

TOLLING SERVICES AGREEMENT

September 1, 2014

between

Texas Department of Transportation

and

North Texas Tollway Authority

TOLLING SERVICES AGREEMENT

THIS TOLLING SERVICES AGREEMENT (“Agreement”), by and between the TEXAS DEPARTMENT OF TRANSPORTATION (“TxDOT”) and the NORTH TEXAS TOLLWAY AUTHORITY (“NTTA”), is executed to be effective the 1st day of September, 2014 (“Effective Date”).

RECITALS

- A. TxDOT and NTTA (each a “Party,” together “Parties”) are entering into this Agreement pursuant to which NTTA will provide tolling services on TxDOT managed lanes projects within NTTA’s Service Area that are listed in Exhibit A or that commence operation during the Term of this Agreement and are not revenue bond financed or the subject of a comprehensive development agreement (“Projects”).
- B. Pursuant to Section 228.002(a) of the Texas Transportation Code, TxDOT is authorized to enter into an agreement with a public entity to permit the entity, independently or jointly with TxDOT, to operate a toll project.
- C. Pursuant to Section 366.038 of the Texas Transportation Code, NTTA shall provide, for reasonable compensation, tolling services for toll projects within NTTA’s Service Area.
- D. The Parties intend that this Agreement be implemented in a manner consistent with the Statement of Principles for a Regional Tolling Services Agreement set forth in Exhibit B, provided that if there is a conflict between this Agreement and the Statement of Principles this Agreement controls.
- E. Pursuant to Resolution No. 14-81 dated August 20, 2014, the NTTA Board of Directors approved this Agreement and authorized the executive director of NTTA to execute and deliver this Agreement on behalf of NTTA.
- F. Pursuant to Minute Order 114037 dated August 28, 2014, the Texas Transportation Commission approved this Agreement and authorized the executive director of TxDOT to execute and deliver this Agreement on behalf of TxDOT.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements set forth in this Agreement, TxDOT and NTTA agree as follows:

AGREEMENT

1. Definitions. Unless otherwise defined herein, terms with initial capital letters and abbreviations used in this Agreement have the definitions set forth in the Appendix.

2. Engagement, Term and Termination.

a. TxDOT engages NTTA to provide tolling services on Projects whose Service Commencement Date occurs during the Term, and such tolling services will be governed by Chapter 366 of the Texas Transportation Code. The term (“Term”) of this Agreement begins on the Effective Date and ends on the fifth anniversary of the Effective Date, unless this Agreement is extended, in which case “Term” means such extended period. This Agreement will automatically renew and be extended for an additional five years from and after the end of the then-expiring Term, unless a Party provides a written notice of termination to the other Party at least 180 days before the end of the Term.

b. In addition to termination under Subsection 2.a., this Agreement terminates (i) for a Project, on the date TxDOT permanently ceases imposing tolls on the Project pursuant to Section 11, (ii) as agreed by the Parties, or (iii) as ordered by a final and binding court order.

c. This Agreement replaces the Interim Tolling Services Agreement-DFW Connector between the Parties dated June 30, 2014 (“Interim Agreement”), which Interim Agreement is automatically terminated as provided in Section 13(a) thereof.

3. NTTA Responsibilities.

a. NTTA will provide all tolling services for the Projects, including customer service, customer account maintenance (for NTTA customers), NTTA TollTag transponder supply, toll collection, clearinghouse, billing, back office, toll violation enforcement and interoperability services.

b. NTTA will supply tolling services on a non-discriminatory basis (i) in accordance with the Performance Standards, Interface Control Document and business rules developed by NTTA and TxDOT for managed lane facilities, and (ii) at the same level of service NTTA provides customers on NTTA’s own facilities.

c. NTTA will be TxDOT’s collecting agent for all amounts owing or remitted by Users. NTTA and TxDOT will enter into, and NTTA will cause Wells Fargo Bank, N.A. (or its successor under the certain Master Custodial Account Agreement dated as of April 1, 2011 between NTTA and Wells Fargo Bank, N.A.) to enter into, a Joinder Agreement for the Projects in the form of Exhibit A attached to such Master Custodial Account Agreement. NTTA will at all times abide by the terms of such Master Custodial Account Agreement and Joinder Agreements.

d. NTTA will deposit into an account designated in writing by TxDOT an amount equal to the payment received for a Transaction within two Business Days after NTTA receives payment.

