

PURCHASE LETTER

June 18, 2018

Honorable County Judge and Commissioners Court
Collin County, Texas
2300 Bloomdale Road
McKinney, Texas 75071

Re: \$18,100,000 Collin County, Texas Tax Note, Series 2018

Ladies and Gentlemen:

DNT Asset Trust (the "Purchaser") hereby offers to purchase from Collin County, Texas (the "County") the captioned Note (the "Note") and, upon acceptance of this offer by the County, such offer will become a binding agreement between the Purchaser and the County. This offer must be accepted by 10:00 p.m., McKinney, Texas time, June 18, 2018, and if not so accepted will be subject to withdrawal.

1. Purchase Price: The purchase price for the Note will be \$18,100,000.
2. Purchaser's Fees: The County shall pay the Purchaser's Counsel fees in the amount of \$3,500 out of the proceeds of the Note.
3. Terms of Note: The Note shall be issued in the principal amount of \$18,100,000 and shall bear interest at such rates, mature on such dates and in such amounts, and have such other terms and conditions as are set forth in the in the order (the "Note Order") adopted by the Commissioners Court of the County on June 18, 2018. Purchaser has received a copy of the Note Order. Pursuant to and as more fully described in the Note Order, the Note shall be secured by and payable from a direct and continuing ad valorem tax levied, within the limits prescribed by law, on all taxable property in the County.

In order to lock the interest rate for the Note, the County agrees that if for any reason within the County's control the County or its professionals or advisors fail to deliver any documents or payments described in clauses (a), (b), (d) or (e) of Section 5 hereof by the Closing (as defined below) or at such other time as shall be mutually agreed upon ("Rate Lock Funding Date"), then the County shall pay as liquidated damages a Reinvestment Premium (as defined below) to the Purchaser, within five (5) business days of the Purchaser's written request, as further described below.

- (i) A Reinvestment Premium shall be due and payable if (i) exceeds (ii) where (i) equals total scheduled interest payments due on the Note calculated at the Swap Rate (defined below) on the date on which this Agreement is executed ("Rate Lock Date") plus 0 basis points, and (ii) equals the total scheduled interest payments due on the Note calculated at the Swap Rate on

the date on which the rate lock provided by the Purchaser is broken (“Rate Lock Breakage Date”). For purposes of calculating the Reinvestment Premium, “Swap Rate” means the USD 1100 ICE Swap Rate that appears on Reuters page “ICESWAP1” or any successor page established by Reuters (the “Service”) at approximately 11:15 a.m., New York City time on the applicable date for the designated tenor or the following alternatives, as applicable: (i) If the Service does not publish a USD 1100 ICE Swap rate on either the Rate Lock Date or the Rate Lock Breakage Date, the most recent USD ICE Swap Rate published by the Service as of the Rate Lock Date or Rate Lock Breakage Date, as applicable, will be utilized; (ii) if the Service no longer publishes a USD 1100 ICE Swap Rate, the USD ICE Swap Rate published by the Service at different times on that date may be utilized; (iii) if the Service no longer publishes any USD ICE Swap Rates, the Purchaser may utilize other comparable sources for determining the value of the USD ICE Swap Rates or may, in lieu of the USD ICE Swap Rates, utilize other US dollar interest rate swap rates obtained from other sources that it determines, in its discretion in accordance with customary market practices, provide current market-based information as to mid-price US dollar interest rate swap rates; or (iv) if there is no Swap Rate for the designated tenor, the applicable Swap Rate will be based upon the linear interpolation between the Swap Rates reported by the Service (or alternative sources) for the closest tenors above and below the designated tenor. The Purchaser’s determination of the interpolated rate shall be deemed conclusive absent manifest error.

- (ii) If (ii) above is equal to or greater than (i) above, the no Reinvestment Premium is due.
- (iii) “Reinvestment Premium” means an amount equal to the net present value of the difference in scheduled interest payments of (ii) above less (i) above for each scheduled interest period, discounted at the Swap Rate as of the Rate Lock Breakage Date, as determined above.

4. Closing: The County shall deliver the Note to, or for the account of, the Purchaser and the Purchaser shall purchase the Note at 10:00 a.m. Dallas time, on July 17, 2018, or at such other time as shall be mutually agreed upon (hereinafter referred to as the “Closing”). The Closing shall take place at the offices of Bracewell LLP, Dallas, Texas, or such other location as may be mutually agreed upon.
5. Conditions to Closing: Neither the Purchaser nor the County shall have any obligation to consummate the purchase of the Note unless the following requirements have been satisfied prior to Closing:
 - (a) The Purchaser shall have received a certified copy of the Note Order.
 - (b) The County shall have delivered a no-litigation certificate.

- (c) Bracewell LLP shall have received an executed Federal Tax Certificate and an executed Issue Price Certificate in such forms as are sufficient to support its opinion described in paragraph 5(d), below.
- (d) Bracewell LLP shall have issued its approving legal opinion as to the due authorization, issuance and delivery of the Note and as to the exemption of the interest thereon from federal income taxation.
- (e) The Note shall have been approved by the Attorney General of the State of Texas and shall have been registered by the Comptroller of Public Accounts of the State of Texas.
- (f) Nothing shall have occurred prior to the Closing which in the reasonable opinion of the Purchaser has had or could reasonably be expected to have a materially adverse effect on the County's financial condition and operations as reflected in the financial statements of the County as of September 30, 2017.
- (g) The County's limited tax bonds shall be rated at least Aaa by Moody's Investors Service and AAA by S&P Global Ratings.

