

PURCHASE CONTRACT

RELATING TO

\$50,800,000
COLLIN COUNTY, TEXAS
UNLIMITED TAX ROAD AND REFUNDING BONDS, SERIES 2012

\$20,735,000
COLLIN COUNTY, TEXAS
LIMITED TAX REFUNDING AND IMPROVEMENT BONDS, SERIES 2012

May 14, 2012

Collin County, Texas
2300 Bloomdale Rd., Suite 4100
McKinney, Texas 75071

Dear Judge Self and Members of the Commissioners Court:

CITIGROUP GLOBAL MARKETS INC. (the "Representative"), *ESTRADA HINOJOSA & COMPANY, INC. AND STIFEL, NICOLAUS & COMPANY, INCORPORATED* (collectively, the "Underwriters"), offer to enter into this Purchase Contract (the "Purchase Contract") with *COLLIN COUNTY, TEXAS* (the "County") for the purchase by the Underwriters of the County's *Unlimited Tax Road and Refunding Bonds, Series 2012* (the "Unlimited Tax Bonds") and *Limited Tax Refunding and Improvement Bonds, Series 2012* (the "Limited Tax Bonds", and together with the Unlimited Tax Bonds, the "Securities"). This offer is made subject to the County's acceptance of this Purchase Contract on or before 6:00 p.m. Central Time on May 14, 2012.

1. **Purchase and Sale of the Securities.** (a) Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the County, and the County hereby agrees to sell and deliver to the Underwriters the Unlimited Tax Bonds in an aggregate principal amount of **\$50,800,000** (representing the original aggregate principal amount of the Unlimited Tax Bonds). The Unlimited Tax Bonds shall have the maturities, interest rates and be subject to redemption in accordance with the provisions of Exhibit A hereto and shall be issued and secured under the provisions of the Unlimited Tax Bond Order (as defined below).

(b) The purchase price for the Unlimited Tax Bonds shall be **\$59,885,479.10** (representing the principal amount of the Unlimited Tax Bonds, plus an original issue premium on the Unlimited Tax Bonds in the amount of **\$9,379,051.85**, and less an Underwriters' discount on the Unlimited Tax Bonds of **\$293,572.75**) plus accrued interest from their dated date to the date of the payment for and delivery of the Unlimited Tax Bonds.

(c) Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriters, jointly and severally, hereby agree to purchase from the County, and the County hereby agrees to sell and deliver to the Underwriters the Limited Tax Bonds in an aggregate principal amount of **\$20,735,000** (representing the original aggregate principal amount of the Limited Tax Bonds). The Limited Tax Bonds shall have the maturities, interest rates and be subject to redemption in accordance with the provisions of Exhibit A hereto and shall be issued and secured under the provisions of the Limited Tax Bond Order (as defined below).

(d) The purchase price for the Limited Tax Bonds shall be **\$24,056,962.55** (representing the principal amount of the Limited Tax Bonds, plus a net original issue premium on the Limited Tax Bonds in the amount of **\$3,442,249.85**, and less an Underwriters' discount on the Limited Tax Bonds of **\$120,287.30**) plus accrued interest from their dated date to the date of the payment for and delivery of the Limited Tax Bonds.

(g) **CITIGROUP GLOBAL MARKETS INC.**, as the Representative, represents that it has been duly authorized to execute this Purchase Contract and has been duly authorized to act hereunder as the Representative. All actions that may be taken by the Underwriters hereunder may be taken by the Representative alone.

2. **Orders.** The Unlimited Tax Bonds shall be as described in and shall be issued and secured under the provisions of an order adopted by the County on May 14, 2012, authorizing the issuance and sale of the Unlimited Tax Bonds (the "Unlimited Tax Bond Order"). The Limited Tax Bonds shall be as described in and shall be issued and secured under the provisions of an order adopted by the County on May 14, 2012, authorizing the issuance and sale of the Limited Tax Bonds (the "Limited Tax Bond Order", and together with the Unlimited Tax Bond Order, the "Orders"). The respective series of Securities shall be secured and payable as provided in the Order authorizing their issuance.

3. **Public Offering.** It shall be a condition of the obligations of the County to sell and deliver the Securities to the Underwriters, and of the obligations of the Underwriters to purchase and accept delivery of the Securities, that the entire principal amount of the Securities set forth in the Orders shall be sold and delivered by the County and accepted and paid for by the Underwriters at the Closing. The Underwriters agree to make a bona fide public offering of all of the Securities, at prices not in excess of the initial public offering prices, as set forth in the Official Statement; provided however at least ten percent (10%) of the principal amount of the Securities of each maturity thereof shall be sold to the "public" (exclusive of dealers, brokers and investment bankers, etc.) at the initial offering price set forth in the Official Statement. On or before the Closing (as hereinafter defined), the Representative shall execute and deliver to Bond Counsel an issue price certificate for the Securities prepared by Bond Counsel verifying the initial offering prices to the public at which the Underwriters reasonably expected to sell or in fact sold a substantial amount of each stated maturity of the Securities to the public.

