

## RESOLUTION

of the



DALLAS AREA RAPID TRANSIT BOARD

(Executive Committee)

**RESOLUTION**

**AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBSTITUTE REVOLVING CREDIT AGREEMENT FOR DALLAS AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX REVENUE COMMERCIAL PAPER NOTES, SERIES 2001, AMENDING THE FIRST SUPPLEMENTAL DEBT RESOLUTION ACCORDINGLY, APPROVING AN OFFERING MEMORANDUM, AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT**

WHEREAS, the Board of Directors (the "Board") of Dallas Area Rapid Transit ("DART") pursuant to Resolution No. 010014 (the "Master Debt Resolution") and Resolution No. 010015 (the "First Supplemental Debt Resolution"), both approved by the Board on January 23, 2001, authorized the issuance of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001 in the maximum principal amount of \$650,000,000 (the "Commercial Paper Notes"); and

WHEREAS, by Resolution No. 100049, approved by the Board on April 13, 2010, the First Supplemental Debt Resolution was amended to provide, among other matters, the extension of the "Maximum Maturity Date" of the Commercial Paper Notes to January 15, 2041; and

WHEREAS, the Board has determined that it is in the best interest of DART to replace the existing Revolving Credit Agreement relating to the Commercial Paper Notes with a substitute Revolving Credit Agreement (the "Substitute Revolving Credit Agreement") between DART and Bank of America, N.A. (the "Bank"), and to authorize and approve the execution of the Substitute Revolving Credit Agreement and to approve related amendments to the First Supplemental Debt Resolution and a form of Offering Memorandum for the Commercial Paper Notes; and

WHEREAS, the Board of DART hereby finds and determines that adoption of this Resolution is in the best interest of DART in the financing of its transit system on the most effective basis and performing its lawful purposes.

NOW, THEREFORE, BE IT RESOLVED by the Dallas Area Rapid Transit Board of Directors that:

Section 1: Approval of Substitute Revolving Credit Agreement. The Substitute Revolving Credit Agreement, in substantially the form attached hereto as Exhibit A, and pursuant to the authority of Chapter 1371, Texas Government Code, as amended, is hereby approved, and the Chairman of the Board, the President/Executive Director, the Chief Financial Officer, the Vice President, Finance, and the Treasurer are each, acting individually, hereby designated, authorized, empowered and directed to execute and deliver the same, with such changes therein as such officer shall deem appropriate and in the best interests of DART, as conclusively evidenced by the execution thereof.

Section 2: Amendments to First Supplemental Debt Resolution.

(a) Section 1.2 of the First Supplemental Debt Resolution is hereby amended by adding the following definition of "Administrative Agent":

**Administrative Agent** – means any Lender designated to act as "administrative agent" for a group of Lenders. If there is only one Lender, Administrative Agent shall be deemed to refer to such Lender.

(b) Section 1.2 of the First Supplemental Debt Resolution is hereby further amended by deleting the definitions of "Current Revolving Credit Agreement Expiration Date," "Lenders," "Loans," "Revolving Credit Agreement," and "Term Loans" and in place thereof inserting the following:

**Current Revolving Credit Agreement Expiration Date** - means the expiration date of the Revolving Credit Agreement as initially established in, and as it may be extended from time to time in accordance with the terms and provisions of, the Revolving Credit Agreement.

**Lenders** – mean any provider(s) of liquidity and/or credit for the Notes pursuant to a Revolving Credit Agreement.

**Loans** - means the monies loaned, and to be loaned, to DART, pursuant to the Revolving Credit Agreement, other than Term Loans.

**Revolving Credit Agreement** – means the instrument, and each replacement, renewal, or extension thereof, approved and authorized to be executed pursuant to Section 8.1 of this Resolution or any amendment or supplement to this Resolution including all amendments, modifications, and supplements permitted pursuant to the terms of the Revolving Credit Agreement.

**Term Loans** - means the unpaid principal amount of the Loans that are converted to "term loans" pursuant to the Revolving Credit Agreement.

(c) Subsections 1.5(a)(iii) and (x) of the First Supplemental Debt Resolution are hereby amended by deleting such subsections in their entirety and in place thereof inserting the following:

(iii) The Administrative Agent, acting on behalf of the Lenders as Credit Providers, acting through the Required Lenders, is authorized to give and withdraw notices of default under the provisions of Section 7.1(iii) of the Master Debt Resolution.

(x) The rate referred to in subparagraph (c)(ii)(C) of Section 5.3 of the Master Debt Resolution shall be the interest rate payable by DART for such Debt Service Accrual Period as specified in the Revolving Credit Agreement.

(d) Subsection 3.1(b) of the First Supplemental Debt Resolution is hereby amended by deleting subsection (vi) in its entirety and in place thereof inserting the following subsection (vi) and by adding the following subsection (viii):

(vi) repaying the Loans and Term Loans, if any, payable to the Lenders in the amounts and to the extent required by the terms of the Revolving Credit Agreement.

(viii) and for any other purpose permitted by Applicable Law.

(e) Subsection 4.1(d) of the First Supplemental Debt Resolution is hereby amended by deleting such subsection in its entirety and in place thereof inserting the following:

If, on any date on which DART seeks to sell Notes in order to obtain funds for the purpose of paying the principal of and/or the interest on previously issued and Outstanding Notes, the Dealers are unable to sell the same on terms acceptable to the President of DART on the Stated Maturity Date of the Outstanding Notes, an Authorized Officer shall, on or before the time set forth in the Revolving Credit Agreement, give a Notice of Loan to the Administrative Agent and obtain Loans from the Lenders in the required aggregate amount necessary to pay the Notes at maturity, subject to and in accordance with the Revolving Credit Agreement.

(f) Subsection 4.2(b)(ii) of the First Supplemental Debt Resolution is hereby amended by deleting such subsection in its entirety and in place thereof inserting the following:

(ii) second, to the payment of the principal of any Loans and Term Loans Outstanding on 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 Loans and Term Loans, to the payment of interest on such Outstanding Loans and Term Loans; and

(h) Items (vi) and (vii) on Exhibit D (Form of Instructions to the Issuing and Paying Agent) are hereby amended by deleting such items in their entirety and in place thereof inserting the following:

(vi) The Revolving Credit Agreement is in full force and effect and the Stated Maturity Date set forth above is not later than the Business Day preceding the date of expiration of the Revolving Credit Agreement, and the amount of available and unallocated Loans thereunder is at least equal to the principal of and the interest to accrue on the requested installment of Notes.

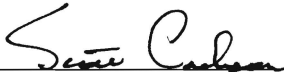
(vii) No "Event of Default" as defined in Section 7.1 of the Master Debt Resolution and no "Event of Default" as defined in the Revolving Credit Agreement has occurred and is continuing.

Section 3:

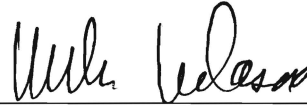
Approval of Offering Memorandum. The Offering Memorandum of DART relating to the Notes, substantially in the form attached as Exhibit B hereto, is hereby approved and the same may be used in the offering and sale of the Notes, subject to the terms and provisions of the Dealer Agreements, and subject to such changes therein as the Authorized Officers (as defined in the Master Debt Resolution), may approve.

- Section 4: Related Documents. The Authorized Officers are each authorized, empowered, and directed to execute any supplements and amendments to the "Dealer Agreement," the "Co-Dealer Agreement" and the "Issuing and Paying Agent Agreement" currently in effect with respect to the Commercial Paper Notes, and such other agreements providing for the security for and payment of the Commercial Paper Notes, as are necessary to effectuate the substitution of the Substitute Revolving Credit Agreement and to conform such agreements to the provisions of the Substitute Revolving Credit Agreement.
- Section 5: Further Acts. The Authorized Officers are each authorized, empowered, and directed to execute such documents and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of the Resolution.
- Section 6: Effective Date of Amendments. The amendments to the First Supplemental Debt Resolution provided for herein shall take effect on the date the Substitute Revolving Credit Agreement becomes effective (the "Effective Date"). The amendments set forth herein shall apply to any and all Commercial Paper Notes issued on and after the Effective Date. The purchasers of Commercial Paper Notes on and after the Effective Date shall be deemed to have specifically consented to the amendments set forth herein.

**AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBSTITUTE REVOLVING CREDIT AGREEMENT FOR DALLAS AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX REVENUE COMMERCIAL PAPER NOTES, SERIES 2001, AMENDING THE FIRST SUPPLEMENTAL DEBT RESOLUTION ACCORDINGLY, APPROVING AN OFFERING MEMORANDUM, AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT**

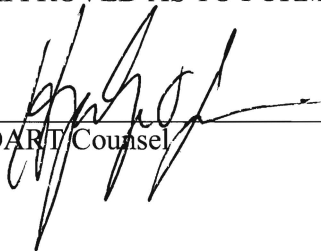


\_\_\_\_\_  
Scott Carlson  
Secretary



\_\_\_\_\_  
William Velasco  
Chair

APPROVED AS TO FORM:



\_\_\_\_\_  
DART Counsel

ATTEST:



\_\_\_\_\_  
Gary C. Thomas  
President/Executive Director

December 14, 2010  
\_\_\_\_\_  
Date

REVOLVING CREDIT AGREEMENT

dated as of December \_\_, 2010

between

DALLAS AREA RAPID TRANSIT

and

BANK OF AMERICA, N.A.

relating to

DALLAS AREA RAPID TRANSIT

SENIOR SUBORDINATE LIEN

SALES TAX REVENUE

COMMERCIAL PAPER NOTES, SERIES 2001

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## REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT is dated as of December \_\_, 2010, between DALLAS AREA RAPID TRANSIT (“*DART*”), 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, Texas Transportation Code, as amended (the “*Act*”), and BANK OF AMERICA, N.A. (the “*Lender*”).

### RECITALS:

WHEREAS, the Subregional Board of Directors (the “*Board*”) of DART has authorized DART to borrow money through the issuance and reissuance of its “Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001” (the “*Commercial Paper Notes*”), in the maximum principal amount equal to the principal component of the Commitment (as herein defined), pursuant to the Master Debt Resolution authorizing Dallas Area Rapid Transit Sales Tax Revenue Obligations adopted on January 23, 2001, as amended by the Amended and Restated Sixth Supplemental Debt Resolution (Resolution No. 090076) adopted by the Board on May 26, 2009, and the Seventh Supplemental Debt Resolution (Resolution No. 100114) adopted by the Board on September 14, 2010 (the “*Master Debt Resolution*”) and a First Supplemental Debt Resolution No. 010015 adopted by the Board on January 23, 2001, as amended by Resolution No. 100049 adopted by the Board on April 13, 2010 (the “*Resolution*”);

WHEREAS, the Resolution, as supplemented by [**Resolution of Dallas Area Rapid Transit (Executive Committee) No. \_\_\_\_\_ (the “Supplemental Resolution”)**], authorizes DART to execute a credit agreement in the form and to the effect set forth herein with respect to the Commercial Paper Notes;

WHEREAS, DART has requested the Lender to provide liquidity to support such Commercial Paper Notes by making available a revolving line of credit, initially in an aggregate amount not to exceed \$154,438,357 (said amount calculated to provide liquidity for the maximum aggregate principal amount of Commercial Paper Notes outstanding at any time, together with interest thereon for a period of ninety (90) days at the rate of 12% per annum) at any time outstanding. The Lender is willing to make available such a revolving line of credit to DART, subject to the terms and conditions of this Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

*Section 1.01. Definitions.* In addition to other terms defined herein, unless the context shall indicate a contrary meaning or intent, the following terms shall have the respective

meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

“*Act*” means Chapter 1371, Texas Government Code, as amended, modified or supplemented from time to time.

“*Affiliate*” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“*Agreement*” shall mean this Revolving Credit Agreement, as amended, supplemented or otherwise modified from time to time.

“*Authorized Officer*” means the President and Executive Director, the Chief Financial Officer, the Treasurer, the Assistant Treasurer or such other officer or employee of DART so designated by the Board to perform the duties of an “*Authorized Officer*” hereunder pursuant to the Resolution or the Master Debt Resolution.

“*Available Funds*” means, for any period, the Pledged Revenues, plus operating revenue, plus interest income during such period, less operating expenses net of debt service and depreciation for such period plus the actual ending cash balance, at the end of each calendar quarter, maintained in the accounts of DART identified in the certificate of DART described in Section 6.01(z)(iii), to the extent, but only to the extent, the same are free and clear of any lien or encumbrance other than the lien on Pledged Revenues granted pursuant to the Master Debt Resolution, less any reserves maintained in connection with DART’s self-insurance program.

“*Available Commitment*” shall mean, at any date, the sum of the Available Principal Commitment and the Available Interest Commitment then in effect.

“*Available Interest Commitment*” shall mean, and in no event shall it exceed, \$4,438,357 which constitutes ninety (90) days of interest at twelve percent (12%) on the maximum Available Principal Commitment calculated on the basis of actual number of days and a 365 day year, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Interest Component of any Loan; (b) upward in an amount equal to the Interest Component of any Loan that is repaid, pursuant to the terms of Section 2.03 or 2.07; and (c) downward by an amount that bears the same proportion to the Available Interest Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, however*, that after giving effect to any such adjustment the Available Interest Commitment shall never exceed \$4,438,357. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*Available Principal Commitment*” shall mean, and in no event shall it exceed, \$150,000,000, such initial amount adjusted from time to time as follows: (a) downward in an amount equal to the Principal Component of any Loan; (b) upward in an amount equal to the Principal Component of any Loan that is repaid pursuant to the terms of Section 2.03 or 2.07;

and (c) downward by an amount that bears the same proportion to the Available Principal Commitment immediately prior to such reduction as the amount of any reduction in the Commitment bears to the Commitment immediately prior to such reduction; *provided, that*, after giving effect to any such adjustment the Available Principal Commitment shall never exceed \$150,000,000. Any adjustments pursuant to clause (a), (b) or (c) above shall occur simultaneously with the event requiring such adjustment.

“*BANA*” means Bank of America, N.A.

“*Bank Note*” shall mean the promissory note made by DART to the order of the Lender, evidencing Loans payable from the Collateral, substantially in the form of Exhibit A attached hereto, with appropriate completions, and any and all renewals, extensions or modifications thereof.

“*Bank Rate*” means, for each day of determination with respect to any Loans, except as provided in Section 2.04 hereof, a rate per annum equal to (i) for the period from and including the date such Loan is made to but not including the earlier to occur of (x) the Conversion Date and (y) the date which is ninety (90) calendar days immediately following the date such Loan is made, the Base Rate from time to time in effect and (ii) for the period from and including the date which is ninety-one (91) calendar days immediately following the date such Loan is made to but not including the Conversion Date, the Base Rate from time to time in effect plus one percent (1.00%); *provided* that from and after the occurrence of an Event of Default, “*Bank Rate*” shall mean the Default Rate; *provided further* that at no time shall the Bank Rate be less than the highest per annum rate of interest applicable to any outstanding Commercial Paper Notes.

“*Base Rate*” shall mean, for any day, the highest of (i) the Federal Funds Rate *plus* three percent (3.0%), (ii) the rate of interest in effect for such day as publicly announced from time to time by BANA as its “prime rate,” *plus* one and one-half of one percent (1.50%) or (iii) seven and one-half of one percent (7.50%). The “prime rate” is a rate set by BANA based upon various factors including BANA’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by BANA shall take effect at the opening of business on the day specified in the public announcement of such change.

“*Board*” means the Subregional Board of Directors of DART.

“*Bond Obligation*” has the meaning set forth in the Master Debt Resolution.

“*Business Day*” shall mean any day (i) when banks are not required or authorized by law or executive order to be closed in Dallas, Texas, New York, New York or the city in which the office of the Lender at which demands hereunder are to be honored is located and (ii) when the New York Stock Exchange is not required or authorized by law or executive order to be closed.

“*Change in Law*” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change

in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

“*Code*” shall mean the Internal Revenue Code of 1986, as amended, and when reference is made to a particular section thereof, the applicable Treasury Regulations from time to time promulgated or proposed thereunder.

“*Collateral*” has the meaning set forth in Section 2.09 hereof.

“*Commercial Paper Notes*” has the meaning set forth in the recitals hereto.

“*Commitment*” shall mean an amount equal to \$154,438,357, as such amount may be terminated and reduced pursuant to Section 2.06 or 7.01 hereof.

“*Commitment Termination Date*” shall mean the earlier of:

- (a) **[January [ ], 2014]**, or such later date as may be established pursuant to Section 2.10 hereof;
- (b) the date the Commitment is reduced to zero pursuant to Section 2.06 or Section 7.01 hereof; and
- (c) the Substitution Date.

“*Control*” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “*Controlling*” and “*Controlled*” have meanings correlative thereto.

“*Conversion Date*” is defined in Section 2.03(a) hereof.

“*DART*” shall mean the Dallas Area Rapid Transit, 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, Texas Transportation Code, as amended.

“*Dealers*” shall mean each dealer or remarketing agent selected from time to time by DART to market or remarket the Commercial Paper Notes in accordance with the Resolution.

“*Dealer Agreements*” shall mean the Dealer Agreements between DART and the Dealers, approved and authorized to be executed pursuant to the Resolution, as they may be amended, supplemented or otherwise modified from time to time in accordance with their terms, or any similar agreements with a substitute or successor Dealer or Dealers.

“*Debt*” of any Person means, at any date and without duplication, (i) all obligations of such Person for borrowed money, including without limitation, obligations secured by any of the revenues or assets of such Person and all obligations of such Person evidenced by bonds (including revenue bonds), debentures, notes or other similar instruments, (ii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iii) all obligations of such Person as lessee under capital leases, (iv) all indebtedness of others secured by a Lien on any asset of such Person, whether or not such indebtedness is assumed by such Person, (v) all indebtedness of others guaranteed by, or secured by any of the revenues or assets of, such Person and (vi) net payment obligations of such Person under any Swap Contract.

“*Debt Service*” has the meaning set forth in the Master Debt Resolution.

“*Debt Service Accrual Period*” has the meaning set forth in the Master Debt Resolution.

“*Debtor Relief Laws*” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“*Default*” shall mean any condition or event that constitutes an Event of Default or that, with the giving of notice or lapse of time or both, would constitute an Event of Default.

“*Default Rate*” shall mean a rate of interest per annum equal to the Base Rate, *plus* three percent (3.0%).

“*Effective Date*” means December \_\_, 2010, so long as the conditions precedent set forth in Section 4.01 hereof have been satisfied or waived.

“*Employee Plan*” shall mean an employee benefit plan covered by Title IV of ERISA and maintained for employees of DART.

“*ERISA*” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and, unless the context otherwise requires, the rules and regulations promulgated thereunder from time to time.

“*Excluded Tax*” means, with respect to the Lender or any other recipient of any payment to be made by or on account of any obligation of DART hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located or, in the case of the Lender, in which its applicable Lending Office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which

DART is located, and (c) any backup withholding tax that is required by the Code to be withheld from amounts payable to the Lender for failure to comply with clause (A) of Section 3.01(e)(ii).

“*Existing Revolving Loans*” has the meaning set forth in Section 2.02(a)(iii) hereof.

“*Facility Fee*” has the meaning assigned that term in the Fee Letter.

“*Federal Funds Rate*” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to BANA on such day on such transactions as determined by the Lender.

“*Fee Letter*” means that certain Fee Letter Agreement dated as of the Effective Date, between DART and the Lender, as the same may be amended and supplemented from time to time and any agreement entered into in substitution thereof.

“*Final Maturity Date*” shall mean, with respect to any Term Loan, the earlier to occur of (i) the third anniversary of the Conversion Date for such Term Loan, (ii) the third anniversary of the Commitment Termination Date in effect on the Conversion Date for such Term Loan, (iii) the Substitution Date that a substitute liquidity or credit facility replaces this facility, and (iv) the date that the Available Commitment is permanently reduced to zero or this facility is otherwise terminated prior to the Commitment Termination Date, including the occurrence of an Event of Default.

“*Fiscal Year*” shall mean the period beginning on October 1 of each year and ending on the next succeeding September 30, or any other twelve month period hereafter designated as the official fiscal year period of DART, which designation shall be provided to the Lender in a certificate of DART.

“*Governmental Authority*” shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, any central bank or other governmental or quasi-governmental authority exercising control over Lender or other financial institutions, and any corporation or other entity or authority owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

“*Gross Sales Tax Revenues*” has the meaning set forth in the Master Debt Resolution.



“*Holder*” shall mean the Lender and any other holder of a Bank Note or any Person to which the Lender or any such other holder sells a participation in a Bank Note (whether or not DART was given notice of such sale and whether or not the Holder has an interest in a Bank Note at the time amounts are payable to such Holder thereunder and under this Agreement).

“*Incipient Event of Insolvency or Dissolution*” means, if any provision of the Bankruptcy Code permits involuntary proceedings or petitions to be filed against entities like DART, the commencement or filing of any involuntary proceeding or involuntary petition of the type described in Sections 7.01(g) hereof.

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“*Interest Component*” in respect of any Loan, shall mean the portion of such Loan determined pursuant to Section 2.01.

“*Interim Obligations*” has the meaning set forth in the Master Debt Resolution.

“*Issuing and Paying Agent*” shall mean the firm serving as issuing and paying agent for the Commercial Paper Notes pursuant to the Resolution. As of the Effective Date, the Issuing and Paying Agent is Deutsche Bank Trust Company Americas.

“*Issuing and Paying Agency Agreement*” shall mean the Commercial Paper Issuing and Paying Agency Agreement, effective as of April 3, 2006, between DART and the Issuing and Paying Agent, approved and authorized by Section 8.2 of the Resolution, as 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 and approved in writing by the Lender which approval shall not be unreasonably withheld.

“*Junior Subordinate Lien Obligations*” has the meaning set forth in the Master Debt Resolution.

