

## TENDER AGENT AGREEMENT

This TENDER AGENT AGREEMENT, dated as of \_\_\_\_\_, \_\_\_\_\_, among DENTON INDEPENDENT SCHOOL DISTRICT (the "Issuer"); THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, as Tender Agent (the "Tender Agent"); and J.P. MORGAN SECURITIES INC., as Remarketing Agent (the "Remarketing Agent").

WHEREAS, the District proposes to issue \$\_\_\_\_\_ aggregate principal amount of its Variable Rate Unlimited Tax Refunding Bonds, Series 2009 (the "Bonds"), pursuant to an order adopted by the Board of Trustees (the "Board") of the District on December 9, 2008 (the "Order"); and

WHEREAS, the Bonds and the Order provide, among other things, that the registered owners (the "Owners") of the Bonds (i) may optionally tender their Bonds during Weekly Rate Periods and (ii) are required to tender their Bonds to the Tender Agent for purchase at various times and under various conditions, in each case in accordance with the provisions of the Bonds and the Order; and

WHEREAS, pursuant to the terms of a Remarketing Agreement, dated as of the date hereof (the "Remarketing Agreement"), between the District and the Remarketing Agent, the Remarketing Agent has agreed to use its best efforts to remarket any Bonds tendered for purchase to the Tender Agent by the Owners thereof pursuant to the Order; and

WHEREAS, pursuant to the terms of a Standby Bond Purchase Agreement between the District and \_\_\_\_\_ (the "Bank"), dated as of \_\_\_\_\_, \_\_\_\_\_ (the "Liquidity Agreement"), the Bank has agreed, subject to certain terms and conditions in existence and satisfied, to purchase Bonds which have been tendered to the Tender Agent pursuant to the Order and have not been remarketed by the Remarketing Agent;

NOW, THEREFORE, in consideration of the premises and to provide for the coordination of said arrangements, the parties hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings assigned to them in the Order.

Section 2. Appointment of Tender Agent. Subject to the terms and conditions contained herein, The Bank of New York Mellon Trust Company, National Association, Houston, Texas, is hereby designated and appointed Tender Agent in the performance of its duties and obligations hereunder. The Bank of New York Mellon Trust Company, National Association hereby accepts such appointment and the District consents to such designation and appointment.

During the term hereof, the Tender Agent hereby covenants and agrees to maintain an office in Dallas, Texas, where Bonds may be delivered and tendered for purchase to the Tender Agent. The initial designated office of the Tender Agent in Houston, Texas is: 601 Travis Street, 16<sup>TH</sup> Floor, Houston, Texas 77002.

Section 3. Creation of Payment Fund.

(a) There is hereby created and established with the Tender Agent a special purpose and non-interest bearing trust fund designated "Denton Independent School District 2009 Remarketing Proceeds Payment Fund" (the "Payment Fund"), over which the Tender Agent shall have the exclusive right of withdrawal for the exclusive benefit of the purchasers and sellers of Bonds tendered or deemed tendered for purchase

pursuant to the Order. The "General Account", the "Liquidity Account" and the "Undelivered Bond Payment Account" are hereby established as trust accounts within the Payment Fund.

(b) Any moneys received by the Tender Agent from the Remarketing Agent for the purchase of the Bonds pursuant to Section 7(a) hereof shall be deposited in the General Account of the Payment Fund, and any moneys received by the Tender Agent for the purchase of Bonds pursuant to Section 9 hereof shall be deposited in the Liquidity Account of the Payment Fund, and in each case shall be paid out in accordance with Section 10 hereof.

(c) On each date that Bonds are required to be delivered to the Tender Agent for purchase pursuant to Article IV of the Order (each such date a "Purchase Date"), the Tender Agent shall transfer from amounts on deposit in the General Account and the Liquidity Account to the Undelivered Bond Payment Account an amount equal to the Purchase Price of all Undelivered Bonds on such Purchase Date. Moneys in the Undelivered Bond Payment Account shall not be invested and shall be held by the Tender Agent for the exclusive benefit of the Owners of such Undelivered Bonds and applied as provided in Section 10 hereof.