4. **Security Deposit.** Delivered to the County herewith as a good faith deposit is a corporate check of the Representative payable to the order of the County in the amount of

\$679,250.00. Such check is a common "Good Faith" check for the Unlimited Tax Bonds and the Limited Tax Bonds, and an amount of such check that is proportionate to the principal amount of that the respective series of Securities bears to the combined principal amount of the Securities may be applied toward any obligation of the Underwriters owing as a result of the failure of the Underwriters to accept delivery of a series of the Securities, as provided herein. In the event the County accepts this Purchase Contract, such check shall be held by the County as security for the performance of the Underwriters of their obligation to purchase, accept delivery of and pay for the Securities under this Purchase Contract. Such check shall be held uncashed by the County until the time of Closing, at which time such check shall be returned uncashed to the Representative. In the event that the County does not accept this Purchase Contract, such check will be immediately returned to the Representative. Should the County fail to deliver the Securities at the Closing, or should the County be unable to satisfy the conditions of the Securities of the Underwriters to purchase, accept delivery of, and pay for the Securities, as set forth in this Purchase Contract (unless waived by the Representative), or should such Securities of the Underwriters be terminated for any reason permitted by this Purchase Contract, such check shall immediately be returned to the Representative. In the event that the Underwriters fail (other than for a reason permitted hereunder) to purchase, accept delivery of, and pay for the Securities at the Closing as herein provided, such check shall be cashed and the amount thereof as relates to the proportionate amount of the Securities of each series offered with respect to which the Underwriters fail to perform (other than for a reason permitted hereunder) shall be retained by the County as and for fully liquidated damages, and not as a penalty for such failure of the Underwriters and for any defaults hereunder on the part of the Underwriters. Acceptance of such check by the County shall constitute a full release and discharge of all claims and damages for such failure and/or any and all such defaults, and the County shall have no further action for damages, specific performance, or any other legal or equitable relief against the Underwriters. The Underwriters and the County understand that in such event the County's actual damages may be greater or may be less than such amount. Accordingly, the Underwriters hereby waive any right to claim that the County's actual damages are less than such amount, and the County's acceptance of this Purchase Contract shall constitute a waiver of any right the County may have to additional damages from the Underwriters. The Representative hereby agrees not to stop or cause payment on the check to be stopped unless the County has breached any of the terms of this Purchase Contract.

5. **Official Statement.** The Official Statement, including the cover pages and Appendices thereto, of the County, dated May 14, 2012, with respect to the Securities, as further amended only in the manner herein provided, is hereinafter called the "Official Statement". The County hereby authorizes the Orders and the Official Statement and the information therein contained to be used by the Underwriters in connection with the public offering and sale of the Securities. The County confirms its consent to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement, relative to the Securities, dated May 4, 2012 (the "Preliminary Official Statement"), in connection with the preliminary public offering and sale of the Securities, and it is "deemed final" as of its date, within the meaning, and for the purposes, of Rule 15c2-12 promulgated under authority granted by the federal Securities and Exchange Act of 1934 (the "Rule"). The County agrees to cooperate with the Underwriters to provide the Official Statement, within seven business days of the date hereof, in a "designated electronic format", as defined in and

specified by Rule G-32 of the Municipal Securities Rulemaking Board (the "MSRB") and in sufficient quantities for the Underwriters to satisfy the requirements of Rule G-32 of the MSRB obligating the Underwriters to deliver a copy of the Official Statement to a purchaser of the Securities not later than the date of Closing, as defined herein, upon an Underwriters' receipt from the purchaser of a request therefor. The Underwriters will use their best efforts to assist the County in the preparation of the final Official Statement in order to ensure compliance with the aforementioned rules.

If at any time after the date of this Purchase Contract but before the first to occur of (i) the date upon which the Underwriters notify the County that the period of the initial public offering of the Securities has expired or (ii) the date that is 90 days after the date hereof, any event shall occur that might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall notify the Representative, and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will at its expense supplement or amend the Official Statement (in a manner approved by the Representative) and furnish to the Underwriters, in a "designated electronic format", so that the statements in the Official Statement as so amended and supplemented will not, in light of the circumstances when the Official Statement is delivered to a purchaser, be misleading or so that the Official Statement will comply with law.

To the best knowledge and belief of the County, the Official Statement contains information, including financial information or operating data, as required by the Rule. Except as disclosed in the Official Statement, the County has not failed to comply with any undertaking specified in paragraph (b)(5)(i) of the Rule within the last five years.