“*Laws*” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“*Lender*” has the meaning specified in the introductory paragraph hereto.

“*Lending Office*” means the office or offices of the Lender described as such on Schedule I attached hereto, or such other office or offices as a Lender may from time to time notify DART.

“*Lien*” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“*Loan*” shall mean a Revolving Loan or a Term Loan made by the Lender to DART pursuant to Article II hereof.

“*Master Debt Resolution*” has the meaning set forth in the recitals hereto.

“*Material Adverse Effect*” shall mean a material adverse effect on any of (a) the financial condition or financial operations of DART, (b) the ability of DART to perform any of its other obligations under this Agreement or any of the other Related Documents, (c) the legality, validity or enforceability of this Agreement or any of the other Related Documents, (d) the rights and remedies of the Lender under this Agreement or any of the other Related Documents, or (e) the creation, perfection or priority of the lien on any collateral securing the payment of principal of, and interest on, the Loans, arising under the Master Debt Resolution or the Resolution.

“*Maximum Interest Rate*” shall mean the maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by DART in the exercise of its borrowing powers.

“*Moody’s*” shall mean Moody’s Investors Service, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by DART.

“*Note Counsel*” shall mean Vinson & Elkins L.L.P. and West & Associates, L.L.P., or any other firm or firms selected by DART whose opinion concerning bond matters is nationally recognized.

“*Notice of Loan*” shall mean a written borrowing request, in substantially the form of Exhibit B hereto, with appropriate completions, executed by DART, which requests a Revolving Loan from the Lender.

“*Obligations*” means all advances to, and debts, liabilities, obligations, covenants and duties of, DART arising under any Related Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against DART of any proceeding under any Debtor Relief Laws naming DART as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“*Offering Memorandum*” means the Offering Memorandum dated [December \_\_, 2010], relating to the Commercial Paper Notes, as supplemented or amended from time to time.

“*Other Taxes*” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“*Outstanding*” has the meaning set forth in the Master Debt Resolution.

“*Parity and Senior Debt*” means (i) any bonds, notes, certificates, debentures or other evidence of similar indebtedness issued by or on behalf of DART the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note, (ii) the obligations of DART under any Swap Contract (other than any termination payments under any Swap Contract) (the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note) providing interest rate support with respect to any indebtedness issued by or on behalf of DART the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note, (iii) any obligation of DART as lessee under a capital lease the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note (x) which is not subject to appropriation or abatement or (y) which is rated by each Rating Agency then rating the Commercial Paper Notes at a level equal to or higher than the unenhanced debt rating assigned by each such Rating Agency to the Commercial Paper Notes, and (iv) any Guarantee by DART the payment of which ranks senior to or on parity with the Commercial Paper Notes and the Bank Note (*provided, however*, that the failure to pay any such Guarantee as a result of any set-off, recoupment, counterclaim or any other defense of DART shall not constitute a failure to pay Parity and Senior Debt for purposes of this Agreement).

“*Participant*” shall mean any Person which in accordance with Section 8.06(b) hereof shall participate in the benefits and obligations of the Lender hereunder pursuant to a participation agreement between the Lender and such Person.

“*Person*” shall mean an individual, a corporation, a partnership, an association, a limited liability company, a partnership, a trust, or any other entity or organization, including a Governmental Authority.

“*Pledged Revenues*” has the meaning set forth in the Master Debt Resolution.

“*Principal Component*” in respect of any Loan, shall mean the portion of such Loan equal to the principal amount of Commercial Paper Notes paid with the proceeds of such Loan.

“*Rating Agencies*” shall mean S&P and Moody’s.

“*Related Documents*” shall mean this Agreement, the Fee Letter, the Resolution, the Master Debt Resolution, the Supplemental Resolution, the Offering Memorandum, the Issuing and Paying Agency Agreement, any Dealer Agreement, the Commercial Paper Notes, the Bank Note or any exhibit or schedule to any of the foregoing.

“*Related Parties*” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person’s Affiliates.

“*Resolution*” means the First Supplemental Debt Resolution No. 010015 approved by the Board on January 23, 2001, authorizing the issuance of the Commercial Paper Notes, and, where applicable, DART’s execution, delivery and performance of this Agreement, and the Related Documents, as amended from time to time.

“*Revolving Credit Period*” shall mean the period commencing on the Effective Date and ending on the Commitment Termination Date.

“*Revolving Loan*” shall mean each revolving loan made by the Lender to DART pursuant to Section 2.01(a) hereof.

“*S&P*” shall mean Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or if such division is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by DART.

“*Sales Tax*” has the meaning set forth in the Master Debt Resolution.

“*Senior Lien Obligations*” shall have the same meaning herein as in the Master Debt Resolution.

“*Senior Subordinate Lien Obligations*” shall have the same meaning herein as in the Master Debt Resolution.

“*Senior Subordinate Lien Debt Service Fund*” shall have the same meaning herein as in the Master Debt Resolution.

“*Special Events of Default*” shall mean the Events of Default described in Section 7.01(a)(i), (e), (f)(i), (g), (h)(i), (i) and (j)(ii).

“*Standard Assumptions*” has the meaning set forth in the Master Debt Resolution.

“*Stop Order*” shall mean the notice described in Section 4.04 hereof.

“*Substitution Date*” means the date of acceptance by DART of a substitute credit facility in accordance with the terms and provisions of the Resolution.

“*Supplement*” shall mean any extension, renewal, modification, amendment, supplement and substitution.

“*Supplemental Resolution*” has the meaning set forth in the Recitals hereto.

“*Suspension Events*” shall mean the occurrence of an Event of Default pursuant to Section 7.01(h)(ii) hereof or a Default pursuant to Section 7.01(g)(ii) or (iii) hereof which causes the suspension of the obligations of the Lender hereunder.

“*Swap Contract*” means (a) any and all rate swap transactions, basis swaps, total return swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“*Term Loan*” shall mean each term loan made by the Lender to DART pursuant to Section 2.01(b) hereof on a Conversion Date.

“*Variable Interest Rate Obligations*” has the meaning set forth in the Master Debt Resolution.

*Section 1.02. Other Interpretive Provisions.* With reference to this Agreement and each other Related Document, unless otherwise specified herein or in such other Related Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Related Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Related Document, shall be construed to refer to such Related Document in its entirety and not to any particular provision thereof, (iv) all references in a Related Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to

Articles and Sections of, and Exhibits and Schedules to, the Related Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including.”

(c) Section headings herein and in the other Related Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Related Document.

*Section 1.03. Accounting Terms.* All accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent with the financial statements of DART referred to in Section 6.01(j) hereof.

*Section 1.04. Interpretations.* The table of contents and article and section headings of this Agreement are included herein for convenience of reference purposes only and shall not constitute a part of this Agreement or affect its interpretation in any respect.

*Section 1.05. Rounding.* Any financial ratios required to be maintained by DART pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

*Section 1.06. Times of Day.* Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

## ARTICLE II

### REVOLVING CREDIT; TERM LOANS

*Section 2.01. Commitment to Lend.* (a) *Generally.* DART hereby requests the Lender, and the Lender agrees, on the terms and conditions hereinafter set forth, to establish a revolving line of credit for the benefit of DART in an amount not to exceed the Commitment for the purpose of making Loans to fund the payment by DART of the principal of and interest on any Commercial Paper Notes at the stated maturity thereof in accordance with this Agreement and the Resolution.

(b) *Revolving Loans.* The Lender agrees, on the terms and conditions hereinafter set forth, to make Revolving Loans to DART during the Revolving Credit Period in an aggregate principal amount at any one time outstanding not to exceed the amount of the Commitment. Each Revolving Loan under this Section 2.01(b) shall be made in such amount as may be requested by an Authorized Officer to enable DART to pay the principal of and interest on Commercial Paper Notes maturing on the date of such Revolving Loan. Notwithstanding anything herein to the contrary, the Lender shall have no obligation to make a Revolving Loan if the sum of such Revolving Loan plus the aggregate principal amount of the outstanding Revolving Loans and Term Loans would exceed the Commitment then in effect. Each Revolving Loan shall be in an aggregate principal amount equal to the Principal Component plus the Interest Component, if any, of such Loan. The aggregate Principal Component of all Revolving Loans made on any date shall not exceed the Available Principal Commitment on such date. The aggregate Interest Component of all Revolving Loans made on any date shall equal the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest, if any, accrued on the Commercial Paper Notes to be paid with the proceeds of such Loan. DART may borrow under this Section 2.01(b), prepay under Section 2.07 hereof, and reborrow under this Section 2.01(b) at any time and from time to time during the Revolving Credit Period.

(c) *Term Loans.* The Lender agrees, on the terms and conditions hereinafter set forth, to make a Term Loan to DART on each Conversion Date in an amount equal to the outstanding principal amount of the Revolving Loan that matures on such Conversion Date; *provided, however,* that the aggregate outstanding principal amount of all Loans shall at no time exceed the amount of the Commitment.

*Section 2.02. Method of Borrowing.*

(a) *Revolving Loans.* (i) Each Revolving Loan shall be made upon DART's irrevocable notice, on behalf of DART, to the Lender, which may be given by telephone. Each such notice must be received by the Lender not later than 11:30 a.m. on the date of the proposed Revolving Loan. Each telephonic notice by DART pursuant to this Section 2.02(a)(i) must be confirmed promptly by delivery to the Lender of a Notice of Loan substantially in the form of Exhibit B hereto appropriately completed and signed by DART. Each Notice of Loan (whether telephonic or written) shall specify (i) the requested date of the Revolving Loan (which shall be a Business Day), and (ii) the principal amount of Revolving Loans to be borrowed and (iii) whether such Loan will be used to pay the principal of, or interest on, the Commercial Paper Notes. Subject to the conditions set forth in this Section and in Section 4.02 hereof, the Lender agrees to honor a Notice of Loan received on any date the Lender has delivered a Stop Order pursuant to Section 4.04 hereof that is also a date upon which Commercial Paper Notes are due and payable by making the Revolving Loan requested in accordance with this paragraph (a)(i). Any Notice of Loan received by the Lender shall be irrevocable and binding upon DART.

(ii) Upon satisfaction of the applicable conditions set forth in this Section and Section 4.02 hereof (and, if such Loan is the initial credit extension, Section 4.01), the Lender shall make all funds available to DART and unless otherwise directed by DART, no later than 2:30 p.m. on the Business Day specified in the applicable Notice of Loan in like funds either by

(i) crediting the account of DART on the books of BANA with the amount of such funds or  
(ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Lender by DART.

(iii) If the Lender is requested to make Revolving Loans hereunder on a day on which DART is to repay all or any part of the principal of outstanding Revolving Loans (“*Existing Revolving Loans*”), the Lender shall apply the proceeds of the requested Revolving Loans to repay such Existing Revolving Loans and only an amount equal to the excess (if any) of the principal amount of such Revolving Loans being borrowed over the outstanding principal of and accrued interest on such Existing Revolving Loans shall be made available by the Lender to DART.

(b) *Term Loans.* Subject to the satisfaction of the terms and conditions of Section 4.03 hereof, on each Conversion Date any unpaid principal amount of a Revolving Loan on such Conversion Date shall automatically convert into a Term Loan and the proceeds of such Term Loan shall be used to pay in full the related Revolving Loan.

*Section 2.03. Repayment; Bank Note.* (a) Each Revolving Loan shall be paid in full on the earliest of the following (the “*Conversion Date*”): (i) the date occurring ninety (90) days after the date of such Revolving Loan, (ii) the Commitment Termination Date and (iii) the Business Day when Commercial Paper Notes are sold to fund such repayment pursuant to Section 6.01(q) hereof. Notwithstanding the foregoing, the Interest Component of each Revolving Loan, if any, shall be due and payable on the date such Loan is made and shall bear interest at the Default Rate thereafter.

(b) The principal of each Term Loan shall be repaid in full no later than the Final Maturity Date. The principal amount of each Term Loan shall be payable in equal, semiannual installments, commencing on the date which is six (6) months immediately following the Conversion Date for such Term Loan and continuing on each six month anniversary of such Conversion Date to and including the Final Maturity Date for such Term Loan. Notwithstanding the foregoing, the aggregate principal amount of, and interest on, all Loans shall be repaid on or before the Final Maturity Date.

(c) Each Loan shall be evidenced by the Bank Note payable to the order of the Lender and in the principal amount equal to the Commitment. The Bank Note shall bear interest and shall be due and payable on the dates, in the amounts, and under the circumstances set forth herein and in the Bank Note.

(d) The Lender shall record, and prior to any transfer of its Bank Note shall endorse on the schedules forming a part thereof, appropriate notations to evidence the date, amount, type and maturity of each Loan made by it and the date and amount of each payment of principal made by DART with respect thereto; *provided, however*, that the failure of the Lender to make any such recordation or endorsement shall not affect the obligations of DART hereunder or under the Bank Note. In any legal action or proceeding in respect of this Agreement or the Bank Note, the notations made on the Bank Note or as provided by the Lender’s accounting records shall be presumptive evidence of the existence and amount due thereunder, absent of manifest



error. The Lender is hereby authorized by DART so to endorse the Bank Note and to attach to and make a part of the Bank Note a continuation or substitution of any such schedule as and when required.

*Section 2.04. Interest.* (a) Subject to the provisions of subsection (b) below, DART shall pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the Bank Rate, payable monthly in arrears on the first Business Day of each month (commencing on the first such date to occur after the making of such Loan), on the Commitment Termination Date, on the Final Maturity Date and on the date any Loan shall be paid or prepaid.

(b) (i) During the continuance of an Event of Default and if any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall hereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable laws.

(ii) If any amount (other than principal of any Loan) payable by DART under any Related Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) While any Event of Default exists, DART shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest, to the extent permitted by law) shall be due and payable upon demand.

(c) If the rate of interest payable hereunder shall exceed the Maximum Interest Rate for any period for which interest is payable, then (i) interest at the Maximum Interest Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Interest Rate (the "*Excess Interest*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Interest Rate, at which time DART shall pay to the Lender, with respect to amounts then payable that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Lender to equal the Maximum Interest Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Lender. Upon the termination of the Commitment and this Agreement, in consideration for the limitation of the rate of interest otherwise payable hereunder, DART shall pay to the Lender a fee equal to the amount of all unpaid deferred Excess Interest.

(d) All computations of interest shall be made by the Lender on the basis of a year of 365 or 366 days, as the case may be, and all computations of fees shall be made by the Lender on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day in the case of interest) occurring in the period for which such interest or fee is payable. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, *provided* that any Loan that is repaid on the same day on which it is made shall bear interest for one day. Each determination by the Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent demonstrable error. In addition, any calculation made pursuant to this Section 2.04(d) that would cause the interest paid, payable or accruing on the indebtedness of DART under this Agreement and the Bank Note to exceed the Maximum Interest Rate shall be adjusted so as to reduce the interest paid, payable and accruing hereunder to such Maximum Interest Rate, as more fully set forth in Section 2.04(c) hereof. All sums paid or agreed to be paid to the Lender for the use, forbearance or detention of the indebtedness evidenced by the Bank Note shall, to the extent permitted by law, be amortized, prorated, allocated and spread throughout the full term of such Bank Note. Each determination by the Lender of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

*Section 2.05. Fees.* DART will pay to the Lender the nonrefundable Facility Fees at the times and in the amounts set forth in the Fee Letter, the terms of such Fee Letter being incorporated herein by reference as if fully set forth herein. DART shall also pay to the Lender all other fees at the times and in the amounts set forth in the Fee Letter.

*Section 2.06. Termination or Reduction of Commitment.* Notwithstanding any provisions of this Agreement to the contrary, DART agrees not to terminate this Agreement or reduce the Commitment prior to the second anniversary of the Effective Date, except upon (i) the payment of any amounts required to be paid pursuant to the terms of this Agreement and the Fee Letter in the amounts, at the times and in the manner set forth therein (if any), (ii) the payment to the Lender of all Obligations payable hereunder and (iii) DART providing the Lender with thirty (30) days prior written notice of its intent to terminate this Agreement; *provided* that all payments to the Lender referred to in clause (i) and (ii) above shall be made in immediately available funds; *provided, however*, that any such termination of this Agreement shall be in compliance with the terms and conditions of the Resolution. DART agrees that any termination of this Agreement as a result of the provision of any substitute facility pursuant to the terms of the Resolution will require, as a condition thereto, that DART or the issuer of such facility will provide funds on the date of such termination or provision in an amount sufficient to pay in full at the time of termination all Obligations due and owing to the Lender.

(b) The Commitment shall terminate on the Commitment Termination Date. All Revolving Loans then outstanding (together with accrued interest thereon) shall be due and payable on the Commitment Termination Date, unless such Loans have been converted into Term Loans pursuant to the provisions of this Agreement.

(c) If the Commitment is terminated in its entirety, all accrued Facility Fees shall be payable on the effective date of such termination. If the amount of the Commitment is reduced,

the Facility Fee that has accrued on the amount by which the Commitment has been reduced shall be payable on the effective date of such reduction together with any amounts required to be paid pursuant to the terms of the Fee Letter, at the times and in the manner set forth therein.

(d) In the event DART directs the Issuing and Paying Agent not to issue Commercial Paper Notes up to the Maximum Interest Rate, or otherwise limits the interest rate on an issuance of Commercial Paper Notes to a rate of interest less than the Maximum Interest Rate and, as a result of these actions, the Lender is not reimbursed for a Loan the proceeds of which were used to pay maturing Commercial Paper Notes, then the Commitment shall be permanently reduced by such principal amount and DART shall repay the related Loan within thirty (30) days.

*Section 2.07. Prepayments.*

(a) *Optional Prepayments.* DART may, upon notice to the Lender at any time or from time to time voluntarily prepay any Loan in whole or in part at any time, without penalty or premium, each such prepayment to be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid, *provided* that (i) each partial prepayment shall be in a principal amount equal to at least \$100,000, and (ii) DART shall give the Lender irrevocable written notice at least one (1) Business Day prior to the date of the prepayment of a Loan. Each notice of prepayment shall be irrevocable and shall specify the date and the amount of the prepayment and identify the Loan to be prepaid.

(b) *Mandatory Prepayments.* (i) If on any date (A) the sum of the aggregate principal amount of outstanding Loans exceeds the amount of the Commitment, DART shall immediately prepay the Loans in an amount equal to such excess, (B) the aggregate principal amount of outstanding Commercial Paper Notes exceeds the amount of the Available Commitment, DART shall immediately prepay the Loans in an amount equal to such excess, or (C) any Commercial Paper Notes are sold to finance the repayment of a Loan, DART shall immediately prepay any outstanding Loans (if any) in an amount equal to the sum of the proceeds from such sale.

(ii) Each such prepayment shall be accompanied by the payment of accrued interest to the date of such prepayment on the amount prepaid.

(c) *Application.* Any amount of principal of a Revolving Loan prepaid may be reborrowed in accordance with Section 2.01 hereof. Any amount of principal of a Term Loan prepaid shall be applied to reduce the installments of principal due and payable hereunder with respect to such Term Loan in the inverse order of maturity.

*Section 2.08. General Provisions as to Payment.* The following general provisions shall apply to all payments of Facility Fees, payments on the Loans and the Bank Note and all other payment Obligations under this Agreement:

(a) The Lender shall calculate and notify DART in writing of the amounts payable by DART hereunder; *provided, however*, that the failure of the Lender to provide such notice shall not affect the obligations of DART to make any payments owed to the Lender hereunder. All payments to be made by DART shall be made without condition

or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by DART hereunder shall be made to the Lender, at the Lending Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. All payments received by the Lender after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by DART shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) *Funding Source.* Nothing herein shall be deemed to obligate the Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by the Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

*Section 2.09. Security for Bank Note.* The Obligations of DART under this Agreement are special obligations of DART payable from and secured solely by the funds pledged therefor pursuant to the Master Debt Resolution and the Resolution, including specifically Section 2.3 of the Master Debt Resolution, Section 2.2 of the Resolution, and this Agreement, as authorized thereby. To provide security for the payment of the principal of and interest on the Commercial Paper Notes, the Bank Note and all other amounts due under this Agreement, as the same shall become due and payable, DART has granted a lien on and pledge of the money and investments deposited and held in the **[Senior Subordinate Lien Debt Service Fund]** pursuant to Section 5.5 of the Master Debt Resolution.

To provide security for the payment of the principal of and interest on the Bank Note and any other amounts due under this Agreement as the same shall become due and payable, DART has pledged and granted, pursuant to Section 2.3 of the Master Debt Resolution, a lien on and pledge of the Pledged Revenues, such lien on and pledge of Pledged Revenues to secure the Bank Note and all other amounts due under this Agreement, however, being subordinate only to the lien and pledge of the Pledged Revenues securing the payment of the Senior Lien Obligations and on parity with the lien on and pledge of Pledged Revenues securing the payment of the Senior Subordinate Lien Obligations. The Bank Note, being secured by and payable from the lien on the Pledged Revenues as described in the preceding sentence, shall constitute a Senior Subordinate Lien Obligation on a parity with the currently outstanding Senior Subordinate Lien Obligations. The Master Debt Resolution creates the valid lien and pledge which it purports to create on the Pledged Revenues for the benefit of the Holders of the Bank Note. All of such sources and pledges referred to in this Section 2.09 are herein called the “*Collateral.*” The Bank Note shall further be entitled to the benefits of this Agreement.