e. NTTA will apply a partial payment (i) first to tolls, including Video Transaction Toll Premiums, included in the invoice in the same order that the transactions included in the invoice were posted at NTTA's back office, and (ii) second to administrative fees included in the invoice, in such order.

f. NTTA will make any Adjustments in accordance with the business rules developed by NTTA and TxDOT for managed lane facilities.

g. NTTA may waive or reduce Incidental Charges and Video Transaction Toll Premiums to (i) settle valid customer disputes and (ii) encourage customers to obtain NTTA transponders and open transponder-based customer accounts in accordance with the business rules developed by NTTA and TxDOT for managed lane facilities.

h. NTTA may transfer or assign uncollected Transactions from the Projects with TxDOT's prior written consent. All revenue realized from such transfer or assignment will be treated as toll revenue under this Agreement.

i. NTTA will provide TxDOT a monthly report on NTTA's compliance with the Performance Standards set forth in Exhibit C. NTTA is not required to include in this report information on NTTA's compliance with Performance Standards 9 and 10 in Exhibit C until the monthly reports provided on and after January 1, 2015, but shall provide TxDOT with information pertaining to NTTA's compliance with such standards that TxDOT reasonably requests and that is technically feasible for NTTA to provide. NTTA will provide the reports described in Exhibit D separately for each Project in a format mutually acceptable to the Parties.

4. TxDOT Responsibilities. To facilitate NTTA's performance of tolling services, TxDOT will install and maintain tolling equipment, capture and transmit data and other information to NTTA in accordance with the business rules and ICD developed by NTTA and TxDOT for managed lanes facilities, and perform its other obligations as set forth in this Agreement.

5. Cooperative Efforts.

a. The technical personnel of the Parties will meet on a regular basis and cooperate so that tolling services are delivered to the public in a cost-effective and efficient manner. The Parties will make appropriate representatives available to help each other resolve issues arising in connection with their performance under this Agreement.

b. The Parties will provide each other with information for purposes of training each Party's customer service personnel to respond to customer inquiries concerning the operation of the Projects.

c. TxDOT will provide NTTA at least 180 days advance written notice of the Service Commencement Date for each Project along with the name and description of the Project. The Parties will cooperate with each other to conduct and complete, prior to the Service Commencement Date, all work necessary for interconnection and interoperability of the Electronic Toll Collection System with NTTA's back office and CSC Host, including demonstration and performance testing of NTTA's back office toll collection system.

d. The Parties will keep each other informed of their marketing activities and other publicity specifically targeting NTTA's Service Area and the Projects, and will coordinate such marketing activities to maximize TollTag transponder penetration in the Dallas-Fort Worth region.

e. The Parties will cooperate on toll violation enforcement efforts on the Projects.

f. The Parties will seek cost effective ways to continuously improve tolling services, including reviewing the Performance Standards set forth in Exhibit C on an annual basis and making appropriate adjustments to the Performance Standards, based on actual performance and improvements in technology and business processes, that enhance those standards, including reducing the number of days for processing Video Transaction images through manual image review.

6. Compensation for Services.

a. TxDOT will reimburse NTTA for the Cost of NTTA's Services. Not less than 60 days before the end of each NTTA fiscal year (or August 31, 2014 for the 2014 fiscal year) NTTA's Chief Financial Officer will supply TxDOT with an estimate of the Costs of NTTA Services for the following NTTA fiscal year. This estimate will be based on the anticipated total costs NTTA will incur providing tolling services for the next NTTA fiscal year for all projects in NTTA's Service Area and the number of transactions on the Projects, as estimated by TxDOT, as a percentage of all transactions for which NTTA anticipates providing tolling services and include appropriate adjustments to reflect the operational features of the Projects as managed lane facilities.

b. TxDOT will pay NTTA by the 15th day of each month an amount equal to one-twelfth of the then-applicable estimated Cost of NTTA's Services.

c. NTTA will engage an independent auditor after the end of each NTTA fiscal year to prepare a final statement of the Cost of NTTA's Services based on actual costs and transaction volumes. NTTA's Chief Financial Officer will supply this final statement to TxDOT and certify that the Cost of NTTA's Services shown is equal to the actual Cost of NTTA's Services for performing such tolling services. TxDOT may audit the final statement. At the conclusion of this process there will be a reconciliation to ensure that TxDOT has paid no more and NTTA has received no less than the actual Cost of NTTA's Services for that NTTA fiscal year.

7. Confidential Information. The Parties will maintain Customer Confidential Information in compliance with applicable privacy laws and consistent with their policies and practices regarding the confidential information of their customers.

