

June 3, 2010

Honorable County Judge and County Commissioners Court
Fort Bend County, Texas

Re: Application for the Creation of the Fort Bend Grand Parkway Toll Road
Authority Pursuant to the Texas Transportation Corporation Act

Gentlemen:

The undersigned, each of whom is over 18 years of age and a resident of Fort Bend County, Texas, respectfully submit this application pursuant to the provisions of Subchapter D of the Texas Transportation Corporation Act, Chapter 431, Texas Transportation Code (the "Act") requesting that you authorize and approve creation of the Fort Bend Grand Parkway Toll Road Authority (the "Authority") to act on behalf of Fort Bend County, Texas (the "County") in conjunction with the appropriate local governmental entities where necessary to develop State Highway 99 (the "Grand Parkway"), including without limitation, planning, designing, acquiring, financing, building, extending and improving causeways, bridges, tunnels, turnpikes, highways, overpasses, underpasses, interchanges, entrance plazas, toll houses, service stations, approaches, fixtures, accessories and necessary equipment, including drainage facilities (the "Projects").

I. ESSENTIAL GOVERNMENTAL PURPOSE

It is respectfully submitted that the creation and operation of the Authority as an instrumentality of the County will benefit the County for the following reasons:

- (a) The creation of the Authority is essential to the County's development of the Grand Parkway, pursuant to the exercise of its local option on September 7, 2009; and
- (b) The creation of the Authority is essential to comply with the requirement that the Grand Parkway be developed as a "stand alone" facility and that revenues from the Grand Parkway be used solely for the completion of the entire Grand Parkway until the ultimate project is completed; and
- (c) The creation of the Authority by the County is essential to the continued economic growth of the State and the County is in the public interest, and will promote the health, safety, and general welfare of the citizens of Texas and the County by securing for them expanded and improved transportation facilities and systems.

II. CORPORATE POWERS

It is respectfully requested that the Authority be granted the powers described in the Articles of Incorporation, including:

- (a) All powers necessary to work directly with landowners, public officials, the State and its governmental agencies, counties, cities and other political subdivisions to support those activities required to promote, develop, finance, construct, own, operate and maintain the Projects in the County. These activities shall include without limitation: (1) performing preliminary and final alignment studies; (2) receiving contributions of land for rights-of-way and cash donations to be applied to the purchase of rights-of-way not donated and/or to be applied to the design or construction of Projects in the County; (3) purchasing rights-of-way or obtaining rights-of-way through use of eminent domain; (4) reviewing candidates for advisory directorships and adding such advisory directors as may be appropriate; (5) retaining such administrative staffs, and legal, public information and affairs, financial and engineering consultants as may be required for the development of the Projects in the County and paying such employees and consultants from funds received for this purpose; (6) through staff and retained consultants, preparing such exhibits, right-of-way documents, environmental reports, environmental feasibility studies, schematics, preliminary and final engineering plans as may be necessary for the development of Projects in the County; (7) soliciting cash contributions and entering into contracts to cover the costs of the services to be performed by the Authority and appointed consultants; (8) borrowing money, including but not limited to contractual obligations, bonds and notes, to meet any expenses or needs associated with the operations of the Authority or any capital improvements undertaken by the Authority; (9) making official presentations to the State and other affected agencies or groups concerning the development of Projects in the County; (10) issuing press releases and other material to promote the activities of the Authority; (11) contracting with cities, counties, political subdivisions and other entities for funding of the Authority's Projects, activities, and services in the County; (12) performing any other functions requested by the County in order to promote and develop the Grand Parkway; and (13) contracting with the Texas Department of Transportation for the construction, financing, operation and maintenance of the Grand Parkway as may be necessary or desirable.

III. GOVERNANCE, INCOME AND DISSOLUTION

Pursuant to law, Directors shall hold office for the term for which the director is elected or appointed according to the Articles of Incorporation and Bylaws, and until

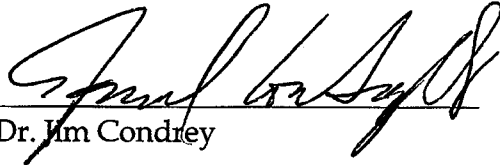
the director's successor is elected or appointed and has qualified and may be removed from office under any removal procedure provided by law or the Articles of Incorporation or the Bylaws. The County Commissioners Court shall fill any vacancy in the Board of Directors by appointment in the manner provided by law and by the Articles of Incorporation or Bylaws. No part of the Authority's income should inure to the benefit of any private interests. In the event of dissolution or liquidation of the Authority, title to all funds and property owned by the Authority shall be turned over to the County, provided, however, that such funds and property may only be used for the Grand Parkway.