No filing, registration, recording or publication of this Agreement or any other instrument nor any prior separation or physical delivery of the Collateral is required to establish the pledge provided for under this Agreement or to perfect, protect or maintain the pledge of the Collateral to secure the Obligations. If Texas law is amended at any time while the Bank Note is outstanding and unpaid such that the pledge made by DART hereunder is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to

the Lender the perfection of the security interest in said pledge, DART agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

*Section 2.10. Extension of Revolving Credit Period.* No greater than one hundred twenty (120) days and no less than sixty (60) days prior to the third anniversary of the Effective Date (the “Deadline”), DART may request in writing to the Lender (each such request being irrevocable) up to a three (3) year extension of the Commitment Termination Date. If DART shall make such a request prior to the Deadline, the Lender shall, within thirty (30) days of such request, notify DART in writing whether or not the Lender consents to such request and the terms and conditions upon which the Lender will consent to such request (including conditions relating to pricing and legal documentation). The Lender shall have no obligation whatsoever to consent to any request for an extension of the Commitment Termination Date, and any such extension shall be subject to approval by the Lender. If the Lender shall not notify DART of the Lender’s consent to such extension, the Lender shall be deemed to have rejected DART’s request for an extension. If the Lender (in its sole and absolute discretion) shall agree to extend the Commitment Termination Date, then the Lender and DART shall enter into an amendment of this Agreement and deliver a copy of any such amendment, executed by the parties thereto, to the Issuing and Paying Agent, each Dealer and each Rating Agency then rating the Commercial Paper Notes.

*Section 2.11. Obligations Absolute.* Subject to the provisions of Section 2.09(a), the obligations of DART under this Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances: (i) any lack of validity, legality or enforceability of this Agreement, any of the Bank Note or any other Related Document, or any other instrument, agreement or other document executed and delivered by DART in connection with any of the foregoing; (ii) any amendment or waiver of or any consent to departure from all or any of the Related Documents, or any other instrument, agreement or other document executed and delivered by DART in connection with any of the foregoing; (iii) any statement or other document presented under this Agreement proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; (iv) the making of a Loan after the delivery of a Notice of Loan that does not comply with the terms of this Agreement; (v) the existence of any claim, set-off, defense or other rights which DART may have at any time against the Issuing and Paying Agent (or any Person for whom the Issuing and Paying Agent may be acting), any Holder, any Dealer, the Lender or any other Person, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transaction; or (vi) any other circumstance which might constitute a legal or equitable discharge of any obligations hereunder (whether or not similar to any of the foregoing), it being agreed that the obligations hereunder shall not be discharged except by the performance thereof strictly in accordance with the terms of this Agreement including, without limitation, the payment in full as herein provided of all amounts owing hereunder.

## ARTICLE III

### TAXES, YIELD PROTECTION AND ILLEGALITY

#### *Section 3.01. Taxes.*

##### *(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.*

(i) Any and all payments by or on account of any obligation of DART hereunder or under any other Related Document shall to the extent permitted by applicable Laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable Laws require DART or the Lender to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such Laws as determined by DART or the Lender, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If DART or the Lender shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Lender shall withhold or make such deductions as are determined by the Lender to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Lender shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by DART shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section) the Lender receives an amount equal to the sum it would have received had no such withholding or deduction been made.

*(b) Payment of Other Taxes by DART.* Without limiting the provisions of subsection (a) above, DART shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Laws.

*(c) Tax Indemnifications.* (i) Without limiting the provisions of subsection (a) or (b) above, DART shall, and does hereby, indemnify the Lender and shall make payment in respect thereof within ten (10) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) withheld or deducted by DART or the Lender or paid by the Lender, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to DART by the Lender shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, the Lender shall, and does hereby, indemnify DART, and shall make payment in respect thereof within ten (10) days after written demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for DART) incurred by or asserted against DART by any Governmental Authority as a

result of the failure by the Lender to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by the Lender to DART pursuant to subsection (e). The agreements in this clause (ii) shall survive any assignment of rights by, or the replacement of, the Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments.* Upon request by DART or the Lender, as the case may be, after any payment of Taxes by DART or by the Lender to a Governmental Authority as provided in this Section 3.01, DART shall deliver to the Lender or the Lender shall deliver to DART, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to DART or the Lender, as the case may be.

(e) *Status of Lender; Tax Documentation.* (i) The Lender shall deliver to DART, at the time or times prescribed by applicable Laws or when reasonably requested by DART, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit DART, to determine (A) whether or not payments made hereunder or under any other Related Document are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) the Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to the Lender by DART pursuant to this Agreement or otherwise to establish the Lender's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if DART is a resident for tax purposes in the United States, the Lender shall deliver to DART executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable Laws or reasonably requested by DART as will enable DART to determine whether or not the Lender is subject to backup withholding or information reporting requirements; and

(iii) The Lender shall promptly (A) notify DART of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of the Lender, and as may be reasonably necessary (including the re-designation of its Lending Office) to avoid any requirement of applicable Laws of any jurisdiction that DART or the Lender make any withholding or deduction for taxes from amounts payable to the Lender.

(f) *Treatment of Certain Refunds.* If the Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by DART or with respect to which DART has paid additional amounts pursuant to this Section, it shall pay to DART an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by DART under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), *provided* that DART, upon the request of the Lender, agrees to repay the

amount paid over to DART (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Lender in the event the Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to DART or any other Person.

*Section 3.02. Increased Costs.*

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Lender;

(ii) subject the Lender to any tax of any kind whatsoever with respect to this Agreement or any Loan made by it, or change the basis of taxation of payments to the Lender in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 3.01 and the imposition of, or any change in the rate of, any Excluded Tax payable by the Lender); or

(iii) impose on the Lender any other condition, cost or expense affecting this Agreement made by the Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to the Lender of making or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to the Lender, or to reduce the amount of any sum received or receivable by the Lender hereunder (whether of principal, interest or any other amount) then, upon request of the Lender, DART will pay to the Lender such additional amount or amounts as will compensate the Lender for such additional costs incurred or reduction suffered.

(b) *Capital Requirements.* If the Lender determines that any Change in Law affecting the Lender or any Lending Office of the Lender or the Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on the Lender's capital or on the capital of the Lender's holding company, if any, as a consequence of this Agreement, the Commitments of the Lender or the Loans made by the Lender, to a level below that which the Lender or the Lender's holding company could have achieved but for such Change in Law (taking into consideration the Lender's policies and the policies of the Lender's holding company with respect to capital adequacy), then from time to time DART will pay to the Lender such additional amount or amounts as will compensate the Lender or the Lender's holding company for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of the Lender setting forth the amount or amounts necessary to compensate the Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to DART shall be conclusive absent manifest error. DART shall pay the Lender the amount shown as due on any such certificate within 10 days after receipt thereof.



(d) *Delay in Requests.* Failure or delay on the part of the Lender to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of the Lender's right to demand such compensation, *provided* that DART shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that the Lender notifies DART of the Change in Law giving rise to such increased costs or reductions and of the Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

*Section 3.03. Designation of a Different Lending Office. Designation of a Different Lending Office.* If the Lender requests compensation under Section 3.02, or DART is required to pay any additional amount to the Lender or any Governmental Authority for the account of the Lender pursuant to Section 3.01, or if the Lender gives a notice pursuant to Section 3.02, then the Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of the Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.02, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject the Lender, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to the Lender, as the case may be. DART hereby agrees to pay all reasonable costs and expenses incurred by the Lender in connection with any such designation or assignment.

*Section 3.04. Survival.* All of DART's obligations under this Article III shall survive termination of the Commitment and repayment of all other Obligations hereunder.

## ARTICLE IV

### CONDITIONS

*Section 4.01. Conditions to Closing and Effectiveness of this Agreement.* The Lender's obligation to make Loans in accordance with Section 2.01 hereof shall become effective on the Effective Date subject to the satisfaction of conditions in this Section 4.01.

(a) The Lender shall have received on or before the Effective Date the following, each in form and substance satisfactory to the Lender and its counsel and, unless otherwise indicated, dated the Effective Date:

(i) a certified copy of the Master Debt Resolution and the Resolution authorizing DART's commercial paper program, the terms and conditions of the Commercial Paper Notes, authorizing the issuance of the Commercial Paper Notes and a certified copy of the Resolution dated December \_\_, 2010 approving DART's execution, delivery and performance of this Agreement and the Related Documents, which certificate shall state that each of the Master Debt Resolution and the Resolution have not

been amended (except as provided to the Lender), repealed or rescinded, and is in full force and effect on the Effective Date;

(ii) copies of the Investment Policy of DART as in effect on the Effective Date and the annual financial statements of DART for each of the fiscal years ended September 30, 2008 and September 30, 2009;

(iii) the approving opinion of the Attorney General of Texas with respect to the proceedings authorizing this Agreement;

(iv) a counterpart of this Agreement, duly executed by DART and the Lender;

(v) a duly executed original of the Bank Note, complying with the provisions of Section 2.03 hereof and substantially in the form of Exhibit A hereto;

(vi) executed copies of the Related Documents;

(vii) a certificate of an Authorized Officer, certifying that all conditions precedent set forth in the Master Debt Resolution and the Resolution with respect to issuance of the Commercial Paper Notes shall have been satisfied;

(viii) a certificate of an Authorized Officer of DART, which shall certify, among other things, (A) as to the matters described in paragraph (c) below and (B) that all conditions in this Section 4.01 have been satisfied);

(ix) an opinion of Note Counsel, addressed to the Lender in form and substance satisfactory to the Lender and its counsel;

(x) certified copies of the Issuing and Paying Agency Agreement and each Dealer Agreement;

(xi) certified copies of all approvals or authorizations by, or consents of, or notices to or registrations with, any Governmental Authority required for DART to enter into this Agreement and the Related Documents and of all such approvals, authorizations, consents, notices, or registrations required to be obtained or made prior to the Effective Date in connection with the transactions contemplated hereby and by the Related Documents;

(xii) a certificate of an Authorized Officer of DART, certifying the names and true signatures of the officers of DART authorized to sign this Agreement, the Bank Note and the other Related Documents;

(xiii) such financial information, budgets, projections, investment policies and guidelines for permitted investments of DART as the Lender may reasonably request;

(xiv) such other documents, opinions, or certificates reasonably requested by the Lender; and

(xv) written confirmation that the Commercial Paper Notes have been rated “P-1” by Moody’s and “A-1” by S&P.

(b) DART shall have received on or before the Effective Date the following, each in form and substance satisfactory to DART and, unless otherwise indicated, dated the Effective Date:

(i) a counterpart of this Agreement, duly executed by DART and the Lender;

(ii) opinions of Chapman and Cutler LLP, special counsel to the Lender, as to such matters as DART shall have requested and in form and substance reasonably satisfactory to DART and its counsel; and

(iii) certificates of an authorized representative of the Lender, addressed to DART, certifying to the incumbency and signature of each of the officers of the Lender authorized to sign this Agreement and relating to the information concerning the Lender in the Offering Memorandum.

(c) (i) The representations and warranties contained in Article V of this Agreement and in each other Related Document and certificate or other writing delivered to the Lender pursuant hereto on or prior to the Effective Date shall be true and correct on and as of the Effective Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct as of such date); (ii) no Event of Default or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default shall have occurred and be continuing on the Effective Date; (iii) since September 30, 2009, there has been no material adverse change in the business, properties, condition (financial or otherwise), or operations, present or prospective, of DART; and (iv) all conditions precedent in this Article IV have been satisfied.

(d) The effectiveness of this Agreement, the making of a Loan and the consummation of the other transactions contemplated by this Agreement, the Master Debt Resolution and the Resolution shall not contravene any law, rule or regulation applicable to DART or the Lender or any request, guideline or directive (or the interpretation or administration of any of the foregoing) of any Governmental Authority with jurisdiction over either DART or the Lender.

(e) In the event that the current Issuing and Paying Agent and/or Dealers resign or are discharged by DART prior to the Effective Date, DART shall have appointed a replacement Issuing and Paying Agent and/or a replacement Dealer, as applicable, reasonably satisfactory to the Lender.

(f) All proceedings in connection with this Agreement, and all documents incidental thereto, shall be satisfactory to the Lender and its counsel.

*Section 4.02. Conditions to Revolving Loans.* The obligation of the Lender to make any Revolving Loan is subject to the satisfaction of each condition in Section 4.01 hereof on or prior to the Effective Date, receipt by the Lender of a Notice of Loan in accordance with Section 2.02(a) hereof and the satisfaction of the further condition that no Special Event of Default or Suspension Event shall have occurred and be continuing. In addition, the Lender shall have no obligation to make a Revolving Loan to DART to pay the principal of or interest on any Commercial Paper Note that was issued by DART after receipt by the Issuing and Paying Agent and DART of a Stop Order. The making of each Loan hereunder shall be deemed to be a representation and warranty by DART on the date of such borrowing that no Special Event of Default or Suspension Event shall have occurred or be continuing.

*Section 4.03. Conditions to Term Loan.* The obligation of the Lender to make any Term Loan is subject to (i) the representations and warranties contained in Article V hereof and in each other Related Document and certificate or other writing delivered to the Lender pursuant hereto on or prior to the applicable Conversion Date shall be true and correct on and as of the applicable Conversion Date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct as of such date); (ii) no Default or Event of Default shall have occurred and be continuing on the applicable Conversion Date; and (iii) the Lender shall have received a certificate, signed by an Authorized Officer and dated the applicable Conversion Date, confirming that all of the foregoing conditions have been satisfied.

*Section 4.04. Conditions Precedent to Each Note Issuance.* No Commercial Paper Note shall be issued unless on the date of such issuance, each of the following conditions precedent shall have been fulfilled in a manner satisfactory to the Lender (or waived by the Lender in writing):

(a) *Representations and Warranties, No Event of Default.* The representations and warranties contained herein, each other Related Document and each certificate or other writing delivered to the Lender pursuant hereto or thereto on or prior to the date of such issuance shall be correct on and as of such date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct as of such date), and no Event of Default or Default shall have occurred and be continuing on such date or would result from such issuance.

(b) *Commercial Paper Notes.* All conditions precedent for the issuance of the Commercial Paper Notes hereunder and under the Resolution shall have been satisfied.

(c) *Resolution.* The Resolution and the Master Debt Resolution shall be in full force and effect.

(d) *Governmental Approvals.* No registration, notice, qualification or other filing is required to be made with any Governmental Authority in connection with the issuance of the Commercial Paper Notes or, if required to be made, has been or will be made prior to the date of such issuance.

(e) *Stop Order.* The Lender shall not have given a Stop Order.

(f) *Available Commitment.* After the issuance of the Commercial Paper Notes, the aggregate principal amount of all Commercial Paper Notes that will be outstanding immediately after such issuance together with the interest that will accrue thereon will not exceed the amount of the Available Commitment.

Unless DART shall have previously advised the Lender in writing that one or more conditions set forth in subsections (a), (b), (c), (d) and (f) of this Section 4.04 have not been satisfied, DART shall be deemed to have represented and warranted that on the date of such issuance or authentication of any Commercial Paper Note the above conditions have been satisfied. The Lender may deliver a notice to the Issuing and Paying Agent and to DART, directing DART not to issue and the Issuing and Paying Agent not to authenticate any Commercial Paper Note (a “*Stop Order*”), at any time that the Lender shall have determined that any condition to the issuance of any Commercial Paper Note has not been satisfied. The Stop Order may be delivered by telecopy, by mail or by messenger, and may also be given by telephone if promptly confirmed in writing, *provided* that the failure to confirm such Stop Order promptly in writing shall not render any telephonic notice ineffective or invalid in any respect. Upon receipt of such Stop Order, DART shall not issue and the Issuing and Paying Agent shall not authenticate any Commercial Paper Note, in each case unless and until such Stop Order is rescinded by the Lender. DART shall use its best efforts to cause the Issuing and Paying Agent to comply immediately with any such Stop Order. The Lender shall not incur any liability as a result of the Lender’s giving any Stop Order that, in its good faith judgment, the Lender determines to be in accordance with this Section 4.04. The Lender agrees that if, after the delivery of a Stop Order, the Lender determines that the conditions to the issuance of any Commercial Paper Note have been satisfied and the Lender has received a notice from an Authorized Officer to such effect, then the Lender shall promptly deliver a notice (a copy of which shall be delivered by the Lender to DART and each Dealer) to the Issuing and Paying Agent, rescinding such Stop Order.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES

DART represents and warrants to the Lender as follows:

*Section 5.01. Legal Existence.* DART (i) has the full legal right, power, and authority to execute and deliver this Agreement and the Related Documents, (ii) perform all its obligations and liabilities under this Agreement and the Related Documents, and (iii) receive Loans, and otherwise incur Debt in accordance with this Agreement, and collect and apply the Collateral for the purposes described herein, including, without limitation, to pay the principal of and interest on the Commercial Paper Notes and all of DART’s Obligations hereunder (including, without limitation, the obligation to repay all Loans, to pay all interest thereon, and to pay all fees and other amounts payable hereunder).

*Section 5.02. Compliance with Law and Contracts.* The issuance of the Commercial Paper Notes and the Bank Note, and the execution, delivery and performance by DART of this

Agreement and the Related Documents in accordance with their respective terms and conditions have been duly authorized by all necessary action on the part of DART, and do not and will not (i) conflict with, violate, or contravene, in any material respect, any provision of existing law or regulation (including, without limitation, ERISA) or any order or decree of any Governmental Authority or (ii) conflict with, or violate, in any material respect, or cause a default, or with the passage of time or the giving of notice or both would cause a default, under any bond, note or other evidence of indebtedness or mortgage, indenture, contract or other agreement to which DART is a party or that is binding upon it or any of its properties; and no consent of any Person and no license, approval, or authorization of, or notice to or registration, filing, or declaration with, any Governmental Authority is required in connection with the execution, delivery, performance, validity, or enforceability of this Agreement or any of the Related Documents or for DART to receive Loans or otherwise incur indebtedness in accordance with this Agreement or, if required, the same has been obtained and is in full force and effect and true and complete copies thereof have been delivered to the Lender.

*Section 5.03. Authorization and Validity.* Each of this Agreement and the Related Documents constitutes a legal, valid, and binding agreement or obligation, as the case may be, of DART, enforceable in accordance with its respective terms except as (i) the enforceability thereof may be limited by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and (ii) the availability of equitable remedies may be limited by equitable principles of general applicability.

*Section 5.04. Litigation.* There is no action or investigation pending or, to the best knowledge of DART, threatened against DART before any court or administrative agency which questions the existence or powers of DART, in any material respect, or which, if adversely determined, might result in any material adverse change in the financial condition, operations or prospects of DART, or which questions the validity of any proceeding held or action taken by DART in connection with the execution and delivery of this Agreement or any of the Related Documents, or wherein an unfavorable decision, ruling or finding would in any way materially adversely affect the transactions contemplated by this Agreement or any of the Related Documents or which in any way would adversely affect the validity or enforceability of the Agreement or any of the Related Documents (or of any other instrument required or anticipated for use in consummating the transactions contemplated hereby).

*Section 5.05. No Defaults.* DART is not in default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to it, or (ii) any law or regulation applicable to it, or (iii) any of its Debt, or (iv) any contract, agreement or instrument to which it is a party or by which it or its property is bound, in each case, which default could have a material adverse effect on the properties, business, revenues, condition (financial or other), results of operations or prospects of DART or an adverse effect on the validity or enforceability of, or the authority or ability of DART to perform its obligations under, this Agreement and the Related Documents; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default. No Default or Event of Default has occurred or is continuing hereunder.

*Section 5.06. Related Documents.* The representations and warranties of DART in all of the Related Documents are true and correct in all material respects.

*Section 5.07. Regulation U.* DART is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and will not use the proceeds of the Commercial Paper Notes or any Loans made hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System.

*Section 5.08. Information.* No representation, warranty or other statement made by DART in or pursuant to this Agreement or any Related Document or any document or financial statement provided by DART to the Lender in connection with this Agreement contains any untrue statement of a material fact or omits (as of the date made or furnished) any material fact necessary to make the statements herein or therein not misleading in light of the circumstances under which they are made. There is no fact known to DART which DART has not disclosed to the Lender (in writing) and which adversely affects or, so far as DART can now reasonably foresee, is likely to adversely affect, the validity or enforceability of, or the authority or ability of DART to perform its obligations under, this Agreement and the Related Documents to which it is a party, or which materially adversely affects, or so far as DART can now reasonably foresee, is likely to materially adversely affect, the properties, business, revenues, condition (financial or otherwise), results of operations or prospects of DART.

*Section 5.09. Collateral.* The provisions of the Master Debt Resolution, the Resolution and of this Agreement are effective to create in favor of the Lender a legal, valid, and enforceable pledge of all of DART's right, title, and interest in the Collateral. The Master Debt Resolution, the Resolution and of this Agreement shall constitute a valid and enforceable pledge of all right, title and interest of DART in, and all rights of DART to receive, any of the Collateral subject only to the pledge of the Collateral to the owners of the Commercial Paper Notes and any other Senior Lien Obligations and Senior Subordinate Lien Obligations. All documents or instruments required to be filed or recorded in any public office, and all notifications required to be given to any Person, in order to provide notice of such pledge to present and future creditors and otherwise protect and perfect the pledge in favor of the owners of the Commercial Paper Notes and the Lender, have been filed, recorded or given, as the case may be.

*Section 5.10. Legislation.* No legislation has been enacted which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Commercial Paper Notes, (ii) the adoption of Master Debt Resolution or the Resolution, (iii) the execution and delivery of this Agreement or any of the Related Documents to which DART is a party, (iv) the creation, organization or existence of DART or the titles to office of any officers thereof, or (v) the power of DART to perform its obligations under this Agreement or any of the Related Documents to which DART is a party.

*Section 5.11. Accuracy of Financial Reports.* The most recent financial statements of DART for the fiscal year of DART ended September 30, 2009 copies of which have been furnished to the Lender, fairly present the financial position and results of operations of DART,

as of the dates and for the periods set forth therein. Since September 30, 2009, there has been no material adverse change in the financial condition or operations of DART.