8. Records and Audit Rights. NTTA will maintain, consistent with its practices regarding customers of its own facilities, accurate and complete books and records relating to NTTA's performance of this Agreement and its compensation, including electronic data relating thereto and data and other information relevant to the fees that NTTA charges to TxDOT and Users. NTTA will make these books and records available during normal business hours for audit and inspection by TxDOT and/or TxDOT's designees at the location where such books and records

are customarily maintained. NTTA will provide to TxDOT and its designee copies of such records upon request and at TxDOT's expense. NTTA will retain the books and records described in this Section 8 for a minimum of five years after the date the record or document is generated. Any records relating to disputes between the Parties, or any known third party claim against NTTA or TxDOT, will be retained until such claims or disputes are finally resolved.

9. Remedies. If either Party fails to observe or perform any covenant, agreement, term or condition under this Agreement and such failure continues for a period of 60 days after written notice is provided by the other Party specifying said failure, the other Party will be entitled to seek an action in mandamus against that Party, or to exercise any and all other rights and remedies available to it under this Agreement, at law or in equity. The Parties will utilize the dispute resolution procedures in Section 10 before exercising the remedies in this section.

10. Dispute Resolution Procedures. Any disputes between the Parties concerning this Agreement that cannot be resolved at the staff level will be referred to NTTA's Executive Director or his/her designee and TxDOT's Executive Director or his/her designee to resolve. If they do not resolve the dispute, the Parties agree to use the procedures in this Section 10. The Party making a claim may advance it in accordance with the applicable statutes and administrative rules. The Parties agree to use any alternative dispute resolution procedure that is a part of the applicable claim procedure. The Parties will satisfy the requirement for alternative dispute resolution by participating in non-binding mediation, unless otherwise agreed to by the Parties.

11. Termination upon Cessation of Project Tolling. If TxDOT elects to cease imposing tolls on a Project and has no plans to resume tolling on that Project, then this Agreement will terminate for the Project on the date tolling ceases. NTTA will continue to provide tolling services as provided in this Agreement for Transactions from such Project occurring up to the date tolling ceases. TxDOT will provide NTTA not less than 90 days prior written notice of the intended date for cessation of tolling, and will promptly inform NTTA of any change in such date. If TxDOT elects to cease imposing tolls on a Project temporarily, then this Agreement will be automatically suspended with respect to such Project until the date TxDOT resumes tolling on such Project. TxDOT will provide NTTA not less than 90 days prior written notice of the intended dates for temporary cessation and resumption of tolling.

12. Transition upon Termination. NTTA will assist TxDOT and cooperate in providing a smooth transition of tolling services and transfer of data from NTTA to TxDOT upon the termination of this Agreement in whole or as to an individual Project pursuant to Section 11. NTTA and TxDOT will cooperate on a plan for the (i) transition of collection and enforcement services and customer service for a Project from NTTA to TxDOT and (ii) transfer of data identified in the transition plan from NTTA to TxDOT. NTTA will continue to provide tolling services as provided in this Agreement until the date designated in the transition plan.

13. Successors and Assigns.

a. Neither TxDOT nor NTTA may assign, lease, sublet, or transfer its interest in this Agreement without the prior written consent of the other Party. If TxDOT and a private party seek to enter into an agreement, such as a comprehensive development agreement, granting such

private party the right to operate and maintain a Project, at TxDOT's request NTTA will enter into a separate tolling services agreement reasonably acceptable to NTTA with such private entity that shall be specific to the particular Project, under which NTTA will provide substantially the same tolling services as it provides under this Agreement, and at compensation as negotiated between NTTA and such private entity.

b. This Agreement will bind and be for the sole and exclusive benefit of the Parties and their legal successors, including any successor public agency or entity to either Party.

14. No Third Party Beneficiaries. Nothing in this Agreement or in any approval subsequently provided by either Party hereto shall be construed as conferring any benefits, rights, remedies, or claims to any Person not a party to this Agreement, including, without limitation, the public in general.

15. Severability. If any provision of this Agreement, or the application thereof to any Person or circumstance, is rendered or declared illegal or is invalid or unenforceable for any reason, the remainder of this Agreement and the application of such provision to other Persons or circumstances will not be affected thereby but shall be enforced to the greatest extent permitted by applicable law.

16. Written Amendments. Any changes in the character, agreement, terms and/or responsibilities of the Parties must be enacted through an amendment in writing and executed by the Parties.

