) For all purposes of Master Debt Resolution, DART declares and provides as follows:

(i) The Series I Notes are Bond Obligations that are Senior Subordinate Lien Obligations authorized by Section 3.3(c) of the Master Debt Resolution. The Series I Notes are Interim Obligations under the Master Debt Resolution.

(ii) Administrative Expenses relating to the Series I Notes shall include (A) the fees and reasonable expenses owed to the Issuing and Paying Agent, (B) the amount payable to the Trustee as reimbursement of its reasonable expenses, if any, (C) the fees and reasonable expenses payable to the Dealers under the Dealer Agreements, and (D) the amounts, if any, required by Applicable Law to be paid to the United States Internal Revenue Service as rebate of investment earnings on any fund or account subject to rebate under the Code.

(iii) The Issuing and Paying Agent is a Paying Agent and Registrar required by the Master Debt Resolution with respect to the Series I Notes.

(iv) Each Series I Noteholder is a Holder under the Master Debt Resolution.

(v) This Resolution is a Supplemental Resolution.

(vi) Each of the Authorized Officers is designated and appointed as an “officer” of DART for the purposes of administering this Resolution, the Dealer Agreements, and the Issuing and Paying Agent Agreement in accordance with Chapter 1371, Government Code, as amended.

(vii) The Series I Notes and the Administrative Expenses described in subparagraph (ii) in this Section 1.05(a) are secured solely by the lien on and pledge of Pledged Revenues as Senior Subordinate Lien Obligations, but, DART may, but is not required to, pay the same from any other legally available funds held by DART, including, without limitation, the proceeds of Obligations and amounts held in the General Operating Fund.

(b) For all purposes of the Outstanding Resolutions, the following additional rights and limitations are granted and imposed:

(i) In the event of the occurrence of an Event of Default, the right of acceleration of the Stated Maturity Dates and the Maximum Maturity Date of the Series I Notes is not granted as a remedy, and the right of acceleration is expressly denied.

## ARTICLE II

### PURPOSES, PLEDGE AND SECURITY

Section 2.01. Purposes of Resolution. The purposes of this Resolution are to prescribe the specific terms and provisions of the Series I Notes, to extend expressly the pledge, lien and security of Master Debt Resolution to and for the benefit of the Holders of the Series I Notes, as Senior Subordinate Lien Obligations, as described and declared in Section 1.05(a)(i), and to authorize the sale and resale of the Series I Notes pursuant to the Dealer Agreements.

Section 2.02. Pledge, Security for and Sources of Payment of Series I Notes. (a) The pledge, the security and the filing provisions of Sections 2.3, 2.4, and 2.5, respectively, of the Master Debt Resolution, and Section 2.2 of the Seventh Supplemental Debt Resolution adopted by the Board on September 14, 2010, are hereby expressly restated, fixed, brought forward and granted to the Holders of the Series I Notes, subject to the terms of said Sections.

(b) The Holders of the Series I Notes shall have the right to receive payment of the principal of or the interest on the Series I Notes then due from money on deposit in the Senior Subordinate Lien Debt Service Fund or any account therein only if and to the extent money is not available therefor in the Issuing and Paying Agent Fund, in either case in amounts sufficient to make such payments in accordance with the provisions of Sections 4.02 and 5.02.

(c) The rights of the Holders of the Series I Notes to receive payment of principal of and interest on the Series I Notes from the Senior Subordinate Lien Debt Service Fund shall be on a parity with any and all Senior Subordinate Lien Obligations.

### **ARTICLE III**

#### **AUTHORIZATION; GENERAL TERMS AND PROVISIONS RELATING TO THE SERIES I NOTES**

Section 3.01. Authorization of the Series I Notes. (a) Pursuant to the authority granted by Applicable Law, the commercial paper notes of DART, to be entitled “Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity)” shall be issued in any aggregate principal amount, provided that the principal amount of the Series I Notes that may be Outstanding under this Resolution shall never exceed \$150,000,000.

(b) The Series I Notes may be issued and delivered for the purposes of (i) financing Costs of Acquisition and Construction for Eligible Projects, (ii) paying the interest on previously issued Series I Notes and Series II Notes during the period of acquisition or construction of Eligible Projects and for one year thereafter, (iii) paying expenses of operation and maintenance of Eligible Projects during the estimated period of such acquisition and construction and for one year thereafter, (iv) during the period prior to the Maximum Maturity Date, refinancing, renewing or refunding Series I Notes and Series II Notes that have been previously issued, including the interest thereon, and (v) paying the costs of issuance and reissuance of the Series I Notes, including all applicable Administrative Expenses.

(c) The designations of the Series I Notes shall be made in accordance with the requirements of Section 4.01 and the “Form of Instructions to the Issuing and Paying Agent” attached hereto as Exhibit D.

(d) If DART issues Series I Notes, the Stated Maturity Date(s) of which occur during the Debt Service Accrual Period during which the Series I Notes are issued, DART shall deposit in the Interest Account of the Senior Subordinate Lien Debt Service Fund on the date of such issuance an amount equal to the interest which will be payable on such Series I Notes on their Stated Maturity Date(s).

(e) The authorizations contained in this Section are all in accordance with and subject to the terms, conditions and limitations contained in this Resolution.

Section 3.02. Terms of the Series I Notes. (a) Subject to Section 3.01 and 3.03, the Series I Notes may be issued, sold and delivered by Authorized Officers from time to time and in installments in such principal amounts as are determined and instructed by an Authorized Officer, but in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof, numbered as the Issuing and Paying Agent shall determine and maturing and becoming due and payable on the respective Stated Maturity Dates designated by the Authorized Officer at the time of sale; provided, however, that no Series I Note shall have a Stated Maturity Date (i) that is not a Business Day, or (ii) that is later than the Maximum Maturity Date, and no Series I Note shall bear interest at a rate greater than the Maximum Interest Rate.

(b) Subject to compliance with the applicable terms, limitations and procedures contained herein, the Series I Notes shall be dated as of the date of their issuance (the "Series I Note Date"), and shall bear interest (or shall be issued at a discount without interest) at such rate per annum, computed on the basis of actual days elapsed and on a 365-day year (or a 366-day year for those years that include February 29), as may be approved by the Authorized Officer at the time of the sale thereof.

