

SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT

THIS SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT is dated January 21, 2005 (this “Amendment”), and, subject to the satisfaction of conditions precedent set forth in Section 2 hereof, the Amendment shall be effective January 21, 2005 (the “Effective Date”), among **DALLAS AREA RAPID TRANSIT (“DART”), LENDERS SIGNATORY HERETO** (the “Lenders”) and **WESTLB AG** (formerly known as Westdeutsche Landesbank Girozentrale), acting through its New York Branch, as Administrative Agent for the Lenders (the “Administrative Agent”).

WITNESSETH:

WHEREAS, the Lenders, the Administrative Agent and DART have previously entered into a Revolving Credit Agreement dated as of February 1, 2001 as amended by the First Amendment to Revolving Credit Agreement dated as of January 25, 2002 (as amended, the “Agreement”), relating to DART’s Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001;

WHEREAS, pursuant to its terms, the Agreement may be amended at any time by a written amendment thereto, signed by the Lenders, the Administrative Agent and DART; and

WHEREAS, the parties hereto wish to amend the Agreement as provided herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. Section 1.01 of the Agreement is hereby amended by the addition of the following definitions to be inserted in the appropriate alphabetical order:

“*Anniversary Date*” has the meaning set forth in Section 2.15(a).

“*BayernLB*” means Bayerische Landesbank (formerly known as Bayerische Landesbank Girozentrale), acting through its New York Branch.

“*BayernLB/LBBW/WLB Early Termination Date*” has the meaning set forth in Section 2.15(a).

“*Early Termination Notice*” has the meaning set forth in Section 2.15(a).

“*LBBW*” means Landesbank Baden- Württemberg, acting through its New York Branch.

“*Renewal Notice*” has the meaning set forth in Section 2.15(b).

“*State Street*” means State Street Bank and Trust Company.

“*State Street Non Renewal Date*” has the meaning set forth in Section 2.15(b) hereof.

“*Term Loan Amortization Commencement Date*” means, with respect to each Loan, the earlier of (a) the first anniversary of the date funds are initially advanced under Section 2.01 (a) to make such Loan and (b) the Revolving Credit Maturity Date.

“*WLB*” means WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale), acting through its New York Branch, as Lender.

1.02. The definitions of “*Commitment*,” “*Expiration Date*,” “*Interest Component*,” “*Principal Component*,” “*Revolving Credit Maturity Date*,” “*Term Loan*” and “*Term Loan Maturity Date*” appearing in Section 1.01 of the Agreement are hereby amended by deleting such definitions and in place thereof inserting the following:

“*Commitment*” means, with respect to each Lender, the amount set forth below under the heading Commitment for each Lender (each of which Commitment shall equal the sum of the Principal Component and the Interest Component specified below for each Lender), as such amount may be reduced pursuant to Sections 2.06, 6.02 or 6.03:

Lender	Commitment	Principal Component	Interest Component
BayernLB	\$167,308,220	\$162,500,000	\$4,808,220
LBBW	\$90,089,041	\$87,500,000	\$2,589,041
State Street	\$90,089,041	\$87,500,000	\$2,589,041
WLB	\$167,308,220	\$162,500,000	\$4,808,220

“*Expiration Date*” means the later of (a) 5:00 p.m. (New York time) on November 30, 2015, and (b) 5:00 p.m. (New York time) on the last day of any extension of such date pursuant to Section 2.09 hereof or, if such last day is not a Business Day, the Business Day next preceding such day.

“*Interest Component*” means, as to each Lender, the amount set forth in the definition of Commitment as such Lender’s Interest Component which shall equal 90 days interest on such Lender’s Principal Component at an assumed rate of 12% per annum computed on the basis of the actual days elapsed and on a 365-day year.

“*Principal Component*” means, as to each Lender, the amount set forth in the definition of Commitment as such Lender’s Principal Component, as such amount may be reduced pursuant to Sections 2.06, 6.02 or 6.03.

“*Revolving Credit Maturity Date*” means the earliest to occur of, (a) the Expiration Date, (b) the date on which the Aggregate Commitment is reduced to zero pursuant to Section 2.06, (c) the Substitution Date (d) the date on which the Notes are defeased pursuant to Article X of the Master Debt Resolution, (e) the BayernLB/LBBW/WLB Early Termination Date, (f) the State Street Non Renewal Date and (g) date the Commitments are terminated pursuant to Section 6.02(b) or 6.03(a).

“*Term Loan*” means a Loan, evidenced by the Loan Notes, made pursuant to Section 2.01(b) on the Term Loan Amortization Commencement Date.

“*Term Loan Maturity Date*” means the third anniversary of the Term Loan Amortization Commencement Date.