17. Notices. All notices to either Party by the other required under this Agreement must be delivered personally, sent by email followed by deposit to the U.S. Mail or sent by certified or registered U.S. Mail, proper postage prepaid, addressed to such Party at the following respective addresses:

If to NTTA:

Executive Director
North Texas Tollway Authority
5900 W. Plano Parkway, Suite 100
Plano, Texas 75093

With copies to:

General Counsel
North Texas Tollway Authority
5900 W. Plano Parkway, Suite 100
Plano, Texas 75093

If to TxDOT:

James M. Bass
Chief Financial Officer
Texas Department of Transportation
125 East 11th Street
Austin, Texas 78701

Edward P. Pensock, Jr., P.E.
Texas Department of Transportation
Strategic Projects Division
125 East 11th Street
Austin, Texas 78701

With copies to:

Texas Department of Transportation
Office of General Counsel
125 East 11th Street
Austin, Texas 78701

All personally delivered notices will be deemed provided on the date so delivered. All notices mailed by certified or registered mail will be deemed provided three days after being deposited in the U.S. Mail. Either Party may change their address by sending written notice of such change to the other Party in the manner provided for above.

18. Limitations. All covenants and obligations of the Parties under this Agreement will be deemed to be valid covenants and obligations of said entities, and no officer, director, or employee of TxDOT or NTTA will have any personal obligations or liability hereunder.

19. Relationship of the Parties. Nothing in this Agreement shall be deemed or construed by the Parties, or by any third party, as creating the relationship of principal and agent between the Parties, or any joint enterprise.

20. Exhibits. Exhibits referred to in this Agreement and attached hereto are incorporated herein in full by this reference as if each of such exhibits were set forth in the body of this Agreement and duly executed by the Parties.

21. Authorization. Each Party to this Agreement represents to the other that it is fully authorized to enter into this Agreement and to perform its obligations hereunder and that no waiver, consent, approval, or authorization from any third party is required to be obtained or made in connection with the execution, delivery, or performance of this Agreement in accordance with its terms, other than those that have been obtained.

22. Interpretation. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any Party by any court or other governmental or judicial authority by reason

of such Party having or being deemed to have drafted, prepared, structured, or dictated such provision. The use of the word “will” in this Agreement connotes a contractual right, covenant or obligation, as applicable. Wherever the word “including” is used, it is deemed to mean “including, without limitation.”

23. Captions. The captions used for the Sections in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of this Agreement or any Section hereof.

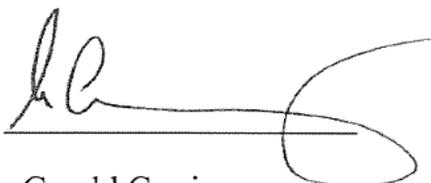
24. Governing Law. The laws of the State of Texas govern this Agreement.

25. Counterparts. This Agreement may be executed in one or more counterparts, all of which together will be deemed an original.

[Signature page follows]

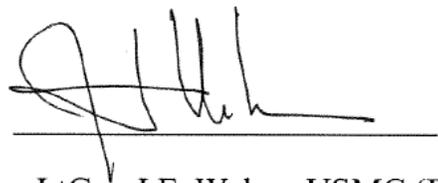
IN WITNESS WHEREOF, the Parties have executed this Agreement by six multiple counterparts on the dates shown below, effective on the Effective Date.

**NORTH TEXAS TOLLWAY
AUTHORITY**

By: 
Gerald Carrigan,
Executive Director

Date: August 27, 2014

**TEXAS DEPARTMENT OF
TRANSPORTATION**

By: 
LtGen J.F. Weber, USMC (Ret)
Executive Director

Date: 8/28/2014

APPENDIX

DEFINITIONS

As used in this Agreement and Exhibits incorporated therein, the following terms have the meanings indicated:

“Adjustments” means the following adjustments, made in the accordance with NTTA’s standard business practices: (i) adjustments for duplicate toll payments and Non-Complying Transactions, (ii) adjustments for payment of interoperability fees, (iii) adjustments for settling or otherwise resolving User disputes respecting Transactions from the applicable Project, (iv) adjustments for waivers and reductions of Video Transaction Toll Premiums, (v) adjustments for refunds to accounts or Video Transaction Users due to inaccurate toll charges on the applicable Project, (vi) adjustments for tolls previously credited to TxDOT that are paid with bad checks or via a charged back credit or debit card transaction, (vii) adjustments for inaccurate Transactions transmitted from TxDOT to NTTA, (viii) adjustments to tolls and fees, as applicable, whenever a Transaction is reclassified, (ix) credits to TxDOT for prior overcharges to TxDOT for the same Transaction, and (x) any other adjustments that TxDOT and NTTA may mutually approve in writing.

