

**MEMORANDUM OF UNDERSTANDING
REGARDING ACCESS TO AND USE OF A FINANCIAL MODEL
TO SUPPORT THE MARKET VALUATION FOR
STATE HIGHWAY 161**

THIS MEMORANDUM OF UNDERSTANDING REGARDING ACCESS TO AND USE OF A FINANCIAL MODEL TO SUPPORT THE MARKET VALUATION FOR STATE HIGHWAY 161, dated as of 12-9, 2007 (the "MOU"), is entered into by and between **TEXAS DEPARTMENT OF TRANSPORTATION**, an agency of the State of Texas ("TxDOT"), and **NORTH TEXAS TOLLWAY AUTHORITY**, a regional tollway authority authorized under Chapter 366 of the Texas Transportation Code (the "NTTA") whose service area is composed of Dallas, Tarrant, Collin and Denton counties (the "NTTA Service Area"). TxDOT and NTTA being sometimes collectively referred to as the "Parties" or individually as a "Party."

WHEREAS, the State Highway 161 project (SH 161) is located within the NTTA Service Area;

WHEREAS, NTTA and TxDOT have agreed that a market valuation of the SH 161 project will be developed pursuant to Transportation Code Section 228.0111 (the "Market Valuation"), based upon mutually agreed terms, conditions, input assumptions and financial model;

WHEREAS, NTTA and TxDOT have agreed that the Market Valuation will be cooperatively developed in accordance with Transportation Code Section 228.0111, including the financial model access and validation provisions contained herein; and

WHEREAS, the Parties intend to deliver a market valuation report on or before December 21, 2007, as the Texas Transportation Commission directed TxDOT, designated as "complete; subject to approval by TxDOT and NTTA."

NOW, THEREFORE, for and in consideration of these premises, TxDOT and NTTA agree to this MOU as follows:

1. PURPOSE

This MOU has been developed in order to (1) memorialize the agreement between TxDOT and NTTA on the provisions for access to (and utilization of) a common financial model; and (2) facilitate the timely implementation of the process set forth in Transportation Code Section 228.0111 for the development of a market valuation for the SH 161 project.

2. DEVELOPMENT OF MARKET VALUATION FINANCIAL MODEL

(a) KPMG Corporate Finance LLC (“KPMG”) and RBC Dain Rauscher, Inc., doing business under the name RBC Capital Markets (“RBC”) have been selected by the Parties to cooperatively develop a financial model to support the Market Valuation for the SH 161 project.

(b) The Market Valuation will be based upon the terms, conditions and input assumptions to be negotiated and agreed between the Parties. To the extent that such agreement is not reached between the Parties, a final form of the financial model (“Final Financial Model”), the Market Valuation, and associated market valuation report will not be produced.

(c) The initial financial model that has been developed by KPMG (the “Initial Financial Model”) will serve as the starting point for the cooperative development of the Final Financial Model as described in this MOU. The Initial Financial Model will be subject to validation by RBC, and will be updated to reflect changes in input assumptions which are agreed to by the Parties. To the extent that agreed upon assumptions necessitate changes to the structure of the financial model, the Initial Financial Model and updated versions thereof will be revised by KPMG to reflect those changes, which will subsequently be subject to validation by RBC. Prior to agreeing upon the Final Financial Model and in the event that either Party or its advisors identify issues concerning the operation or workings of the Initial Financial Model or updated versions of the Initial Financial Model, the Parties will diligently seek to resolve such issues to their mutual satisfaction. The Final Financial Model may be subject to a model audit performed by an independent third party at the request of either NTTA or TxDOT. The use of the Initial Financial Model developed by KPMG and the selection of KPMG and RBC to cooperatively develop the Final Financial Model for the purposes described in this MOU is not intended to confer any presumption or advantage regarding the Initial Financial Model or KPMG’s or RBC’s views in the Parties’ evaluation, negotiation, and development of the terms and conditions, input assumptions or the Final Financial Model. In addition, a market valuator will not be appointed to complete the Market Valuation until such time that the Parties agree to the terms and conditions.