Section 4. Deposit of Bonds. The Tender Agent agrees to hold all Bonds delivered to it (or transferred to the DTC Participant account of the Tender Agent if such Bonds are held in the book-entry system of DTC) pursuant to Article IV of the Order in trust for the benefit of the respective Owners which delivered or transferred such Bonds until required to be delivered or transferred by the Tender Agent pursuant to Section 11 or Section 12 hereof. With respect to any Purchased Bonds held in the book-entry system of DTC delivered to the Tender Agent under Section 9 hereof, the Tender Agent shall act as a DTC Participant on behalf of the Bank, as beneficial owner of such Purchased Bonds, and shall take all such actions on behalf of the Bank as may be required with respect thereto during such time as such Purchased Bonds are held in the book-entry system of DTC.

Section 5. Remarketing of the Bonds.

(a) With respect to optional tenders of Bonds pursuant to the Order, promptly, but in no event later than the close of business on the Business Day on which it receives an irrevocable notice of tender ("Notice of Tender") from an Owner of Bonds of its election to have the Tender Agent purchase such Bonds pursuant to Section 4.01 of the Order, the Tender Agent shall give notice to the Remarketing Agent specifying the principal amount of Bonds for which it has received a Notice of Tender, the names and addresses of the Owners thereof, and the date on which such Bonds are to be purchased (the "Optional Purchase Date") in accordance with Section 4.01 of the Order.

(b) Each mandatory tender date specified in Sections 4.02, 4.03, 4.04, 4.05, 4.06, 4.07 and 4.08 of the Order shall be referred to collectively herein as a "Mandatory Purchase Date." (Mandatory Purchase Dates and Optional Purchase Dates shall be referred to herein collectively as "Purchase Dates.")

(c) No later than 10:00 a.m., New York City time, on the Business Day next preceding each Purchase Date, the Tender Agent shall give notice by telephone, promptly confirmed in writing, to the Remarketing Agent, the District and the Bank as to (A) the aggregate Purchase Price required to be deposited by the Remarketing Agent into the Payment Fund pursuant to Section 7(a) hereof to purchase all of the Bonds to be tendered on such Purchase Date without requiring funds from the Bank, and (B) the amount of such aggregate Purchase Price representing principal and the amount of such Purchase Price representing accrued interest.

(d) At or prior to 3:00 p.m., New York City time, on the Business Day next preceding any Purchase Date, the Remarketing Agent shall give notice to the Tender Agent, by telephone, promptly confirmed in

writing, specifying the names, addresses and taxpayer identification numbers of the purchasers of, and the principal amount and denomination of, Bonds to be sold pursuant to Article IV of the Order, the Purchase Price at which the Bonds are to be sold and their date of sale and specifying the principal amount of Bonds to be tendered on the next Business Day for which it does not have commitments for purchase. Upon receipt of the notice set forth in the immediately preceding sentence, the Tender Agent shall, not later than 4:00 p.m., New York City time, on the date of receipt of such notice the Tender Agent shall give notice by telephone, telegram, teletype, facsimile transmission, or other similar communication to the District, the Bank and the Paying Agent/Registrar specifying the principal amount of Bonds to be tendered as to which the Remarketing Agent has not found a purchaser. In the event there is a deficiency in the Payment Fund on the Purchase Date following the receipt of funds from the Remarketing Agent, the Tender Agent shall immediately notify the Bank and the District of the deficiency no later than 11:00 a.m. New York time in the form required by the Liquidity Agreement of any Bonds for which it will not (as of the time and date of such certificate) receive sufficient moneys to effect a purchase. No later than 2:00 p.m. New York City time, on the Purchase Date, the Tender Agent shall cause the Paying Agent/Registrar to prepare Bonds in the Authorized Denominations and authenticated in the names specified by the Remarketing Agent or in the name of the Bank or its nominee, as appropriate.