6. Representations, Warranties and Agreements of the County. On the date hereof, the County represents, warrants and agrees as follows:

(a) The County is a political subdivision of the State of Texas and a body politic and corporate, and has full legal right, power and authority to enter into this Purchase Contract, to adopt the Orders, to sell the Securities, and to issue and deliver the Securities to the Underwriters as provided herein and to carry out and consummate all other transactions contemplated by the Orders (including the Undertaking defined below in Section 8(e)(2)), the Escrow Agreements (as defined below) and this Purchase Contract and all documents required hereunder and thereunder to be executed and delivered by the County (this Purchase Contract, the Orders, the Undertaking and the Escrow Agreements and the other documents referred to in this clause are hereinafter referred to as the "County Documents");

(b) By official action of the County prior to or concurrently with the acceptance hereof, the County has duly adopted the Orders, has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations contained

in the Securities, the Escrow Agreements and this Purchase Contract and has duly authorized and approved the performance by the County of its obligations contained in the Orders, including, without limitation, the submission of a transcript of proceedings to the Public Finance Division of the Office of the Attorney General of Texas (the "Attorney General") for the approval of the Securities; and the County Documents each constitute legal, valid and binding agreements of the County, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, sovereign immunity of political subdivisions, and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights or by general principles of equity which permit the exercise of judicial discretion;

(c) The County is not in breach of or default under any law or administrative regulation of the State of Texas or the United States (including regulations of their respective agencies) applicable to the issuance of the Securities or any applicable judgment or decree or any loan agreement, note, order, agreement or other instrument, except as may be disclosed in the Official Statement, to which the County is a party or to the knowledge of the County it is otherwise subject, that would have a material and adverse effect upon the business or financial condition of the County; and the execution and delivery of the Securities and this Purchase Contract by the County and the adoption of the Orders by the County and compliance with the provisions thereof will not violate or constitute a material breach of or default under any existing law or administrative regulation, or any judgment, decree or agreement or other instrument to which the County is a party or, to the knowledge of the County, is otherwise subject;

(d) All approvals, consents and orders of any governmental authority or agency having jurisdiction of any matter that would constitute a condition precedent to the performance by the County of its obligations to sell and deliver the Securities hereunder will have been obtained, except for the approval of the Securities by the Attorney General and registration of the Securities by the Office of the Comptroller of the State (the "Comptroller"). The County represents that a transcript of proceedings will be filed with the Attorney General in form and substance consistent with the administrative rules of the Public Finance Division of the Attorney General, which will permit the review of such transcript and the approval of the Securities by the Attorney General, and the registration of the Securities by the Comptroller on or before the Closing, as required by Section 8(e)(7) hereof, but subject to the discretion of the Attorney General with respect to the issuance of his approving opinion;

(e) At the time of the County's acceptance hereof and at the time of the Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) Between the date of this Purchase Contract and the Closing, the County will not, without the prior written consent of the Underwriters, sell or issue any additional bonds, notes or other obligations for borrowed money payable in whole or in part from ad valorem taxes and the County will not incur any material liabilities (except in the ordinary course of business), direct or contingent, nor will there be any adverse change of a material nature in the financial position of the County;

(g) Except as described in the Official Statement, no litigation is pending or, to the knowledge of the County, threatened in any court affecting the corporate existence of the County, the title of its officers to their respective offices, or seeking to restrain or enjoin the issuance or delivery of the Securities, affecting or seeking to prohibit, restrain or enjoin the collection of ad valorem taxes pledged to the payment of the principal of and interest on the Securities, or in any way contesting or affecting the issuance, execution, delivery, payment, security or validity of the Securities, or in any way contesting or affecting the validity or enforceability of the Orders, or contesting the powers of the County, or any authority for the Securities, the Orders, the Escrow Agreements or this Purchase Contract or contesting in any way the completeness, accuracy or fairness of the Preliminary Official Statement or the Official Statement;

(h) The County will cooperate with the Underwriters in arranging for the qualification of the Securities for sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Representative designates, and will use its best efforts to continue such qualifications in effect so long as required for distribution of the Securities; provided, however, that the County will not be required to execute a consent to service of process or to qualify to do business in connection with any such qualification in any jurisdiction;

(i) The descriptions of the Securities and the Orders contained in the Official Statement accurately summarize certain provisions of such instruments, and the Securities, when validly executed, authenticated and delivered in accordance with the Orders and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the County entitled to the benefits of, and subject to the limitations contained in, the Orders;

(j) If prior to the Closing an event occurs affecting the County that is materially adverse for the purpose for which the Official Statement is to be used and is not disclosed in the Official Statement, the County shall notify the Representative, and if in the opinion of the County and the Representative such event requires a supplement or amendment to the Official Statement, the County will supplement or amend the Official Statement in a form and in a manner approved by the Representative;