(d) Neither Party nor any of their advisors shall declare or otherwise deem the Initial Financial Model or any updates thereof or any valuation resulting therefrom (i) to be final, agreed, or otherwise binding upon the Parties nor (ii) to constitute either the Final Financial Model or the “final draft version of the market valuation” under Transportation Code Section 228.0111, unless and until the Parties agree in writing upon such status. The approval of either TxDOT or NTTA may be conditioned upon the Parties’ satisfaction with the results of any third party model audit described in subparagraph 2(c).

(e) The Initial Financial Model, any updated version of the Initial Financial Model and the Final Financial Model will be used by NTTA and RBC solely for their analysis in connection with NTTA’s determination of whether to exercise the option to develop, finance, construct and operate the SH 161 project in accordance with Transportation

Code Section 228.0111. The Initial Financial Model, any updated version of the Initial Financial Model or the Final Financial Model, shall not be public documents.

(f) Neither TxDOT, nor KPMG, Goldman, Sachs & Co., NTTA, RBC or any other of TxDOT's or NTTA's advisors, assumes any liability associated with any person's use of the Initial Financial Model, any updated version of the Initial Financial Model, the Final Financial Model, or any of their respective outputs. Any decisions made by NTTA predicated on the Initial Financial Model, updates to the Initial Financial Model or the Final Financial Model, if developed, will be at NTTA's own risk.

3. ACCESS TO FINANCIAL MODELS

(a) The only parties with access to the Initial Financial Model or any updated versions of the Initial Financial Model prior to agreement of the Parties on the Final Financial Model shall be TxDOT, NTTA, RBC, KPMG, and Goldman, Sachs & Co.

(b) Upon execution of this MOU, (1) NTTA will provide TxDOT with a list identifying each individual who is authorized to access the Initial Financial Model, any updated version of the Initial Financial Model and the Final Financial Model, and (2) NTTA and RBC will be provided a fully functional electronic copy of the Initial Financial Model (and the associated assumptions data book, to the extent that it is not integrated into the model itself) solely for the purposes of developing the Final Financial Model to support a market valuation pursuant to this MOU, and will maintain the confidentiality of all aspects of the Initial Financial Model, any updated version of the Initial Financial Model and the Final Financial Model. Each Party will promptly notify the other Party of any request under the Public Information Act or similar "open government" laws for any part of the Initial Financial Model, any updated version of the Initial Financial Model or the Final Financial Model. The Initial Financial Model, any updated version of the Initial Financial Model and the Final Financial Model may not be used by NTTA or RBC for any purpose other than to support the development of the Market Valuation as described in this MOU. NTTA will promptly notify TxDOT of any changes to the list of identified individuals who are authorized to access the Initial Financial Model, any updated version of the Initial Financial Model and the Final Financial Model.

(c) The Initial Financial Model will be provided to NTTA and RBC for use solely in the development of a financial model to support the Market Valuation, provided that the personnel identified pursuant to paragraph 3 (b) have also agreed to maintain the confidentiality of the Initial Financial Model, any updated version of the Initial Financial Model and, if developed, the Final Financial Model, and to the limitations on usage of the Initial Financial Model, updated versions thereof and the Final Financial Model in accordance with this MOU. Consistent with its prior practice, RBC will execute a single confidentiality agreement on behalf of its employees involved in the Market Valuation process. Updated versions of the Initial Financial Model will be made available to NTTA and RBC throughout the term of this MOU.

(d) It is anticipated that updated versions of the Initial Financial Model and the data book will be provided to NTTA and RBC on a timely basis as the input assumptions and the Initial Financial Model itself and updated versions thereof are reviewed, developed and progressively agreed in accordance with paragraph 2 (c), above. KPMG will provide a running version control document to track the development of successive versions of the Initial Financial Model, reporting all material model coding additions, deletions and changes made to the Initial Financial Model from the date of execution of this MOU (indicated by row, column or cell reference, as appropriate).

4. AMENDMENTS

This MOU may be amended only by a written instrument duly executed by the Parties or their respective successors or assigns.