“Business Day” means a day on which NTTA’s headquarters is officially open for business (i.e., weekdays other than official NTTA holidays). Any reference in this Agreement to a day or days that is not specifically stated as a “Business Day” or “Business Days” means a calendar day or calendar days.

“Cost of NTTA’s Services” means the cost of all labor, supervision, materials, supplies, services, equipment, fees, licenses, maintenance, information technology, utilities, facilities, insurance, professional services, and other costs and expenses incurred by NTTA to perform tolling services under this Agreement. The Cost of NTTA’s Services includes an allocated portion of NTTA’s overhead and shared services under generally accepted government accounting principles.

“CSC” means NTTA’s customer service center.

“CSC Host” means NTTA’s central computer system that supports customer service center account management functions for toll road facilities.

“Customer Confidential Information” means the toll account and travel records of Users, including all personal information such as names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles, credit card information, and driver’s license information.

“Electronic Toll Collection System” or “ETCS” means the electronic toll collection system, including its components, systems and subsystems, the hardware and physical infrastructure, and the software provided by TxDOT.

“Incidental Charges” means:

- a. Reasonable amounts for the purchase or rental of transponders or other electronic toll devices;
- b. Reasonable refundable security deposits for the distribution of transponders or other electronic toll devices;
- c. Reasonable administrative fees for account establishment and maintenance and account statements;
- d. Fees, penalties and interest for toll violations, including costs of collection;
- e. Invoicing fees; and
- f. Other reasonable fees and charges for customary incidental services to Users in respect of their tolling accounts.

“Interface Control Document” or “ICD” means the document setting forth interface standards for NTTA’s back office and the ETCS, including the manner in which data must be transmitted and received between NTTA’s back office and the ETCS, as such document may be revised or updated by NTTA or TxDOT from time to time with prior written consent of the other Party (which consent will not be unreasonably withheld or delayed).

“Interoperable Transaction” means Transponder Transactions involving Toll Operators other than NTTA.

“Non-Complying Transaction” means a toll transaction that is submitted to NTTA’s back office but that NTTA returns to TxDOT rather than processes for payment because TxDOT does not submit all of the information required by the business rules or ICD.

“NTTA’s Service Area” means Collin, Dallas, Denton and Tarrant counties and the counties that are contiguous to one or more of those counties.

“Payment Period” means for each Project each calendar month during the Term of this Agreement from and after the Service Commencement Date for such Project, which will include (if such Service Commencement Date occurs on a date other than the first day of a calendar month), the partial calendar month from and after such Service Commencement Date and which also will include any partial calendar month at the end of the Term.

“Performance Standards” means the requirements, measures and standards for NTTA’s performance set forth in Exhibit C to this Agreement.

“Person” includes an individual, corporation, partnership, limited liability company, trust, unincorporated organization, any other non-governmental entity and any government and governmental agency or subdivision, as the context requires.

“Project” has the meaning set forth in the Recitals.

“Readable Video Image” means an image produced by TxDOT’s ETCS and transmitted to NTTA’s back office in which both plate number and issuing jurisdiction can be reliably read electronically or by the human eye.

“Service Commencement” means the opening of the managed lanes of the applicable Project by TxDOT for normal and continuous operations and use by the traveling public and the commencement of tolling services, provided that for the DFW Connector Project Service Commencement means commencement of NTTA’s tolling services for such Project, after having substantially completed all work, including demonstration and performance testing, required under Section 14 of the Interim Agreement, and “Service Commencement Date” means the date upon which the managed lanes of the applicable Project are opened by TxDOT for normal and continuous operations and use by the traveling public and tolling services have commenced.

“Service Recovery Process” means NTTA’s process by which unresolved customer complaints and disputes are escalated to team leads, managers, directors and, ultimately, executive management.

“Tag Validation List” means the consolidation of the Transponder Issuers’ master tag validation lists and updates of all known transponders and their current known status that is created by NTTA and electronically distributed by NTTA to TxDOT and/or its integrator.

“Toll Operator” means any Person, including each of NTTA and TxDOT, who or which (a) manages and operates a tolled roadway in the State of Texas and (b) participates with NTTA in interoperability protocols, agreements and arrangements.