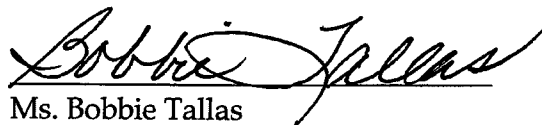
IV. GENERAL INFORMATION

Copies of correspondence should be sent to the undersigned, care of Joe B. Allen, Allen Boone Humphries Robinson, LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027. Should you require any additional information in your consideration of this application, please contact Joe B. Allen at (713)860-6402.

Proposed forms of Articles of Incorporation and Bylaws of the Authority are attached as Exhibits "A" and "B". A proposed form of County Commissioners Court Order is attached as Exhibit "C".

Respectfully submitted,


Dr. Jim Condrey


Ms. Bobbie Tallas


Mr. Cliff Terrell

**ARTICLES OF INCORPORATION
OF
FORT BEND GRAND PARKWAY
TOLL ROAD AUTHORITY**

We, the undersigned natural persons, qualified electors of the age of eighteen (18) years or more, acting as incorporators of a corporation under Subchapter D of the Texas Transportation Corporation Act, TEX. TRANSP. CODE ANN. § 431 et seq., and the Texas Non-Profit Corporation Act, Article 1396-1.01 et seq., Vernon's Texas Civil Statutes, as amended, do hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation is Fort Bend Grand Parkway Toll Road Authority (hereinafter referred to as "Authority"). Senate Bill 792 (Acts 2007, 80th Legislature, Reg. Session) (the "Act") provided seven counties, including Fort Bend County, the right to develop State Highway 99 (the "Grand Parkway"). Since 2007, Fort Bend, Harris, Montgomery, Liberty, Chambers, Galveston and Brazoria Counties (the "Counties") have been engaged in the process set forth in the Act for the development of the Grand Parkway. On September 7, 2009, the County exercised its right to develop the portion of the Grand Parkway within the County.

The development of the Grand Parkway must comply with the Terms and Conditions that were approved by the Texas Department of Transportation ("TxDOT"), the Houston-Galveston Area Council, and the Counties. The Terms and Conditions for the Grand Parkway provide for the Grand Parkway to be developed as a tolled facility.

The Act included a market valuation requirement, which TxDOT and the Counties agreed to waive, effective March 25, 2009 (the "Waiver Agreement"). The Waiver Agreement requires the Grand Parkway to be developed as a "stand alone" facility and requires that revenues from the Grand Parkway be used solely for the completion of the entire Grand Parkway until the ultimate project is completed.

ARTICLE II

The Authority is a public, non-profit, non-stock corporation and has no members.

ARTICLE III

The Authority shall be of perpetual duration.

ARTICLE IV

The Authority is organized and is to be operated to perform an essential governmental function, specifically to assist Fort Bend County (the "County") in conjunction with the appropriate local governmental entities where necessary to develop the Grand Parkway, including without limitation, planning, designing, acquiring, financing, building, extending and improving causeways, bridges, tunnels, turnpikes, highways, overpasses, underpasses, interchanges, entrance plazas, toll houses, service stations, approaches, fixtures, accessories and necessary equipment, including drainage facilities (the "Projects").

Without limitation the Authority shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to transportation corporations incorporated under the provisions of the Texas Transportation Corporation Act, including Chapter 284 Texas Transportation Code, Subchapter D, and non-profit corporations incorporated under the Texas Non-Profit Corporation Act, which are consistent with the provisions of the Texas Transportation Corporation Act. In addition, the Authority shall have the following powers together with all powers incidental thereto or necessary for the performance of those hereinafter stated:

- (a) The Authority shall have all powers necessary to work directly with landowners, public officials, the State and its governmental agencies, counties, cities and other political subdivisions to support those activities required to promote, develop, finance, construct, own, operate and maintain the Projects in the County. These activities shall include without limitation: (1) performing preliminary and final alignment studies; (2) receiving contributions of land for rights-of-way and cash donations to be applied to the purchase of rights-of-way not donated and/or to be applied to the design or construction of Projects in the County; (3) purchasing rights-of-way or obtaining rights-of-way through use of eminent domain; (4) reviewing candidates for advisory directorships and adding such advisory directors as may be appropriate; (5) retaining such administrative staffs, and legal, public information and affairs, financial and engineering consultants as may be required for the development of the Projects in the County and paying such employees and consultants from funds received for this purpose; (6) through staff and retained consultants, preparing such exhibits, right-of-way documents, environmental reports, environmental feasibility studies, schematics, preliminary and final engineering plans as may be necessary for the development of Projects in the County; (7) soliciting cash contributions and entering into contracts to cover the costs of the services to be performed by the Authority and appointed consultants;

(8) borrowing money, including but not limited to contractual obligations, bonds and notes, to meet any expenses or needs associated with the operations of the Authority or any capital improvements undertaken by the Authority; (9) making official presentations to the State and other affected agencies or groups concerning the development of Projects in the County; (10) issuing press releases and other material to promote the activities of the Authority; (11) contracting with cities, counties, political subdivisions and other entities for funding of the Authority's Projects, activities, and services in the County; (12) performing any other functions requested by the County in order to promote and develop the Grand Parkway; and (13) contracting with the Texas Department of Transportation for the construction, financing, operation, and maintenance of the Grand Parkway as may be necessary or desirable.

- (b) The Authority shall have all other powers of a like or different nature not prohibited by law which are available to transportation corporations created under Subchapter D of the Texas Transportation Corporation Act and nonprofit corporations in Texas and which are necessary or useful for the promotion, development and construction of the Grand Parkway.
- (c) The foregoing notwithstanding, every action of the Authority shall require the approval of the Commissioners Court of Fort Bend County.

If the Board of Directors determines that sufficient provision has been made for full payment of the expenses, bonds and other obligations of the Authority, any net corporate earnings accruing after the determination may be used for other Grand Parkway segments outside the County. No part of the Authority's income shall inure to the benefit of any private interests. In the event of dissolution or liquidation of the Authority, title to all funds and property owned by the Authority should be turned over to the County, provided, however, that such funds and property may only be used for the Grand Parkway.

ARTICLE V

The street address of the initial registered office of the Authority is 2333 Town Center Drive, Suite 100, Sugar Land, TX 77478-4383 and the name of its initial registered agent at such address is William O. Jameson.

ARTICLE VI

The number of Directors constituting the initial Board of Directors of the Authority is five (5) and the names and addresses of the persons, each of whom resides in the County, who are to serve as the initial Board of Directors are:

1. Dr. Jim Condrey
P.O. Box 2789
Sugar Land, TX 77489-2789
2. Ms. Bobbie Tallas
P.O. Box 2789
Sugar Land, TX 77489-2789
3. Mr. Cliff Terrell
P.O. Box 2789
Sugar Land, TX 77489-2789
4. Mr. Charles Rencher
P.O. Box 2789
Sugar Land, TX 77489-2789
5. Ms. Melody Hess
P.O. Box 2789
Sugar Land, TX 77489-2789

ARTICLE VII

Dr. Jim Condrey is designated as the initial Chairperson of the Board.

ARTICLE VIII

Directors shall hold office for the term for which the director is elected or appointed according to the Articles of Incorporation and Bylaws, and until the director's successor is elected or appointed and has qualified. A director may be removed from office under any removal procedure provided by the Articles of Incorporation or the Bylaws. The Fort Bend County Commissioners Court (the "Commissioners Court") shall fill any vacancy in the Board of Directors by appointment in accordance with the Articles of Incorporation or the Bylaws.

ARTICLE IX

The Authority is created as a local government corporation pursuant to the Acts and shall be a governmental unit within the meaning of Section 101.001 Texas

Civil Practice and Remedies Code. The Authority shall have the power to acquire land in accordance with the Act as amended from time to time.

The Authority is formed pursuant to the provisions of the Act as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the Authority to assist and act on behalf of the County and to engage in activities in the furtherance of the purposes for its creation, provided that the Authority shall not be authorized to make or acquire home mortgages, or to make loans to lending institutions, the proceeds of which are to be used to make home mortgages or to make loans on residential developments.

The Authority shall have an exercise all of the rights, powers, privileges, authority and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation Article 1396, Vernon's Texas Civil Statutes.