(k) The financial statements contained in the Official Statement present fairly the financial position of the County as of the date and for the period covered thereby and are

stated on a basis substantially consistent with that of the prior year's audited financial statements;

(l) Any certificate signed by any official of the County and delivered to the Underwriters shall be deemed a representation and warranty by the County to the Underwriters as to the truth of the statements therein contained;

(m) The County will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Securities to be applied in a manner other than as provided in the Orders or that would cause the interest of the Securities to be includable in gross income of the holders thereof for federal income tax purposes; and

(n) The County maintains internal controls and procedures designed to ensure that material information relating to the County is made known to the appropriate officials of the County responsible for the County's compliance with the disclosure obligations of the County under federal securities laws including, without limitation, the County's compliance with the Undertaking.

7. **Closing.** By 10:00 A.M., Central Time, on June 14, 2012 (the "Closing"), the County will deliver the initial securities certificates of the Securities of each series (as provided for in the Orders) to the Underwriters and the County shall take appropriate steps to provide The Depository Trust Company ("DTC") with one definitive securities certificate for each year of maturity of the Securities, and to provide the Underwriters with the other documents hereinafter mentioned. On or prior to the date of Closing, the Underwriters shall make arrangements with DTC for the Securities to be immobilized and thereafter traded as book-entry only securities and on the date of Closing the Underwriters will accept such delivery and pay the purchase price of the Securities as set forth in Section 1 hereof in immediately available funds. Concurrently with the payment for the Securities by the Underwriters, the County shall return to the Representative the check referred to in Section 4 hereof. Delivery and payment as aforesaid shall be made at the office of the paying agent/registrars for the Securities, as identified in the Official Statement, or such other place as shall have been mutually agreed upon by the County and the Representative.

In addition, the County and the Underwriters agree that there shall be a preliminary closing held at such place as the County and the Underwriters shall mutually agree, commencing at least 24 hours prior to the Closing; provided, however, in lieu of this preliminary closing Bond Counsel, as defined below, may provide the counsel to the Underwriters with a complete Transcript of Proceedings on the business day preceding the Closing. Drafts of all documents to be delivered at the Closing shall be prepared and distributed to all parties and their counsel for review at least three business days prior to the Closing.

8. **Conditions.** The Underwriters have entered into this Purchase Contract in reliance upon the representations and warranties of the County contained herein and to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the County

of its obligations hereunder, both as of the date hereof and as of the date of Closing. Accordingly, the Underwriters' obligations under this Purchase Contract to purchase and pay for the Securities shall be subject to the performance by the County of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the County contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of Closing, as if made on the date of Closing;

(b) At the time of the Closing, (i) the Orders shall be in full force and effect, and the Orders shall not have been amended, modified or supplemented and the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to by the Representative; and (ii) the net proceeds of the sale of the Securities shall be deposited and applied as described in the Official Statement and in the Orders;

(c) At the time of the Closing, all official action of the County related to the Orders shall be in full force and effect and shall not have been amended, modified or supplemented;

(d) The County shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(e) At or prior to the Closing, the Underwriters shall have received each of the following documents:

(1) The Official Statement of the County executed on behalf of the County by the County Judge and County Clerk, or a conformed copy thereof;

(2) The Orders, certified by the County Clerk under the seal of the County as having been duly adopted by the County and as being in effect, with such changes or amendments as may have been agreed to by the Underwriters. The Orders shall contain the agreement of the County, in form satisfactory to the Underwriters, that is described under the caption "CONTINUING DISCLOSURE OF INFORMATION" in the Preliminary Official Statement (the "Undertaking");

(3) Reserved;

(4) The Paying Agent/Registrar Agreement (with respect to each or all series of the Securities), having been duly executed on behalf of the County and The Bank of New York Mellon Trust Company, National Association, as Paying Agent/Registrar;

(5) The two escrow agreements relating to each of the Unlimited Tax Bonds and the Limited Tax Bonds and the obligations to be refunded with the proceeds of the Unlimited Tax Bonds and the Limited Tax Bonds, respectively, (the "Escrow Agreements") having been duly executed on behalf of the County and The Bank of New York Mellon Trust Company, National Association, as Escrow Agent, evidencing that all respective "Escrowed Securities" and cash to be deposited with the Escrow Agent on the date of Closing have been purchased by or delivered to the Escrow Agent, all as described in the Official Statement, together with certificates, dated as of the date of Closing, executed by an appropriate official of the Escrow Agent, to the effect that the Escrow Agreements have been duly authorized, executed and entered into by the Escrow Agent;

(6) The opinions pertaining to the issuance of the Securities, dated the date of Closing, of Bracewell & Giuliani LLP ("Bond Counsel") in substantially the forms and substance set forth in Appendix C to the Official Statement;