Section 6. Tender of Bonds to Tender Agent. Each Owner who is required to tender its Bond to the Tender Agent pursuant to the Order must tender such Bond to the Tender Agent no later than 5:00 p.m., New York City time, on the Business Day next preceding the Purchase Date (12:00 noon New York City time on the Purchase Date for Bonds held in the book-entry system of DTC). Any Bonds required to be tendered for purchase which are not in fact delivered or transferred on the book-entry system of DTC, but for which there has been irrevocably deposited with the Tender Agent in the Payment Fund an amount of money sufficient to pay the Purchase Price thereof, shall be deemed to have been purchased by the Tender Agent pursuant to the Order and shall constitute Undelivered Bonds.

Section 7. Deposits into the Payment Fund.

(a) The Remarketing Agent shall, at or prior to 10:30 a.m., New York City time, on each Purchase Date, cause the aggregate Purchase Price of tendered Bonds that have been successfully remarketed to be paid to the Tender Agent in immediately available funds for deposit in the General Account of the Payment Fund. The Remarketing Agent is required to redeliver or book-entry transfer such Bonds received from the Tender Agent to or for the benefit of the respective buyers not later than 2:00 p.m. on the Purchase Date.

(b) The Remarketing Agent shall not be obligated to purchase with its own funds any Bonds which have not been remarketed and shall not be obligated to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, except as expressly provided in the Remarketing Agreement.

Section 8. Notice to Paying Agent/Registrar by Tender Agent. The Tender Agent shall, at or prior to 5:00 p.m., New York City time, on the Business Day next preceding each Purchase Date, give notice, by telephone, promptly confirmed in writing, to the District, the Bank and the Paying Agent/Registrar of any Bonds for which it has received notice from the Remarketing Agent that the Remarketing Agent will not deposit in the Payment Fund sufficient moneys to effect a purchase, and stating the aggregate Purchase Price in respect of such Bonds and the amount of such aggregate Purchase Price representing principal and the amount of such Purchase Price representing accrued interest.

Section 9. Purchase of Tendered Bonds by the Bank; Deposits into Payment Fund; Notice to Paying Agent/Registrar and Tender Agent; Release of Purchased Bonds.

(a) The Bank, upon receipt of the notice in the form required by the Liquidity Agreement, has agreed in the Liquidity Agreement to purchase such unremarketed Bonds by causing its portion of the aggregate Purchase Price thereof to be paid to the Tender Agent in immediately available funds for deposit in the Liquidity Account of the Payment Fund no later than 1:00 p.m. on the Purchase Date against delivery or book-entry transfer of such Bonds at the time and in the manner set forth in the Liquidity Agreement.

(b) If, after 10:30 a.m., New York City time, on a Purchase Date, there exists a deficiency in the Payment Fund due to the non-receipt of the full amount of money anticipated to be deposited in such Funds pursuant to the Order on such Purchase Date, the Tender Agent shall, by not later than 11:00 a.m., New York City time, on the Purchase Date, notify the District and the Bank of the amount of the deficiency, plus interest on such Bonds to the date of purchase, if any. The Bank has agreed in the Liquidity Agreement to cause all of its portion of such amount to be paid to the Tender Agent in immediately available funds for deposit in the Liquidity Account of the Payment Fund by 2:00 p.m., New York City time, on such Purchase Date.

(c) The Tender Agent agrees to hold Purchased Bonds as agent of the Bank (either directly or through its DTC Participant if such Purchased Bonds are held in the book-entry system of DTC) and to release any Purchased Bonds solely in accordance with the terms of the Liquidity Agreement.