ARTICLE X

The names and street addresses of the incorporators, each of whom resides in the County, are:

1. Dr. Jim Condrey
P.O. Box 2789
Sugar Land, TX 77489-2789
2. Ms. Bobbie Tallas
P.O. Box 2789
Sugar Land, TX 77489-2789
3. Mr. Cliff Terrell
P.O. Box 2789
Sugar Land, TX 77489-2789

ARTICLE XI

No Director shall be liable to the Authority for monetary damages for an act or omission in the Director's capacity as a Director, except for liability (i) for any breach of the Director's duty of loyalty to the Authority, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for any transaction from which the Director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the Director's office, or (iv) for acts or omissions for which the liability of a Director is expressly provided by statute. Any repeal or amendment of this Article by the Directors shall be prospective only, and shall not adversely affect any

limitation on the personal liability of a Director existing at the time of such repeal or amendment. In addition to the circumstances in which a Director is not personally liable as set forth in the preceding sentences, a Director shall not be liable to the fullest extent permitted by common law and any amendment to the Texas statutes hereafter enacted that further limits the liability of a Director.

ARTICLE XII

Any income of the Authority received by the County shall be deposited into a special fund (designated the "Fort Bend Grand Parkway Toll Road Authority Fund") in County Treasury, or its successor. No part of the Authority's income shall inure to the benefit of any private interests.

If the Board of Directors determines by resolution that the purposes for which the Authority was formed have been substantially met and all bonds issued by and all obligations incurred by the Authority have been fully paid, the Board shall execute a certificate of dissolution which states those facts and declares the Authority dissolved in accordance with the requirements of Section 394.026 of Vernon's Texas Code Annotated, Local Government Code, or with applicable law then in existence. In the event of dissolution or liquidation of the Authority, title to all funds and property owned by the Authority shall be turned over to the County, provided, however, that such funds and property may only be used for the Grand Parkway.

ARTICLE XIII

These Articles may not be changed or amended unless approved by the Commissioners Court of the County.

ARTICLE XIV

The Commissioners Court has specifically authorized the Authority by Order dated the ____ day of _____, 20__, to act on the County's behalf to further the public purposes stated in said resolution and herein and has approved these Articles of Incorporation of Fort Bend Grand Parkway Toll Road Authority by said Order.

[Signature Page Follows.]

IN WITNESS WHEREOF, we have hereunto set our hands this ____ day of _____, 2010.

Dr. Jim Condrey

Ms. Bobbie Tallas

Mr. Cliff Terrell

VERIFICATION

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

I, _____, a notary public, do hereby certify that on this _____ day of _____, 2010, personally appeared before me, Dr. Jim Condrey, Ms. Bobbie Tallas, and Mr. Cliff Terrell, being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators and that the statements herein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Notary Public in and for the State of Texas

My commission expires:

BYLAWS

OF

FORT BEND GRAND PARKWAY

TOLL ROAD AUTHORITY

BYLAWS
OF
FORT BEND GRAND PARKWAY
TOLL ROAD AUTHORITY

ARTICLE I
OFFICE OF CORPORATION; REGISTERED AGENT

1.01. Principal Office. The principal office of Fort Bend Grand Parkway Toll Road Authority ("Authority") in the State of Texas shall be 7002 Riverbrook Drive, Suite 700, Sugar Land, Texas, 77479, in Fort Bend County, Texas. The Authority may have such other offices, either within or without the State of Texas, as the Board of Directors (the "Board") may determine or as the affairs of the Authority may require from time to time.

1.02. Registered Office and Registered Agent. The Authority shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Transportation Corporation Act, Chapter 431, Texas Transportation Code, and the Texas Non-Profit Corporation Act Article 1396-1.01 et seq., Vernon's Texas Civil Statutes, as amended. The registered office may be, but need not be, identical with the principal office of the Authority in the State of Texas, and the address of the registered office may be changed from time to time by the Board.

ARTICLE II
PURPOSES

The Authority is organized under the authority of the Texas Transportation Corporation Act and the Texas Non-Profit Corporation Act and is to be operated to assist in the performance of an essential governmental function, specifically to assist the County of Fort Bend, Texas, pursuant to Chapter 284, Texas Transportation Code and other state law in conjunction with the appropriate local governmental entities where necessary to develop State Highway 99 (the "Grand Parkway"), including without limitation planning, designing, acquiring, financing, building, extending and improving causeways, bridges, tunnels, turnpikes, highways, overpasses, underpasses, interchanges, entrance plazas, toll houses, service stations, approaches, fixtures, accessories, and necessary equipment, including drainage facilities (the "Projects").

