

TEXAS TRANSPORTATION COMMISSION

TRAVIS AND WILLIAMSON Counties

MINUTE ORDER

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AUSTIN District

Transportation Code, Chapter 228 and other applicable law authorizes the Texas Transportation Commission (commission) to issue turnpike revenue bonds, bond anticipation notes, and other obligations to finance turnpike projects on the state highway system, and to enter into trust agreements and indentures of trust governing matters relating to the issuance of such obligations.

Government Code, Chapter 2256 (Public Funds Investment Act) authorizes the Texas Transportation Commission (commission) to purchase, sell, and invest its funds and funds under its control in accordance with investment policies approved by the commission.

Pursuant to this legislation, in Minute Order 108970, dated July 25, 2002, the commission approved and adopted a written investment policy applicable to funds of the commission held by Bank One, N.A., (in such capacity with its successors, currently *Bank of New York Mellon*), as trustee (Trustee) under the Indenture of Trust dated July 15, 2002 (Indenture) between the commission and the Trustee.

The commission has previously issued \$2,199,993,781.80 in obligations to finance a portion of the costs of the Central Texas Turnpike System (System) pursuant to the Indenture and five supplemental indentures. The Indenture prescribes the terms, provisions and covenants related to the issuance of turnpike revenue bonds and obligations to finance a portion of the costs of the 2002 Project.

Pursuant to Section 402 of the Indenture, the commission contributed approximately \$520 million to the trust to pay a portion of the costs of the 2002 Project. As of the current date, a portion of the bond proceeds, the capital contribution made by the commission, system revenues and investment earnings are held in the trust accounts.

The commission, as a public authority of the State of Texas, is empowered to delegate to the public funds investment pools the authority to invest funds and to act as custodian of investments purchased with eligible investment funds held in trust under the Indenture. It is in the best interest of the commission to invest funds held under the Indenture in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act, in accordance with the terms of the Indenture and the investment policies approved by the commission.

The Texas Local Government Investment Pools (TexPool/TexPool Prime), the Texas Treasury Safekeeping Trust Company, the Lone Star Investment Pool, the Local Government Investment Cooperative (LOGIC) and the Texas Short Term Asset Reserve Program (TexStar), public funds investment pools and management companies, were created on behalf of entities whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

IT IS THEREFORE ORDERED that the executive director and the designated authorized representatives of the commission under the Indenture are authorized to enter into participation agreements and/or funds management agreements to establish accounts in the name of the Texas Transportation Commission – Central Texas Turnpike System in each of the following investment pools or funds management companies, to the extent allowed by law: TexPool/TexPool Prime, the Texas Treasury Safekeeping Trust Company, the Lone Star Investment Pool, LOGIC and TexStar for the purpose of transmitting eligible funds under the Indenture for investment in the relevant investment pools or accounts, and the executive director and authorized representatives are authorized

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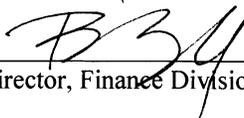
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to take actions and execute documents necessary to carry out the investment of funds held under the Indenture in investment pools or accounts and to instruct the Trustee in respect of such investments.

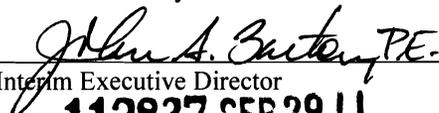
IT IS FURTHER ORDERED that the executive director and other authorized representatives of the commission under the Indenture are authorized to select one or more investment pools or management companies named above, instruct the Trustee to invest eligible funds under the Indenture in the selected investment pools or management companies, withdraw funds from time to time, issue letters of instruction and execute other documents in connection with the investment of funds under the Indenture and take all other actions deemed necessary or appropriate for the investment and withdrawal of funds under the Indenture that are invested in investment pools and/or management companies.

Submitted and reviewed by:



Director, Finance Division

Recommended by:



Interim Executive Director
112837 SEP 29 11

Minute Date
Number Passed