(c) The Series I Notes shall be initially issued only in book-entry form, without interest coupons. The Series I Notes may be issued in certificate form only if issued pursuant to Section 3.08(e). Both principal of and interest on the Series I Notes shall be payable in lawful money of the United States of America in same day funds, without exchange or collection charges to the Holders of the Series I Notes upon presentation and surrender of the Series I Notes at the corporate trust office of the Issuing and Paying Agent.

(d) DART, the Issuing and Paying Agent, and the Trustee may treat the registered payee of a Series I Note as the absolute owner of any such Series I Note for the purpose of receiving payment thereof and for all purposes, and DART and the Issuing and Paying Agent shall not be affected by any notice or knowledge to the contrary.

(e) Subject to the applicable terms, limitations and procedures contained herein, the Series I Notes may be sold in such manner at public or private sale as an Authorized Officer shall approve at the time of the sale thereof.

Section 3.03. Form of the Series I Notes. (a) The Series I Notes and the Certificate of Authentication to appear on each of the Series I Notes shall be substantially in the forms set forth as parts of Exhibit A, with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Resolution, and having such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Officer.

(b) The Series I Notes shall be printed, lithographed or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Officer.

Section 3.04. Execution and Authentication. (a) The Series I Notes shall be executed on behalf of DART by the Chairman and Secretary of its Board of Directors, and countersigned by its President. The signatures of said officers may be manual or facsimile. Series I Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of DART on the date of execution thereof shall be deemed to be duly executed on behalf of DART, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery or any subsequent sale, exchange and transfer of Series I Notes authorized to be issued hereunder, all as authorized and provided in Applicable Law.

(b) No Series I Note shall be entitled to any right or benefit under this Resolution, or be valid or obligatory, unless and until the Certificate of Authentication appearing thereon is executed by the Issuing and Paying Agent by manual signature, and such certificate upon a Series I Note shall be conclusive evidence that such Series I Note has been duly certified and delivered.

Section 3.05. Mutilated, Lost or Destroyed or Series I Notes. If any Series I Note shall become mutilated, DART, at the expense of the Holder thereof, shall execute and the Issuing and Paying Agent shall authenticate and deliver a new Series I Note of like tenor in exchange and in substitution for the Series I Note so mutilated, but only upon surrender to DART of the Series I Note so mutilated. If any Series I Note is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to DART and the Issuing and Paying Agent and, if such evidence is satisfactory to DART and the Issuing and Paying Agent and indemnity satisfactory to DART and the Issuing and Paying Agent shall be given, then, at the expense of the Holder, DART shall execute and the Issuing and Paying Agent shall authenticate and deliver a new Series I Note of like tenor in lieu of and in substitution for the Series I Note so lost, destroyed or stolen. Neither DART nor the Issuing and Paying Agent shall be required to treat both the original Series I Note and any substitute Series I Note as being Outstanding for the purpose of determining the principal amount of Series I Notes which may be issued and Outstanding hereunder, but both the original and the substitute Series I Note shall be treated as one and the same.

Section 3.06. Registration and Exchange. (a) The Issuing and Paying Agent shall keep a Series I Note Register for the Series I Notes at its principal trust office in which, subject to such reasonable regulations as it may prescribe, the Issuing and Paying Agent shall provide for the registration and transfer of the Series I Notes in accordance with the terms of this Resolution.

(b) The Issuing and Paying Agent shall also maintain books of registration for the Series I Notes at the offices DART, which books of registration may be a copy of the Register and which shall be kept current by the Issuing and Paying Agent.

(c) Series I Notes may be exchanged by the registered owners for other Series I Notes of like tenor and character and of authorized denominations and having the same issue date, maturity and interest rate and of like aggregate principal amount as the Series I Notes surrendered for exchange, upon surrender of the Series I Notes to be exchanged at the principal corporate trust office of the Issuing and Paying Agent. Whenever any Series I Notes are so surrendered for exchanged, the Issuing and Paying Agent shall deliver new Series I Notes of like tenor and character as the Series I Notes exchanged, registered to the original registered owner or

any successor registered owner, executed on behalf of, and furnished by, DART to the registered owner thereof requesting the exchange.

(d) DART and the Issuing and Paying Agent may charge the registered owner of a Series I Note a sum sufficient to reimburse them for any expenses incurred in making any exchange. The Issuing and Paying Agent or DART may also require payment from the owner of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Series I Note shall be delivered.

(e) New Series I Notes delivered upon any exchange shall evidence the same debt as the Series I Notes surrendered, shall be secured by this Resolution and shall be entitled to all of the security and benefits hereof to the same extent as the Series I Notes surrendered.

(f) DART reserves the right to change the exchange provisions at any time on or prior to the delivery of the Series I Notes in order to comply with applicable laws and regulations of the State or of the United States of America in effect at the time of issuance thereof. The Issuing and Paying Agent shall be promptly notified of any change in the exchange provisions of the Series I Notes.

Section 3.07. Cancellation. All Series I Notes which are surrendered to the Issuing and Paying Agent for the collection of the principal of and the interest thereon shall, upon payment, be canceled by the Issuing and Paying Agent, and the Issuing and Paying Agent forthwith shall transmit to DART a certificate identifying such Series I Notes and stating that such Series I Notes have been duly canceled pursuant to the Securities Exchange Act of 1934.

Section 3.08. Book-Entry System. (a) The Authorized Officer shall direct that the Series I Notes be delivered in book-entry form through the facilities of DTC in the manner provided in this Section, unless otherwise directed pursuant to Section 3.08(e) herein. In the event that the Series I Notes are directed to be issued in book-entry form, unless otherwise provided in the Representation Letter, the Series I Notes shall be issued, respectively, in the form of a "Municipal Commercial Paper - TECP Master Series I Note," to be further designated either as "(AMT)," "(Non-AMT)" or "(Taxable)" (collectively, the "Master Series I Notes"). Upon delivery, the ownership of such Series I Note shall be registered on the Master Series I Note Register (the "Series I Note Register") to be kept by the Issuing and Paying Agent in the name of the payee of the Master Series I Notes.