Senate Bill 792 (Acts 2007, 80th Legislature, Reg. Session) (the "Act") provided seven counties, including Fort Bend County, the right to develop the Grand Parkway. Since 2007, Fort Bend, Harris, Montgomery, Liberty, Chambers, Galveston and Brazoria Counties (the

"Counties") have been engaged in the process set forth in the Act for the development of the Grand Parkway. On September 7, 2009, the County exercised its right to develop the portion of the Grand Parkway within the County.

The development of the Grand Parkway must comply with the Terms and Conditions that were approved by the Texas Department of Transportation ("TxDOT"), the Houston-Galveston Area Council, and the Counties. The Terms and Conditions for the Grand Parkway provide for the Grand Parkway to be developed as a tolled facility.

The Act included a market valuation requirement, which TxDOT and the Counties agreed to waive, effective March 25, 2009 (the "Waiver Agreement"). The Waiver Agreement requires the Grand Parkway to be developed as a "stand alone" facility and requires that revenues from the Grand Parkway be used solely for the completion of the entire Grand Parkway until the ultimate project is completed.

The Authority is an "operating board" of the Grand Parkway, pursuant to Texas Transportation Code Section 284.066.

ARTICLE III CLASSES OF MEMBERS

The Authority shall have no members, but shall consist only of a Board, assisted by Advisory Directors as hereinafter provided.

ARTICLE IV BOARD OF DIRECTORS

4.01. Classes, Powers, Number and Term of Office. The property and affairs of the Authority shall be managed and controlled by the Board, and subject to the restrictions imposed by law, the Articles of Incorporation, or these Bylaws, the Board shall exercise all of the powers of the Authority.

The Board shall consist of five (5) Directors appointed by the Commissioners Court of the County. The number of Directors may only be increased or decreased by the Commissioners Court of the County or by an amendment to the Articles of Incorporation, provided that the number of Directors shall never be less than three (3). All Directors shall hold office until their respective (a) deaths or resignation or (b) removal as provided herein. The term of office for a Director shall be four (4) years. A Director may be appointed to serve for more than one term of office. In any event, a Director shall continue to serve as such until his or her respective successor shall have been appointed and qualified.

The Chairperson of the Board shall be designated by the County Judge.

Any Director may be removed from office, for cause or at will, by the Commissioners Court of the County. Any vacancy occurring in the Board, whether by increase in the number of Directors or otherwise, shall be filled by the County Commissioners Court.

4.02. Meetings of Directors. The Directors may hold their meetings and may have an office and keep the books of the Authority at such place or places as the Board may from time to time determine, provided, however, in the absence of any such determination, such place shall be the registered office of the Authority in the State of Texas.

The Board shall file notice of each meeting of the Board in the same manner and in the same location as is required of a governmental body under the Texas Open Meetings Act, Chapter 551, Texas Government Code.

The Board is subject to the Texas Open Records Act, Chapter 552, Texas Government Code.

4.03. Annual Meetings. The Annual Meeting of the Board shall be held at a time and at the location in the County designated by resolution of the Board for the purposes of transacting such business as may be brought before the meeting. Provided the Board meets at least once every year, the Annual Meeting requirement is held to have been met.

4.04. Regular Meetings. Regular Meetings of the Board shall be held at such times and places as shall be designated, from time to time, by resolution of the Board.

4.05. Special and Emergency Meetings. Special and Emergency Meetings of the Board shall be held whenever called by the Chairperson of the Board or by the Secretary or by a majority of the Directors who are serving duly-appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each Special Meeting in person, or by mail or facsimile at least three (3) days before the meeting to each Director. Notice of each Emergency Meeting shall be given in the manner required of a governmental body under Subsection 551.045 of the Texas Open Meetings Act, Chapter 551, Texas Government Code. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Authority may be considered and acted upon at a Special or Emergency Meeting. At any meeting at which every Director shall be present, even though without any notice, any matter pertaining to the purposes of the Authority may be considered and acted upon.

4.06. Quorum. A majority of the duly-appointed Directors shall constitute a quorum for the consideration of matters pertaining to the purposes of the Authority. If at any meeting of the Board there is less than a quorum present, a majority of those

present may adjourn the meeting from time to time. The act of a majority of the Directors present in person at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

A Director who is present at a meeting of the Board at which any corporate action is taken shall be presumed to have assented to such action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Authority immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of the action.