5. NOTICES AND COMMUNICATIONS

Notices under this MOU shall be in writing and (i) delivered personally, (ii) sent by certified mail, return receipt requested, (iii) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (iv) sent by telefacsimile or email communication followed by a hard copy and with receipt confirmed by telephone, to the following addresses (or to such other address as may from time to time be specified in writing by such person):

All correspondence with the NTTA shall be addressed to:

North Texas Tollway Authority
P.O. Box 260729
Plano, Texas 75026
Attn: Jorge Figueredo, Ph.D.
Executive Director
Telephone: (214) 461-2000
Facsimile: (214) 528-4826
email: jfigueredo@ntta.org

With a copy to:

Locke Lord Bissell & Liddell LLP
2200 Ross Avenue
Suite 2200
Dallas, Texas 75201-6776
Attn: Frank E. Stevenson, II
Telephone: (214) 740-8469
Facsimile: (214) 756-8469
E-mail: fstevenson@lockelord.com

All correspondence with TxDOT shall be addressed to:

Texas Department of Transportation
125 East 11th Street
Austin, Texas 78701
Attn: Amadeo Saenz, Jr., P.E.
Executive Director
Telephone: (512) 305-9501
Facsimile: (512) 305-9567
E-mail: asaenz@dot.state.tx.us

With a copy to:

Texas Department of Transportation
Office of General Counsel
125 East 11th Street
Austin, Texas 78701
Attn: John J. Ingram
Telephone: (512) 463-8630
Facsimile: (512) 475-3070
E-mail: jingram@dot.state.tx.us

6. MISCELLANEOUS

(a) Subject to the requirements of the Public Information Act and similar "open government" laws, TxDOT and NTTA and their respective advisors shall refrain from disseminating their respective views on the market valuation for the SH 161 project unless and until the Market Valuation is developed pursuant to this MOU.

(b) The process described in this MOU and the specific features thereof, including the terms, conditions, and input assumptions to be agreed upon, and the intended utilization of the Initial Financial Model as the starting point for the cooperative development of the Final Financial Model, are intended to facilitate the timely implementation of the statutorily mandated market valuation process for the SH 161 project specifically, and were informed by the challenging time constraints and other unique features of the SH 161 project. While the process undertaken pursuant to this MOU may be considered in the Parties' undertaking of subsequent market valuations on other projects, neither TxDOT nor NTTA shall be bound to follow any feature of this process, and no terms, conditions, assumptions, or other matters in this MOU or subsequently agreed upon by the Parties shall serve as binding precedent or be presumptively applicable to future market valuations.

(c) The Parties acknowledge and agree that this MOU is fully enforceable in accordance with its terms. This MOU shall expire and be of no further force and effect upon the earlier of December 21, 2007 or the delivery of a Market Valuation Report prepared by the entity or entities selected by the Parties to develop the Market Valuation;

provided, however, that the provisions contained in Sections 2(e), 2(f), and 3(a) shall survive the expiration of this MOU.

7. HEADINGS

The captions of the sections of this MOU are for convenience only and shall not be deemed part of this MOU or considered in construing this MOU.

8. ENTIRE AGREEMENT

This MOU contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all other prior agreements, understandings, statements, representations and negotiations between the parties with respect to its subject matter.

9. COUNTERPARTS

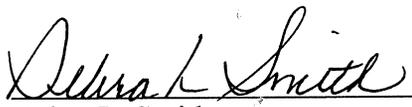
This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this MOU by their duly authorized representatives to be effective as of date first set forth above.

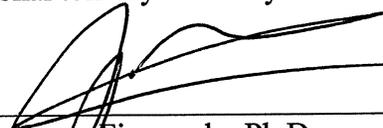
NTTA:

ATTEST:

NORTH TEXAS TOLLWAY AUTHORITY,
a regional tollway authority


Debra L. Smith,
Secretary

By: _____


Jorge Figueredo, Ph.D.
Executive Director

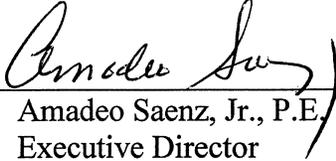
APPROVED AS TO FORM:

Locke Lord Bissell & Liddell LLP
General Counsel to NTTA

By: 
Frank E. Stevenson, II

TxDOT:

**TEXAS DEPARTMENT OF
TRANSPORTATION**

By: 

Amadeo Saenz, Jr., P.E.
Executive Director