(7) Opinions with respect to the Securities, dated on or prior to the date of Closing, of the Attorney General, approving the Securities as required by law and the registration certificates of the Comptroller;

(8) The supplemental opinion, dated the date of Closing, of Bond Counsel, addressed to the County and the Underwriters, which provides that the Underwriters may rely upon the opinions of Bond Counsel delivered in accordance with the provisions of Section 8(e)(6) hereof, and opining to the effect that (a) the Purchase Contract has been duly authorized, executed and delivered by the County and (assuming due authorization by the Underwriters) constitutes a binding and enforceable agreement of the County in accordance with its terms; (b) in its capacity as Bond Counsel, such firm has reviewed the information in the Official Statement under the captions or subcaptions "PLAN OF FINANCE" (except for the subcaption "Sources and Uses of Proceeds"), "THE BONDS" (except for the subcaptions "Book-Entry-Only System" and "Bondholders' Remedies"), "TAX MATTERS", "OTHER INFORMATION - Registration and Qualification of Bonds for Sale", "OTHER INFORMATION - Legal Investments and Eligibility to Secure Public Funds in Texas", "OTHER INFORMATION - Legal Matters", "CONTINUING DISCLOSURE OF INFORMATION" (except for the subcaption "Compliance with Prior Undertakings") and "APPENDIX C - FORMS OF BOND COUNSEL'S OPINIONS", and such firm is of the opinion that such descriptions present a fair and accurate summary of the provisions of the laws and instruments therein described and such information conforms to the Orders; and (c) the Securities are exempt from registration pursuant to the Securities Act of 1933, as amended (the "Securities Act"), and the Orders are exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act");

(9) The opinion of McCall, Parkhurst & Horton L.L.P., Underwriters' Counsel, addressed to the Underwriters, and dated the date of Closing in substantially the form attached hereto as Exhibit B;

(10) A certificate, dated the date of Closing, signed by an appropriate officer of the County, to the effect that (i) the representations and warranties of the County contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) except to the extent disclosed in the Official Statement, no litigation is pending or, to the knowledge of such persons, threatened in any court to restrain or enjoin the issuance or delivery of the Securities, or the collection or application of the ad valorem taxes pledged or to be pledged to pay the principal of and interest on the Securities, or the pledge thereof, or in any way contesting or affecting the validity of the Securities or the County Documents, or contesting the powers of the County or the authorization of the Securities or the County Documents, or contesting in any way the accuracy, completeness or fairness of the Official Statement (but in lieu of or in conjunction with such certificate, the Underwriters may, in their sole discretion, accept certificates or opinions of the County Attorney that, in the opinion thereof, the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); (iii) to the best of their knowledge, no event affecting the County has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iv) that there has not been any material and adverse change in the affairs or financial condition of the County since September 30, 2011, the latest date as to which audited financial information is available;

(11) A certificate, dated the date of the Closing, of an appropriate officer of the County to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of delivery of the Securities, it is not expected that the proceeds of either series of the Securities will be used in a manner that would cause such Securities to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

(12) The delivery by Grant Thornton LLP of two reports (the "Verification Reports") verifying the mathematical accuracy of the schedules that demonstrate that the Escrowed Securities will mature and pay interest in such amounts which, together with uninvested funds, if any, in the respective escrow fund, will be sufficient to pay when due, the principal of and interest on the obligations to be refunded with the proceeds of the Unlimited Tax Bonds and the Limited Tax Bonds, respectively;

(13) Evidence of the rating on the Securities, which shall be "Aaa" by Moody's Investors Service, Inc. ("Moody's"), "AAA" by Standard and Poor's

Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P") shall be delivered in a form acceptable to the Underwriters; and

(14) Such additional legal opinions, certificates, instruments and other documents as Bond Counsel or the Underwriters may reasonably request to evidence the truth, accuracy and completeness, as of the date hereof and as of the date of Closing, of the County's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance and satisfaction by the County at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by the County.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are satisfactory to the Underwriters.

If the County shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Securities as set forth in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Securities shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate, the security deposit referred to in Section 4 of this Purchase Contract shall be returned to the Representative and neither the Underwriters nor the County shall be under further obligation hereunder, except that the respective obligations of the County and the Underwriters set forth in Sections 10 and 12 hereof shall continue in full force and effect.

9. **Termination.** The Underwriters may terminate their obligation to purchase at any time before the Closing if any of the following should occur:

(a) An event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect and requires an amendment of or supplement to the Official Statement and the effect of which is, in the judgment of the Representative, reasonably exercised, would materially adversely affect the market for the Securities or the sale, at the contemplated offering prices, by the Underwriters of the Securities.