(b) With respect to the Master Series I Notes, the Issuing and Paying Agent shall have no responsibility or obligation to any DTC Participant or to any person on behalf of which the participant holds an interest in the Master Series I Notes. Without limiting the generality of the immediately preceding sentence, the Issuing and Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any DTC Participant with respect to any ownership interest in the Master Series I Notes, (ii) the delivery to any DTC Participant or any other person, other than the Holder of the Master Series I Notes, of any notice with respect to the Master Series I Notes, (iii) the payment to any DTC Participant or any other person, other than the Holder of the Master Series I Notes, as shown in the Series I Note Register, of any amount with respect to principal, premium, if any, or interest

on the Master Series I Notes, or (iv) any consent given or other action taken by the Depository as Holder of the Master Series I Notes. The Issuing and Paying Agent may treat and consider the person in whose name the Master Series I Notes are registered as the absolute owner thereof for the purpose of payment of principal and interest thereon, for the purpose of giving notices with respect to the Master Series I Notes, for the purpose of registering transfers of ownership of the Master Series I Notes, and for all other purposes whatsoever. The Issuing and Paying Agent shall pay the principal of and the interest on the Master Series I Notes only to the Holder of the Master Series I Notes or its respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest on the Master Series I Notes to the extent of the sum or sums so paid. No person other than the Holder of the Master Series I Notes shall receive a Series I Note evidencing the obligation of DART to make payments of principal and interest pursuant to this Resolution. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, such new Nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Nominee shall promptly, but in no event later than two (2) Business Days after receipt thereof, deliver a copy of the same to the Issuing and Paying Agent.

(c) In order to qualify the Series I Notes for the Depository's Book-Entry System, the Authorized Officers are authorized to execute and deliver to the Depository a "Representation Letter" in form and substance requested by such Depository and approved by an Authorized Officer. The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a), above, or in any other way impose upon DART or the Issuing and Paying Agent any obligation whatsoever with respect to persons having interests in the Series I Notes other than the Holders of the Series I Notes. In addition to the execution and delivery of the Representation Letter, DART may take any other actions, not inconsistent with this Resolution, to qualify the Series I Notes for the Depository's book-entry program.

(d) In the event either (i) the Depository determines not to continue to act as Depository for the Series I Notes, or (ii) DART determines to terminate the Depository as such, then DART shall thereupon discontinue the Book-Entry System with such Depository. In such event, the Depository shall cooperate with DART and the Issuing and Paying Agent in the issuance of replacement Series I Notes by providing the Issuing and Paying Agent with a list showing the interests of the DTC Participants in the Series I Notes, and by surrendering the Series I Notes registered in the name of the Nominee, to the Issuing and Paying Agent on or before the date such replacement Series I Notes are to be issued. The Depository, by accepting delivery of the Series I Notes, agrees to be bound by the provisions of this subsection. If, prior to the termination of the Depository acting as such, DART fails to identify another qualified securities depository to replace the Depository, then the Series I Notes shall no longer be required to be registered in the Series I Note Register in the name of the Nominee, but shall be registered in whatever name or names the Holders of the Series I Notes shall designate, in accordance with the provisions of this Section.

(e) In the event DART determines that it is in the best interests of the beneficial owners of the Series I Notes that they be able to obtain certificated Series I Notes, DART may notify the DTC Participants of the availability of certificated Series I Notes through the Depository. In such event, the Issuing and Paying Agent will issue, transfer and exchange

Series I Notes as required by the Depository and others in appropriate amounts; and whenever the Depository in taking appropriate action (i) to make available one or more separate certificates evidencing the Series I Notes to any Depository System Participant having Series I Notes credited to its account with the Depository, or (ii) to arrange for another qualified securities depository to maintain custody of a single certificate evidencing Series I Notes, all at DART's expense.

(f) Notwithstanding any other provision of this Resolution to the contrary, so long as any Series I Note is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Series I Notes and all notices with respect to such Series I Notes shall be made and given, respectively, as provided in the Representation Letter described in subsection (c) of this Section or as otherwise instructed in writing by the Depository.

Section 3.09. Issuing and Paying Agent. (a) DART agrees to maintain and provide an Issuing and Paying Agent at all times while the Series I Notes are Outstanding. The Issuing and Paying Agent shall be a national or state banking association or corporation organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Issuing and Paying Agent for the Series I Notes occur, DART agrees to promptly cause a written notice thereof to each Dealer. Such notice shall give the address of the successor Issuing and Paying Agent. A successor Issuing and Paying Agent may be appointed without the consent of the Holders.

(b) The Issuing and Paying Agent, upon request from DART, will provide a list of all Outstanding Series I Notes setting forth the Principal Amount, the Series I Note Date, the Series I Note number, the maturity date, and the rate and amount of interest for each Outstanding Series I Note.

(c) Amounts held by the Issuing and Paying Agent which represent principal of and interest on the Series I Notes remaining unclaimed after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Issuing and Paying Agent in accordance with the provisions of Applicable Law.

## **ARTICLE IV**

### **ISSUANCE, SALE, USES OF PROCEEDS, AND PAYMENT OF SERIES I NOTES**

Section 4.01. Issuance and Sale of the Series I Notes. (a) At any time after the Closing Date, the Issuing and Paying Agent shall authenticate and deliver Series I Notes in the applicable form attached hereto as Exhibit A-1, A-2, and A-3 in accordance with telephonic, facsimile, computer or written instructions of an Authorized Officer delivered to the Issuing and Paying Agent in the manner specified herein. To the extent such instructions are not written, they shall be confirmed in writing by an Authorized Officer within 24 hours. Said instructions shall be in the "Form of the Instructions to the Issuing and Paying Agent," attached hereto as Exhibit D, and shall specify the principal amounts, the Series I Note Dates, the Stated Maturity Dates, the rates of interest (or discount), the purchase price of the Series I Notes being issued and such other terms and conditions as may be fixed by an Authorized Officer at the time of sale of the Series I



Notes (including whether such Series I Notes are being issued as Taxable Series I Notes, Tax-Exempt Series I Notes (Non-AMT) or Tax-Exempt Series I Notes (AMT)), and without the necessity of further action by DART. The instructions shall request the Issuing and Paying Agent to authenticate such Series I Notes by the countersignature of its authorized officer or employee and deliver them upon receipt of payment in immediately available funds.