“Transaction or Transactions” means a Transponder Transaction, Video Transaction, V-Toll Transaction and/or Non-Complying Transaction.

“Transponder Issuer” means any Person, including each of NTTA and TxDOT, who or which (a) issues transponders for mounting in vehicles and transacting Transponder Transactions on any tolled roadway in the State of Texas and (b) participates with NTTA in interoperability protocols, agreements and arrangements.

“Transponder Transaction” means each electronic record of a toll, which may include video images and video data that together constitute one toll payable from a customer, that are properly transmitted to NTTA’s back office in accordance with the ICD respecting a vehicle that (a) passes through a toll lane on a Project, (b) is equipped with a transponder issued by a Transponder Issuer, and (c) has a sufficient account balance at the time of posting or re-posting to pay in full the applicable toll rate.

“User(s)” means the registered owner of a vehicle traveling on a Project.

“Video Transaction” means each electronic record of a toll and set of contemporaneous video images of license plates and other video data (as required by the ICD) that are properly transmitted to NTTA’s back office in accordance with the ICD respecting (a) a vehicle that passes through a toll lane on a Project and is not equipped with a working transponder issued by a Transponder Issuer but for which TxDOT transmits to NTTA’s back office (i) a Readable

Video Image of a license plate that bears a serialized or personalized plate number and means to identify the issuing jurisdiction, which in the case of a vehicle with a trailer (including a truck with a trailer) must be the front license plate, and (ii) video data as required by the ICD; or (b) a vehicle that passes through a toll lane on a Project and is equipped with a transponder that is (i) issued by a Transponder Issuer and (ii) associated with an account not closed at the time of transmission but having an insufficient account balance at the times of debit and re-debits to pay in full the applicable Transponder Transaction toll rate.

“Video Transaction Toll Premium” means amounts over and above the base toll amount, charged to Users for Video Transactions or V-Toll Transactions as TxDOT determines.

“V-Toll Transaction” means a toll Transaction that (a) is initially classified as a Video Transaction but is identified as involving a vehicle associated with a transponder issued by NTTA or another Toll Operator or (b) is initially classified as a Video Transaction and is not identified as involving a vehicle associated with a transponder issued by NTTA or another Toll Operator but for which the applicable User makes arrangements to pay the applicable toll before NTTA issues a billing statement therefor.

EXHIBIT A

PROJECTS

1. Projects. This Agreement shall govern the rights and responsibilities with respect to the following Projects as described generally as follows: SH 114 from east of FM 1709 to east of International Parkway (the “DFW Connector Project”); along the I-30 corridor from west of North Fielder in Tarrant County to Sylvan in Dallas County (the “I-30 Project”); along all or a portion of the 28-mile section of I-35E from I-635 in Dallas County to US 380 in Denton County (the “I-35E Project”); along all or a portion of SH 183 from Industrial Blvd. in Tarrant County to I-35E in Dallas County and SH 114 from SH 183 in Dallas County to International Parkway in Tarrant County (the "SH 183 Project"); along all or a portion of US 75 from I-635 in Dallas County to SH 121 in Collin County (the "US 75 Project"); along all or a portion of I-635 from Greenville to I-30 in Dallas County (the "I-635 Eastern Extension Project"); along I-35W from US 81/US 287 in Tarrant County to north of Eagle Parkway in Denton County (the "I-35W Segment 3C Project") and along all or a portion of I-35E from south of Commerce St. to I-20 and US 67 from I-35E to FM 1382 in Dallas County (the "Southern Gateway Project"). The estimated service commencement dates of the Projects are as follows:

<u>Project</u>	<u>Service Commencement Date</u>
DFW Connector Project	September 1, 2014
I-30 Project	Fall 2015
I-35E Project	Summer 2017
US 75 Project	Early 2016
I-635 Eastern Extension Project	Early 2016
Southern Gateway Project	Early 2017
SH 183 Project	Early 2019
I-35 W Segment 3C Project	2019

2. Future Projects. When TxDOT anticipates adding a managed lane project under this Agreement, an entry shall be added to this Exhibit specifying its name and estimated Service Commencement Date.