*Section 5.12. No Tax or Fee.* To its knowledge, none of the execution or delivery of this Agreement or the other Related Documents, the extension of the line of credit provided herein or the making of any Loan will give rise to any tax or fee imposed by any local or state agency or governmental body, except for those which have been paid.

*Section 5.13. Limited Obligation.* All obligations in respect of principal of, and interest on, the Commercial Paper Notes and all Obligations hereunder (including, without limitation, the obligation to repay all Loans, to pay all interest thereon, and to pay all fees and other amounts payable hereunder) constitute limited obligations of DART payable from the Collateral as set forth in Section 2.3 of the Master Debt Resolution, Section 2.2 of the Resolution, and this Agreement.

*Section 5.14. Issuance of Commercial Paper Notes.* Each issuance of Commercial Paper Notes by DART shall be deemed a representation by DART that (a) DART has complied in all material respects with all of the terms and provisions of this Agreement, (b) on such date, and after giving effect to the issuance of the Commercial Paper Notes, no Default or Event of Default has occurred or is continuing, (c) the representations and warranties of DART contained in this Agreement are true and correct in all material respects on and as of the date of issuance of the Commercial Paper Notes in question as though made on and as of such date, and (d) the aggregate amount of Commercial Paper Notes outstanding, together with accrued interest thereon to maturity, after issuance of the Commercial Paper Notes will not exceed the Available Commitment.

*Section 5.15. Other Documents.* The representations and warranties made by DART in each of the Related Documents to which it is a party are hereby incorporated herein by this reference and are hereby reaffirmed and restated by DART for the benefit of the Lender as if such representations and warranties were fully set forth herein. Except as otherwise provided herein, no amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents to which it is a party shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Lender.

*Section 5.16. Tax-Exempt Status.* DART has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Commercial Paper Notes from gross income for Federal income tax purposes.

*Section 5.17. Environmental Matters.* DART has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial



action could have a material adverse effect on the assets, financial condition, or operations of DART or its ability to perform its obligations under the Related Documents.

*Section 5.18. Commercial Paper Notes.* Each Commercial Paper Note (including all Bank Notes) has been duly and validly issued under the Master Debt Resolution and the Resolution and entitled to the benefits thereof.

*Section 5.19. Usury.* The terms of this Agreement and the Related Documents regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

*Section 5.20. Status.* Except for the Senior Lien Obligations, the Commercial Paper Notes, the Bank Note and all other Senior Subordinate Lien Obligations, there are no obligations of DART that are entitled to a benefit of any portion of the Pledged Revenues on a parity with the benefit of the Pledged Revenues conferred by the Master Debt Resolution and the Resolution for the benefit of the Commercial Paper Notes, the Bank Note and the Obligations of DART under this Agreement.

*Section 5.21. ERISA.* DART does not maintain or contribute to, and has not maintained or contributed to, any Employee Plan that is subject to Title IV of ERISA.

*Section 5.22. Solvency.* DART is solvent and able to pay its debts as they become due.

*Section 5.23. Governmental Consent or Approval.* The execution, delivery and performance of this Agreement and the other Related Documents to which DART is a party, and the validity and enforceability of this Agreement and the other Related Documents to which DART is a party, to the extent not obtained prior to the Effective Date, do not and will not require registration with, or the consent or approval of, or any other action by, any Governmental Authority or regulatory body; *provided, however*, that DART has taken no action with respect to any filings or registration required by any state securities or “blue sky” laws.

*Section 5.24. Sovereign Immunity.* The provisions of this Agreement shall be a contract with the Lender and the duties and obligations of DART shall be enforceable by mandamus in any court of competent jurisdiction. DART is not entitled to claim immunity on the grounds of sovereignty or similar grounds from (i) relief by way of mandamus to perform its obligations under this Agreement, or (ii) enforcement by writ of mandamus of its payment obligations with respect to any Loan or other Obligation.

*Section 5.25. The Issuing and Paying Agent and the Dealers.* The Issuing and Paying Agent is the duly appointed and acting Issuing and Paying Agent under the Issuing and Paying Agency Agreement. Each Dealer is a duly appointed and acting dealer with respect to the Commercial Paper Notes.

## ARTICLE VI

### COVENANTS OF DART

*Section 6.01. Affirmative Covenants.* DART covenants and agrees, from the date hereof and until the Final Maturity Date and the payment in full of all Obligations, unless the Lender shall otherwise consent in writing:

(a) *Performance of This and Other Agreements.* DART shall punctually pay or cause to be paid all amounts payable under this Agreement, the Bank Note and the other Related Documents and observe and perform all of the conditions, covenants and requirements set forth in this Agreement, the Bank Note and the other Related Documents.

(b) *Further Assurances.* DART shall execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Lender all such instruments and documents as in the reasonable judgment of the Lender are necessary or advisable to carry out the intent and purpose of this Agreement, the Bank Note and the other Related Documents.

(c) *Books and Records; Inspection Rights.* DART shall keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of DART; and at any reasonable time and from time to time, permit the Lender or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, DART and to discuss the affairs, finances and accounts of DART with any of DART's officers, trustees and independent auditors (and by this provision, DART authorizes said auditors to discuss with the Lender or its agents or representatives, the affairs, finances and accounts of DART).

(d) *Maintenance of Approvals; Filings, Etc.* DART shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents.

(e) *Compliance with Laws, Etc.* DART shall comply with all applicable laws, rules, regulations and orders of any Governmental Authority (including without limitation, compliance with environmental laws and state securities and blue sky laws in connection with the offering, sale and delivery of the Commercial Paper Notes), except that this Section 6.01(e) shall not apply to noncompliance that, singly or in the aggregate, would not have a materially adverse effect on (i) the financial condition or operations of DART or (ii) the ability of DART to perform its obligations hereunder, including but not limited to the timely payments of the Commercial Paper Notes, Loans or Obligations.

(f) *Collateral.* DART shall at all times keep the Collateral and every part thereof free and clear of all pledges and security interests except the pledges granted in or permitted by the Master Debt Resolution and the Resolution or permitted under the Related Documents and shall maintain the pledge of the Collateral to the Lender as a pledge of all right, title and interest of DART in the Collateral and all rights of DART to receive any amount of the Collateral, subject only to the rights of the owners of the Commercial Paper Notes and any other Senior Lien Obligations or Senior Subordinate Lien Obligations.

(g) *Accuracy of Information.* All data, certificates, reports, opinions of counsel, documents and other information furnished to the Lender, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement shall, at the time the same are so furnished, (i) be complete and correct in all material respects to the extent necessary to give the Lender true and accurate knowledge of the subject matter thereof, and (ii) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the Lender shall constitute a representation and warranty by DART to that effect. Each financial statement furnished to the Lender, whether pursuant to this Agreement, or in connection with or pursuant to an amendment or modification of, or waiver under, this Agreement, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of DART.

(h) *Additional Documents.* DART shall furnish to the Lender from time to time at DART's expense, all further instruments and documents, duly executed and delivered by DART, and take all further action that may be reasonably necessary, or that the Lender may reasonably request, in order to (i) protect any security interest or other right or interest assigned, or purported to be assigned, to the Lender under or in connection with this Agreement, the Master Debt Resolution, the Resolution or any other Related Document, or (ii) enable the Lender to exercise or enforce its rights or remedies under or in connection with this Agreement, the Master Debt Resolution, the Resolution, or any other Related Document.

(i) *Financial and Other Reports.* DART shall furnish the following reports (in an electronic or paper copy form) to the Lender:

(i) as soon as available and in any event within thirty (30) days after the end of each semiannual fiscal period, a consolidated balance sheet of DART at the end of such fiscal period, and the related consolidated statements of operations, changes in retained earnings and cash flows for such fiscal quarter and for the portion of DART's Fiscal Year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal period of the previous Fiscal Year and the corresponding portion of the previous Fiscal Year and the budget for the corresponding fiscal period of the Fiscal Year, all in reasonable detail and prepared in accordance with generally accepted accounting principles applicable to political subdivisions such as DART, consistently applied

("GAAP"), subject only to normal year-end audit adjustments and the absence of footnotes, in each case in form and substance satisfactory to the Lender;

(ii) as soon as available and in any event within two hundred seventy (270) days after the end of each Fiscal Year of DART, audited financial statements of DART for such Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to political subdivisions such as DART, consistently applied and audited by independent certified public accountants of recognized standing, including a balance sheet of DART as of the end of such Fiscal Year and related statements of revenues, expenses, and changes in retained earnings and cash flows for the Fiscal Year ended setting forth in each case in comparative form the figures from the previous Fiscal Year and from the budget for such Fiscal Year;

(iii) as soon as available and in any event within thirty (30) days after the end of each semiannual fiscal period, (a) a report regarding the receipt of the Sales Tax by DART, (b) the balance of each fund and account created under the Master Debt Resolution and any amendment thereto for the benefit of the Commercial Paper Notes and (c) a summary of the aggregate principal amount of Commercial Paper Notes issued, rolled over and retired in such period and the amount then outstanding;

(iv) as soon as available and in any event within thirty (30) days after the end of each semiannual fiscal period, a certificate of an Authorized Officer of DART (i) to the effect that as of the date of such certificate no Default has occurred, or (ii) if a Default has occurred specifying the nature of such Default, the period of its existence, and the action which DART is taking or proposes to take with respect thereto, and no change in the status of such Default has occurred, and (iii) a written description of any actions, suits, and proceedings before any court or governmental department, commission, board, bureau, agency, or instrumentality involving DART which, if determined against DART, would have a material adverse effect on the financial condition of DART or DART's ability to perform under this Agreement or the Related Documents;

(v) copies of the most current investment policy of DART as approved by the Board as well as any amendment thereto;

(vi) any other information required to be delivered by DART to any Person pursuant to the terms of the Master Debt Resolution of the Resolution from time to time and such additional information regarding the financial position or business of DART as the Lender may reasonably request from time to time; and

(vii) as soon as available and in any event within thirty (30) days of the start of each Fiscal Year, a copy of the annual budget, including provisions to facilitate payment of all obligations contemplated by this Agreement to be

included into a budget or included in an appropriation request, as applicable, if any, of DART, containing estimates of expenditures and anticipated revenues for the Fiscal Year covered thereby.

(j) *Notices.* DART will promptly notify the Lender of (i) the occurrence of any Default known to DART or which, with the exercise of reasonable diligence by DART, should have become known to DART, specifying the details of such Default and the action that DART proposes to take with respect thereto; (ii) the failure by the Issuing and Paying Agent or by the Dealer to perform in any material respect any of their respective obligations under the Issuing and Paying Agency Agreement or the Dealer Agreement; (iii) the (x) existence and status of any litigation or proceeding which individually or in the aggregate could, in the event of any unfavorable outcome, have a material adverse effect on or (y) passage of any state or local ordinance, law or rule not of general applicability to all Persons, either of which could reasonably be expected to have a material adverse effect on (A) the financial condition or operations of DART, (B) the Commercial Paper Notes or (C) the enforceability or validity of any of this Agreement or the Related Documents, and, if any of the following is reasonably likely to materially and adversely affect the rights of the Lender under this Agreement, DART will promptly notify the Lender; (iv) any change in any material fact or circumstance represented or warranted in this Agreement or in any of the Related Documents; (v) any communications, reports or financial statements delivered or received by it from any taxing authority or rating agency with respect to the transactions contemplated hereby (together with a copy of such communication, report, or statement); (vi) any amendment to the Act or any governing instruments of DART, which would have a material adverse effect on DART, the Commercial Paper Notes, this Agreement, the Pledged Revenues, the Sales Tax or the rights of the Lender hereunder or under the Bank Note, (vii) any proposed amendment, modification or supplement to the Master Resolution or the Supplemental Resolution at least ten (10) Business Days prior to the effective date of such amendment, modification or supplement, and (viii) any proposed substitution of this Agreement.

(k) *Other Obligations.* DART will comply with and observe all other obligations and requirements set forth in the Master Debt Resolution, the Resolution and each other Related Document to which it is a party (including without limitation all provisions therein for the benefit of the Lender), in all statutes and regulations binding upon it relating to the Commercial Paper Notes, this Agreement or any of the Related Documents, and in DART's investment policy as approved by DART and as amended from time to time.

(l) *Documents Related to Other Securities.* Prior to the issuance thereof, DART shall notify the Lender of the sale or placement of any securities of which DART is issuer, or which are issued for its direct benefit, and which are payable from Pledged Revenues, and as soon as practicable but in any event within ten (10) days after the issuance thereof, furnish to the Lender copies of any prospectus, official statement, offering circular or placement memorandum, and any supplements thereto, that DART makes available in connection with the offering for sale of any securities of which it is

the issuer, or which are issued for its direct benefit, and which are payable from Pledged Revenues.

(m) *Obligations under Related Documents.* DART shall take all actions as may be reasonably requested by the Lender to enforce the material obligations under the Related Documents of each of the other parties thereto.

(n) *Dealer.* DART shall ensure that, at all times prior to the Final Maturity Date, the obligations of the Dealer under the terms of the Dealer Agreement are being performed by a Person of nationally recognized standing duly qualified to undertake said obligations and that said Dealer shall otherwise be reasonably acceptable to the Lender.

(o) *Issuing and Paying Agent; Other Parties.* DART shall ensure that, at all times prior to the Final Maturity Date, the obligations of the Issuing and Paying Agent and any other entity that is a party to a Related Document shall be performed by a Person of nationally recognized standing duly qualified to undertake such obligations. No substitution of the Issuing and Paying Agent shall occur without the prior written consent of the Lender.

(p) *Incorporation of Covenants by Reference.* DART agrees that it will perform and comply in all material respects with each and every obligation, covenant and agreement required to be performed or observed by it in or pursuant to the Related Documents, which provisions, as well as the related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety, *provided, however*, the Lender shall have no greater rights or remedies than the other parties to such Related Documents with respect to any such incorporated provisions than the rights or remedies expressly provided to such other parties, if any, as the same may be further limited, qualified, excluded or excepted by the terms of this Agreement, and such incorporated provisions in all respects shall be additionally subject to such limitations, qualifications, exclusions and exceptions provided for in any such Related Documents. To the extent any such incorporated provision permits the owners of one or more Commercial Paper Notes or any other Person or Persons to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the owners of one or more Commercial Paper Notes or any other Person or Persons, for purposes of this Agreement, such provision shall be complied with unless it is waived by the Lender and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Lender. No amendment to such obligations, covenants and agreements or defined terms made pursuant to any of the Related Documents shall be effective to amend such obligations, covenants and agreements and defined terms as incorporated by reference herein without the consent of the Lender. DART shall give prior notice to the Lender or any action referred to in this Section.

(q) *Remarketing.* DART will issue and sell Commercial Paper Notes as promptly as practicable after the making of a Loan evidenced by the Bank Note and use

the proceeds of sale solely for the repayment of the Loan (and such proceeds of sale shall be deemed to be proceeds of Commercial Paper Notes for all the purposes of the Resolution, this Agreement and the Bank Note).

(r) *Commercial Paper Dealer.* DART will appoint, or cause to be appointed, at all times, a Dealer which is acceptable to the Lender. The Lender hereby acknowledges and agrees that J.P. Morgan Securities Inc. and Loop Capital Markets LLC are acceptable Dealers. DART agrees to cause the Dealer to use its best efforts to sell Commercial Paper Notes up to the maximum rate applicable to Commercial Paper Notes in order to repay maturing Commercial Paper Notes. If the Dealer fails to perform its duties under the Dealer Agreement (including, without limitation, an inability or failure to sell Commercial Paper Notes to pay maturing Commercial Paper Notes), then DART agrees, at the written request of the Lender, to cause the Dealer to be replaced with a Dealer satisfactory to the Lender. DART agrees to obtain the written consent of the Lender prior to the appointment of a successor Dealer. DART shall at all times exercise commercially reasonable efforts to cause each Dealer Agreement entered into after the date hereof, to contain satisfactory third-party beneficiary provisions in favor of the Lender. Any Dealer Agreement with a successor Dealer shall provide that (a) such Dealer may resign upon at least sixty (60) days prior written notice to the Issuing and Paying Agent, the Lender and DART, (b) such Dealer shall use its best efforts to sell the Notes without regard to the Bank Rate (*i.e.*, whether or not the rate to be born by the Commercial Paper Notes is less than the Bank Rate), (c) the Lender is third party beneficiary of such Dealer Agreement, and (d) such Dealer shall offer the Commercial Paper Notes for sale at the maximum rate permitted under the Related Documents.

(s) *Replacement of Certain Entities.* DART shall obtain the prior written consent of the Lender prior to the replacement of the Issuing and Paying Agent or Dealer, which consent shall not be unreasonably withheld.

(t) *Liquidity.* (i) In the event that the Lender shall (i) decide not to extend the Commitment Termination Date, (ii) deliver a Stop Order, (iii) DART terminates this Agreement pursuant to the terms hereof while the Commercial Paper Notes are outstanding, or (iv) either of Moody's or S&P shall reduce the rating on any long term unenhanced Senior Lien Obligations below "A3" (or its equivalent) or "A-" (or its equivalent), respectively, DART shall use its commercially reasonable best efforts to obtain an alternate facility to replace this Agreement or shall convert the Commercial Paper Notes to a fixed rate or shall defease the Commercial Paper Notes.

(ii) DART agrees that any alternate facility will require, as a condition to the effectiveness of the alternate facility, that the provider of the alternate facility will provide funds, on the date the alternate facility becomes effective, for the payment of all principal and accrued interest (at the applicable rate pursuant to Article II hereof) on all Loans then outstanding. On such date, any and all amounts due hereunder and under the Bank Note, the Resolution or the Commercial Paper Notes due to the Lender shall be payable in full.

(u) *Sovereign Immunity.* Pursuant to Section 1371.059, Texas Government Code, as amended, DART agrees to waive sovereign immunity from suit and liability for the purposes of adjudicating a claim to enforce its duties and obligations under this Agreement or for damages for breach of this Agreement.

(v) *Swap Termination Payments.* DART shall not allow any Lien on the Collateral securing any termination payment under any Swap Contract entered into after the Effective Date to be first in priority to, or on parity with, the payment of the Bank Note or any other Obligation due hereunder. DART shall not agree to provide any collateral to support the obligations of DART under any Swap Contract entered into after the Effective Date other than as a Lien on Pledged Revenues that ranks as a Junior Subordinate Lien Obligations under the Master Debt Resolution.

(w) *CUSIP.* Upon the request of the Lender, DART will immediately use its best efforts to cause (i) a CUSIP number to be obtained from Standard & Poor's CUSIP Service for the Bank Note and (ii) the Bank Note (and its related CUSIP Number) to be assigned a long term rating of at least "Baa3" or "BBB-," respectively, from one of Moody's or S&P.

(z) *Financial Covenants.* (i) DART shall at all times have the right under the Master Debt Resolution to issue Senior Lien Obligations up to an amount equal to the sum of (1) all Loans outstanding plus (2) the Outstanding Notes plus (3) interest which will accrue on such Outstanding Notes to maturity. DART shall deliver a certificate demonstrating DART's ability to satisfy the requirements of Sections 3.1 and 3.2 of the Master Debt Resolution necessary to issue the Senior Lien Obligations described above in this Section 6.01(z)(i).

(ii) DART shall not issue any Bond Obligations (other than the Commercial Paper Notes, in an aggregate amount not to exceed the Commitment in effect from time to time, and Junior Subordinate Lien Obligations) in principal amounts that are in excess of the amount of proceeds thereof actually applied to the refunding, payment or defeasance of outstanding Commercial Paper Notes and Loans unless:

(1) DART shall first provide to the Lender a written report prepared by a professional independent economist broadly experienced in forecasting in the North Texas region or an independent certified public accountant or accounting firm setting forth projections of Gross Sales Tax Revenues which indicates that the reasonably estimated Gross Sales Tax Revenues for each of the three following and consecutive Fiscal Years beginning with the year in which Debt Service will be due on the proposed Bond Obligations are equal to at least 150% of the Debt Service that will be due on all Bond Obligations that are issued as Senior Lien Obligations and Senior Subordinate Lien Obligations that will be outstanding after the proposed new issue during each of such three consecutive Fiscal Years, taking into consideration any Debt Service to be paid during such period on or with respect to additional Senior Lien Obligations and additional



Senior Subordinate Lien Obligations then proposed to be issued and any reduction in Debt Service that may result from the issuance thereof, and after applying Standard Assumptions with respect to any such Senior Lien Obligations and Senior Subordinate Lien Obligations which are also Interim Obligations or Variable Interest Rate Obligations; and

(2) in any four consecutive calendar quarters out of the six calendar quarters immediately preceding the date of issuance of the proposed Senior Lien Obligations or Senior Subordinate Lien Obligations, Gross Sales Tax Revenues shall have been received by the Trustee and deposited to the Gross Sales Tax Revenue Fund in an amount equal to at least 200% of the Debt Service on the Outstanding Senior Lien Obligations and Senior Subordinate Lien Obligations during such four calendar quarters plus Debt Service on such proposed Senior Lien Obligations or Senior Subordinate Lien Obligations, assuming that they were outstanding during such four quarter period after taking into consideration any reduction in Debt Service that may result from the issuance of such proposed Senior Lien Obligations or Senior Subordinate Lien Obligations during such period and after applying the Standard Assumptions with respect to any outstanding or proposed Interim Obligations or Variable Rate Obligations which are Senior Lien Obligations or Senior Subordinate Lien Obligations.

For purposes of this Section 6.01(z)(ii), Debt Service shall only include debt service on the Senior Lien Obligations and Senior Subordinate Lien Obligations in question and shall be calculated for the period referenced in this Section rather than Debt Service Accrual Periods.