(b) The representations, warranties and certifications made in such instructions shall be made for the benefit of and may be relied upon by the Issuing and Paying Agent, the Dealers and the Holders.

(c) If, on any date on which DART seeks to sell Series I Notes in order to obtain funds for the purpose of paying the principal of and/or the interest on previously issued and Outstanding Series I Notes, the Dealers are unable to sell the same on terms acceptable to an Authorized Officer on the Stated Maturity Date of the Outstanding Series I Notes, the Dealers shall, by 1:00 p.m., New York time on such date, give notice to an Authorized Officer of DART, as described in Article VI, and to the Issuing and Paying Agent that such Series I Notes cannot be sold. The Dealer shall include in such notice to the Issuing and Paying Agent and to DART a statement of the amounts due and payable and required to be on deposit with the Issuing and Paying Agent on the Stated Maturity Date.

Section 4.02. Proceeds of Sale of Series I Notes. The proceeds of the sale of the Series I Notes (net of all expenses and costs of sale and issuance) shall be deposited to a Series I Note Proceeds Account and used and applied as follows:

(a) first, to the payment of the principal of any Outstanding Series I Notes and Series II Notes maturing on or before the date of the deposit of such proceeds and, only to the extent the Paying Agent has not received an amount sufficient to pay all interest on Outstanding Series I Notes and Series II Notes maturing on or before such date, to the payment of interest on such Outstanding Series I Notes and Series II Notes;

(b) second, any amounts remaining in a Series I Note Proceeds Account shall be transferred as follows:

(i) The remaining proceeds of each Tax-Exempt Series I Note (AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes specified in Section 3.01(b) that, in the opinion of Bond Counsel, may be paid with the proceeds of Bond Obligations, the interest on which is exempt from federal income taxation under the Code;

(ii) The remaining proceeds of each additional Tax-Exempt Series I Note (Non-AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes described in Section 3.01(b) that, in the opinion of Bond Counsel, may be paid with the proceeds of Bond Obligations, the

interest on which is exempt from federal income taxation under the Code, and without causing the Bond Obligations to be “specified private activity bonds,” the interest on which is subject to the “alternative minimum tax” under the provisions of the section 57(a)(5) of the Code; and

(iii) The remaining proceeds of each Taxable Series I Note shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes specified in Section 3.01(b).

Section 4.03. Excess Proceeds in the System Expansion and Acquisition Fund. Any amounts constituting proceeds of the Series I Notes remaining in the System Expansion and Acquisition Fund and not necessary for the purposes described in Section 4.02, shall be paid to the appropriate account of the Issuing and Paying Agent Fund for the Series I Notes from which the proceeds were derived and used for the payment of such maturities of the Series I Notes coming due at such times as may be selected by DART. In the event no Series I Notes are outstanding, any such proceeds in the System Expansion and Acquisition Fund shall be transferred and deposited into DART’s General Operating Fund, unless in the opinion of Bond Counsel such use would adversely affect the tax status of such Series I Notes, in which case, the DART will use such proceeds in another manner permitted by Applicable Law.

## **ARTICLE V**

### **CREATION OF SPECIAL FUNDS; APPLICATION OF MONEYS**

Section 5.01. Creation of Special Funds and Accounts. DART hereby creates the following funds and accounts:

- (a) Issuing and Paying Agent Fund:
  - (i) Series I Note Proceeds Accounts, each designated as “AMT,” “Non-AMT” or “Taxable,” as appropriate;
  - (ii) Series I Note Payment Account; and
  - (iii) and other separate accounts as required within the Issuing and Paying Agent Fund; and
- (b) Rebate Fund.

Section 5.02. Issuing and Paying Agent Fund. (a) The Issuing and Paying Agent Fund and the accounts created therein shall be held by the Issuing and Paying Agent and shall be administered pursuant to the terms of this Section and of the Issuing and Paying Agent Agreement.

(b) The Issuing and Paying Agent shall deposit all proceeds from the sale of Series I Notes to a Series I Note Proceeds Account. Amounts deposited in a Series I Note Proceeds Account shall be applied as provided in Section 4.02.

(c) The Issuing and Paying Agent shall deposit all amounts received from the Trustee pursuant to Section 5.3(a) of the Master Debt Resolution that relate to the payment of principal of or interest on Series I Notes to the Series I Note Payment Account. Such amounts deposited in the Series I Note Payment Account shall be used solely for the purpose of paying the principal of and interest on the Series I Notes on their Stated Maturity Date.

Section 5.03. Rebate Fund. All money at any time deposited in the Rebate Fund in accordance with the provisions of the Federal Tax Certificate shall be held by DART as a separate special account or fund in trust for payment to the United States of America, and neither DART nor any Holder shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Resolution and by the Federal Tax Certificate. Money shall not be transferred from the Rebate Fund except in accordance with the Federal Tax Certificate. Any amounts remaining in the Rebate Fund and not necessary for the payment of amounts to the United States of America in accordance with the Federal Tax Certificate shall be transferred, in accordance with instructions from an Authorized Officer, to the System Expansion and Acquisition Fund, to the Series I Note Proceeds Account, and/or to the Senior Subordinate Lien Debt Service Fund.

Section 5.04. Investment Limitations. (a) Except as hereinafter provided, amounts on deposit in the funds and accounts hereunder shall be invested in Investment Securities as directed by an Authorized Officer, subject to the restrictions imposed by this Section and by Article VI hereof. All such investments shall be made in accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code, or any successor statute.

(b) Amounts on deposit in any Series I Note Proceeds Account and the Series I Note Payment Account shall be held by the Issuing and Paying Agent uninvested and in trust for the exclusive benefit of the Persons entitled to be paid from such accounts as provided in Section 5.02 separate and apart from all other funds of DART or the Issuing and Paying Agent,

(c) Any other amounts on deposit in the Issuing and Paying Agent Fund shall be invested in direct obligations of the United States of America maturing no later than the earlier of the date on which funds so invested are needed for the purposes specified herein and thirty (30) days after the date on which such securities are purchased, or in money market mutual funds regulated by the Securities and Exchange Commission, consisting entirely of direct obligations of the United States of America or repurchases thereof, having a dollar-weighted average stated maturity of 90 days or fewer, and an investment objective of maintaining a stable net asset value of \$1 for each share.