EXHIBIT B

**STATEMENT OF PRINCIPLES FOR A
TOLLING SERVICES AGREEMENT FOR THE DFW REGION**

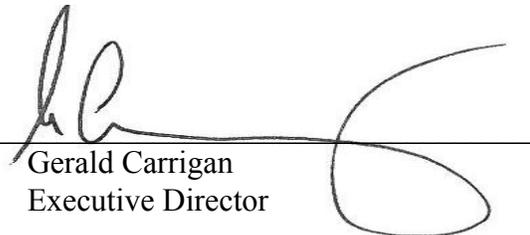
The TEXAS DEPARTMENT OF TRANSPORTATION, an agency of the State of Texas (“TxDOT”), the REGIONAL TRANSPORTATION COUNCIL, the policy body of the Metropolitan Planning Organization for the Dallas-Fort Worth region as designated by the Governor of the State of Texas (“RTC”), and the NORTH TEXAS TOLLWAY AUTHORITY, a regional tollway authority and a political subdivision of the State of Texas (“NTTA”), seek to set forth a statement of principles (“Statement of Principles”) to be embodied in a tolling services agreement covering tolled managed lane improvements in the DFW region that TxDOT is planning to construct, is currently constructing, has constructed or may in the future construct that are (i) not revenue bond financed and (ii) not the subject of a concession comprehensive development agreement (all such managed lane improvements referred to herein as the “Projects”).

TxDOT, RTC and NTTA have established a working group that has developed the Statement of Principles and is preparing the above-referenced tolling services agreement.

Accordingly:

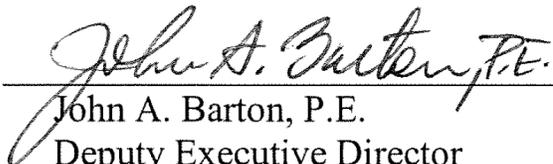
1. TxDOT and NTTA agree to incorporate the Statement of Principles set forth in Exhibit A in a tolling services agreement between NTTA and TxDOT for the DFW region; and
2. The undersigned will direct their staff members to prepare the tolling services agreement in accordance with the Statement of Principles and in time to be presented to the Texas Transportation Commission and the NTTA Board of Directors at their regularly scheduled August meetings for their consideration and approval.

NORTH TEXAS TOLLWAY AUTHORITY

By: 
Gerald Carrigan
Executive Director

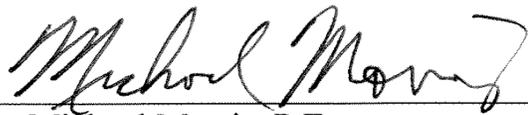
Date: 7/23/2014

TEXAS DEPARTMENT OF TRANSPORTATION

By: 
John A. Barton, P.E.
Deputy Executive Director

Date: 23 July 2014

REGIONAL TRANSPORTATION COUNCIL

By: 
Michael Morris, P.E.
RTC Staff Director

Date: 7/22/14

Exhibit A

Statement of Principles Regional Tolling Services Agreement

- TxDOT and NTTA have a shared goal of providing toll road and managed lane users in the region consistent, consolidated and cost-effective tolling services.
- TxDOT and NTTA have a shared goal of maximizing TollTag transponder penetration in the region and will coordinate marketing, enforcement and outreach efforts to do so.
- Regional TSA will cover DFW Connector and all new TxDOT (non-CDA) managed lane projects.
- Regional TSA does not include existing TSAs (LBJ, NTE 1&2W, NTE 3A&3B); inclusion of the existing TSAs and/or new CDA TSAs may be revisited at a later date if both parties agree.
- NTTA as the region's tolling services provider performs tolling services for all TxDOT TSA transactions on a non-discriminatory basis; same level of tolling services as for other TSAs and NTTA customers.
- Toll revenue from TxDOT managed lanes goes to TxDOT; TxDOT is paid when payment is received by NTTA.
- NTTA prices the service at its actual costs for processing (no profit).
- TxDOT and NTTA will continue to seek cost effective ways to improve tolling services.
- NTTA gets paid on regular (e.g., monthly) basis based on annual estimate of actual costs.
- Actual costs evaluated at end of year using independent auditor. Total costs for both NTTA and TxDOT transactions aggregated and then allocated pro rata to both parties based on number of transactions.
- Annual reconciliation against payments made to NTTA so that TxDOT pays no more and NTTA receives no less than NTTA's actual cost of providing tolling services for TxDOT's managed lane projects.
- TxDOT has audit rights to verify NTTA audited costs.
- These principles will be embodied in a simplified, streamlined agreement between NTTA and TxDOT.