1.03. Section 2.01(b) and (c) of the Agreement are hereby amended by deleting the same and in place thereof inserting the following:

(b) ***Term Loans.*** Each Lender severally agrees that it will, on the Term Loan Amortization Commencement Date, on the terms and conditions set forth in this Agreement, including without limitation satisfaction of the conditions set forth in Section 2.02(d) and Section 3.03, make a Term Loan to DART in an amount equal to the principal amount which is outstanding and unpaid under such Lender’s Loan Note. The principal amount outstanding under each Term Loan shall be repaid as provided in Section 2.01(c)(iv). DART may not request and the Lenders shall not be required to make any Term Loans on a Term Loan Amortization Commencement Date which is also a Substitution Date. With respect to Term Loans, amounts required to be repaid or permitted to be prepaid pursuant to Section 2.07 shall not be reborrowed.

(c) ***Repayment of Loans and Term Loans.*** DART agrees to pay or cause to be paid to the Administrative Agent for the account of each Lender, without any requirement of notice or demand by the Administrative Agent or the Lenders, the following:

(i) an amount equal to all amounts advanced hereunder to pay interest accrued on Eligible Notes at maturity on the date advanced;

(ii) an amount equal to the excess of the proceeds from the sale of Commercial Paper Notes over the principal amount of Commercial Paper Notes maturing on the date such proceeds are received, but only to the extent of the amount of Loans outstanding hereunder;

(iii) an amount equal to the principal of all Loans outstanding on the Term Loan Amortization Commencement Date

to the extent not converted to Term Loans on such date pursuant to Sections 2.01(b) and 2.02(d); and

(iv) an amount equal to the principal amount of each Term Loan payable in six equal semi-annual principal installments on the first Business Day of the months which are six months, twelve months, eighteen months, twenty-four months, thirty months and thirty-six months after the Term Loan Amortization Commencement Date so that the Term Loans are repaid in full on the first Business Day of the month in which the third anniversary of the Term Loan Amortization Commencement Date occurs;.

1.04. Section 2.02(d) of the Agreement is hereby amended by deleting such Section and in place thereof inserting the following:

(d) Upon satisfaction of the terms and conditions in Section 3.03, an Authorized Officer may request that the outstanding principal balance of the Loans on the Term Loan Amortization Commencement Date be converted to Term Loans pursuant to a completed and signed Request for Term Loan made to each Lender not later than thirty days prior to the Term Loan Amortization Commencement Date. A completed and signed Request for Term Loan shall be made to the Lenders by delivery of a facsimile or other written form containing the information prescribed in Exhibit C hereto.

1.05. Section 2.04(c)(i)(B) is amended by deleting the phrase “(unless the Lender shall otherwise direct by written notice to the Board, provided, however such maturity date shall not be extended beyond January 1, 2006)” and in place thereof inserting “(unless the Lender shall otherwise direct by written notice to the Board, provided such maturity date shall not be extended beyond the latest date approved by the Board for DART’s 2001 commercial paper program)”.

1.06. The Agreement is amended by adding the following Section 2.15 immediately after Section 2.14:

Section 2.15. Early Termination by BayernLB/LBBW/WLB; State Street Non Renewal; Adjustment to Commitment Fees.

(a) *Early Termination by BayernLB, LBBW or WestLB.* Not less than 120 days prior to each of the third, sixth and ninth anniversary of January 21, 2005 (each, an “Anniversary Date”), either BayernLB, LBBW or WestLB may, in its sole and absolute discretion, terminate the Revolving Credit Period by delivering written notice (an “Early Termination Notice”) in the form of Exhibit I to DART, the Administrative Agent and each of the other Lenders. In the event BayernLB, LBBW or WestLB delivers an Early Termination Notice, the Revolving Credit Period shall terminate as of the close of business on the Anniversary Date to which such Early Termination Notice relates (each such date referred to herein as a “BayernLB/LBBW/WLB Early Termination Date”).

(b) *Non-Renewal by State Street.* Notwithstanding anything contained herein or in any related documents to the contrary, the Revolving Credit Period shall terminate on each Anniversary Date (or such other date as agreed to pursuant to the immediately succeeding sentence) unless not less than 150 days prior to such Anniversary Date (or such other date as agreed to pursuant to the immediately succeeding sentence), DART delivers a written request to the Administrative Agent and State Street requesting that State Street deliver to DART a Renewal Notice (each a “Renewal Notice”) in the form of Exhibit J to this Agreement. In response to such request and not less than 120 days prior to such Anniversary Date (or such other date as agreed to pursuant to this sentence), State Street may deliver to DART, the Administrative Agent and each Lender a Renewal Notice expressing its election to extend the Revolving Credit Period for an additional three year period (or for such other period of time agreed to by the parties hereto). In the event that such Renewal Notice is given (and a Bayern/LBBW/WLB Early Termination Notice is not given) the Revolving Credit Period will not terminate on the related Anniversary Date. In the event that State Street fails to so deliver a Renewal Notice, in its sole and absolute discretion, with respect to any Anniversary Date within the period specified above, the Revolving Credit Period shall terminate effective as of the close of business on such Anniversary Date (each such date referred to herein as a “State Street Non Renewal Date”).