## ARTICLE VI

### SPECIAL COVENANTS RELATING TO SERIES I NOTES

Section 6.01. Unsold Commercial Paper Notes, Series I. (a) DART covenants to maintain a Commercial Paper Self-Liquidity Plan (the “CPSL Plan”) to provide liquidity support for the Series I Notes so long as the Series I Notes, or any portion thereof, remain outstanding.

(b) DART hereby covenants that, upon receipt by DART of notice from a Dealer, as described in Section 4.01(c), or the Issuing and Paying Agent that all or a portion of the Series I Notes remain unsold and that there will be insufficient monies available from the proceeds of new Series I Notes to pay the principal of and interest due on the Series I Notes then maturing, an Authorized Representative of DART will identify the funds to be used to pay the principal of and interest on the maturing Series I Notes. The Authorized Representative will apply amounts on deposit in the General Operating Fund and/or the Series I Note Payment Account, and, to the extent amounts on deposit in such funds and accounts are insufficient to pay the principal of and interest then due, from any other lawfully available monies of DART, and shall, not later than 2:00 p.m., New York time on the date on which such payment is due and in accordance with the CPSL Plan policies, cause such amount to be transferred to the Issuing and Paying Agent to pay the amount due.

(c) Prior to or concurrently with the transfer of such amounts to the Issuing and Paying Agent, the Authorized Officer shall give notice to the Dealer and to the Issuing and Paying Agent of the transfer of such monies to pay the maturing principal of and interest on the unsold Series I Notes.

(d) DART covenants that any and all selections of monies and transfers thereof to the Issuing and Paying Agent, including any liquidation of securities or investments, will be conducted in accordance with the requirements of DART’s CPSL Plan, as amended from time-to-time by the Authorized Officer. DART further covenants to maintain a current and accurate CPSL Plan so long as any Series I Notes are outstanding.

Section 6.02. Maintenance of Self-Liquidity Coverage. (a) DART covenants to provide self-liquidity for its Series I Notes in an aggregate principal amount of \$150,000,000 and 90 days of interest calculated at a rate of 12% (the “CP Commitment Amount”).

(b) DART covenants to maintain at least 2.0 times self-liquidity debt service coverage on the its CPSL Plan from the aggregate of all of the sources of funds identified in the CPSL Plan after giving effect to assumed discounts (“Assumed Discounts”) for price volatility and trading variances described in such policies. Compliance with this Section 6.02(b) will be tested at the end of DART’s second fiscal quarter and at the end of DART’s fiscal year.

(c) Debt service coverage is calculated as the total amount of unrestricted cash and investments in the General Operating Fund less the Assumed Discounts divided by the CP Commitment Amount described in Section 6.02(a).

(d) DART covenants to restrict the total amount of Series I Notes maturing within five (5) days for all Dealers to no more than \$35,000,000.

## ARTICLE VII

### TAX COVENANTS RELATING TO THE SERIES I NOTES

#### Section 7.01. Tax-Exempt Series I Notes to Remain Exempt from Federal Income Tax.

(a) In order to maintain the exclusion from gross income of the interest on the Tax-Exempt Series I Notes for federal income tax purposes, DART shall make all calculations required by section 148 of the Code, including, but not limited to, the calculation of rebate, in a reasonable and prudent fashion and to segregate and set aside the lawfully available amounts that such calculations indicate may be required to be paid to the United States of America. DART further agrees to do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code. DART agrees to periodically execute or cause to be executed a Federal Tax Certificate as may be required by the Code, in the opinion of Bond Counsel, and the Forms 8038 or 8038-G, or any other forms designated by the Internal Revenue Service in substitution thereof. In furtherance of the foregoing, DART shall execute annually, or at any other time necessary in the opinion of Bond Counsel, a Federal Tax Certificate and Forms 8038 or 8038-G necessary to assure the tax-exempt status of the Tax-Exempt Series I Notes.

(b) DART covenants to refrain from any action which would adversely affect, and to take such action (including the providing and enforcement of certain covenants in any document granting a leasehold interest in, or contract for management of the project) as is necessary to assure, the treatment of the Tax-Exempt Series I Notes (AMT) as obligations described in section 103(a) of the Code, the interest on which is not includable in the “gross income” of the owner thereof for purposes of federal income taxation (other than, in the case of Tax-Exempt Series I Notes (AMT), the gross income of a “substantial user” of the project or a “related person” to such a “substantial user,” within the meaning of the Code). In particular, but not by way of limitation thereof, DART covenants as follows:

(i) to take such action to assure that the Tax-Exempt Series I Notes (AMT) are “exempt facility bonds,” as defined in section 142(a) of the Code;

(ii) to ensure that at all times during the term of the Tax-Exempt Series I Notes (AMT) that the property provided with the proceeds thereof be treated as governmentally owned within the meaning of section 142(b) of the Code;

(iii) to refrain from taking any action that would result in the Tax-Exempt Series I Notes (AMT) being “federally guaranteed” within the meaning of section 149(b) of the Code;

(iv) to refrain from using any portion of the proceeds of the Tax-Exempt Series I Notes (AMT), directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section

148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Series I Notes (AMT), other than investment property acquired with -

- A. the proceeds of the Tax-Exempt Series I Notes (AMT) invested for a reasonable temporary period or, until such proceeds are needed for the purpose for which the Tax-Exempt Series I Notes (AMT) are issued;
- B. proceeds of amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Regulations; and
- C. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Tax-Exempt Series I Notes (AMT) (as defined in section 148(d)(3)(D) of the Code);

(v) to otherwise restrict the investment of the proceeds of the Bonds or amounts treated as proceeds of the Tax-Exempt Series I Notes (AMT), as may be necessary, to satisfy the requirements of section 148 of the Code (relating to arbitrage);

(vi) to use no more than two percent of the proceeds of the Tax-Exempt Series I Notes (AMT) for the payment of costs of issuance of the Tax-Exempt Series I Notes (AMT);