(b) (i) Legislation shall have been enacted by the Congress of the United States, or recommended to the Congress for passage by the President of the United States or favorably reported for passage to either House of the Congress by any Committee of such House; or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court; or (iii) an order, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the

United States; or (iv) a release or official statement shall have been issued by the President of the United States or by the Treasury Department of the United States or by the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Securities or upon income of the general character to be derived by the County, other than any imposition of federal income taxes upon interest received on obligations of the general character as the Securities on the date hereof and other than as disclosed in the Official Statement, in such a manner as in the judgment of the Representative, reasonably exercised, would materially adversely affect the market for the Securities or the sale, at the contemplated offering prices, by the Underwriters of the Securities.

(c) (i) Legislation shall have been introduced in or enacted (or resolution passed) by the Congress of the United States; (ii) an order, decree, ruling, regulation (final, temporary, or proposed), press release, or other form of notice issued or made by or on behalf of the United States Securities and Exchange Commission (the "SEC"); or (iii) an order or injunction issued by any court of competent jurisdiction; the effect of which, in any such case described in clause (i), (ii), or (iii) would be to require registration of any security under the Securities Act, or qualification of any document under the Trust Indenture Act, in connection with the public offering of the Securities, or that the issuance, offering, or sale of obligations of the general character of the Securities, including any or all underlying arrangements, as contemplated by this Purchase Contract or by the Official Statement or otherwise, is or would be in violation of the federal securities laws as amended and then in effect, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority.

(d) (i) The Constitution of the State of Texas shall be amended or an amendment shall be proposed, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of Texas law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State of Texas by an official, agency or department thereof, affecting the tax status of the County, its property or income, its securities (including the Securities) or the interest thereon, that in the judgment of the Representative, reasonably exercised, would materially adversely affect the market for the Securities or the sale, at the contemplated offering prices, by the Underwriters of the Securities.

(e) There shall have occurred any (i) material outbreak of hostilities (including, without limitation, an escalation of hostilities that existed prior to the date hereof or an act of terrorism) or (ii) material other national or international calamity or crisis, or any material adverse change in the financial, political or economic conditions affecting the United States, the effect of which on U.S. financial markets of such an event described in clauses (i) or (ii) shall make it, in the reasonable judgment of the Representative, impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the final Official Statement (exclusive of any amendment or supplement thereto).

(f) There shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Securities or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers such as to make it, in the judgment of the Underwriters, reasonably exercised, impractical or inadvisable to proceed with the offering of the Securities as contemplated in the Official Statement.

(g) An event described in Section 6(j) hereof occurs that, in the reasonable judgment of the Representative, requires a supplement or amendment to the Official Statement that is deemed by them, in their reasonable discretion, to materially adversely affect the market for the Securities or the sale, at the contemplated offering prices, by the Underwriters of the Securities.

(h) A general banking moratorium shall have been declared by authorities of the United States, the State of New York or the State of Texas, or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriters, impractical or inadvisable to proceed with the offering of the Securities as contemplated by the Official Statement.

(i) (i) A lowering of the ratings (without regard to credit enhancement) initially assigned to the Securities by Moody's and S&P, respectively, set forth in Section 8(e)(13) hereof shall occur prior to the Closing, or (ii) there shall have been any official declaration as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating by Moody's or S&P on any debt securities issued by the County and secured in a like manner as the Securities, including any series of the Securities.

10. **Expenses.** (a) The County shall pay all expenses incident to the issuance of the Securities, including but not limited to: (i) the cost of the preparation, printing and distribution of the Preliminary Official Statement and the Official Statement; (ii) the cost of the preparation and printing of the Securities; (iii) the fees and expenses of Bond Counsel to the County; (iv) the fees and disbursements of the County's accountants, advisors, and of any other experts or consultants retained by the County; (v) the fees for the bond ratings and any travel or other expenses incurred incident thereto; and (vi) the premium, if any, for municipal bond insurance policy pertaining to the Securities.

(b) The Underwriters shall pay (i) all advertising expenses in connection with the offering of the Securities; (ii) the cost of the preparation and printing of all the underwriting documents; and (iii) the fee of McCall, Parkhurst & Horton L.L.P., Underwriters' Counsel, for such firm's opinion required by Section 8(e)(9) hereof.

The County acknowledges that the Underwriters will pay from the Underwriters' expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Counsel of Texas.

11. **Notices.** Any notice or other communication to be given to the County under this Purchase Contract may be given by delivering the same in writing at the address for the County set forth above, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to *CITIGROUP GLOBAL MARKETS INC.*, 300 Crescent Court, Suite 940, Dallas, Texas 75201, Attention: Mario Carrasco.