4.07. Proxies. A Director may not vote by proxy.

4.08. Conduct of Business. At the meetings of the Board, matters pertaining to the purposes of the Authority shall be considered in such order as from time to time the Board may determine.

At all meetings of the Board, the Chairperson shall preside, and in the absence of the Chairperson the Vice-Chairperson shall preside. In the absence of both the Chairperson and the Vice-Chairperson, a presiding director shall be chosen by the Board from among the Directors present.

The Secretary of the Authority shall act as Secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting.

4.09. Compensation of Directors. Directors are entitled to compensation pursuant to Transportation Code Section 284.0665, provided such compensation must be established by Resolution of the Board.

4.10. Director's Reliance on Consultant Information. A Director shall not be liable if while acting in good faith and with ordinary care, he relies on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Authority or another person, that were prepared or presented by:

- (a) one or more other officers or employees of the Authority;
- (b) legal counsel, public accountants, financial advisors, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
- (c) a committee of the Board of which the Director is not a member.

4.11. Reimbursement of Expenses. A Director is entitled to reimbursement from the Authority for expenses incurred in the performance of the Director's duties.

ARTICLE V OFFICERS

5.01. Officers. The officers of the Authority shall be a Chairperson (serving as President) of the Board, one or more Vice Chairpersons (one of whom serves as Vice President) of the Board (the number thereof to be determined by the Board), a Secretary, a Treasurer, and such other officers as the Board may from time to time elect or appoint. Any two or more offices may be held by the same person, except that the Chairperson of the Board shall not hold the office of Secretary.

5.02. Election and Term of Office. Except for the Chairperson, the officers of the Authority shall be elected by the Board for terms of four (4) years commencing with the date of the annual meeting of the Board at which each such officer is elected. New offices may be created and filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

5.03. Removal. All officers (other than the Chairperson) shall be subject to removal, with or without cause, at any time by a vote of a majority of the whole Board. The Chairperson shall serve for the term designated by the County Judge.

5.04. Vacancies. A vacancy in the office of any officer (other than the Chairperson) shall be filled by the Board.

5.05. Compensation. Officers may be entitled to receive such salary or compensation for personal services which are necessary and reasonable in carrying out the Authority's purpose, as the Board may from time to time determine, provided, that such compensation shall be reasonable for services rendered and shall not be excessive. A Director may not receive any salary, even if such Director serves as an officer.

5.06. Chairperson and President. The Chairperson shall be a member of the Board, shall serve as President, and shall preside at all meetings of the Board. The Chairperson shall be designated by the County Judge of the County. He or she shall have such duties as are assigned by the Board. The Chairperson may call special or emergency meetings of the Board.

The President shall be the principal executive officer of the Authority and, subject to the Board, he or she shall be in general charge of the properties and affairs of the Authority. In furtherance of the purposes of the Authority and subject to the limitations contained in the Articles of Incorporation, the Chairperson, or Vice

Chairperson, may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Authority.

5.07. Vice Chairperson and Vice President. The Vice Chairperson shall be a member of the Board and shall serve as Vice President. The Vice Chairperson shall perform the duties and exercise the powers of the Chairperson upon the Chairperson's death, absence, disability, or resignation, or upon the Chairperson's inability to perform the duties of his or her office. Any action taken by the Vice Chairperson in the performance of the duties of the Chairperson shall be conclusive evidence of the absence or inability to act of the Chairperson at the same time such action was taken.

A Vice President shall have such powers and duties as may be assigned to him or her by the Board or the President, including the performance of the duties of the President upon death, absence, disability, or resignation of the President, or upon the President's inability to perform the duties of his or her office. An action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

5.08. Treasurer. The Treasurer shall have custody of all the funds and securities of the Authority which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Authority, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Authority in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payment made to the Authority, either alone or jointly with such other officer as is designated by the Board; whenever required by the Board, he or she shall render a statement of his or her case account; he or she shall enter or cause to be entered regularly in the books of the Authority to be kept by him or her for that purpose full and accurate accounts of all moneys received and paid out on account of the Authority; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require.