(vii) to use no portion of the proceeds of the Tax-Exempt Series I Notes (AMT) to provide any airplane, sky-box or other private luxury box, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off-premises;

(viii) to comply with the limitations imposed by section 147(c) of the Code (relating to the limitation of the use of proceeds to acquire land) and section 147(d) of the Code (relating to restrictions on the use of bond proceeds to acquire existing buildings, structures or other property); and

(ix) to comply with the provisions of section 146 of the Code by obtaining, to the extent it is required to do so, an allocation of the State volume cap imposed by that section with respect to the Tax-Exempt Series I Notes (AMT),

(c) DART covenants to refrain from any action which would adversely affect, or to take such action to assure, the treatment of the Tax-Exempt Series I Notes (Non-AMT) as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, DART covenants as follows:

(i) to take all action necessary to assure that no more than 10 percent of the proceeds of the Tax-Exempt Series I Notes (Non-AMT) (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section

141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, to assure that payment of the principal of, or interest on, more than 10 percent of the Tax-Exempt Series I Notes (Non-AMT) is (under the terms of this Resolution or any underlying arrangement) directly or indirectly, in contravention of section 141(b)(2) of the Code, (A) secured by any interest in property used or to be used for a private business use or by payments in respect of such property, or (B) to be derived from payments (whether or not to DART) in respect of property, or borrowed money, used or to be used for a private business use;

(ii) to take all action necessary to assure that in the event that the “private business use” described in subsection (a) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Series I Notes (Non-AMT) less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a “private business use” which is “related” and not “disproportionate,” within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iii) to take all action necessary to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Tax-Exempt Series I Notes (Non-AMT) (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(iv) to take all action necessary to assure that no more than 5 percent of the proceeds of the Tax-Exempt Series I Notes (Non-AMT) are used to provide any output facility (other than a facility for furnishing water) with respect to which there is any “private business use” as more fully set forth in section 141(b)(3) of the Code;

(v) to refrain from taking any action which would otherwise result in the Tax-Exempt Series I Notes (Non-AMT) being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(vi) to refrain from taking any action that would result in the Tax-Exempt Series I Notes (Non-AMT) being “federally guaranteed” within the meaning of section 149(b) of the Code;

(vii) to refrain from using any portion of the proceeds of the Tax-Exempt Series I Notes (Non-AMT), directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Notes, other than investment property acquired with -

- A. proceeds of the Tax-Exempt Series I Notes (Non-AMT) invested for a reasonable temporary period of 3 years or less until such proceeds are needed for the purpose for which the notes are issued;
- B. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations; and

- C. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Notes; and

(viii) to otherwise restrict the use of the proceeds of the Tax-Exempt Series I Notes (Non-AMT) or amounts treated as proceeds of the Tax-Exempt Series I Notes (Non-AMT), as may be necessary, so that the Notes do not contravene the requirements of section 148 of the Code (relating to arbitrage), section 149(g) of the Code (relating to hedge bonds), and, to the extent applicable, section 149(d) of the Code (relating to advance refundings).

(d) DART represents and covenants that it will not expend, or permit to be expended, the proceeds of Series I Notes in any manner inconsistent with its reasonable expectations as certified in the Federal Tax Certificates to be executed from time to time with respect to the Tax-Exempt Series I Notes; provided, however, that DART may expend proceeds of the Tax-Exempt Series I Notes in any manner if DART first obtain an unqualified opinion of Bond Counsel that such expenditure will not impair the exemption from federal income taxation of interest paid on the Series I Notes.

Section 7.02. Taxable Series I Notes Reporting Requirement. Subject to certain exceptions, DART shall assure that the Issuing and Paying Agent agrees to comply with any requirements of the Code that the interest payments made to the Holders with respect to the Taxable Series I Notes will be reported to such Holders and/or to the Internal Revenue Service and that, to the extent required by the Code, the Taxable Series I Notes will comply with the requirements for the withholding of taxes.

Section 7.03. Notices to Rating Agencies. DART agrees to give immediate written notice to Moody's and S&P of the occurrence of any of the following events:

- (i) the resignation or removal of a Dealer;
- (ii) the resignation or removal of the Issuing and Paying Agent;
- (iii) any material modification or amendment to this Resolution, the Issuing and Paying Agent Agreement or any Dealer Agreement; or
- (iv) the occurrence of any "Event of Default" under Section 7.1 of the Master Debt Resolution.

## **ARTICLE VIII**

### **THE ISSUING AND PAYING AGENT**

Section 8.01. Duties, Immunities, and Liabilities of Issuing and Paying Agent. (a) DART appoints Amegy Bank National Association, as Issuing and Paying Agent. The Issuing and Paying Agent shall perform such duties and only such duties as are specifically set forth in the Issuing and Paying Agent Agreement, and, except to the extent required by law, no implied



covenants or obligations shall be read into this Resolution against the Issuing and Paying Agent. The Issuing and Paying Agent shall not have any power or be required to take any action during the existence of any event of default under Master Debt Resolution.

(b) DART may remove the Issuing and Paying Agent at any time, and DART shall remove the Issuing and Paying Agent if at any time the Issuing and Paying Agent shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Issuing and Paying Agent or its property shall be appointed, or any public officer shall take control or charge of the Issuing and Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Issuing and Paying Agent, and thereupon shall appoint a successor Issuing and Paying Agent by an instrument in writing.

(c) The Issuing and Paying Agent may at any time resign by giving written notice of such resignation to DART. Upon receiving such notice of resignation, DART shall promptly appoint a successor Issuing and Paying Agent.

(d) The Issuing and Paying Agent shall not be relieved of its duties hereunder until a successor Issuing and Paying Agent has accepted appointment as and has assumed the duties of Issuing and Paying Agent hereunder. Any removal or resignation of the Issuing and Paying Agent and appointment of a successor Issuing and Paying Agent shall become effective upon acceptance of appointment by the successor Issuing and Paying Agent. Any successor Issuing and Paying Agent shall signify its acceptance of such appointment by executing and delivering to its predecessor Issuing and Paying Agent a written acceptance thereof, and thereupon such successor Issuing and Paying Agent, without any further act, deed or conveyance, shall become vested with all duties and obligations of such predecessor Issuing and Paying Agent, with like effect as if originally named Issuing and Paying Agent herein; but, nevertheless, at the request of the successor Issuing and Paying Agent, such predecessor Issuing and Paying Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Issuing and Paying Agent all the powers of such predecessor Issuing and Paying Agent and shall pay over, transfer, assign and deliver to the successor Issuing and Paying Agent any money or other property subject to the conditions herein set forth. Upon request of the successor Issuing and Paying Agent, DART shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Issuing and Paying Agent all such moneys, properties, rights, powers, duties and obligations.