Section 10. Disbursements from the Payment Fund. Money in the General Account and Liquidity Account of the Payment Fund shall be applied by the Tender Agent at or before 2:30 p.m., New York City time, on each Purchase Date to purchase Bonds tendered to the Tender Agent at a purchase price equal to the principal amount of such Bonds, plus accrued interest, if any, to the extent of such moneys. Such purchase price shall be paid in immediately available funds on such Purchase Date; provided, however, that for so long as the Bonds are held in the book-entry system of DTC, or otherwise upon the request of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds, payment of the purchase price of tendered Bonds will be made by wire transfer in immediately available funds in accordance with the requirements of the book-entry system of DTC or in accordance with appropriate wire instructions provided by such Owner no later than five (5) Business Days prior to such Purchase Date, as the case may be. Money in the Undelivered Bond Payment Account of the Payment Fund shall be applied by the Tender Agent, to the extent possible, on and after each Purchase Date, to purchase Undelivered Bonds at the Purchase Price therefor upon presentation or book-entry transfer thereof to the Tender Agent.

The Tender Agent agrees to notify the Remarketing Agent, the Bank and the Paying Agent/Registrar immediately by telephone of the amount, if any, in the Payment Fund which is in excess of the amount necessary to purchase Bonds at 3:00 p.m., New York City time, on the Purchase Date. Any moneys remaining in the Payment Fund in excess of the amount needed to make the payments specified in Section 3(c) hereof, representing amounts received by the Bank, shall be wired to the Bank by the Tender Agent, as promptly as practicable.

Section 11. Transfer and Delivery of Tendered Bonds for Purchase. A principal amount of Bonds equal to the principal amount of Bonds remarketed by the Remarketing Agent pursuant to Sections 7 and 12 hereof or purchased by the Bank pursuant to Section 9 hereof shall be authenticated by the Paying Agent/Registrar and delivered to, or as instructed by, the Remarketing Agent or the Bank, as appropriate, and the Tender Agent shall cause the Paying Agent/Registrar to register such Bonds in the name or names provided by the Remarketing Agent or the Bank, as applicable. The Tender Agent shall deliver to the Paying Agent/Registrar for cancellation all Bonds purchased and transferred pursuant to Sections 7, 9 and 12 hereof.

Notwithstanding anything to the contrary in the foregoing paragraph, for so long as the Bonds are held in the system of book-entry of DTC in accordance with Section 2.07 of the Order, (i) any Bond remarketed by the Remarketing Agent shall be delivered to the new beneficial owner thereof by a transfer in the book-entry system of DTC to the applicable DTC Participant account for such beneficial owner, and (ii) Purchased Bonds shall be delivered to the Bank by a transfer in the book-entry system of DTC to the DTC Participant account of the Tender Agent for the benefit of the Bank, as beneficial owner of such Purchased Bonds.

Section 12. Remarketing of Purchased Bonds. The Remarketing Agent shall exercise its best efforts to solicit purchases of any Purchased Bonds at a price of not less than par, plus interest accrued at the rate or rates at which interest accrues on the Bonds when held by an Owner other than the Purchaser or other holder of Purchased Bonds pursuant to the terms of the Bonds and the Order. The proceeds of any remarketing of such Purchased Bonds shall be deposited into the General Account of the Payment Fund. Upon receipt by the Tender Agent of funds representing the proceeds of the remarketing of such Purchased Bonds, new Bonds in place of such Purchased Bonds so remarketed shall be registered in the names of the buyers thereof by the Paying Agent/Registrar and delivered or transferred by book-entry by the Tender Agent to or for the benefit of the buyers thereof and the proceeds of such remarketing shall, prior to or simultaneously with such delivery or transfer, be transferred by the Tender Agent to the Bank by wire transfer in federal funds. The Bank has agreed in the Liquidity Agreement to deliver such remarketed Purchased Bonds to the Tender Agent on the date of such purchase. The Tender Agent agrees that it will, immediately upon receipt, send to the Bank by facsimile transmission or other electronic means copies of all notices and other communications received by the Tender Agent with respect to any of the Purchased Bonds.