(iii) DART shall maintain a ratio of Available Funds to Debt Service on all Outstanding Senior Lien Obligations and Senior Subordinate Lien Obligations of 1.10 to 1.00 determined at the end of each quarter of each Fiscal Year for the preceding four quarter period. DART shall deliver a certificate to the Lender together with the financial statements described in Section 6.01(i)(ii) demonstrating compliance with this Section 6.01(z)(iii).

(aa) *No Grant of Acceleration.* DART shall not grant the remedy of acceleration to any Holder (as defined in the Master Debt Resolution) of Obligation (as defined in the Master Debt Resolution) unless such remedy shall be expressly granted to the Lender hereunder.

*Section 6.02. Negative Covenants.* DART covenants and agrees, from the date hereof and until the Commitment Termination Date and the payment in full of all Obligations, unless the Lender shall otherwise consent in writing:

(a) *Amendment to Related Documents.* DART shall not enter into or consent to any amendments of or supplements to any Related Document (other than the Master

Resolution or the Supplemental Resolution) or any waiver of the requirements thereof without the prior written consent of the Bank. DART may amend, modify or supplement the Master Resolution or the Supplemental Resolution without the prior written consent of the Bank, but only if such amendment, modification or supplement does not adversely affect DART's ability to perform its obligations under this Agreement or to repay indebtedness (including commercial paper) that is secured by the Pledged Revenues or which adversely affects the security of the Bank or the rights or remedies of the Bank under the Related Documents or hereunder or otherwise materially adversely affects the Bank (in its reasonable discretion).

(b) *Voluntary Liens.* DART shall not create or assume any Lien on any part of the Collateral now owned or hereafter acquired by it, except the Liens created for the benefit of the owners of the Commercial Paper Notes, the Senior Lien Obligations, the Junior Subordinate Lien Obligations or other Senior Subordinate Lien Obligations.

(c) *Total Outstanding.* At no time shall DART permit the aggregate principal amount of (i) Commercial Paper Notes outstanding, (ii) all Loans outstanding and unpaid, and (iii) accrued interest thereon to the maturity thereof to exceed the Commitment.

(d) *Exempt Status.* DART shall not take any action or omit to take any action that, if taken or omitted, would adversely affect the excludability of interest on the Tax-Exempt Notes (as defined in the Resolution) from the gross income of the owners thereof for purposes of federal income taxation.

(e) *Additional Senior Subordinate Lien Obligations Test.* Notwithstanding anything contained herein or in the Master Debt Resolution or Resolution to the contrary, DART shall not issue any additional Senior Subordinate Lien Obligations after the Effective Date without complying with (i) the provisions of Section 3.3(c) of the Master Debt Resolution (if applicable) as if the percentage "100%" in each instance where it appears therein is deemed to be "200%", and (ii) the provisions of Section 3.2(b)(iv) of the Master Debt Resolution (if applicable) as if the percentage "100%" in each instance where it appears therein is deemed to be "150%."

(f) *Use of Proceeds.* DART shall not use the proceeds of any credit extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System. DART shall not use the proceeds of the Commercial Paper Notes for any purpose other than as provided for in the Master Debt Resolution and the Resolution and not in contravention of applicable law.

(g) *Offering Memorandum and Other Documents.* Other than the information contained in Appendix A of the Offering Memorandum under the caption "THE LENDER"

not to include, nor permit to be included, any material or reference relating to the Lender in any offering memorandum or any other document or any tombstone, unless such material or reference is approved in writing by the Lender prior to its inclusion therein; or distribute, or permit to be distributed or used, any offering memorandum unless a copy of such offering memorandum has been furnished to the Lender.

(h) *Consolidation, Merger, etc.* DART shall not dissolve or otherwise dispose of all or substantially all of the assets of DART or consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into DART; *provided, however*, that DART may consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into DART if each of the following conditions shall have been fulfilled: (i) such merger or consolidation shall be with or into another governmental entity which shall assume in writing, satisfactory in form and substance to the Lender, or by operation of law the due and punctual performance and observance of all of the covenants, agreements and conditions of this Agreement and the other Related Documents; (ii) such merger or consolidation shall not adversely affect or impair to any extent or in any manner (a) the Collateral, (b) the availability of the Collateral for the payment and security of the Commercial Paper Notes and the obligations of DART under this Agreement; (iii) such merger or consolidation (as evidenced by, among other things, pro forma financial statements and projections) will not result in a Material Adverse Effect; and (iv) DART shall have given the Lender not less than sixty (60) days' prior notice of such disposition, merger or consolidation and furnished to the Lender all such information concerning such disposition, merger or consolidation as shall have been reasonably requested by the Lender.

(i) *Other Documents.* DART shall not enter into any agreement containing any provision which would be violated or breached by the performance by DART of its obligations hereunder or under the Related Documents. In the event that DART shall enter into, or otherwise consent to any amendment, supplement or other modification of, any credit agreement, standby bond purchase agreement, reimbursement agreement or other agreement or instrument relating to Senior Subordinate Lien Obligations (each a "*Bank Agreement*") under which, directly or indirectly, any Person or Persons undertake to make or provide funds to make payment of, or to purchase or provide credit enhancement for Senior Subordinate Lien Obligations and which includes financial covenants not included in this Agreement, any other more favorable terms (including, without limitation, events of default and remedies, but subject to any applicable cure periods related thereto) granted to any such Person or Persons, or covenants that are more restrictive as to DART (excluding any additional or more restrictive (i) events of default under any agreement the remedy for which is an immediate termination or suspension of the obligations of the related liquidity provider and (ii) conditions to funding thereunder) than those contained in this Agreement, this Agreement shall be deemed to be amended to include such additional or more restrictive terms (including, without limitation, events of default and remedies, but subject to any applicable cure periods related thereto) or covenants so long as such additional or more restrictive terms or covenants remain in effect under the other agreement or instrument. Notwithstanding anything to the contrary set forth in this Agreement, the obligations of the Lender hereunder may not be

immediately terminated or suspended other than as a result of an Special Event of Default or a Suspension Event (in each case, as such terms are defined as of the Effective Date or as amended pursuant to any amendment hereto and, in connection with such amendment, the then-current ratings on the Commercial Paper Notes have been confirmed by each Rating Agency then rating the Commercial Paper Notes).

(j) *No Different or More Restrictive Termination Events or Suspension Events.* DART shall not, directly or indirectly, enter into or otherwise consent to any Bank Agreement relating to Senior Lien Obligations or Senior Subordinate Lien Obligations, which such Bank Agreement provides the counterparty thereto with additional or more restrictive events of default the remedy for which is in an immediate termination or suspension of the obligations of the related provider than are provided to the Lender in this Agreement without the prior written consent of the Lender.

## ARTICLE VII

### DEFAULTS AND REMEDIES

*Section 7.01. Events of Default.* If one or more of the following events (“*Events of Default*”) shall have occurred and be continuing:

(a) DART shall fail to pay (i) any principal of or interest on any Loan (including without limitation, the Interest Component of any Revolving Loan) or Bank Note when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Loans or Bank Notes due solely as a result of acceleration caused by the Lender, pursuant to this Section 7.01), or (ii) any Facility Fee or any other amount payable hereunder and, in the case of such Facility Fee or other amount, such failure shall continue for a period of three (3) Business Days from the date such obligation was due;

(b) any representation, warranty, certification, or statement made by DART in this Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to this Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or demand to have been made;

(c) DART shall fail to perform or observe any covenant, agreement or condition contained in Section 6.01(b), (c), (f), (i), (j), (n), (o), (p), (r), (u), (v) or 6.02;

(d) DART shall fail to perform or observe any other covenant, agreement, or condition (other than those referred to or contained in clause (a), (b), or (c) above) contained in this Agreement, the Bank Note or any other Related Document and such failure, if capable of being remedied, shall remain unremedied for thirty (30) days after written notice thereof shall have been given to DART by the Lender;

(e) one or more final unappealable judgments or orders, issued or rendered by a Government Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against DART, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of sixty (60) days;

(f) DART shall fail to pay when due and payable (i) any principal of or interest on any Senior Lien Obligations, any Senior Subordinate Lien Obligations or any other Parity and Senior Debt (including, in each case, without limitation, any principal or sinking fund installments), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Senior Lien Obligations, the Senior Subordinate Lien Obligations or any other Parity and Senior Debt; or any failure to pay principal or interest on any Senior Lien Obligations, any Senior Subordinate Lien Obligations or any other Parity and Senior Debt under any indenture, contract or instrument providing for the creation of or concerning such Senior Lien Obligations, any Senior Subordinate Lien Obligations or any other Parity and Senior Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay principal or interest on any Senior Lien Obligations, any Senior Subordinate Lien Obligations or any other Parity and Senior Debt is to accelerate, or to permit the acceleration of, the maturity of such Senior Lien Obligations, any Senior Subordinate Lien Obligations or any other Parity and Senior Debt or (ii) any principal of or interest on any other Debt of DART having a principal amount in excess of \$5,000,000 and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) (i) DART shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or DART shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against DART any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against DART, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been

vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) DART shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) DART shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) (i) any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution related to the payment of principal or interest on Commercial Paper Notes, Bank Note or Loans or the pledge of and Lien on the Collateral shall at any time for any reason cease to be valid and binding or fully enforceable on DART as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement related to the payment of principal or interest on Commercial Paper Notes, the Bank Note or Loans or the pledge of and Lien on the Collateral shall be contested by DART or (b) any Governmental Authority having appropriate jurisdiction over DART shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any material provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution, or the Resolution related to the payment of principal or interest on the Commercial Paper Notes, Bank Note or Loans or the pledge of and Lien on the Collateral, or (c) DART shall deny that it has any or further liability or obligation under this Agreement, Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution, or (iii) any material provision of this Agreement, Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution other than a provision described in clause (i) and (ii) of this Section 7.01(h) shall at any time for any reason cease to be valid and binding on DART, or shall be declared in a final nonappealable judgment by any court having jurisdiction over DART to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by DART;

(i) (i) DART shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any Senior Lien Obligations or Senior Subordinate Lien Obligations or (ii) any Governmental Authority having appropriate jurisdiction over DART shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Commercial Paper Notes and Bank Notes or on all indebtedness of DART;

(j) (i) the long-term unenhanced rating by Moody's or S&P on any long term unenhanced Senior Lien Obligations is reduced below "A3" (or its equivalent) or "A-"

(or its equivalent) respectively, or (ii) (x) the long-term unenhanced rating by Moody's and S&P on any Senior Lien Obligations shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent) and "BBB-" (or its equivalent), respectively or (y) if at any time the Rating Agencies provide a long-term unenhanced rating on any Senior Subordinate Lien Obligations, such long-term unenhanced rating is reduced by Moody's and S&P below "Baa3" (or its equivalent) and "BBB-" (or its equivalent), respectively; or

(k) an "*Event of Default*" as defined in the Master Debt Resolution, the Resolution or the Issuing and Paying Agency Agreement shall occur and be continuing or DART shall default in the due performance or observance of any material term, covenant or agreement contained in any other Related Document and the same shall not have been cured within any applicable cure period;

then, and in any such event, other than an Event of Default specified in paragraph (g) above, the Lender shall declare the Bank Note, all accrued interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Bank Note and such interest and all such amounts shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by DART. If any Event of Default specified in paragraph (g) above shall occur, without any notice to DART or any other act by the Lender, the Bank Note, together with accrued interest thereon, and all other amounts payable under this Agreement, shall become forthwith due and payable, without presentment, demand, protest, or other notice of any kind, all of which are hereby waived by DART.

Upon the occurrence of any Special Event of Default, the Commitment shall automatically and immediately terminate with respect to all Commercial Paper Notes and the Lender shall have no obligation to make any Loan or to fund any outstanding Commercial Paper Note.

Upon the occurrence of an Event of Default that is not a Special Event of Default, the Lender shall, by notice to DART, terminate the Commitment, if any (except as provided below), deliver a Stop Order to the Issuing and Paying Agent directing the Issuing and Paying Agent to cease issuing all Commercial Paper Notes, whereupon no additional Commercial Paper Notes shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Commercial Paper Notes, and the Available Commitment shall be further reduced in a similar manner as and when such Commercial Paper Notes mature; *provided* that the Commitment shall not terminate, and the right of the Lender to accelerate the maturity of the Bank Note shall not effect the obligation of the Lender to make Loans in an aggregate principal amount equal to the Commitment to the extent necessary for DART to make required payments of principal on the Commercial Paper Notes issued and sold prior to the date upon which the Stop Order is received by the Issuing and Paying Agent; *provided further* that if any Loans are made that would not have been made but for the application of the immediately preceding provision, such Loans shall be immediately due and payable on the date such Loans are made.

Upon the occurrence of an Event of Default under Section 7.01(h)(ii) hereof, the obligation of the Lender to make Loans hereunder shall be suspended from the time of the occurrence of such Event of Default until a final, non appealable judgment of a court having jurisdiction in the premises shall be entered declaring that all contested provisions of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Collateral are upheld in their entirety. In the event such judgment is entered declaring that all material contested provisions this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, or the Master Debt Resolution or the Resolution relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Collateral are upheld in their entirety, the obligation of the Lender to make Loans hereunder shall be automatically reinstated and the terms of this Agreement will continue in full force and effect (unless this Agreement shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no suspension. In the event any provision of this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Collateral is declared to be null an void or unenforceable, or it is determined that DART has no liability or obligation under this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution, then the obligations of the Lender under this Agreement will terminate as set forth above. Notwithstanding the foregoing, if, upon the date which is the earlier of the Commitment Termination Date or three (3) years after the effective date of such suspension of the obligation of the Lender pursuant to this paragraph, litigation is still pending and a judgment regarding the validity and enforceability this Agreement, the Commercial Paper Notes, the Bank Note, the Issuing and Paying Agency Agreement, the Master Debt Resolution or the Resolution relating to the payment of principal or interest on the Commercial Paper Notes, the Bank Note or any Loans or the validity or enforceability of the pledge of and lien on the Collateral as is the subject of such Event of Default has not been obtained, then the Commitment and the obligation of the Lender to make Loans hereunder shall at such time terminate without notice or demand.

Upon the occurrence of a Default under Section 7.01(g)(ii) or Section 7.01(g)(iii) hereof, the obligation of the Lender to make Loans hereunder shall be suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of the Lender to make Loans hereunder shall be reinstated and the terms of this Agreement will continue in full force and effect (unless the obligation of the Lender to make Loans hereunder shall have otherwise expired or terminated in accordance with the terms hereof or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.



*Section 7.02. Suits at Law or in Equity and Mandamus.* If any Event of Default shall occur, then and in every such case the Lender shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in this Agreement, in aid of the exercise of any power granted in this Agreement, or to enforce any other legal or equitable right vested in the Lender on behalf of the Lender by this Agreement, the Bank Note or by law. The provisions of this Agreement shall be a contract with each and every Holder and the duties of DART shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

*Section 7.03. Remedies Not Exclusive.* No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by any Holder.

## **ARTICLE VIII**

### **MISCELLANEOUS**

*Section 8.01. Amendments, Etc.*

(a) *Amendments Generally.* No amendment or waiver of any provision of this Agreement, and no consent to any departure by DART, shall be effective unless in writing signed by the Lender and DART and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) *Consent to Amendments to Master Debt Resolution.* Lender, in its capacity as a Credit Provider under the Master Debt Resolution and as a Lender under the Resolution, hereby consents to the following amendment to the Master Debt Resolution approved by the Board of Directors of Dallas Area Rapid Transit:

Subsection 3.2(b) of the Master Debt Resolution is amended to add subsection (v) as follows:

(v) Notwithstanding anything in this Resolution to the contrary, the Debt Service required to be calculated for a particular series of Obligations under subsections (iii) and (iv) of this Section 3.2(b) shall be calculated net of amounts payable to DART from or by the State or the United States for, on account of, or in reimbursement for the payment of principal and interest on such Obligations, if such amounts are, at the time of calculation, required to be deposited to the debt service fund for such Obligations.

*Section 8.02. Notices; Effectiveness; Electronic Communication.*

(a) *Notices Generally.* Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule I, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, for such Person on Schedule I. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) *Electronic Communications.* Notices and other communications to the Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Lender. The Lender or DART may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Lender otherwise prescribes, (i) notices and other communications sent to the Lender to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the Lender at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) *Change of Address, Etc.* DART or the Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto.

(d) *Reliance by Lender.* The Lender shall be entitled to rely and act upon any notice or other communication (including any telephonic notice or communication) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons. To the extent permitted by law, DART shall indemnify the Lender and the Related Parties of the Lender from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice given by or on behalf of DART. All telephonic notices to and other

telephonic communications with the Lender may be recorded by the Lender, and DART hereby consents to such recording.

*Section 8.03. No Waiver; Cumulative Remedies; Enforcement.* No failure by the Lender to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Related Document, the authority to enforce rights and remedies hereunder and under the other Related Documents against the parties thereto or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Lender in accordance with Section 7.01; *provided, however*, that the foregoing shall not prohibit the Lender from exercising setoff rights in accordance with Section 8.08.

*Section 8.04. Expenses; Indemnity; Damage Waiver.* (a) DART agrees to pay to the Lender (i) all reasonable costs and expenses incurred by the Lender and its counsel in connection with the preparation, execution and delivery of this Agreement and any other documents and instruments that may be delivered or required in connection therewith (including fees in connection with this Agreement in an aggregate amount not to exceed \$45,000 plus disbursements), (ii) all costs and expenses incurred by the Lender after the Effective Date, including reasonable fees and out-of-pocket expenses of counsel for the Lender, otherwise arising in connection with this Agreement and the Related Documents, including, without limitation, in connection with any amendment hereto or thereto, the enforcement hereof or thereof or the protection of the rights of the Lender hereunder or thereunder, and (iii) any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection herewith.

(b) *Indemnification by DART; Limitation on Liability.* (i) To the extent permitted by law, DART shall indemnify the Lender and each Related Party of the Lender (each such Person being called an “*Indemnatee*”) against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnatee), incurred by any Indemnatee or asserted against any Indemnatee by any third party or by DART arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby (including in respect of any matters addressed in Section 3.01), (ii) any Loan or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by

DART, and regardless of whether any Indemnitee is a party thereto, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE; *provided* that DART shall not be required to indemnify an Indemnitee for any claims, damages, losses, liabilities, costs, or expenses to the extent, but only to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (a) the negligence or willful misconduct of such Indemnitee or (b) by reason of any untrue statement or material omission with respect to information describing such Indemnitee and furnished in writing by such Indemnitee to DART expressly for use in the Offering Memorandum.

(ii) To the extent permitted by law, DART assumes all risks of the acts or omissions of the Issuing and Paying Agent with respect to the use of the Commitment and the Loans made pursuant thereto; *provided* that this assumption with respect to the Lender is not intended to and shall not preclude DART from pursuing such rights and remedies as it may have against the Issuing and Paying Agent under any other agreements. Neither the Lender nor any of its respective officers or directors shall be liable or responsible for (i) the use of the proceeds of the Loans or the Bank Note or the transactions contemplated hereby and by the Related Documents or for any acts or omissions of the Issuing and Paying Agent or the Dealers, (ii) the validity, sufficiency, or genuineness of any documents determined in good faith by the Lender to be valid, sufficient or genuine, even if such documents shall, in fact, prove to be in any or all respects invalid, fraudulent, forged or insufficient, (iii) payments by the Lender against presentation of requests for Loans for which the Lender in good faith has determined to be valid, sufficient or genuine and which subsequently are found not to comply with the terms of this Agreement, or (iv) any other circumstances whatsoever in making or failing to make payment hereunder; *provided* that DART shall not be required to indemnify the Lender for any claims, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the negligence or willful misconduct of the Lender, respectively, as determined by a court of competent jurisdiction in a final and nonappealable judgment.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable law, DART shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments.* All amounts due under this Section shall be payable not later than ten (10) days after receipt of an invoice.

(e) *Survival.* The agreements in this Section shall survive the replacement of the Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

*Section 8.05. Payments Set Aside.* To the extent that any payment by or on behalf of DART is made to the Lender, or the Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

*Section 8.06. Successors and Assigns.*

(a) *Successors and Assigns Generally.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that DART may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Lender and the Lender may not assign or otherwise transfer any of its rights or obligations hereunder except (i) by way of participation in accordance with the provisions of subsection (b) of this Section, or (ii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (c) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, participants to the extent provided in subsection (b) of this Section and, to the extent expressly contemplated hereby, the Related Parties of the Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Participations.* The Bank shall have the right to grant participations to one or more other banking institutions, and such participants shall be entitled to the benefits of this Agreement, including, without limitation, Article III and Section 8.04 hereof, to the same extent as if they were a direct party hereto; provided, however, that no such participation by any such participant shall in any way affect the obligation of the Lender under this Agreement; and *provided, further*, that no such participant shall be entitled to receive payment hereunder of any amount greater than the amount which would have been payable had the Lender not granted a participation to such participant.

(c) *Certain Pledges.* The Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of the Lender, including any pledge or assignment to secure obligations to a Federal Reserve Lender; *provided* that no such pledge or assignment shall release the Lender from any of its obligations hereunder or substitute any such pledgee or assignee for the Lender as a party hereto.

*Section 8.07. Treatment of Certain Information; Confidentiality.* The Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Related Document or any action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to DART and its obligations, (g) with the consent of DART or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Lender or any of its respective Affiliates on a nonconfidential basis from a source other than DART.