(c) *Adjustment to Commitment Fees.* Upon not less than 120 days prior notice, the Administrative Agent, at the direction of all of the Lenders, shall adjust the Commitment Fees to a rate determined by all of the Lenders, in their sole and absolute discretion, as the then prevailing market rate by delivering written notice in the form of Exhibit H to this Agreement to DART, which notice shall set forth the revised Commitment Fees.

In the event that the Lenders adjust the Commitment Fees as provided in the immediately preceding paragraph, such adjustment to the Commitment Fees shall become effective on the first calendar day next succeeding the next Anniversary Date occurring at least 120 days after delivery of such notice, and thereafter shall remain in effect until further adjusted as provided herein. In the event the Lenders adjust the Commitment Fees, DART may cause the Revolving Credit Maturity Date to occur as permitted under this Agreement.

1.07. Reserved.

1.08. The Agreement is amended by deleting clauses (c) and (d) in Section 3.03.

1.09. The Agreement is amended by deleting Section 5.13(b) and in place thereof inserting “(b) Reserved.”

1.10. The Agreement is amended by deleting Section 8.14 in its entirety and in place thereof inserting the following:

Section 8.14. Term of the Agreement. The term of this Agreement shall be until the later of (a) the last day of the Revolving Credit Period and (b) the

payment in full of the principal of and interest on all Loans and Term Loans and all other amounts due hereunder.

1.11. The parties hereto agree that the references to the Lender's Commitment, Principal Component and Interest Component on the signature pages to the Agreement shall be disregarded.

1.12. The Agreement is amended by changing the reference to the "Revolving Credit Maturity Date" in clause 1. of Exhibit C to the "Term Loan Amortization Commencement Date."

1.13. The Agreement shall be amended by the addition of the Exhibits to this Amendment marked Exhibit H, Exhibit I and Exhibit J which shall be added to the Agreement following Exhibit G thereto.

2. CONDITIONS PRECEDENT.

This Amendment shall become effective on the Effective Date subject to the satisfaction of or waiver by the Lenders of all of the following conditions precedent:

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

(b) Delivery to each Lender a Loan Note in the amount of its Commitment.

(c) The following statements shall be true and correct as of the date hereof:

(i) the representations and warranties of DART contained in the Agreement and each of the related documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date); and

(ii) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.02. Payment to the Administrative Agent, for the account of each Lender, on the Effective Date of, (a) a closing fee of \$2,500 per Lender and (b) the reasonable fees and expenses of Kutak Rock LLP, legal counsel to the Administrative Agent and the Lenders.

2.03. All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Lenders and their counsel.

3. REPRESENTATIONS AND WARRANTIES OF DART.

In addition to the representations given in Section 5.1 of the Agreement, DART hereby represents and warrants as follows:

3.01. The execution, delivery and performance by DART of this Amendment and the Agreement, as amended hereby, 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 DART.

3.02. 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 DART of this Amendment or the Agreement, as amended hereby.

3.03. This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of DART enforceable against DART in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of DART, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

3.04. The statements set forth in Section 2.01(c) hereof are true and correct as of the Effective Date.

4. MISCELLANEOUS.

Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this 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 to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein 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. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. This Amendment, and the Agreement, as amended hereby, shall be deemed to be a contract under, and for all purposes shall be governed by, and construed and interpreted in accordance with, the laws of the States of Texas and New York in the manner provided in Section 8.09 of the Agreement.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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[Signature page to Second Amendment to Revolving Credit Agreement]

DALLAS AREA RAPID TRANSIT

By _____
Name _____
Title _____

[Signatures continued on following page]

[Signature page to Second Amendment to Revolving Credit Agreement]

BAYERISCHE LANDESBANK (formerly
known as Bayerische Landesbank Girozentrale),
acting through its New York Branch, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[Signatures continued on following page]

[Signature page to Second Amendment to Revolving Credit Agreement]

LANDESBANK BADEN-WÜRTTEMBERG,
acting through its New York Branch, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[Signatures continued on following page]

[Signature page to Second Amendment to Revolving Credit Agreement]

STATE STREET BANK AND TRUST
COMPANY, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[Signatures continued on following page]