12. **Parties in Interest.** This Purchase Contract is made solely for the benefit of the County and the Underwriters (including the successors or assigns of any Underwriter) and no other person shall acquire or have any right under this contract. The County's representations, warranties and agreements contained in this Purchase Contract that exist as of the Closing, and without regard to any change in fact or circumstance occurring subsequent to the Closing, shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters, and (ii) delivery of any payment for the Securities hereunder; and the County's representations and warranties contained in Section 6 of this Purchase Contract shall remain operative and in full force and effect, regardless of any termination of this Purchase Contract.

13. **Status of the Underwriters.** The County acknowledges and agrees that (i) the purchase and sale of the Securities pursuant to this Purchase Contract is an arms' length commercial transaction between the County and the Underwriters, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriters are and have been acting solely as a principal and not as the agent or fiduciary of the County, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the County with respect to the offering contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriters have provided other services or are currently providing other services to the County on other matters) and the Underwriters have no obligation to the County with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, and (iv) the County has consulted with its own legal, financial, and other advisors to the extent it deemed appropriate in connection with the offering of the Securities.

14. **Choice of Law.** This Purchase Contract shall be governed by and construed in accordance with the laws of the State of Texas.

15. **Execution in Counterparts.** This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any

of the parties hereto may execute this Purchase Contract by signing any such counterpart. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by electronic mail with a copy in portable document format or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

16. **Section Headings.** Section headings have been inserted in this Purchase Contract as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Purchase Contract and will not be used in the interpretation of any provisions of this Purchase Contract.

17. **Severability.** If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision inoperative or unenforceable to any extent whatever.

[The remainder of this page intentionally left blank.]

If you agree with the foregoing, please sign the enclosed counterpart of this Purchase Contract and return it to the Representative. This Purchase Contract shall become a binding agreement between you and the Underwriters when at least the counterpart of this Purchase Contract shall have been signed by or on behalf of each of the parties hereto.

Very truly yours,

Citigroup Global Markets Inc.
Estrada Hinojosa & Company, Inc.
Stifel, Nicolaus & Company, Incorporated

By: **Citigroup Global Markets Inc.**
Representative

By: *Mario Carrasco*
Name: **MARIO CARRASCO**
Title: **DIRECTOR**

ACCEPTANCE

ACCEPTED at _____ [a.m.][p.m.], Central Time this _____ day of May, 2012.

By: _____
County Judge
Collin County, Texas

[Signature Page to the Series 2012 Purchase Contract]

If you agree with the foregoing, please sign the enclosed counterpart of this Purchase Contract and return it to the Representative. This Purchase Contract shall become a binding agreement between you and the Underwriters when at least the counterpart of this Purchase Contract shall have been signed by or on behalf of each of the parties hereto.

Very truly yours,

Citigroup Global Markets Inc.
Estrada Hinojosa & Company, Inc.
Stifel, Nicolaus & Company, Incorporated

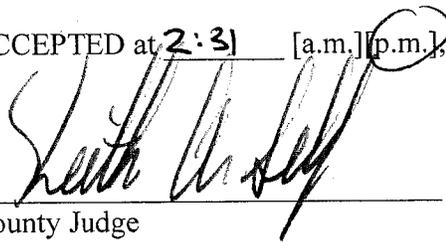
By: **Citigroup Global Markets Inc.**
Representative

By: _____
Name:
Title:

ACCEPTANCE

ACCEPTED at 2:31 [a.m.] (p.m.), Central Time this 14th day of May, 2012.

By:



County Judge
Collin County, Texas

[Signature Page to the Series 2012 Purchase Contract]

EXHIBIT A

Schedule of Maturities, Interest Rates, Yields and Redemption Provisions

\$50,800,000
Collin County, Texas
Unlimited Tax Road and Refunding Bonds, Series 2012

Maturity (2/15)	Principal Amount (\$)	Interest Rate (%)	Yield (%)
2013	610,000	2.000	0.350
2014	1,050,000	4.000	0.460
2015	1,095,000	4.000	0.570
2016	3,625,000	4.000	0.730
2017	1,185,000	4.000	0.980
2018	3,015,000	4.000	1.170
2019	3,145,000	5.000	1.380
2020	2,800,000	5.000	1.610
2021	4,075,000	5.000	1.800
2022	4,290,000	5.000	1.980
2023	4,505,000	5.000	2.140*
2024	4,720,000	4.000	2.530*
2025	2,145,000	4.000	2.660*
2026	1,785,000	4.000	2.760*
2027	1,870,000	5.000	2.560*
2028	1,965,000	5.000	2.640*
2029	2,065,000	5.000	2.720*
2030	2,170,000	5.000	2.780*
2031	2,285,000	5.000	2.830*
2032	2,400,000	5.000	2.880*

* Yield calculated based on the assumption that the Unlimited Tax Bonds denoted and sold at a premium will be redeemed on February 15, 2022, the first optional call date for the Unlimited Tax Bonds, at a redemption price of par plus accrued interest to the redemption date.