For purposes of this Section, "*Information*" means all information received from DART relating to DART or any of its respective businesses, other than any such information that is available to the Lender on a nonconfidential basis prior to disclosure by DART, *provided* that, in the case of information received from DART after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

The Lender acknowledges that (a) the Information may include material non-public information concerning DART, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

*Section 8.08. Counterparts; Integration; Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Related Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Lender and when the Lender shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

*Section 8.09. Survival of Representations and Warranties.* All representations and warranties made hereunder and in any other Related Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Lender, regardless of any investigation made by the Lender or on its behalf and notwithstanding that the Lender may have had notice or knowledge of any Event of Default or Default at the time of the making of any Loan, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

*Section 8.10. Severability.* If any provision of this Agreement or the other Related Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Related Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

*Section 8.11. Governing Law; Jurisdiction; Etc.*

(a) *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS; *PROVIDED*, THAT THE OBLIGATIONS OF THE LENDER UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) *SUBMISSION TO JURISDICTION.* DART AND BANK IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS SITTING IN DALLAS COUNTY AND OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURTS OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, IN SUCH FEDERAL COURTS. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) *WAIVER OF VENUE.* DART IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN

INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 8.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

*Section 8.12. Waiver of Jury Trial.* EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

*Section 8.13. Right of Setoff.* If an Event of Default shall have occurred and be continuing, the Lender and each of its respective Affiliates is hereby authorized at any time and from time to time to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or any such Affiliate to or for the credit or the account of DART against any and all of the obligations of DART now or hereafter existing under this Agreement or any other Related Document to the Lender or any such Affiliate, irrespective of whether or not the Lender shall have made any demand under this Agreement or any other Related Document and although such obligations of DART may be contingent or unmatured or are owed to a branch or office of the Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Lender and its respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Lender or their respective Affiliates may have. The Lender agrees to notify DART promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

*Section 8.14. Electronic Execution of Assignments and Certain Other Documents.* The words “execution,” “signed,” “signature,” and words of like import in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.



*Section 8.15. USA PATRIOT Act.* The Lender that is subject to the Patriot Act (as hereinafter defined) and the Lender hereby notifies DART that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “*Patriot Act*”), it is required to obtain, verify and record information that identifies DART, which information includes the name and address of DART and other information that will allow the Lender to identify DART in accordance with the Patriot Act. DART shall, promptly following a request by the Lender, provide all documentation and other information that the Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

*Section 8.16. Time of the Essence.* Time is of the essence of the Related Documents.

*Section 8.17. Entire Agreement.* THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

DALLAS AREA RAPID TRANSIT

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

BANK OF AMERICA, N.A.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT A

### FORM OF BANK NOTE

\$154,438,357

Dated: December \_\_, 2010

FOR VALUE RECEIVED, the undersigned, DALLAS AREA RAPID TRANSIT (the “*Department*”), HEREBY PROMISES TO PAY to the order of BANK OF AMERICA, N.A., (the “*Lender*”), (i) the principal sum of ONE HUNDRED FIFTY-FOUR MILLION FOUR HUNDRED THIRTY-EIGHT THOUSAND THREE HUNDRED FIFTY-SEVEN DOLLARS (\$154,438,357) or, if less, the aggregate unpaid principal amount of all Loans (as such term is defined in the Credit Agreement hereinafter defined) made by the Lender to DART, payable at such times as are specified in the Revolving Credit Agreement, and (ii) interest on the unpaid principal amount of each Loan made by the Lender, from the date of each such Loan until such principal amount is paid in full, at such interest rates, and payable at such times, as are specified in the Credit Agreement; *provided, however*, all principal of, and all earned interest then accrued on, this Bank Note shall be fully and finally due and payable on the Final Maturity Date (as defined in the Credit Agreement).

Both principal and interest are payable in lawful money of the United States of America and in immediately available funds as specified in the Credit Agreement. Each Loan made by the Lender to DART pursuant to the Revolving Credit Agreement and all payments made by DART on account of principal hereof and interest hereon shall be recorded by the Lender and, prior to any transfer hereof, endorsed on the schedule attached hereto (which is a part of this Bank Note); *provided*, that the failure of the Lender to make any recordation or endorsement shall not affect the obligations of DART hereunder or under the Credit Agreement. Notwithstanding any other provision of this Bank Note, interest paid or becoming due hereunder shall in no event exceed the maximum rate permitted by applicable law.

This note is the Bank Note referred to in, and is entitled to the benefits of, the Revolving Credit Agreement, dated as of December \_\_, 2010, but effective as of December \_\_, 2010 (as amended or otherwise modified from time to time, the “*Credit Agreement*”), between DART and Bank of America, N.A. The Credit Agreement, among other things, provides for the making of Loans by the Lender to DART from time to time in an aggregate amount not to exceed at any time outstanding the U.S. dollar amount first above mentioned, the indebtedness of DART to the Lender resulting from each such Loan being evidenced by this Bank Note.

This Bank Note is subject to mandatory prepayment by DART on the last day of the Fiscal Biennium in which the related Loan is incurred under certain circumstances, as provided in the Credit Agreement.

This Bank Note is a special obligation of DART, to which the funds described in Section 2.2 of the Resolution (as defined in the Credit Agreement) are pledged.

This Bank Note shall be governed by, and construed in accordance with, the laws of the State of Texas.

DALLAS AREA RAPID TRANSIT

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE FOR BANK NOTE  
DATED DECEMBER \_\_, 2010  
BY DALLAS AREA RAPID TRANSIT  
PAYABLE TO \_\_\_\_\_**

DATE OF LOAN	TYPE OF LOAN	AMOUNT OF LOAN	INTEREST COMPONENT	PRINCIPAL COMPONENT	MATURITY OF LOAN	DATES OF PAYMENT	AMOUNT OF PAYMENT	NAME AND SIGNATURE OF BANK OFFICER
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**EXHIBIT B**

**FORM OF NOTICE OF LOAN**

To: Bank of America, N.A., as Lender

Reference is made to that certain Revolving Credit Agreement, dated as of December \_\_, 2010 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement," the terms defined therein being used herein as therein defined), between the Dallas Area Rapid Transit ("DART") and Bank of America, N.A. DART, acting herein by the undersigned Authorized Officer, pursuant to Section 2.02(a) and related provisions of the Agreement, issues this Notice of Loan to be made under the Agreement as follows:

1. Business Day on which Revolving Loan is to be made:

\_\_\_\_\_;

2. Principal Amount of Revolving Loan:

(a) Interest Component: \$\_\_\_\_\_

(b) Principal Component: \$\_\_\_\_\_

3. Maturity Date:

\_\_\_\_\_;

DART certifies, represents and warrants that the conditions set forth in Article IV of the Credit Agreement shall have been satisfied.

**[The proceeds of the Loans shall be transferred to Account No. \_\_\_\_\_, at \_\_\_\_\_.]**

In connection with this Notice of Loan, DART certifies to the Lender on behalf of the Lender that as of the date of this Notice of Loan no Special Event of Default or Suspension Event has occurred and is continuing. Any capitalized terms used and not defined herein shall have the meaning assigned to it in the Agreement.

Date of this Notice of Loan: \_\_\_\_\_

DALLAS AREA RAPID TRANSIT

By \_\_\_\_\_

Title: \_\_\_\_\_

**SCHEDULE I**

**CERTAIN ADDRESSES FOR NOTICES**

**DEPARTMENT:**

Dallas Area Rapid Transit

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

Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

**AND WITH A COPY TO:**

Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

**LENDER:**

Bank of America, N.A.  
901 Main Street  
Dallas, Texas 75202

Attention: Michael Feist  
Telephone: (214) 209-3217  
Telecopier: (972) 728-9590  
E-Mail: michael.feist@baml.com



Dated Date: \_\_\_\_, 2010

*This Offering Memorandum supplements our 2010 Annual Disclosure Statement dated March 9, 2010, as updated by our Quarterly Disclosure Updates for the Six-Month Period Ended March 31, 2010 and for the Nine-Month Period Ended June 30, 2010. The 2010 Annual Disclosure Statement, the Quarterly Disclosure Updates and this Offering Memorandum have been filed as public records with the Municipal Securities Rulemaking Board and are posted on the Internet at our website at <http://www.dart.org/debtdocuments/investorinformation.asp>. This Offering Memorandum replaces our Offering Memorandum, dated August 11, 2006, relating to the Notes (as defined below).*

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**This Offering Memorandum relates to the following securities:**

You should carefully consider the investment considerations contained herein under the caption "INVESTMENT CONSIDERATIONS" and in the accompanying 2010 Annual Disclosure Statement under the caption "INVESTMENT CONSIDERATIONS."

**Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue  
Commercial Paper Notes, Series 2001**

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**The Notes**

*We issue from time to time Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001 (the "Notes") as described herein. The Notes may be issued in any amount up to \$650 million outstanding, except that at no time may the aggregate principal amount of the Notes, plus the aggregate principal amount of any loans made to us under the Revolving Credit Agreement described below, exceed the "Principal Commitment" of the Lender under the Revolving Credit Agreement, currently \$150 million. The Notes are issued in minimum denominations of \$100,000 and in integral multiples of \$1,000 in excess of \$100,000.*

**Security for Notes—Lien Ranking**

*The Notes are Senior Subordinate Lien Obligations under the provisions of the Master Debt Resolution that our Board adopted on January 23, 2001. The Notes are payable from and are secured by a pledge of and lien on Pledged Revenues (as defined herein) consisting of (i) the Gross Sales Tax Revenues that we receive from the levy and collection of a 1% sales and use tax (the "Sales Tax") on taxable items sold within our boundaries, (ii) Pledged Farebox Revenues (as defined herein) and (iii) investment earnings credited to the Gross Sales Tax Revenue Fund. The lien securing the Notes is subordinate to Senior Lien Obligations, but is senior to Junior Subordinate Lien Obligations, that we may issue or execute from time to time under the Master Debt Resolution. See, "THE COMMERCIAL PAPER NOTES—Uses of Proceeds of Notes and Loans Under Revolving Credit Agreement," and the 2010 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds."*

**Issuance and Reissuance of the Notes—The Revolving Credit Agreement**

*The Notes are issued as "Interim Obligations" under the Master Debt Resolution and are periodically sold, retired, and reissued in installments having short term maturities of no more than 270 days. Prior to each maturity, we expect to sell additional Notes in the public markets to provide the funds needed to pay the principal due on the maturing Notes. We intend to pay the interest on the Notes from the Senior Subordinate Lien Debt Service Fund, but we reserve the right to pay the interest from the proceeds of future installment issues of Notes, or from Loans described below.*

*We have entered into a Revolving Credit Agreement relating to the Notes with Bank of America, N.A. Under the Revolving Credit Agreement, the Lender has agreed, subject to certain conditions, to provide a revolving line of credit to provide Loans to us in the amounts required to pay principal and interest due on the Notes on their maturity dates if we cannot market and remarket new Notes for that purpose.*

*The Revolving Credit Agreement expires on \_\_\_\_\_, unless it is extended for additional periods at our request and with the agreement of the Lender. We will not issue Notes unless the Revolving Credit Agreement is in full force and effect.*

*The Revolving Credit Agreement may be terminated upon the occurrence of any of the "Automatic Commitment Termination Events" referenced in this Offering Memorandum. If the Revolving Credit Agreement is terminated because an Automatic Commitment Termination Event has occurred, the Lender is not required to provide funds to pay the principal of and interest on the Notes and we will not be able to issue Notes unless we obtain a substitute credit facility.*

*This Offering Memorandum may be used to offer and sell the Notes only if it is accompanied by our 2010 Annual Disclosure Statement described herein.*

J.P. Morgan Securities and Loop Capital Markets LLC

Co-Dealers

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Appendix A - Summary of Certain Terms of the First Supplemental Debt Resolution  
Appendix B - Summary of Certain Terms of the Revolving Credit Agreement  
Appendix C - Form of Opinion of Co-Bond Counsel

## IMPORTANT NOTICES

We are providing information to you about the Notes in four separate documents: (1) the 2010 Annual Disclosure Statement, dated March 9, 2010, (2) the Quarterly Disclosure Update for the Six-Month Period Ended March 31, 2010, dated May 11, 2010, (3) the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2010, dated August 24, 2010 all of which provide general information about DART (some of which may not apply to the Notes) and (4) this Offering Memorandum, which describes the specific terms of the Notes. All references herein to the "Disclosure Statement" mean the 2010 Annual Disclosure Statement, as updated by both Quarterly Disclosure Updates and this Offering Memorandum.

Our Disclosure Statement includes a detailed discussion of the Pledged Revenues that we have pledged as security for the Notes, the previously issued Senior Lien Bonds and other Obligations that we may issue or enter into in the future, of our rights to issue additional Bond Obligations and related Credit Agreement Obligations, of the financial tests that are imposed as preconditions to their issuance and of other matters relating to our organization and our public transportation system. We refer you to specific captions within the Disclosure Statement where additional information may be found regarding specific subjects.

Our most recently audited financial statements, for the Fiscal Year ended September 30, 2009, are included with the Independent Auditors' Report that is attached to the 2010 Annual Disclosure Statement as Appendix A thereto. The unaudited statement of our principal accounts for the period of October 1, 2009 through June 30, 2010, is included as Exhibit A to the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2010. When we issue Notes, you should rely only on the information contained or incorporated by reference in this Offering Memorandum and the 2010 Annual Disclosure Statement. We have not authorized anyone to provide you with other information. If information varies between this Offering Memorandum and the 2010 Annual Disclosure Statement, you should rely on the information in this Offering Memorandum.

We will not offer the Notes in any state where their offer is not permitted. We do not claim that the information contained in the 2010 Annual Disclosure Statement and in this Offering Memorandum is accurate as of any date other than the Dated Date stated on their cover page.

The Dealers may use this Offering Memorandum and the 2010 Annual Disclosure Statement in connection with the sale of Notes from time to time. For that reason, this document may be amended from time to time to update certain information.

The summaries of the First Supplemental Debt Resolution, as amended (the "First Supplemental Debt Resolution"), and the Revolving Credit Agreement (the "Revolving Credit Agreement"), contained in the Appendices hereto are not intended to be comprehensive and are qualified in their entirety by reference to the entire documents. You may obtain a copy of the Master Debt Resolution, the First Supplemental Debt Resolution, and the Revolving Credit Agreement on the Internet at our website, [www.dart.org](http://www.dart.org), or by contacting our Vice President, Finance, DART, 1401 Pacific Avenue, Dallas, Texas 75202, (214) 749-3148.

In this Offering Memorandum, "we," "our," "us," and "DART" refer to Dallas Area Rapid Transit. If we use a capitalized term in this Offering Memorandum and do not define the term in this document, its definition is given or summarized in Appendix A to this Offering Memorandum and/or in Appendix B to the 2010 Annual Disclosure Statement.

## FORWARD-LOOKING STATEMENTS

*We make "forward-looking statements" in this document by using forward looking words such as "may," "will," "should," "intends," "expects," "believes," "anticipates," "estimates," or others. You are cautioned that forward looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, conditions in the financial markets, our financial condition, receipt of federal grants, and various other factors which may be beyond our control. Because we cannot predict all factors that may affect future decisions, actions, events, or financial circumstances, what actually happens may be different from what we include in forward looking statements.*

## GENERAL INFORMATION ABOUT DART

The following general information about DART is a summary only and is not intended to be comprehensive. This information should be read together with the information in the 2010 Annual Disclosure Statement under the heading "INFORMATION ABOUT DART."

DART is a subregional transportation authority of the State of Texas. We were created and confirmed by passage of a referendum on August 13, 1983, pursuant to Article 1118y of Vernon's Annotated Civil Statutes, as amended and recodified as Chapter 452, Texas Transportation Code. Our current boundaries include the territory lying within the corporate limits of the following Participating Municipalities: the Cities of Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Irving, Plano, Richardson, Rowlett and University Park and the Towns of Addison and Highland Park. We are governed by a 15-member Subregional Board of Directors.

Our administrative office is located in Dallas County, Texas, and our boundaries include approximately 700 square miles and a population of approximately 2.4 million persons, according to the most recent estimate available from the North Central Texas Council of Governments.

The Participating Municipalities have certain limited rights to withdraw from DART, subject to the continuing collection of the Sales Tax within the withdrawing municipality until its share of all obligations of DART are collected and paid to DART. See, the 2010 Annual Disclosure Statement, "INFORMATION ABOUT DART—DART's Boundaries, Additions, Withdrawal Rights."

### Sources of Revenue

For additional information regarding the Sales Tax, farebox revenues and other sources of revenue and funds, see the 2010 Annual Disclosure Statement, "DART'S FINANCIAL PRACTICES AND RESOURCES." In addition, see information herein under the heading "THE COMMERCIAL PAPER NOTES – Pledge of Farebox Revenues to Obligations" regarding the pledge of Farebox Revenues to Obligations, including the Notes.

### Outstanding Debt

On the date hereof, we currently have outstanding \$3,298,430, in principal amount of Senior Lien Bonds, all of which bear interest at fixed rates to maturity, and \$150,000,000 in principal amount of Commercial Paper Notes.

### Recent Events

The information in this section supplements and updates the information contained in the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2010. On September 28, 2010 the Board of Directors formally adopted the FY 2011 Business Plan (which includes the FY 2011 Budget) and the Twenty Year Financial Plan. The plans take into consideration downward adjustments in the previously estimated increase in sales tax receipts over the twenty year financial plan. A number, but not all major capital projects have been removed from budgeted status within the plan and annual operating service programs covering all modes of transportation have been revised to achieve lower estimated recurring annual operating costs. The FY 2011 Business Plan and the Twenty Year Financial Plan are posted at our website at <http://www.dart.org/debtdocuments/investorinformation.asp>.

## THE COMMERCIAL PAPER NOTES

*The following description of the Notes is a summary only and is not intended to be comprehensive. The description should be read together with the description of the terms and provisions of the First Supplemental Debt Resolution set forth in Appendix A hereto, "SUMMARY OF CERTAIN TERMS OF THE FIRST SUPPLEMENTAL DEBT RESOLUTION," and with the description of the terms and provisions of the Master Debt Resolution provided in Appendix B to the 2010 Annual Disclosure Statement, "SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION."*

## General Description

The Notes are the Senior Subordinate Lien Obligations that are specifically authorized by Section 3.3(a) of the Master Debt Resolution. That Section authorizes us to issue the Notes pursuant to the First Supplemental Debt Resolution in any aggregate principal amount up to \$650 million outstanding and without meeting any financial tests as preconditions to their issuance, provided that:

- The principal amount of Notes that may be Outstanding from time to time, plus
- The unpaid principal amount of any Loans and Term Loans that are outstanding under the Revolving Credit Agreement, excluding any portion of such principal that is borrowed for the purpose of paying interest on any Notes or prior Loans under the Revolving Credit Agreement (other than Term Loans),

does not exceed the Principal Commitment under the Revolving Credit Agreement, currently \$150 million.

The Notes are payable from and are secured by a pledge of and lien on Pledged Revenues (as defined herein) consisting of (i) the Gross Sales Tax Revenues that we receive from the levy and collection of a 1% sales and use tax (the “Sales Tax”) on taxable items sold within our boundaries, (ii) Pledged Farebox Revenues (as defined herein) and (iii) investment earnings credited to the Gross Sales Tax Revenue Fund. The lien securing the Notes is subordinate to Senior Lien Obligations, but is senior to Junior Subordinate Lien Obligations, that we may issue or execute from time to time under the Master Debt Resolution. For additional information regarding the Sales Tax and Gross Sales Tax Revenues, see the 2010 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

## Pledge of Pledged Farebox Revenues to Obligations

Pursuant to the provisions of the Seventh Supplemental Debt Resolution authorizing the issuance of DART’s Senior Lien Sales Tax Revenue Bonds, Taxable Series 2010B (Build America Bonds – Direct Payment to Issuer) (the “Series 2010B Bonds”), DART pledged the Pledged Farebox Revenues as security for all of the Obligations, including the Notes. The Pledged Farebox Revenues include all fares collected by or on behalf of DART for its bus, rail and paratransit services in an amount equal to 97.3% of the debt service accruing on the Series 2010B Bonds after deducting the federal subsidy applicable to such Bonds.

## Installment Issues

The Notes are sold, retired, and reissued periodically in installments. See, “TAX MATTERS—Types of Notes Permitted.” The Notes mature on a Business Day fixed by one of our Authorized Officers, but not more than 270 days after their issuance and never later than January 15, 2041.

Prior to each maturity of Notes, we expect to sell additional Notes in the public markets to provide the funds needed to pay the principal amount due on the maturing Notes. If we are unable to sell additional Notes in an amount that is sufficient to pay the amounts due on the Notes, we intend borrow such amount under the Revolving Credit Agreement.

The Notes may be issued in any aggregate amount up to \$650 million outstanding, except that at no time may the aggregate principal amount of the outstanding Notes, plus the aggregate principal amount of any Loans made to us under the Revolving Credit Agreement, exclusive of any portion of such principal that is borrowed for the purpose of paying interest on any Notes or prior Loans, exceed the Principal Commitment under the Revolving Credit Agreement, currently \$150 million.

The First Supplemental Debt Resolution provides that we cannot issue Notes unless the Revolving Credit Agreement is in full force and effect and is available to provide Loans to us in amounts sufficient to pay the principal of and the interest on the issued Notes at maturity.

The Notes will be issued in minimum denominations of \$100,000 and in integral multiples of \$1,000 in excess of \$100,000.

### **Payments of Interest on Notes, Interest Rate**

Unless we instruct the Issuing and Paying Agent that other available funds will be used for the purpose, the Trustee will deposit Gross Sales Tax Revenues to the Senior Subordinate Lien Debt Service Fund, as such revenues are received from the Comptroller, in amounts equal to the Accrued Aggregate Interest on the Outstanding Notes during each Debt Service Accrual Period and to transfer funds to the Issuing and Paying Agent on the maturity dates of Outstanding Notes sufficient in amount to pay the interest on the Outstanding Notes on their respective maturity dates. See, 2010 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

If amounts on deposit in the Senior Subordinate Lien Debt Service Fund are not sufficient for such purpose, we intend to pay such interest from the proceeds of subsequent installment issues of Notes, from Loans under the Revolving Credit Agreement, or from our unencumbered funds.