6. Acknowledgements and Representations of the Purchaser.

- (a) The Purchaser is a "bank" as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "1933 Act") or an "accredited investor" within the meaning of Section 2(a)(15) of the 1933 Act and/or a "qualified institutional buyer" as defined in Rule 144A under the 1933 Act.
- (b) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations of a nature similar to the Note to be able to evaluate the risks and merits of purchase of the Note.
- (c) The Purchaser is acquiring the Note for its own account as evidence of a loan or for the account of a permitted transferee, and not with a view to, or for present sale in connection with, any distribution of the Note or any part thereof. The Purchaser's present intention is to hold the Note to maturity or earlier redemption or mandatory tender.
- (d) As a sophisticated investor, the Purchaser has made its own credit inquiry and analysis with respect to the County and the Note, and has made an independent credit decision based upon such inquiry and analysis. The County has furnished to the Purchaser all the information that the Purchaser, as a reasonable investor, has requested of the County as a result of the Purchaser having attached significance thereto in making a purchase decision with respect to the Note, and the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the County and the Note. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Note.

- (e) The Purchaser understands that the Note has not been registered with any federal or state securities agency or commission.
- (f) The Purchaser acknowledges that transfer of the Note is subject to the following conditions:
 - (i) the transferring holder thereof shall first have complied with any then applicable state and federal securities laws and regulations;
 - (ii) the transferring holder thereof can transfer the Note only to:
 - (A) a transferee who executes and delivers to the County a letter of the transferee containing substantially the representations set forth in this Section 6; or
 - (B) a transferee who qualifies as a qualified institutional investor; or
 - (C) a transferee who qualifies as an “accredited investor” within the meaning of Section 2(a)(15) of the 1933 Act, including a transferee who qualifies as a national bank or banking institution organized under the laws of any state acting in its individual or fiduciary capacity; or
 - (D) a securitization Special Purpose Vehicle (“SPV”), the interests in which SPV are sold to institutional investors only; and
 - (iii) the transferring holder thereof will not prepare or furnish, or cause to be prepared or furnished, any disclosure regarding the County’s finances without the prior review and written consent of the County, in the County’s sole discretion. However, the transferring holder will be permitted to disclose any of the County’s publicly available financial information.

Subject to the provisions and restrictions in this Section 6(f) hereof, the Purchaser may without limitation (i) at any time sell, assign, pledge or transfer the Note or the Purchaser’s rights and obligations under the Note to one or more assignees and/or participants which may include affiliates of the Purchaser; and (ii) at the Purchaser’s option, disclose information and share fees with such assignees and/or participants.

- 7. Audited Financial Statements. The County agrees to provide to Purchaser a copy of its audited financial statements within 270 days of the end of each fiscal year. The County may satisfy such obligation by emailing such statements to annmarie.daniel@jpmorgan.com.
- 8. Survival and Severability: For so long as the Note remains outstanding, the covenants made in paragraphs 5 and 6 above shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any party hereto or (ii) delivery of and payment for the Note hereunder.

9. No Oral Agreements: To the extent allowed by law, the parties hereto agree to be bound by the terms of the following notice: NOTICE: THIS PURCHASE LETTER, THE NOTE ORDER, AND THE NOTE TOGETHER REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES REGARDING THIS TRANSACTION AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES RELATING TO THIS TRANSACTION.
10. Compliance with Section 2270.002 of the Texas Government Code. To the extent this Agreement is a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, the Purchaser verifies that except to the extent otherwise required by applicable federal law, including, without limitation, 50 U.S.C. Section 4607, the Purchaser (including any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the Purchaser) does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit contractual relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
11. Compliance with Subchapter F of Chapter 2252 of the Texas Government Code. As of the date hereof, the Purchaser represents that, to the extent this Agreement constitutes a "governmental contract" within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required or permitted by or under applicable federal law, neither the Purchaser nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Purchaser is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201 or 2252.153 of the Texas Government Code as noted on a list identified in the following link: <https://comptroller.texas.gov/purchasing/publications/divestment.php>.
12. The County acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the County and the Purchaser and its affiliates, (ii) in connection with such transaction, the Purchaser and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the County, (iii) the Purchaser and its affiliates are relying on one or more exemptions in the Municipal Advisor Rules, (iv) the Purchaser and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has provided other services or advised, or is currently providing other services or advising the County on other matters), (v) the Purchaser and its affiliates have financial and other interests that differ from those of the County, and (vi) the County has

consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

13. JPMorgan Chase Bank, N.A., its successors or assigns, or any other entity subsequently appointed by the majority of the registered owners of the Note, shall act as the representative on behalf of the registered owners of the Note and shall be the party which provides consent, direct remedies and takes all actions on behalf of the registered owners of the Note under this Agreement, the Note Order, the Note or any combination of the foregoing.
14. The County agrees that the Purchaser may provide any information or knowledge the Purchaser may have about the County or about any matter relating to the Note to JPMorgan Chase & Co., or any of its subsidiaries or affiliates or their successors, or to any one or more purchasers or potential purchasers of the Note, or participants or assignees of the Note.
15. The County may post final Note documentation on a national public bond market repository provided that certain information be redacted by the County as directed by the Purchaser. Items that should be redacted include pricing, financial ratio covenants, signatures/names, account numbers, wire transfer and payment instructions and any other data that could be construed as sensitive information.

[Execution Pages to Follow]

If this purchase agreement meets with your approval, please execute it in the place provided below.

DNT ASSET TRUST

By: _____
Name: _____
Title: Authorized Officer

ACCEPTED BY COLLIN COUNTY, TEXAS:

By: _____
County Judge
Collin County, Texas