5.09. Secretary. The Secretary shall keep the minutes of the meetings of the Board in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of the Authority and subject to the limitations contained in the Articles of Incorporation, he or she may sign with the President in the name of the Authority and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Authority, he or she shall have charge of the Authority's books, records, documents, and instruments, except the books of

account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the Authority during business hours; and, he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board. The Board may designate an Assistant Secretary.

ARTICLE VI CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

6.01. Contracts. The Board may authorize any officer or officers, agent or agents of the Authority, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority. Such authority may be general or confined to specific instances. The Authority will comply with the procedures then applicable to the County relating to the selection and award of contractors and consultants to be engaged by the Authority.

6.02. Deposit. All funds of the Authority shall be deposited into a special fund designated the "Fort Bend Grand Parkway Toll Road Authority Fund" in the County Treasury, or its successor.

6.03. Disbursements. The Board shall notify the Commissioners Court and request its approval of proposed disbursements to be paid out of the Fort Bend Grand Parkway Toll Road Authority Fund. Funds may only be disbursed from the special fund upon approval of the Commissioners Court.

6.04. Gifts. The Board may accept on behalf of the Authority any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Authority.

ARTICLE VII COMMITTEES

7.01. Executive Committee. The Board may, by resolution passed by a majority of the Directors in office, designate three (3) or more Directors to constitute an Executive Committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board in the management of the Authority, except where action of the Board is specified by statute. The Executive Committee shall be subject to the same requirements for conducting meetings as the Board and to any further limitations imposed by resolution. The Executive Committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in

books kept for that purpose in the office of the Authority, and shall report the same to the Board from time to time.

7.02. Other Committees. The Board may also designate additional committees, which shall advise the Board with respect to such matters as the Board shall direct. Any such additional committee shall consist of two (2) or more persons, none of whom need to be Directors unless the Board shall so provide.

7.03. Non-Delegable Responsibility. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed on it or him by law.

7.04. Term of Office. Each member of a committee shall continue as provided in the resolution appointing same, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.05. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint members thereof.

7.06. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.07. Quorum. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.08. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board.

ARTICLE VIII BOOKS AND RECORDS

The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Authority may be inspected by any member or his agent or attorney for the proper purpose at any reasonable time.

ARTICLE IX INDEMNIFICATION OF DIRECTORS AND OFFICERS

9.01. Right to Indemnification. Subject to the limitations and conditions as provided in this Article IX and the Articles of Incorporation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative (hereinafter a "proceeding"), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Authority or, while a director or officer of the Authority, is or was serving at the request of the Authority as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the Authority to the fullest extent permitted by the Texas Non-Profit Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Authority to provide broader indemnification rights than said law permitted the Authority to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article IX shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article IX shall be deemed contract rights, and no amendment, modification or repeal of this Article IX shall have the effect of limiting or denying any such rights with respect to actions taken or proceedings arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Article IX could involve indemnification for negligence or under theories of strict liability.

9.02. Advance Payment. The right to indemnification conferred in this Article IX shall include the right to be paid or reimbursed by the Authority the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 9.01 who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Authority of a written affirmation by such director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article IX and a written undertaking, by or on behalf of such person, to repay all amounts so advanced if it

shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article IX or otherwise.

9.03. Indemnification of Employees and Agents. The Authority, by adoption of a resolution of the Board or by contract, may indemnify and advance expenses to an employee or agent of the Authority to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article IX; and the Authority may indemnify and advance expenses to persons who are not or were not Directors, officers, employees or agents of the Authority but who are or were serving at the request of the Authority as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his status as such a person to the same extent that it may indemnify and advance expenses to Directors under this Article IX.

9.04. Appearance as a Witness. Notwithstanding any other provision of this Article IX, the Authority may pay or reimburse expenses incurred by a director or officer in connection with his or her appearance as a witness or other participation in a proceeding at a time when he or she is not a named defendant or respondent in the proceeding.

9.05. Nonexclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article IX shall not be exclusive of any other right which a director or officer or other person indemnified pursuant to Section 9.03 may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation of the Authority or these Bylaws, agreement, vote of shareholders or disinterested Directors or otherwise.

9.06. Insurance. The Authority may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a director, officer, employee or agent of the Authority or is or was serving at the request of the Authority as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust or other enterprise against any expense, liability or loss, whether or not the Authority would have the power to indemnify such person against such expense, liability or loss under this Article IX.