Section 13. Maintenance of Books and Records. The Tender Agent agrees to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the District, the Bank and the Paying Agent/Registrar at all reasonable times.

Section 14. Notice. Except as specifically provided in this Tender Agent Agreement, all notices, demands and formal actions under this Tender Agent Agreement shall be in writing and mailed, telecommunicated or otherwise delivered to:

The Tender Agent and Paying Agent/Registrar:

The Bank of New York Mellon Trust Company, N.A.  
601 Travis Street, 16<sup>TH</sup> Floor  
Houston, Texas 77002  
Attention: Mr. James Prichard  
Telephone: (713) 483-6527  
Facsimile: (713) 483-7035

The District:

Denton Independent School District  
1307 N. Locust  
Denton, Texas 76201  
Attention: Superintendent  
Telephone: (940) 369-0000  
Facsimile: (940) 369-4981

The Remarketing Agent:

J.P. Morgan Securities Inc.  
270 Park Avenue, 6TH Floor  
New York, New York 10017  
Attention: Risk Manager  
Telephone: (212) 834-7187  
Facsimile: (917) 464-5793

The Bank

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

Section 15. General.

(a) Payment of Tender Agent; Indemnification. The District shall pay all reasonable and actual out of pocket expenses and fees of the Tender Agent for acting under and pursuant to this Tender Agent Agreement as set forth in Annex A hereto. To the extent permitted by law, the District shall indemnify and save harmless the Tender Agent and its officers and employees from and against any and all losses, costs, charges, expenses, judgments and liabilities to third parties arising out of its acting in good faith to carry out the transactions contemplated by this Tender Agent Agreement; provided, however, that such indemnification shall not apply to any losses, costs, charges, expenses, judgments or liabilities caused by the negligence or willful misconduct of the Tender Agent or its officers or employees; provided further, that in no event shall the Tender Agent request or require indemnification as a condition to taking any action in connection with any draw under the Liquidity Agreement, to making any deposits, payments or transfers when required hereunder or under the Order, or to delivery of any notice when required hereunder or under the Order. The terms of this Section 15(a) shall survive the termination of this Tender Agent Agreement.

(b) Tender Agent's Performance; Duty of Care. The Tender Agent consents and agrees to (i) hold all sums held by it for the payment of Bonds or Purchased Bonds, as applicable, in trust for the benefit of the Owners or the Bank, as applicable, until such sums shall be paid to the Owners or the Bank or otherwise disposed of as herein provided, and (ii) perform and comply with all the terms and provisions on its part contained in this Tender Agent Agreement, the Liquidity Agreement and the Order.

The duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Tender Agent Agreement, the Liquidity Agreement and the Order, and no implied covenants or obligations shall be read into this Tender Agent Agreement against the Tender Agent; and in the absence of negligence or willful misconduct on the part of the Tender Agent, the Tender Agent may conclusively rely, as to the truth of the statements expressed therein, upon any document furnished to the Tender Agent and conforming to the requirements of this Tender Agent Agreement and the Tender Agent may rely and shall be protected in acting upon any document believed by it to be genuine and to have been signed or presented by the proper party or parties; but in the case of any such document which by any provision hereof is specifically required to be furnished to the Tender Agent, the Tender Agent shall be under a duty to examine the same to determine whether or not it conforms to the requirements of this Tender Agent Agreement.

No provision of this Tender Agent Agreement shall be construed to relieve the Tender Agent from liability for its own negligence or willful misconduct or that of its officers or employees.

(c) Payments. Any provision of this Tender Agent Agreement or any statute to the contrary notwithstanding, the Tender Agent hereby waives any rights to, or liens for, its fees, charges and expenses for services hereunder from funds or obligations credited to the Payment Fund. The Tender Agent agrees that it will be reimbursed and compensated for its fees, charges and expenses for acting under and pursuant to this Tender Agent Agreement only from payments to be made by the District pursuant to Section 15(a) hereof.