[Signature page to Second Amendment to Revolving Credit Agreement]

WESTLB AG (formerly known as
Westdeutsche Landesbank Girozentrale), acting
through its New York Branch, as Lender and as
Administrative Agent for the Lenders

By _____
Name _____
Title _____

By _____
Name _____
Title _____

EXHIBIT H

NOTICE OF ADJUSTMENT OF COMMITMENT FEES

[DATE]

Dallas Area Rapid Transit
1401 Pacific Avenue
Dallas, TX 75202
Attention: Chief Financial Officer

Re: Notice of Adjustment of Commitment Fees

Pursuant to Section 2.15(c) of the Revolving Credit Agreement dated as of February 1, 2001, as amended (the "Agreement"), among Dallas Area Rapid Transit ("DART"), the Lenders Signatory Hereto (the "Lenders") and WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale), acting through its New York Branch, as Administrative Agent for the Lenders (the "Administrative Agent"), the Lenders have decided to adjust the Commitment Fees. The new Commitment Fees are [_____]%, and such new Commitment Fees become effective on [_____] [_____].

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DART's acknowledgment hereof shall be deemed to be the acceptance of such new Commitment Fees and representation that all its representations contained in Article IV of the Agreement are true and correct and will be true and correct as of the date hereof and that no Default or Event of Default has occurred and is continuing.

Very truly yours,

BAYERISCHE LANDESBANK (formerly known as Bayerische Landesbank Girozentrale), acting through its New York Branch, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

LANDESBANK BADEN- WÜRTTEMBERG, acting through its New York Branch, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

STATE STREET BANK AND TRUST
COMPANY, as Lender

By _____
Name _____
Title _____

By _____
Name _____
Title _____

WESTLB AG (formerly known as
Westdeutsche Landesbank Girozentrale), acting
through its New York Branch, as Lender and as
Administrative Agent for the Lenders

By _____
Name _____
Title _____

By _____
Name _____
Title _____

Acknowledged and accepted as of
_____, _____ by
DALLAS AREA RAPID TRANSIT

By _____
Name _____
Title _____

EXHIBIT I

EARLY TERMINATION NOTICE

[DATE]

Dallas Area Rapid Transit
1401 Pacific Avenue
Dallas, TX 75202
Attention: Chief Financial Officer

Re: Early Termination Notice

Pursuant to Section 2.15(a) of the Revolving Credit Agreement dated as of February 1, 2001, as amended (the "Agreement"), among Dallas Area Rapid Transit ("DART"), the Lenders Signatory Hereto (the "Lenders") and WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale), acting through its New York Branch, as Administrative Agent for the Lenders (the "Administrative Agent"), [BayernLB] [LBBW] [WLB] hereby, in its sole and absolute discretion, elects to terminate the Revolving Credit Period effective the next occurring Anniversary Date.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

[BAYERISCHE LANDESBANK (formerly known as Bayerische Landesbank Girozentrale), acting through its New York Branch]

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[LANDESBANK BADEN- WÜRTTEMBERG, acting through its New York Branch, as Lender]

By _____
Name _____
Title _____

By _____
Name _____
Title _____

[WESTLB AG (formerly known as Westdeutsche Landesbank Girozentrale), acting through its New York Branch, as Lender]

By _____
Name _____
Title _____

By _____
Name _____
Title _____

cc: State Street Bank and Trust Company
[Bayerische Landesbank]
[WestLB AG,]
[Landesbank Baden-Württemberg]

EXHIBIT J
RENEWAL NOTICE

[DATE]

Dallas Area Rapid Transit
1401 Pacific Avenue
Dallas, TX 75202
Attention: Chief Financial Officer

WestLB AG, as Administrative Agent for the
Lenders
New York Branch
1211 Avenue of the Americas
New York, NY 10036
Attention: _____

Re: Renewal Notice

Pursuant to Section 2.15(b) of the Revolving Credit Agreement dated as of February 1, 2001, as amended (the "Agreement"), among Dallas Area Rapid Transit ("DART"), the Lenders Signatory Hereto (the "Lenders") and WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale) ("WestLB"), acting through its New York Branch, as Administrative Agent for the Lenders (the "Administrative Agent"), State Street hereby elects to extend the Revolving Credit Period to _____, 20__.

[Remainder of Page Left Intentionally Blank]

Very truly yours,

STATE STREET BANK AND TRUST
COMPANY

By _____
Name _____
Title _____

By _____
Name _____
Title _____

Acknowledged and accepted as of
_____, _____ by
DALLAS AREA RAPID TRANSIT

By _____
Name _____
Title _____

cc: Bayerische Landesbank
Landesbank Baden-Württemberg
WestLB AG,