We will pay interest on each installment issue of the Notes at the market rate. We may also issue taxable Notes without interest at a discount fixed by the Dealers at the time of issuance and approved by one of our Authorized Officers. The annual net effective rate of interest cannot exceed 12% per annum.

Interest on the Notes will be calculated on the basis of the actual number of days elapsed and a 365 day year.

### **The Issuing and Paying Agent**

Deutsche Bank Trust Company Americas is the Issuing and Paying Agent for the Notes. The Issuing and Paying Agent will authenticate Notes in the principal amounts, with the Note Dates, Stated Maturity Dates, and rates of interest or discount, and for the purchase prices specified by an Authorized Officer. The Issuing and Paying Agent may not authenticate Notes unless an Authorized Officer certifies that the Revolving Credit Agreement remains in full force and effect and, according to the terms of the Revolving Credit Agreement, is available to provide Loans to us in amounts sufficient to pay the principal of and the interest on the Notes being issued on their Stated Maturity Date.

The Notes will be available for countersignature and issuance and will be payable at the offices of the Issuing and Paying Agent. An investor is required to pay the purchase price for the Notes to be purchased in immediately available funds, and the amount payable by us at maturity will be paid in same day funds. Notes must be presented to the Issuing and Paying Agent by 12:00 noon, New York time, to ensure same day payment.

The Notes are not subject to redemption prior to their stated maturity.

### **Uses of Proceeds of Notes and Loans Under Revolving Credit Agreement**

The First Supplemental Debt Resolution creates various accounts within the Issuing and Paying Agent Fund to be held by the Issuing and Paying Agent. The proceeds of each installment issue of Notes, and the proceeds of any Loans made by the Lender under the Revolving Credit Agreement, as discussed below, are deposited to special accounts within the Issuing and Paying Agent Fund and used for the purposes set forth in the First Supplemental Debt Resolution. See Appendix A, “SUMMARY OF CERTAIN TERMS OF THE FIRST SUPPLEMENTAL DEBT RESOLUTION—Issuance, Sale, Uses of Proceeds, and Payment of Notes (*Article IV*).

In general, the proceeds of Notes are used to:

- Refinance, renew, replace, or refund Notes that have been previously issued, including the interest thereon if sufficient money is not available for that purpose in the Senior Subordinate Lien Debt Service Fund, see, “Payments of Interest on Notes, Interest Rate,” above;

- Repay the Loans, including any Term Loans, payable to the Lender in the amounts and to the extent required by the terms of the Revolving Credit Agreement;
- Pay the costs of Reissuance of the Notes, including all applicable Administrative Expenses; and
- Provide additional funds for our System Expansion and Acquisition Fund.

Any Loans made to us by the Lender under the Revolving Credit Agreement will be used solely to pay the principal of and the interest on Notes at their maturity that are not otherwise paid from the proceeds of installment issues of Notes or from other funds that are available for such purpose. See, “THE REVOLVING CREDIT AGREEMENT—Our Rights and Obligations Under Revolving Credit Agreement.”

Money deposited to the Note Proceeds Account and to the other accounts within the Issuing and Paying Agent Fund is the first source of payment for the principal amount of the Notes at their maturity, and the Issuing and Paying Agent will not request the Trustee to make deposits to the Senior Subordinate Lien Debt Service Fund for the purpose of paying the principal amounts due on the Notes, at their maturity so long as money is provided to the Issuing and Paying Agent for that purpose from the proceeds of future installment issues of Notes, and/or from Loans made to us by the Lender under the Revolving Credit Agreement, and/or from our unencumbered funds.

If, for any cause or reason, (1) money is not available in the Issuing and Paying Agent Fund from the proceeds of future installment issues of Notes, from the proceeds of Loans made to us by the Lender under the Revolving Credit Agreement, or from money deposited to the Senior Subordinate Lien Debt Service Fund in amounts needed to pay in full all amounts due on the Notes as they mature, and (2) we do not otherwise make such payments from unencumbered funds, and/or (3) payment is not otherwise made from the proceeds of a substitute credit facility or a timely refinancing of the amounts due, an Event of Default will occur under the Master Debt Resolution. In such an event, the Issuing and Paying Agent will notify the Trustee of such fact, after which the Trustee is required to make deposits, from the next available Gross Sales Tax Revenues that are received from the Comptroller, to the Senior Subordinate Lien Debt Service Fund in accordance with the default provisions of the Master Debt Resolution. See, Appendix B to the 2010 Annual Disclosure Statement, “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—Defaults and Remedies—Remedies for Default.” Such deposits will be required to the extent funds are available in the full amount of the Debt Service and Administrative Expenses that are due, owing, and unpaid on the matured Notes and will be delivered, when available, to the Issuing and Paying Agent for payment first to the payment of Administrative Expenses related to the Senior Subordinate Lien Obligations, including the Notes, and then to the payment of the matured and unpaid Notes. Until the matured and unpaid Notes are paid in full, all further deposits to the Junior Subordinate Lien Debt Service Fund and all further distributions of Gross Sales Tax Revenues to us will be suspended until the default is cured and the matured and unpaid Notes are paid in full.

#### **Periodic Refunding of Outstanding Notes with Senior Lien Obligations**

We may periodically pay or refund the Notes with Bond Obligations issued (1) as long-term Obligations or Interim Obligations and/or as Obligations bearing variable rates of interest, and (2) as Senior Lien Obligations, Senior Subordinate Lien Obligations and/or Junior Subordinate Lien Obligations. In issuing these Obligations, we must meet the applicable financial tests and limitations specified in the Master Debt Resolution, in Supplemental Resolutions, and in Credit Agreements. See, the 2010 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Preconditions to Issuance of Bond Obligations—Financial Coverage Tests.”

#### **THE REVOLVING CREDIT AGREEMENT**

*The following description of the Revolving Credit Agreement is only a summary of certain provisions of the Revolving Credit Agreement and is not intended to be comprehensive or complete. The description should be read together with the description of the terms and provisions of the Revolving Credit Agreement set forth in “SUMMARY OF CERTAIN TERMS OF THE REVOLVING CREDIT AGREEMENT” in Appendix B to this Offering Memorandum.*



## **General**

We have entered into a Revolving Credit Agreement relating to the Notes with Bank of America, N.A. Under the Revolving Credit Agreement, the Lender has agreed to provide to us during the Revolving Credit Period a revolving line of credit in an amount not to exceed the Principal Commitment, currently \$150 million, plus interest on such amount for ninety days at 12% per annum, to provide, subject to certain conditions, funds to pay principal and interest due on the Notes on their respective maturity dates if we cannot market and remarket new Notes for that purpose.

The Revolving Credit Period expires on December \_\_\_\_, 2013, unless it is extended at our request and the extensions are approved by the Lender.

## **Our Rights and Obligations Under Revolving Credit Agreement**

If we are unable to market or remarket Notes in amounts sufficient to retire and pay maturing Notes, the Lender, unless an “Automatic Commitment Termination Event” (as discussed below) has occurred, is obligated during the Revolving Credit Period to provide us with Loans to pay maturing Notes in full. The proceeds of the Loans will be deposited to a special account within the Issuing and Paying Agent Fund created in the First Supplemental Debt Resolution and will be used solely for the purpose of paying the principal of and the interest on Notes at their maturity. See, “THE COMMERCIAL PAPER NOTES—Uses of Proceeds of Notes and Loans Under Revolving Credit Agreement.”

We are obligated to repay the principal on the Loans (with interest payable monthly) on or prior to the date on which the Lender’s obligation to advance Loans under the Revolving Credit Agreement expires or terminates, as provided in the Revolving Credit Agreement. We may repay the Loans from the proceeds of subsequent installment issues of Notes, or, alternatively, we have the right to convert the Loans to Term Loans, payable by us over a 3 year period plus interest, subject to satisfaction of certain conditions in the Revolving Credit Agreement.

Our obligations to repay the Loans, including the Term Loans, are Senior Subordinate Lien Obligations under the Master Debt Resolution and are secured by a pledge of and lien on Pledged Revenues on a parity as to liens and rights with the Notes.

## **Automatic Commitment Termination Events**

The Revolving Credit Agreement automatically terminates upon the occurrence of any of the “Automatic Commitment Termination Events.” If the Revolving Credit Agreement is terminated because an Automatic Commitment Termination Event has occurred, the Lender is not required to provide funds to us to pay the principal of and interest on the Notes even though the Revolving Credit Agreement was in effect on the date of issuance of the Notes.

In general, Automatic Commitment Termination Events occur if we default in our obligations to make payments on any Obligations, if a court, governmental authority or other agency having jurisdiction determines officially that we are not liable to pay amounts due under the Revolving Credit Agreement or due with respect to any Senior Lien Obligation or Senior Subordinate Lien Obligation, if we become insolvent, or if certain of our credit ratings are downgraded by national rating agencies. For a full description of the Automatic Commitment Termination Events, see Appendix B, “SUMMARY OF CERTAIN TERMS OF THE REVOLVING CREDIT AGREEMENT—Defaults, Remedies (*Article VI*).”

## **Revolving Credit Agreement Limitations on Our Issuance of Additional Obligations**

The Master Debt Resolution establishes certain financial tests that we must meet before we can issue Senior Lien Obligations and Subordinate Lien Obligations in the future, and authorizes Supplemental Resolutions and Credit Agreements to include additional financial tests that must be met before we may issue new Bond Obligations.

The Revolving Credit Agreement imposes additional restrictions on our ability to issue Additional Obligations. For a summary description of those restrictions, see, Appendix B, “SUMMARY OF CERTAIN TERMS OF THE REVOLVING CREDIT AGREEMENT—Covenants (*Article V*),” and the 2010 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Preconditions to Issuance of Bond Obligations—Financial Coverage Tests.”

#### **THE LENDER**

The information in this section has been provided by the Lender and is presented as of the latest date provided to us. We take no responsibility for the currency or accuracy thereof.

**Bank of America, N.A.**

[TO COME]

#### **BOOK-ENTRY SYSTEM**

The information in this section has been provided by the Depository Trust Company. We take no responsibility for the accuracy thereof.

The Depository Trust Company (“DTC”), New York, NY, acts as securities depository for the Notes. The Notes are issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Note certificate has been and will be issued for each maturity of the Notes, each in the aggregate principal amount of such issue and has been deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (the “Beneficial Owner”) is in turn recorded on the Direct and Indirect Participants’ records. Beneficial Owners do not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners do not receive certificates representing their ownership interests in the Notes, except in the event that use of the Book-Entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners are governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to DART and the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal and interest on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or Issuing and Paying Agent on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners shall be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Issuing and Paying Agent, DART or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Notes to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DART, the Board or the Issuing and Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of the DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to DART, the Board or the Issuing and Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Note certificates are required to be delivered as described in the First Supplemental Debt Resolution.

DART and the Board may decide to discontinue use of the system of Book-Entry transfers through DTC (or a successor securities depository). In that event, Note certificates will be delivered as described in the First Supplemental Debt Resolution.

The information in this section concerning DTC and DTC's Book-Entry system has been obtained from sources that DART believes to be reliable, but DART and the Board take no responsibility for the accuracy thereof.

## **INVESTMENT CONSIDERATIONS**

The following information, which you should carefully consider, identifies certain investment considerations associated with the purchase of Notes. You should also carefully consider the information set forth under "INVESTMENT CONSIDERATIONS" in the 2010 Annual Disclosure Statement.

The lien on Pledged Revenues that secures the Notes is subordinate to the lien securing Senior Lien Obligations. We currently have Outstanding \$3,298,430 in Senior Lien Obligations. See the 2010 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS."

The Master Debt Resolution permits us to issue Additional Senior Lien Obligations only if we can satisfy the financial tests and limitations contained in the Master Debt Resolution, in Supplemental Resolutions, and in Credit Agreements, including the Revolving Credit Agreement. The subordination of the Notes to Senior Lien Obligations increases the likelihood that Holders of Senior Lien Obligations will regularly receive the full amount of scheduled payments of principal and interest due them, and it protects the Holders of Senior Lien Obligations against potential losses. Under the Master Debt Resolution, if our Gross Sales Tax Revenues are not sufficient to pay the principal of and/or interest on both the Senior Lien Obligations and on the Notes, we will use such revenues first to pay the Holders of Senior Lien Obligations. See in the 2010 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

The occurrence of an Automatic Commitment Termination Event under the Revolving Credit Agreement terminates the Lender’s obligations to make Loans to us if needed to pay Notes even if the Notes are already outstanding and were sold when the Revolving Credit Agreement was in effect.

Upon the occurrence of an Automatic Commitment Termination Event, the Commitments of the Lender under the Revolving Credit Agreement will cease. The Lender will not have any further obligation to make any Loans to fund any Notes, and the Revolving Credit Agreement will not secure or provide funds for the payment of outstanding Notes. See, “THE REVOLVING CREDIT AGREEMENT—Automatic Commitment Termination Events.”

The failure by the Lender to make Loans, if needed to pay Notes at their maturity, could result in a delay in payment, or non-payment, of the Notes at maturity.

Deposits of Gross Sales Tax Revenues to the Senior Subordinate Lien Debt Service Fund are made and accumulated as such revenues are received from the Comptroller. While Notes are outstanding and the Revolving Credit Agreement is in effect, the principal of the Notes is payable first from the proceeds of the sale of additional installments of Notes and from Loans made to us by the Lender. Such proceeds and Loans are deposited to the Issuing and Paying Agent Fund and are used to pay the principal of the Notes. While that procedure is in effect, deposits to the Senior Lien Debt Service Fund on account of the principal of the Notes are not required. If (1) we cannot market additional installments of Notes, and if the Lender fails, for any reason, to make the Loans to us, and (2) we do not otherwise make payment from unencumbered funds, and/or (3) we have not arranged for a substitute credit facility or a timely refinancing of the amounts due, an Event of Default will occur under the Master Debt Resolution. In this circumstance, payment of the Notes, including the Initial Notes, will be delayed until the Trustee accumulates in the Senior Lien Debt Service Fund, from future distributions of Gross Sales Tax Revenues from the Comptroller, amounts of Gross Sales Tax Revenues that are sufficient to make full payment of the matured and unpaid Notes. Such accumulation must be made in accordance with the lien priorities established in the Master Debt Resolution. See, “THE COMMERCIAL PAPER NOTES—Uses of Proceeds of Notes and Loans Under Revolving Credit Agreement.”

Book-Entry registration of Notes may limit liquidity and transferability, and may delay distributions.

Securities issued in Book-Entry form may have only limited liquidity in the resale market, since investors may be unwilling to purchase securities for which they cannot obtain physical instruments. Transactions in Book-Entry securities can be effected only through The Depository Trust Company, its participating organizations, its indirect participants, and some banks. Therefore, your ability to transfer or pledge securities issued in Book-Entry form may be limited. You may also experience some delay in the receipt of distributions on Book-Entry securities since the distributions will be forwarded by the Issuing and Paying Agent for the Notes to The Depository Trust Company for it to credit the accounts of its participants. In turn, these participants will then credit the distributions to your account either directly or indirectly through indirect participants.

**Ratings of the Notes do not assure their payment.**

The Notes are currently rated by nationally recognized rating agencies, as shown below. A rating reflects the rating agency’s assessment of how likely it is that holders of a class of securities will receive the payments to which they are entitled. A rating may not remain in effect for any given period of time, and a rating agency may lower or withdraw a rating entirely. A rating is not a recommendation to purchase, hold, or sell securities because it does not address the market price of the securities or the suitability of the securities for any particular investor.

## RATINGS OF NOTES

Moody's Investors Service

**P-1**  
(short-term rating of Notes)

Standard & Poor's Ratings Services

**A1+**  
(short term rating of Notes)

An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations. We make no representation as to the appropriateness of the ratings. We can provide no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by any or all rating companies, if in the judgment of any or all companies, circumstances so warrant. Any downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of such the Notes.

## CONTINUING DISCLOSURE AND ACCESS TO INFORMATION

The Notes are exempt from the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. However, we intend to replace the Disclosure Statement annually, to update it after the second and third quarters of our fiscal year with unaudited financial information, and to prepare a Supplemental Official Statement or Supplemental Disclosure Statement and Offering Memorandum in connection with each issue of Bond Obligations. These disclosure documents and each Supplemental Debt Resolution will be filed with the Municipal Securities Rulemaking Board (the "MSRB"). All of these documents will also be posted on the Internet at our website, [www.dart.org](http://www.dart.org). We reserve the right to stop postings on the Internet and of annual and quarterly updates at any time.

## TAX MATTERS

### Types of Notes Permitted

The First Supplemental Debt Resolution authorizes us to issue the Notes either (1) as Senior Subordinate Lien Sales Tax Revenue Tax-Exempt Commercial Paper Notes (Non-AMT), (that is, the interest paid is exempt from federal income taxes and is not subject to the alternative minimum tax under the Code), or (2) as Senior Subordinate Lien Sales Tax Revenue Tax-Exempt Commercial Paper Notes (AMT), (that is, the Notes of that installment issue are "private activity bonds," and the interest is generally exempt from federal income taxes but is subject to the alternative minimum tax under the Code), or (3) as Senior Subordinate Lien Sales Tax Revenue Taxable Commercial Paper Notes (that is, the interest paid, or if sold at a discount, the discount, is subject to federal income taxes under the Code).

In connection with the delivery of the Initial Notes, our Co-Bond Counsel delivered their opinions in the form attached hereto as Appendix C. Such opinions have not been updated since their date of delivery.

## APPROVALS AND LEGAL OPINIONS

In connection with the issuance of the Initial Notes, we received an opinion of the Attorney General of Texas approving the issuance of the Notes pursuant to the Master Debt Resolution and the First Supplemental Debt Resolution. In connection with amendments of the First Supplemental Debt Resolution to extend the Maximum Maturity Date of the Notes, we received opinions of the Attorney General that such amendment were lawfully adopted and conformed to the requirements of law. In connection with the execution and delivery of the Revolving Credit Agreement, we received an opinion of the Attorney General that the Revolving Credit Agreement and proceedings relating to the approval thereof conformed to the requirements of law.

All legal matters incident to the legality and enforceability of the Notes are subject to the approval of Vinson & Elkins L.L.P., Dallas, Texas, and West & Associates L.L.P., P.C., Dallas, Texas, our Co-Finance Counsel and Co-Bond Counsel.

Our Co-Bond Counsel have reviewed the information describing the Obligations in the 2010 Annual Disclosure Statement and the information describing the Notes and the Revolving Credit Agreement contained in this Offering Memorandum to verify that such information conforms to the provisions of the Master Debt Resolution, the First Supplemental Debt Resolution, and the Revolving Credit Agreement.

Certain legal matters relating to the Revolving Credit Agreement and the Lender were passed upon by Chapman & Cutler, LLC, Chicago, Illinois.

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This Offering Memorandum, in substantially the form and content presented above, was approved by the Board of Directors of DART on December \_\_\_\_, 2010.

/s/ William Velasco, II  
Chair, Board of Directors

ATTEST:

/s/ Scott Carlson  
Secretary, Board of Directors

/s/ Gary C. Thomas  
President/Executive Director, Dallas Area Rapid Transit

## **APPENDIX A**

### **SUMMARY OF CERTAIN TERMS OF THE FIRST SUPPLEMENTAL DEBT RESOLUTION**

A Table of Contents and brief descriptions of certain provisions of the First Supplemental Debt Resolution are included in the following pages of this Appendix A. The descriptions are not intended to be comprehensive or complete but are to be used as a guide to the full provisions of the First Supplemental Debt Resolution. The full and complete text of the First Supplemental Debt Resolution may be obtained directly from us without cost at the address given in the text of this document, and it may be viewed on the Internet at our website, [www.dart.org](http://www.dart.org). See, "IMPORTANT NOTICES." Specific Article and Section numbers are identified in "italics" throughout this Summary.

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## APPENDIX A

### SUMMARY OF CERTAIN TERMS OF THE FIRST SUPPLEMENTAL DEBT RESOLUTION

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#### DEFINITIONS AND OTHER PRELIMINARY MATTERS

##### {Article I}

##### **Definitions** {Section 1.2}

The following are definitions of certain terms used in this Summary. Capitalized terms used in this Summary that are not defined in this Section have the meanings given to such terms in the Master Debt Resolution or the Revolving Credit Agreement. See Appendix B to Annual Disclosure Statement—"SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—Definitions" and Appendix B to this Offering Memorandum—"SUMMARY OF CERTAIN TERMS OF THE REVOLVING CREDIT AGREEMENT—Definitions."

**Business Day** - means any day other than (i) 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 are authorized or obligated by law or executive order to be closed, (ii) a day on which the New York Stock Exchange is closed, or (iii) a day on which commercial banks are authorized or obligated by law or executive order to be closed in the city or cities in which each Lender's office designated by each Lender pursuant to the Revolving Credit Agreement is located; and the definition of such term in the Master Debt Resolution shall not apply for purposes of the matters described in the First Supplemental Resolution.

**Closing Date** - means the date on which the Initial Notes were issued, February 8, 2001.

**Current Revolving Credit Agreement Expiration Date** - means the Revolving Credit Maturity Date, as initially established in, and as it may be extended from time to time in accordance with the terms and provisions of, the Revolving Credit Agreement.

**Dealer Agreements** - mean the Dealer Agreements by and between DART and the Dealers, dated as of April 3, 2006, as they may be amended, supplemented or otherwise modified from time to time in accordance with their terms, or any similar agreements with a substitute or successor Dealer or Dealers.

**Dealers** - mean J.P. Morgan Securities and Loop Capital Markets LLC, and any other nationally recognized commercial paper dealer or co-dealer selected by DART.