(e) The Issuing and Paying Agent and any successor Issuing and Paying Agent shall be a trust company or bank having the powers of a trust company authorized to perform corporate trust services in New York, New York, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent

report of condition so published. In case at any time the Issuing and Paying Agent shall cease to be eligible in accordance with the provisions of this subsection 8.01(e), the Issuing and Paying Agent shall resign immediately in the manner and with the effect specified in this section.

Section 8.02. Merger or Consolidation. Any company into which the Issuing and Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Issuing and Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 8.01, shall be the successor to such Issuing and Paying Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.03. Right of Issuing and Paying Agent to Rely Upon Documents. (a) The Issuing and Paying Agent shall have the right to rely and to act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Issuing and Paying Agent may consult with counsel, who may be counsel of or to DART, with regard to legal questions and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. The Issuing and Paying Agent shall not be liable hereunder except for its negligence or intentional misconduct.

(b) The Issuing and Paying Agent shall not be bound to recognize any person as the Holder of a Series I Note unless and until such Series I Note is submitted for inspection, if required, and his or her title thereto is satisfactorily established, if disputed.

(c) Whenever in the administration of the duties imposed upon it by this Resolution the Issuing and Paying Agent 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 be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, and such Certificate shall be full warrant to the Issuing and Paying Agent for any action taken or suffered in good faith under the provisions of this Resolution in reliance upon such Certificate, but in its discretion the Issuing and Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 8.04. Preservation and Inspection of Documents. The Issuing and Paying Agent shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Series I Notes, and any amounts received from the Trustee. Such books of record and account shall be available for inspection by DART, and any Holder, or an agent or representative duly authorized in writing, at reasonable hours, and under reasonable circumstances.

Section 8.05. Duty of Issuing and Paying Agent with Respect to Senior Subordinate Lien Debt Service Fund. The Issuing and Paying Agent shall calculate and furnish calculations

of Accrued Aggregate Debt Service for the Series I Notes upon request of the Trustee as provided in Section 5.3(c) of the Master Debt Resolution. The Issuing and Paying Agent shall deposit any amounts received from the Trustee pursuant to Section 5.3 of the Master Debt Resolution as directed in Section 5.02 of this Supplemental Debt Resolution.

## ARTICLE IX

### APPROVAL OF DOCUMENTS

Section 9.01. Approval of Issuing and Paying Agent Agreement. (a) The Issuing and Paying Agent Agreement, in substantially the form attached hereto as Exhibit B (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), is hereby approved and accepted.

(b) The respective officials of DART whose names appear thereon are authorized to execute and deliver the Issuing and Paying Agent Agreement to the Issuing and Paying Agent on and as of the Closing Date, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by their execution thereof.

(c) The Authorized Officers are authorized to exercise any rights reserved by or granted to DART under the Issuing and Paying Agent Agreement.

Section 9.02. Appointment of Initial Dealers; Approval of Dealer Agreements. (a) Loop Capital Markets LLC and JPMorgan Securities LLC are hereby appointed as the Dealers with respect to the Series I Notes. The Dealer Agreements, in substantially the form attached hereto as Exhibit C (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), are hereby approved and accepted.

(b) The respective officials of DART whose names appear thereon are authorized to execute and deliver the Dealer Agreements to the Dealers on and as of the Closing Date, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by their execution thereof.

(c) The Authorized Officers are authorized to exercise any rights reserved by or granted to DART under the Dealer Agreements.

(d) DART may remove the Dealer in accordance with the terms of the Dealer Agreement and substitute different Dealers with respect to the Series I Notes.

Section 9.03. Approval of Offering Memorandum. The Offering Memorandum of DART relating to the Series I Notes, as presented to the Board at this meeting are approved, and the same may be used in the offering and sale of the Series I Notes, subject to the terms and provisions of the Dealer Agreements, and subject to such changes therein as the Authorized Officers may approve.

Section 9.04. Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Resolution, including, without limitation, the execution, when required or appropriate in fulfilling the terms of this Resolution, of the Form of Instructions to the Issuing and Paying Agent attached hereto as Exhibit D.

Section 9.05. Opinion of Bond Counsel. DART shall cause the legal opinion of Bond Counsel, as to validity of the Series I Notes and as to the interest on any Tax-Exempt Series I Notes to be furnished to any Holder of Series I Notes without cost.

## **ARTICLE X**

### **SEVERABILITY AND EFFECTIVE DATE**

Section 10.01. 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 lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 10.02. Effective Date and Modification of Resolution. The provisions of this Resolution may be modified by any Authorized Officer prior to the effective date to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes hereof. This Resolution shall be in full force and effect as of the date shown on the Execution Page hereof.

(Execution Page Follows)

**ADOPTED THIS April 9, 2013.**

\_\_\_\_\_  
Chairman, Board of Directors

APPROVED AS TO FORM :

ATTEST:

\_\_\_\_\_  
General Counsel

\_\_\_\_\_  
Secretary, Board of Directors

[SEAL]

*Signature Page for Tenth Supplemental Debt Resolution*

**EXHIBIT A**  
**Forms of Series I Notes**

**EXHIBIT A-1**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAX-EXEMPT AMT)**

No.: \*\*  
Principal Amount:  
Interest Rate:  
Interest Amount:\_\_\_\_\_

Series I Note Date:\_\_\_\_\_

Stated Maturity Date:\_\_\_\_\_

Number of Days:\_\_\_\_\_

Registered Owner: CEDE & CO.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Tax-Exempt Series I Note (AMT)”) of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Tenth Supplemental Debt Resolution (the “Tenth Resolution,” and with the provisions of the Master Debt Resolution (the same being herein defined collectively as the “Resolutions”).