EXHIBIT C

PERFORMANCE STANDARDS

Performance Standard	Standard
1. Customer Service Hours – manned telephone coverage 7 AM to 7 PM, Monday through Friday local time and 9 AM to 1 PM Saturday local time, excluding NTTA-observed holidays, and 24 hour availability of interactive voice response (IVR) system. Faults to telephone line and/or IVR rectified as soon as possible but no later than within 24 hours, with the possible exception of faults outside of scheduled maintenance and failures due to non-NTTA equipment or failures outside NTTA’s control.	within 24 hours
2. 24x7 availability of secure customer access through NTTA online CSC (in English and Spanish) for account maintenance purposes (including opening an account, changing information on an account, viewing account status and statements, and replenishing an account balance, etc.). Faults that result in NTTA online CSC being unavailable (outside of scheduled maintenance and failures due to non-NTTA equipment or failures outside NTTA’s control) rectified as soon as possible but no later than within 24 hours.	within 24 hours
3. NTTA CSC Host Availability - NTTA CSC Host shall be available to receive information from TxDOT on a 24x7 basis (excluding Planned System Maintenance and failures due to non-NTTA equipment or failures outside NTTA’s control). Any fault that results in NTTA CSC Host being unavailable (outside of scheduled maintenance and failures due to non-NTTA equipment or failures outside NTTA’s control) rectified as soon as possible but no later than within 24 hours.	within 24 hours
4. Reconciled monthly financial reports shall be available by the 15th day of the month following the month being reported upon.	15 days
5. Escalations received via the Service Recovery Process receive a response within one Business Day.	96%
6. For customer disputes determined to require a refund of an overcharge, issue 95% of customer refunds (and mail if appropriate) within five Business Days after resolution of dispute.	Within 5 Business Days
7. NTTA will not charge a User more than once for a single Transaction submitted to the NTTA by TxDOT.	100%
8. NTTA will not charge a toll different than that identified by TxDOT, except for adjustments in accordance with the	100%

Performance Standard	Standard
Agreement due to (a) reclassification of a Transaction or (b) waiver of Video Transaction Toll Premiums.	
9. NTTA will process OCR Video Transaction images within three Business Days of receiving images from TxDOT and process Video Transaction images through manual image, if required, within ten Business Days thereafter. Images of reclassified Transponder Transactions and Interoperable Transactions shall be processed within five Business Days of being reclassified to a Video Transaction.	3 Business Days (OCR) 10 Business Days (manual review)
10. NTTA will transition and process Video Transactions, invoices, notices of non-payment and citations (applicable to a specific stage in the collection process) meeting the threshold for escalation to a subsequent stage (initial Video Transaction invoice through citations) within the number of days identified for each transition in NTTA's business rules concerning video tolling.	98%

EXHIBIT D

DESCRIPTION OF NTTA REPORTS

The reports from NTTA required under Subsection 3(i) shall include the following.

1. Monthly adjustment report (delivered the 8th Business Day after the end of each Payment Period).
 - a. Adjustments for duplicate toll payments and Non-Complying Transactions;
 - b. Adjustments for payment of interoperability fees;
 - c. Adjustments resulting from settled or otherwise resolved User disputes;
 - d. Adjustments relating to refunds to Users due to inaccurate toll charges;
 - e. Adjustments for bad checks for Video Transaction payments and for credit and debit card charge backs;
 - f. Adjustments for inaccurate Transactions transmitted from TxDOT to NTTA;
 - g. Credits to TxDOT for prior overcharges to TxDOT; and
 - h. Any other amounts subject to adjustment pursuant to the terms of this Agreement.

2. Monthly Summary and Detailed Reconciliation Reports (delivered the 8th Business Day after the end of each Payment Period).
 - a. The Transactions received by NTTA;
 - b. The breakdown of Transponder Transactions, Video Transactions, Non-Complying Transactions and Interoperable Transactions;
 - c. Transponder Transactions, Non-Complying Transactions, Interoperable Transactions and Video Transactions posted to customer accounts;
 - d. Paid Transactions;
 - e. Transaction adjustments;
 - f. The Adjustments made under Subsection 3(f);
 - g. Non-Complying Transactions and Interoperable Transactions that have been reclassified as Video Transactions;
 - h. Transactions without the necessary Readable Video Image;
 - i. Other reclassified Transactions; and

- j. Transactions that are not being collected currently according to NTTA's video tolling business rules regarding the minimum number of transactions and/or maximum timeframes for meeting business rules or unpaid Video Transactions within the collection process.

3. NTTA will make reports accessible to TxDOT through digital means, provide TxDOT Transaction-level data and provide TxDOT other information pertaining to NTTA's performance of tolling services that TxDOT reasonably requests and that is technically feasible and consistent with NTTA business practices.