**Designated Payment/Transfer Office** - means (i) with respect to the Issuing and Paying Agent named herein, its office in Nashville, Tennessee, or such other location as may be designated by the Issuing and Paying Agent by written notice to DART and each Lender, and (ii) with respect to any successor Paying Agent and Registrar, the office of such successor designated and located as may be agreed upon by DART and such successor and specified in a written notice from such Paying Agent and Registrar to the Lenders.

**Initial Issuance of Notes** - Means the initial issuance, sale and delivery of the Initial Notes.

**Issuing and Paying Agent** - means Deutsche Bank Trust Company Americas, or any Person acting as its agent, 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 between DART and the Issuing and Paying Agent, dated as of April 3, 2006, 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 and approved in writing by the Lenders which approval shall not be unreasonably withheld.

**Issuing and Paying Agent Fund** - means the fund by that name established in and administered pursuant to Sections 5.1 and 5.2 of the First Supplemental Debt Resolution.

**Loan Proceeds Account(s)** - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.1 of the First Supplemental Debt Resolution.

**Loans** - means the monies loaned, and to be loaned, to DART, pursuant to the Revolving Credit Agreement, other than Term Loans.

**Master Debt Resolution** - means the Master Debt Resolution adopted prior to or concurrently with the First Supplemental Debt Resolution by the Board.

**Maximum Interest Rate** - means, (i) with respect to the 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 and approved by the Required Lenders, which initially shall be 12%, and (ii) with respect to the Loans, Term Loans and other amounts owed under the Revolving Credit Agreement, the maximum net effective interest rate allowable under Chapter 1204, Government Code, as amended.

**Maximum Maturity Date** - means the date that is the earlier of (i) the Business Day prior to the Current Revolving Credit Agreement Expiration Date in effect at the time of issuance of an installment of Notes, (ii) the final date of the last five-year period for which a certification pursuant to Section 452.352(d)(3) and (e), Texas Transportation Code, has been provided to the Issuing and Paying Agent, or (iii) January 15, 2041.

**Note Date** - means the date of actual issuance of each Note as determined in accordance with Section 3.2 of the First Supplemental Debt Resolution.

**Note Proceeds Account(s)** - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.1 of the First Supplemental Debt Resolution.

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

**Notes** - mean the commercial paper notes, to be issued as Senior Subordinate Lien Obligations under the Master Debt Resolution and authorized by the First Supplemental Debt Resolution and described in Section 3.1 of the First Supplemental Debt Resolution.

**Outstanding Resolutions** - means the Master Debt Resolution and any Supplemental Resolutions, under and pursuant to which Obligations have been issued and some or all of which remain Outstanding from time to time.

**Rebate Fund** - means the special fund described in the Master Debt Resolution and established pursuant to Section 5.1 of the First Supplemental Debt Resolution.

**Stated Maturity Date** - means the date on which all amounts of principal and interest on each respective Note are due and payable, as designated pursuant to Section 3.2(a) of the First Supplemental Debt Resolution, which date shall not in any event be later than the applicable Maximum Maturity Date.

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

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

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

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

**Term Loans** - means the unpaid principal amount of the Loans that are converted to “term loans” pursuant to the Revolving Credit Agreement.

### **Declarations and Additional Rights and Limitations Under Master Debt Resolution {Section 1.5}**

The Notes are Bond Obligations that are Senior Subordinate Lien Obligations authorized by Section 3.3(a) of, and are Interim Obligations under, the Master Debt Resolution. The Revolving Credit Agreement constitutes a Credit Agreement related to the Notes; the Lenders are Credit Providers related to the Notes; and the obligations of DART to pay the principal of and the interest on all Loans, Term Loans, and Loan Notes, are Credit Agreement Obligations that are Senior Subordinate Lien Obligations, and, together with related Administrative Expenses, are secured solely by the lien on and pledge of the Pledged Revenues as Senior Subordinate Lien Obligations. DART may, but is not obligated, to pay such Obligations from other legally available funds, including the proceeds of Obligations and amounts held in the General Operating Fund.

The First Supplemental Debt Resolution imposes additional restrictions on the amendment of Outstanding Resolutions and grants to the Credit Providers certain rights with respect to the amendment of Outstanding Resolutions.

## **PURPOSES, PLEDGE AND SECURITY**

### **{Article II}**

#### **Purpose of the First Supplemental Debt Resolution {Section 2.1}**

The purposes of the First Supplemental Debt Resolution are to prescribe the specific terms of the Notes, to extend expressly the pledge, lien and security of Master Debt Resolution to and for the benefit of the Holders of the Notes, as Senior Subordinate Lien Obligations, and the Lenders, as Credit Providers holding Credit Agreement Obligations that are Senior Subordinate Lien Obligations, and to authorize the sale and resale of the Notes pursuant to the Dealer Agreements.

#### **Pledge, Security for and Sources of Payment of Notes and Loans {Section 2.2}**

The pledge, the security and the filing provisions of Sections 2.3, 2.4, and 2.5, respectively, of the Master Debt Resolution are restated and granted to the Holders of the Notes and the Lenders. The Noteholders have the right to receive payment of the principal of or the interest on the Notes from money on deposit in the Senior Subordinate Lien Debt Service Fund only 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 4.2 and 5.2 of the First Supplemental Debt Resolution.

The Lenders have the right to receive payment of the principal of and the interest on the Loans and the Term Loans from money in the Senior Subordinate Lien Debt Service Fund only to the extent (i) money is not available for such purpose in the Issuing and Paying Agent Fund in either case in amounts sufficient to make such payments in accordance with Sections 4.2 and 5.2 of the First Supplemental Debt Resolution.

**AUTHORIZATION; GENERAL TERMS AND PROVISIONS  
RELATING TO THE NOTES**

*{Article III}*

**Authorization {Section 3.1}**

The Notes, entitled “Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001,” are authorized to be issued in any aggregate principal amount, provided that the principal amount of the Notes that may be Outstanding under the First Supplemental Debt Resolution plus the unpaid principal amount of any Loans and Term Loans, exclusive of any portion of such principal that is borrowed for the purpose of paying interest on any Notes or prior Loans, shall not exceed the Aggregate Principal Commitment under the Current Revolving Credit Agreement.

The Notes may be issued for the purposes of (i) financing Costs of Acquisition and Construction, including interest and operation and maintenance expenses during construction plus one year thereafter; (ii) prior to the Maximum Maturity Date, refinancing or refunding previously issued Notes; (iii) paying costs of issuance and reissuance of the Notes, including Administrative Expenses; (iv) repaying Loans to the extent required by the Revolving Credit Agreement and (v) and for any other purpose permitted by Applicable Law.

If DART issues Notes that are not being issued to refinance or refund Outstanding Notes, and the Stated Maturity Date of such Notes occurs during the Debt Service Accrual Period during which the Notes are issued, DART is required to deposit to the Senior Subordinate Lien Debt Service Fund on the date of such issuance an amount sufficient to pay interest on such Notes on their Stated Maturity Date.

**Terms, Forms, Registration and Book Entry System; Issuing and Paying Agent {Sections 3.2 through 3.9}**

Subject to Sections 3.1 and 3.3 of the First Supplemental Debt Resolution, the Notes may be issued in installments in such principal amounts and maturing on the dates as determined by DART. No Note shall have a Stated Maturity Date (i) that is not a Business Day, or (ii) that is later than the Maximum Maturity Date. Notes shall bear interest (or shall be issued at a discount without interest) at such rate per annum, not to exceed the Maximum Interest Rate, computed on the basis of actual days elapsed and on a 365 day year, as approved by DART. Notes shall be in registered form as provided in the First Supplemental Debt Resolution. The Notes shall be substantially in the forms set forth as parts of Exhibit A to the First Supplemental Debt Resolution. The Issuing and Paying Agent shall keep the Note Register providing for the registration and transfer of the Notes. Notes may be exchanged for other Notes as provided in the First Supplemental Debt Resolution, and may be issued in book entry only form through DTC. DART agrees to maintain an Issuing and Paying Agent at all times while the Notes or any Loans are Outstanding.

**Termination of Revolving Credit Agreement {Section 3.10}**

No termination by DART of the Revolving Credit Agreement will be effective as to as Outstanding Notes issued prior to the effectiveness of such termination. Any substitute Revolving Credit Agreement will be applicable only to Notes issued after the effective date of such substitution. DART will give the Issuing and Paying Agent at least 15 days notice of any proposed termination of the Revolving Credit Agreement and, if applicable, the identity of the provider of any substitute Revolving Credit Agreement.

**ISSUANCE, SALE, USES OF PROCEEDS, AND PAYMENT OF NOTES**

*{Article IV}*

**Issuance and Sale of the Notes {Section 4.1}**

At any time after the Closing Date, provided that the Revolving Credit Agreement is in effect and, according to its terms, the Lenders will provide Loans to DART in amounts sufficient to pay the principal of and

interest on the Notes being issued on their Stated Maturity Date and the Issuing and Paying Agent shall authenticate and deliver Notes in the applicable form in accordance with instructions of DART. If, on any date on which DART seeks to sell Notes in order to obtain funds for the purpose of paying the principal of and/or the interest on Outstanding Notes, the Dealers are unable to sell the Notes on terms acceptable to DART on the Stated Maturity Date of the Outstanding Notes, DART shall obtain Loans from the Lenders in the required aggregate amount necessary to pay the Notes at maturity, subject to and in accordance with the Revolving Credit Agreement.

**Proceeds of Sale of Notes {Section 4.2}**

The proceeds from the sale of the Notes (net of all expenses and costs of sale and issuance) shall be deposited to a Note Proceeds Account and shall be applied in the following priority and for the following purposes:

(a) first, to the payment of the principal of any Outstanding 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 Notes maturing on or before such date, to the payment of interest on such Outstanding Notes;

(b) second, to the payment of the principal of any Loans Outstanding on 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 Loans, to the payment of interest on such Outstanding Loans; and

(c) third, any amounts remaining in a Note Proceeds Account shall be transferred as follows: (A) the remaining proceeds of each Tax-exempt Note (AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the First Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes specified in Section 3.1(b) of the First Supplemental Debt Resolution 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; (B) the remaining proceeds of each additional Tax-exempt Note (Non-AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the First Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes described in Section 3.1(b) of the First Supplemental Debt Resolution 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, 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 (C) the remaining proceeds of each Taxable Note shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the First Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes specified in Section 3.1(b) of the First Supplemental Debt Resolution.

**Excess Proceeds in the System Expansion and Acquisition Fund {Section 4.3}**

Any proceeds of the Notes remaining in the System Expansion and Acquisition Fund and not necessary for the purposes described in Section 4.2(b)(iii) of the First Supplemental Debt Resolution, shall be paid to the appropriate account of the Issuing and Paying Agent Fund for the Notes from which the proceeds were derived and used for the payment of such maturities of the Notes coming due at such times as may be selected by DART. In the event no Notes are outstanding, any such proceeds in the System Expansion and Acquisition Fund, first, shall be used to repay any Outstanding Loans or Term Loans, and, second, 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 Notes, in which case, the DART will use such proceeds in another manner permitted by Applicable Law.

## CREATION OF SPECIAL FUNDS; APPLICATION OF MONEYS

### {Article V}

The First Supplemental Debt Resolution establishes (i) the Issuing and Paying Agent Fund consisting of Note Proceeds Accounts (each designated as “AMT,” “Non-AMT,” or “Taxable,” as appropriate), Loan Proceeds Accounts, Note Payment Account, Loan Payment Account and such other separate accounts as may be required, and (ii) the Rebate Fund. The Issuing and Paying Agent Fund shall be held by the Issuing and Paying Agent and shall be administered pursuant to Section 5.2 of the First Supplemental Debt Resolution and the Issuing and Paying Agent Agreement.

*Issuing and Paying Agent Fund.* The Issuing and Paying Agent shall deposit: (i) all proceeds from the sale of Notes to a Note Proceeds Account, which amounts shall be applied as provided in Section 4.2(b) of the First Supplemental Debt Resolution; (ii) 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 Notes to the Note Payment Account, which amounts shall be used solely for the purpose of paying the principal of and interest on the Notes on their Stated Maturity Date; (iii) 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 Loans and Term Loans to the Loan Payment Account, which amounts shall be used solely for the purpose of paying the principal of and interest on Loans and Term Loans; and (iv) from the proceeds of Loans, if any, to a Loan Proceeds Account, which amounts shall be used solely for the purpose of paying the principal of and interest on Notes on their Stated Maturity Dates. If any Loans advanced are not needed to pay the principal of and interest on the Notes on their Stated Maturity Date, such amounts shall be returned to the Administrative Agent.

*Rebate Fund.* All amounts deposited in the Rebate Fund shall be held by DART in trust for payment to the United States of America, and neither DART, any Holder, nor the Lenders shall have any rights in or claim to such money.

*Investment Limitations.* Amounts on deposit in the Issuing and Paying Agency Fund and the Rebate Fund shall be invested in Investment Securities as directed by DART, subject to the restrictions imposed by this Article and by Article VI of the First Supplemental Debt Resolution. Amounts on deposit in any Note Proceeds Account, any Loan Proceeds Account, the Note Payment Account and the Loan Payment Account shall be held by the Issuing and Paying Agent uninvested in trust for the exclusive benefit of the Persons entitled to be paid from such accounts separate and apart from all other funds of DART or the Issuing and Paying Agent. 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 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.

## SPECIAL COVENANTS RELATING TO THE NOTES

### {*Article VI*}

#### **Tax-exempt Notes to Remain Exempt from Federal Income Tax {*Section 6.1*}**

DART covenants and agrees to do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of the Code in order to maintain the exclusion from gross income of the interest on the Tax-exempt Notes for federal income tax purposes and to refrain from any action which would adversely affect the status of the Tax-exempt Notes, as described in the First Supplemental Debt Resolution.

## THE ISSUING AND PAYING AGENT

### {*Article VII*}

The Issuing and Paying Agent is required to perform such duties as are set forth in the Issuing and Paying Agent Agreement. The Issuing and Paying Agent may resign or be replaced in accordance with and subject to the terms of the First Supplemental Debt Resolution, upon qualification and acceptance by a successor 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 the Master Debt Resolution.

The Issuing and Paying Agent is required to calculate and furnish calculations of Accrued Aggregate Debt Service for the Notes, the Loans and the Term Loans upon request of the Trustee as provided in Section 5.3(c) of the Master Debt Resolution and to deposit any amounts received from the Trustee pursuant to such section as directed in Section 5.2 of the First Supplemental Debt Resolution.

## **APPENDIX B**

### **SUMMARY OF CERTAIN TERMS OF THE REVOLVING CREDIT AGREEMENT**

A Table of Contents and brief descriptions of certain provisions of the Revolving Credit Agreement are included in the following pages of this Appendix B. The descriptions are not intended to be comprehensive or complete but are to be used as a guide to the full provisions of the Revolving Credit Agreement. The full and complete text of the Revolving Credit Agreement may be obtained directly from us without cost at the address given in the text of this document, and it may be viewed on the Internet at our website, [www.dart.org](http://www.dart.org). See, "IMPORTANT NOTICES" in the front part of this Offering Memorandum. Specific Article and Section numbers are identified in "italics" throughout this Summary.

[TO COME FROM BANK]



## **APPENDIX C**

### **FORM OF OPINION OF CO-BOND COUNSEL**

The signed opinion of our Co-Bond Counsel, Vinson & Elkins L.L.P., Dallas, Texas, and West & Gooden, P.C., Dallas, Texas, in substantially the form and substance included in the following pages of this Appendix C, was delivered concurrently with the delivery of the Initial Notes.

**APPENDIX C**

**FORM OF OPINION OF CO-BOND COUNSEL**

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**February 8, 2001**

**\$500,000,000**

**DALLAS AREA RAPID TRANSIT SENIOR  
SUBORDINATE LIEN SALES TAX REVENUE  
TAX EXEMPT COMMERCIAL PAPER NOTES,  
SERIES 2001 (NON-AMT)**

We have represented Dallas Area Rapid Transit (“DART”) as its Co-Bond Counsel in connection with the authorization and issuance of its first installment issue of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Tax Exempt Commercial Paper Notes, Series 2001 (Non-AMT) (the “Notes”) in the amount of \$500,000,000 (the “Initial Notes”). The Initial Notes are being issued pursuant to the Master Debt Resolution (the “Resolution”), adopted on January 23, 2001, and the First Supplemental Debt Resolution (the “Supplemental Resolution”), dated as of January 23, 2001. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Resolution.

As Co-Bond Counsel, we are rendering this opinion with respect to the legality and validity of the Initial Notes under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Initial Notes from gross income of the Holders for federal income tax purposes.

We have examined the relevant provisions of the Constitution and laws of the State of Texas as we have deemed necessary, including Chapter 452, Texas Transportation Code (the “Act”), pursuant to which DART was created and functions as a subregional transportation authority and public body corporate and politic of the State of Texas. We have not investigated and do not assume any responsibility with respect to the financial condition or capabilities of DART, or the disclosure thereof in connection with the offering and sale of the Initial Notes.

We have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the authorization of the Initial Notes, including (i) the Resolution and the Supplemental Resolution; (ii) a Revolving Credit Agreement, dated as of February 8, 2001 (the “Revolving Credit Agreement”), among DART and Westdeutsche Landesbank Girozentrale, acting through its New York Branch, Bayerische Landesbank Girozentrale, acting through its New York Branch, State Street Bank and Trust Company, and Landesbank Baden Württemberg, acting through its New York Branch (collectively the “Lenders”), pursuant to which the Lenders have agreed to provide, on a several basis, a revolving line of credit to provide funds to DART in amounts necessary to assure the repayment of the Initial Notes when due; (iii) customary certificates of officers and representatives of DART, the Lenders, the Issuing and Paying Agent, the Dealers, and the Trustee; (iv) other pertinent instruments relating to the authorization and issuance of the Initial Notes and the security for the payment thereof; and (v) such other instruments and matters of law as we have deemed relevant, including the opinion of the Attorney General of Texas, relating to the Initial Notes.

Based on the foregoing, it is our opinion that the transcript of certified proceedings evidences complete legal authority for and authorizes the issuance of the Initial Notes in the amount of \$500,000,000, and that the Initial Notes constitute valid and binding special obligations of DART, secured by and payable from (i) the Pledged Revenues; and (ii) proceeds from the sale of other Notes issued by DART for the purpose of paying the principal of maturing Initial Notes.

The rights of the Holders of the Initial Notes are subject to applicable provisions of federal bankruptcy law and any other similar laws affecting the rights of creditors of political subdivisions, and may be limited by general principles of equity which permit the exercise of judicial discretion. Holders of the Initial Notes shall never have the

right to demand payment of principal or interest out of any funds raised or to be raised by taxation other than the Gross Sales Tax Revenues.

DART has reserved the right to issue additional debt, subject to the restrictions contained in the Resolution, that is secured by liens on the Pledged Revenues that are on a parity with or that are junior and subordinate to the lien on Pledged Revenues securing the Initial Notes.

It is our further opinion that interest on the Initial Notes will, upon the issuance and delivery thereof in accordance with the Resolution and the Supplemental Resolution, be excludable from gross income of the Holders for federal income tax purposes under existing law, and is not an item of tax preference under the Code for purposes of determining the alternative minimum tax on individuals or corporations. However, in the case of a corporate taxpayer (other than an S corporation, a regulated investment company, a REIT, a REMIC or a FASIT), interest on the Initial Notes will be included in such corporation's "adjusted current earnings" for purposes of computing its alternative minimum tax.

In rendering such opinions, we have relied on representations of DART with respect to matters solely within the knowledge of DART which we have not independently verified, and we have assumed continuing compliance with the covenants in the Resolution and the Supplemental Resolution and the representations in the Federal Tax Certificate pertaining to those sections of the Code that affect the exclusion of interest on the Initial Notes from the gross income of the Holders for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or DART fails to comply with the foregoing covenants of the Resolution and the Supplemental Resolution, interest on the Initial Notes could become includable in the gross income of the Holders from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Initial Notes.

Holders of the Initial Notes should be aware that the ownership of tax exempt obligations, such as the Initial Notes, may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, taxpayers owning an interest in a FASIT that holds tax exempt obligations and individuals otherwise qualified for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax exempt interest such as interest on the Initial Notes.

This opinion may be relied upon by the Holders of the Initial Notes, but only to the extent that: (i) there is no change in existing regulations, Internal Revenue Service ruling positions or procedures, or law that may adversely affect the validity of the Initial Notes or the exclusion of the interest thereon from the gross income of Holders for federal tax purposes, (ii) the Resolution, the Supplemental Resolution, the Federal Tax Certificate, the Revolving Credit Agreement, the Issuing and Paying Agent Agreement, and the Dealer Agreements, in their respective forms on the date hereof, remain in full force and effect and the Initial Notes issued after the date hereof are issued in accordance with the provisions of the Resolution, the Supplemental Resolution, and the Issuing and Paying Agent Agreement, (iii) the representations, warranties, covenants and agreements of the parties contained in the Resolution, the Supplemental Resolution, the Federal Tax Certificate, the Revolving Credit Agreement, the Issuing and Paying Agent Agreement, the Dealer Agreements, and certain certificates dated the date hereof and delivered by authorized officers of DART remain true and accurate and have been complied with in all material respects, (iv) there has not been delivered to DART an opinion of this firm of more recent date with respect to the matters referred to herein, and (v) this opinion has not been expressly withdrawn as evidenced by a letter to DART.

Nothing contained in this opinion shall be construed as any undertaking on our part to monitor any changes in applicable law or to monitor or confirm the accuracy of any such representations or warranties or compliance with any such agreements or covenants. In addition, we undertake no duty to expressly advise any Holder of any change or development of which we become aware that may adversely affect the opinions expressed herein.