Optional Redemption. The County reserves the right, at its option, to redeem Unlimited Tax Bonds having a stated maturity on February 15, 2023, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2022, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

\$20,735,000
Collin County, Texas
Limited Tax Refunding and Improvement Bonds, Series 2012

<u>Maturity (2/15)</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Yield (%)</u>
2013	80,000	2.000	0.350
2014	115,000	2.000	0.470
2015	120,000	3.000	0.580
2016	570,000	3.000	0.740
2017	2,345,000	4.000	0.980
2018	2,445,000	4.000	1.180
2019	2,535,000	4.000	1.380
2020	1,795,000	4.000	1.610
2021	1,820,000	4.000	1.810
2022	1,895,000	4.000	1.980
2023	1,985,000	5.000	2.140*
2024	2,085,000	5.000	2.270*
2025	1,485,000	5.000	2.390*
***	***	***	***
2032 ⁽¹⁾	1,460,000	3.250	3.33

* Yield calculated based on the assumption that the Limited Tax Bonds denoted and sold at a premium will be redeemed on February 15, 2022, the first optional call date for the Limited Tax Bonds, at a redemption price of par plus accrued interest to the redemption date.

(1) Term Bond

Optional Redemption. The County reserves the right, at its option, to redeem Limited Tax Bonds having a stated maturity on February 15, 2023, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2022, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Limited Tax Bonds maturing on February 15, 2032 (the "Term Limited Tax Bonds") are also subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on February 15 in the respective years and principal amounts shown below:

**TERM BONDS MATURING
FEBRUARY 15, 2032**

<u>REDEMPTION DATE</u>	<u>REDEMPTION AMOUNT</u>
February 15, 2026	\$190,000
February 15, 2027	195,000
February 15, 2028	200,000
February 15, 2029	210,000
February 15, 2030	215,000
February 15, 2031	220,000
February 15, 2032 (maturity)	230,000

EXHIBIT B

**Proposed Form of Underwriters' Counsel Opinion of
McCall, Parkhurst & Horton L.L.P.**

June 14, 2012

**Citigroup Global Markets Inc.
Estrada Hinojosa & Company, Inc.
Stifel, Nicolaus & Company, Incorporated**
c/o Citigroup Global Markets Inc.
300 Crescent Court, Suite 940
Dallas, Texas 75201

**Re: \$50,800,000 Collin County, Texas Unlimited Tax Road and Refunding Bonds,
Series 2012**

**\$20,735,000 Collin County, Texas Limited Tax Refunding and Improvement
Bonds,
Series 2012**

Ladies and Gentlemen:

We have acted as counsel for you as the underwriters of the securities described above (the "Securities"), issued under and pursuant to orders (the "Orders") of the Collin County, Texas (the "County"), authorizing the issuance of the Securities, which Securities you are purchasing pursuant to a Purchase Contract, dated May 14, 2012. All capitalized undefined terms used herein shall have the meaning set forth in the Purchase Contract.

In connection with this opinion letter, we have considered such matters of law and of fact, and have relied upon such certificates and other information furnished to us, as we have deemed appropriate as a basis for our opinion set forth below. We are not expressing any opinion or views herein on the authorization, issuance, delivery, validity of the Securities and we have assumed, but not independently verified, that the signatures on all documents and Securities that we have examined are genuine.

Based on and subject to the foregoing, we are of the opinion that, under existing laws, the Securities are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Orders are not required to be qualified under the Trust Indenture Act of 1939, as amended.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters, and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Official Statement dated May 14, 2012 (the "Official Statement") and because the information in the Official Statement under the headings "THE BONDS - Book-Entry-Only System," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION - Compliance with Prior Undertakings" and Appendices A, B and C thereto were prepared by others who have been engaged to review or provide such information, we are not passing on and do not assume any responsibility for, except as set forth in the last sentence of this paragraph, the accuracy, completeness or fairness of the statements contained in the Official Statement (including any appendices, schedules and exhibits thereto) and we make no representation

that we have independently verified the accuracy, completeness or fairness of such statements. In the course of our review of the Official Statement, we had discussions with representatives of the County regarding the contents of the Official Statement. In the course of our participation in the preparation of the Official Statement as your counsel, we had discussions with representatives of the County, Bond Counsel and Financial Advisor, regarding the contents of the Official Statement. In the course of such activities, no facts came to our attention that would lead us to believe that the Official Statement (except for the financial statements and other financial and statistical data contained therein, the information set forth under the headings "THE BONDS - Book-Entry-Only System," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION – Compliance with Prior Undertakings" and Appendices A, B and C thereto, as to which we express no opinion), as of its date contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion letter may be relied upon by only you and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent.

Respectfully,