(d) Term of Tender Agent Agreement and Governing Law. This Tender Agent Agreement shall become effective upon the issuance of the Bonds and shall remain in full force and effect until (i) such time as the principal of and premium, if any, and interest on all Bonds issued under the Order shall have been paid or shall bear interest at a Fixed Rate; provided, however, that the District and the Tender Agent shall have fulfilled all their respective obligations hereunder, whereupon this Tender Agent Agreement shall terminate; or (ii) resignation by the Tender Agent or removal of the Tender Agent in accordance with Section 15(e) hereof, it being understood, in each case, that the Tender Agent does not waive or relinquish any rights it may have under Section 15(a) hereof. THIS TENDER AGENT AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS.

(e) Resignation by or Removal of the Tender Agent. The Tender Agent may at any time resign and be discharged from the duties and obligations hereby created by giving at least sixty (60) days' written notice by first class mail, postage prepaid, to the District, the Remarketing Agent, the Bank and the Paying Agent/Registrar; provided, that resignation or removal (as set out below) shall not be effective until a successor Tender Agent shall have been appointed by the District and has accepted such appointment. If no successor Tender Agent has been appointed within thirty (30) days after the effective date specified in such notice of resignation by the Tender Agent, the Tender Agent may request a court of competent jurisdiction to appoint a successor Tender Agent having the qualifications required by law. The Tender Agent may be removed at any time, at the direction of the District by an instrument signed by the District and filed with the Tender Agent, the Remarketing Agent, the Bank and the Paying Agent/Registrar. A copy of such notice of resignation or instrument of removal shall be sent by the Paying Agent/Registrar to each Rating Agency by which the Bonds are then rated.

If the Tender Agent is replaced, such Tender Agent, promptly upon the appointment of the successor, will deliver all funds held by the Tender Agent for the benefit of either the District or the Owners of the Bonds and all other pertinent books and records relating to the Bonds to the successor Tender Agent. The Tender Agent shall deliver the Liquidity Agreement to the successor Tender Agent.

(f) Amendments. This Tender Agent Agreement may not be amended so as to adversely affect the right of the Owners or the Bank to effect the purchase of Bonds pursuant to the Order without the prior written approval of the Bank. The District agrees to give to the Tender Agent prompt written notice of any modification or change of or supplement or amendment to the Order which would affect the rights or obligations of the Tender Agent hereunder. No such modification or change shall be effective against the Tender Agent unless the Tender Agent shall have consented thereto in writing.

(g) Successors and Assigns. The rights, duties and obligations of the District, the Paying Agent/Registrar, the Remarketing Agent and the Tender Agent hereunder shall inure, without further act, to their respective successors and permitted assigns; provided, however, that the Tender Agent may not assign or delegate its rights and obligations under this Tender Agent Agreement without the prior written consent of the District.

(h) Counterparts. This Tender Agent Agreement may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(i) Limited Liability. Any obligations of the District created by or arising out of this Agreement constitute obligations of the District payable from and secured by the levy of an annual ad valorem tax which shall be levied each year, without limit as to rate or amount, at a rate sufficient to provide the amount budgeted by the District to pay such obligations, all in accordance with Section 2.13 of the Order.

*[Signature Page Follows]*



IN WITNESS WHEREOF, the parties hereto have caused this Tender Agent Agreement to be duly executed and delivered as of the date first above written by their respective officers thereunto duly authorized.

DENTON INDEPENDENT SCHOOL DISTRICT

By: \_\_\_\_\_

Title: Assistant Superintendent for Finance

THE BANK OF NEW YORK MELLON TRUST COMPANY,  
NATIONAL ASSOCIATION  
as Tender Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

J.P. MORGAN SECURITIES INC.  
as Remarketing Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

**ANNEX A**

**TENDER AGENT FEES**

**Schedule of Fees for Services as  
Paying Agent/Registrar and Tender Agent in connection with  
Denton Independent School District  
Variable Rate Unlimited Tax Refunding Bonds  
Series 2009**