9.07. Notification. Any indemnification of or advance of expenses to a director or officer must be made in accordance with this Article IX and Art. 1396-2.22A of the Texas Non-profit Corporation Act and shall be reported in writing to

the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

9.08. Savings Clause. If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Authority shall nevertheless indemnify and hold harmless each director, officer or any other person indemnified pursuant to this Article IX as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article IX that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE X CODE OF ETHICS

10.01. Policy and Purposes. It is the policy of the Authority that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Authority; and that the Board establish policies to control and manage the affairs of the Authority fairly, impartially, and without discrimination.

This Code of Ethics has been adopted as part of the Authority's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

10.02. Conflicts of Interest. Except as provided in subsection (c), a Director or officer is prohibited from participating in a vote, decision, or award of a contract involving a business entity or real property in which the Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefited by the action. A person has a substantial interest in a business (i) if his or her ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity, or (ii) if the business entity provides more than ten percent of the person's gross income for the previous year. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. A Director is considered to have a substantial interest if a person related to the Director in the first degree by consanguinity or affinity, as determined under Chapter 573 of the Texas Government Code, has a substantial interest.

If a Director has a substantial interest as defined above, such Director shall file, before a vote or decision on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest with the Secretary of the Board. Such Director must abstain from further participation in the matter if: (1) in the case of a substantial interest in a business entity the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or (2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

If a Director is required to file and does file an affidavit, the Director is not required to abstain from further participation in the matter requiring the affidavit if a majority of the members of the Board are likewise required to file and do file affidavits of similar interests on the same official action.

An employee of a public entity may serve on the Board.

10.03. Acceptance of Gifts. No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Authority. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or officer's discretion. As used here, "benefit" does not include:

(a) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a Director or officer;

(b) a gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the Director or officer;

(c) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

(1) not more than one honorarium is received from the same person in a calendar year;

(2) not more than one honorarium is received for the same service;
and

(3) the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services;

(d) a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest is reported as may be required by law.

10.04. Bribery. A Director or officer shall not intentionally or knowingly offer, confer or agree to confer on another, or solicit, accept, or agree to accept from one another:

(a) any benefit as consideration for the Director's or officer's decision, opinion, recommendation, vote, or other exercise of discretion as a Director or officer;

(b) any benefit as consideration for the Director's or officer's decision, opinion, recommendation, vote, or other exercise of official discretion in a judicial or administrative proceeding; or

(c) any benefit as consideration for a violation of a duty imposed by law on the Director or officer.

10.05. Nepotism. No Director or officer shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity (marriage relationship) or within the third degree of consanguinity (blood relationship) to the Director or officer so appointing, voting or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment or duty at least thirty (30) days prior to the appointment of the Director or officer so appointing or voting.

ARTICLE XI MISCELLANEOUS

11.01. Amendments. These Bylaws may be altered or repealed only with the approval of the Commissioners Court of the County following the affirmative vote of a majority of the Board at any regular meeting of the Board or at any special meeting of the Board if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

11.02. Waiver. Whenever, under the provisions of any law, the Articles of Incorporation or amendments thereto, or these Bylaws, any waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

11.03. Offices. The principal office of the Authority shall be located in Fort Bend County, Texas, unless and until changed by resolution of the Board. The Authority may also have offices at such other places as the Board may from time to time designate, or as the operations and activities of the Authority may require.

11.04. Resignations. Any Director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the Chairperson or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

11.05. Fiscal Year. The fiscal year of the Authority shall be the Fiscal Year of Fort Bend County, which is currently October 1 or as may be modified from time to time.

11.06. Seal. The Board may authorize a corporation seal. Such seal shall be in such form as shall be adopted and approved from time to time by the Board. Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

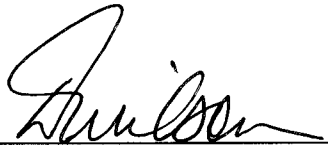
CERTIFICATE

I hereby certify the foregoing to be a true, complete, and correct copy of the Bylaws of the Fort Bend Grand Parkway Toll Road Authority, a Texas Non-Profit Corporation and a Texas Transportation Corporation, effective the date hereof.

IN WITNESS WHEREOF, I have hereto set my hand this the ____ day of _____, 2010.

Secretary, Board of Directors of
Fort Bend Grand Parkway
Toll Road Authority

Approved by the Fort Bend County Commissioners Court on the 8th of
June, 2010.



County Clerk