The Tax-Exempt Series I Notes (AMT) are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt Series I Notes (AMT) and Tax-Exempt Series II Notes (AMT) and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Tax-Exempt Series I Note (AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt Series I Note (AMT) and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on deposit in the Senior Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that is junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Tax-Exempt Series I Note (AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt Series I Notes (AMT) do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Tax-Exempt Series I Note (AMT), do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Tax-Exempt Series I Note (AMT), together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Tax-Exempt Series I Note (AMT) has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt Series I Note (AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Series I Note to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)



\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President,  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Series I Note is one of the Series I Notes delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A-2**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAX-EXEMPT NON-AMT)**

No.: \*\*  
Principal Amount:  
Interest Rate:  
Interest Amount:\_\_\_\_\_

Series I Note Date:\_\_\_\_\_

Stated Maturity Date:\_\_\_\_\_

Number of Days:\_\_\_\_\_

Registered Owner: CEDE & CO.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Tax-Exempt Series I Note (Non-AMT)”) of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Tenth Supplemental Debt Resolution (the “Tenth Resolution,” and with the provisions of the Master Debt Resolution (the same being herein defined collectively as the “Resolutions”).

The Tax-Exempt Series I Notes (Non-AMT) are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt Series I Notes (Non-AMT) and Tax-Exempt Series II Notes (Non-AMT) and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Tax-Exempt Series I Note (Non-AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt Series I Note (Non-AMT) and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on deposit in the Senior Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that is junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Tax-Exempt Series I Note (Non-AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt Series I Notes (Non-AMT) do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Tax-Exempt Series I Note (Non-AMT), do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Tax-Exempt Series I Note (Non-AMT), together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Tax-Exempt Series I Note (Non-AMT) has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt Series I Note (Non-AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Tax-Exempt Series I Note (Non-AMT) to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)

\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President,  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Tax-Exempt Series I Note (Non-AMT) is one of the Tax-Exempt Series I Notes (Non-AMT) delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A-3**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAXABLE)**

No.: \*\*  
Principal Amount:  
Interest Rate:  
Interest Amount:\_\_\_\_\_

Series I Note Date:\_\_\_\_\_

Stated Maturity Date:\_\_\_\_\_

Number of Days:\_\_\_\_\_

Registered Owner: CEDE & Co.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Taxable Series I Notes” of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Tenth Supplemental Debt Resolution (the “Tenth Resolution,” and with the provisions of the Master Debt Resolution (the same being herein defined collectively as the “Resolutions”).

The Taxable Series I Notes are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Taxable Series I Notes and Taxable Series II Notes and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Taxable Series I Note subject to the terms, provisions and conditions of the Resolutions.

This Taxable Series I Note and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on deposit in the Senior Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that is junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Taxable Series I Note is payable from the sources herein above identified securing the payment thereof and the Taxable Series I Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Taxable Series I Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Taxable Series I Note, together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Taxable Series I Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Taxable Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Taxable Series I Note (AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Taxable Series I Note to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)

\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President,  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Taxable Series I Note is one of the Taxable Series I Notes delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT B**

**Form of Issuing and Paying Agent Agreement**



**EXHIBIT C**

**Form of Dealer Agreements**

**EXHIBIT D**

**Form of Instructions to Issuing and Paying Agent**

\_\_\_\_\_, 20\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: Commercial Paper Operations

Re: Instructions to the Issuing and Paying Agent to Authenticate and Deliver  
Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to the Tenth Supplemental Debt Resolution adopted by the  
Board of Directors of DART on April 9, 2013 (the "Resolution").

Pursuant to Section 4.01 of the Resolution, you are hereby instructed to deliver an  
installment of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue  
Commercial Paper Notes, Series I (Self-Liquidity) (the "Notes") under the terms set forth below:

Number:	[Terms to be established from time to time
Principal Amount:	pursuant to procedures set forth in letter
Note Date:	attached hereto]
Stated Maturity Date:	
Rate of Interest if applicable:	
Purchase Price:	
(Taxable) (Tax-Exempt AMT)	
(Tax-Exempt Non-AMT) (specify	
type)	
Other terms and conditions:	

You are hereby instructed to authenticate the described installment of Notes by  
countersignature of your authorized officer or employee and deliver the Notes upon receipt of  
payment in immediately available funds of the full purchase price of the Notes, stated above as a  
percentage of the principal amount of the Notes to be authenticated and delivered. The rules of  
the New York Clearinghouse shall apply thereto.

The undersigned hereby represents that all action on DART's part under the Resolution  
necessary for the valid issuance of said installment of Notes has been taken, that all provisions of  
Texas law necessary for the valid issuance of said Notes have been complied with, and that said

Notes in the possession of the holders thereof will be the valid and enforceable obligations of DART according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

The undersigned hereby certifies that:

(i) No Event of Default under the Master Debt Resolution, as defined in the Resolution, has occurred and is continuing as of the date hereof.

(ii) DART has full power and authority to perform its duties and obligations with respect to the described Notes, and the other Obligations (as defined in Master Debt Resolution).

(iii) DART is in compliance with the covenants set forth in the Master Debt Resolution and the Resolution as of the date hereof;

(iv) The interest rates on the Notes does not exceed the Maximum Interest Rate (as defined in the Master Debt Resolution).

(v) Money estimated to be on deposit from time to time in the Senior Subordinate Lien Debt Service Fund are fully sufficient, based on projections of receipts of Pledged Revenues made by DART, to timely pay all outstanding Obligations and the Notes according to their terms on or before the dates due according to their terms.

(vi) No "Event of Default," as defined in Section 7.1 of the Master Debt Resolution, has occurred and is continuing.

(vii) DART, in the case of Tax-Exempt Notes, has complied with all provisions of federal law necessary, including from time to time, as required by the Code, the delivery of the Federal Tax Certificate, in order for the interest on the Notes to be exempt from federal income taxation.

(viii) DART has been advised by Bond Counsel that the project, if any, to be financed with the proceeds of the Notes will constitute an Eligible Project.

Very truly yours,

DALLAS AREA RAPID TRANSIT

By: \_\_\_\_\_  
Authorized Officer