

**Second Amendment to Liquidity  
Agreement Dated August 1, 2009  
Relating to the  
Texas Public Finance Authority State of Texas  
General Obligation Commercial Paper Notes,  
(Cancer Prevention and Research Institute of Texas Project),  
Series A (Taxable) and Series B (Tax-Exempt)**

This Second Amendment to the Liquidity Agreement dated August 1, 2009, for the Texas Public Finance Authority State of Texas General Obligation Commercial Paper Notes, (Cancer Prevention and Research Institute of Texas Project), Series A (Taxable) and Series B (Tax-Exempt) (the "Amendment") is executed by and between the Texas Public Finance Authority (the "Authority") and the Comptroller of Public Accounts for the State of Texas (the "Liquidity Provider").

**RECITALS:**

WHEREAS, the Authority entered into a Liquidity Agreement with the Liquidity Provider dated as of August 1, 2009, (the "Liquidity Agreement") pursuant to which the Liquidity Provider agreed to make advances to the Issuing and Paying Agent as defined therein to provide liquidity for those certain Texas Public Finance Authority State of Texas General Obligation Commercial Paper Notes, (Cancer Prevention and Research Institute of Texas Project), Series A (Taxable) and Series B (Tax-Exempt) (the "Notes") issued from time to time pursuant to a resolution of the Authority titled, "Resolution Establishing a Commercial Paper Program to Fund Operations and Grants for the Cancer Prevention and Research Institute of Texas and Refinance or Refund General Obligation Commercial Paper Notes Issued for Such Purpose; Authorizing the Execution and Delivery of a Liquidity Agreement, Dealer Agreements and Issuing and Paying Agency Agreement in Connection Therewith; Approving an Offering Memorandum and Authorizing the Distribution of Same; Taking Action to Effect the Sale and Delivery of the Notes and Resolving Related Matters," adopted by the Board of Directors of the Authority on August 3, 2009, as amended by that certain Amended and Restated Resolution adopted by the Board of Directors of the Authority on June 8, 2010, as such Resolution may from time to time be amended, modified or supplemented with the consent of the Liquidity Provider;

WHEREAS, the Liquidity Agreement was amended by a First Amendment effective September 1, 2010, increasing the amount of the Commitment from \$225,000,000 to \$450,000,000 for the remainder of the current term, through August 31, 2011, subject to the remaining terms and conditions of the Liquidity Agreement; and

WHEREAS, the Liquidity Agreement will expire on August 31, 2011, unless it is extended; and

WHEREAS, pursuant to Section 3.E. of the Liquidity Agreement, the Authority has requested that the amount of the Commitment be decreased from \$450,000,000 to \$20,000,000

and that the Liquidity Agreement be extended from September 1, 2011, through November 30, 2011, subject to the remaining terms and conditions of the Liquidity Agreement, as amended;

NOW THEREFORE, in consideration of the mutual covenants, agreements and representations set forth herein the parties hereto agree as follows (all capitalized terms not defined in this Amendment shall have the same meaning as set forth in the Liquidity Agreement);

1. The Liquidity Agreement is hereby amended as follows:

The definition of the term "Commitment" shall be deleted and replaced with the following:

*"Commitment"* means \$20,000,000, plus 270 days interest thereon at the Maximum Interest Rate per annum, on an actual/365 (or 366) day year basis, subject to reduction from time to time pursuant to Subsection 3A., Subsection 3.E or Section 9 hereof and reinstatement in accordance with Subsection 3A.

The definition of the term "Daily Commitment" shall be deleted and replaced with the following:

*"Daily Commitment"* means \$20,000,000 plus 270 days' interest thereon at the Maximum Interest Rate per annum, on an actual/365 (or 366) day year basis.

The definition of the term "Final Date" shall be deleted and replaced with the following:

*"Final Date"* means November 30, 2011.

2. In order to induce the Liquidity Provider to consent to, and to enter into this Amendment, the Authority makes the following representations and warranties to the Liquidity Provider:

- a. No Default or Event of Default has occurred under the terms of the Liquidity Agreement or the Transaction Documents and the Authority is in full compliance with all of the terms, conditions and requirements thereof.
- b. Except as set forth herein, the Commitment as stated in the Liquidity Agreement has not been reduced pursuant to Sections 3.A. or 3.E. thereof.


- c. The aggregate Maturity Value of the Notes Outstanding as of the date hereof is \$0.
  - d. All of the conditions precedent set forth in Section 5.C. of the Liquidity Agreement were met at the time of the issuance of each of the Outstanding Notes.
  - e. No Notice of Draw has been given to the Liquidity Provider by the Authority or by the Issuing and Paying Agent on its behalf.
  - f. The Authority has notified the Liquidity Provider of all substitutions or changes in either the Issuing and Paying Agent or the Dealer as named in the Resolution. The current Issuing and Paying Agent and Dealer under the Resolution are as follows:
    - Issuing and Paying Agent: U.S. Bank National Association
    - Dealer: Barclays Capital and Jefferies & Company, Inc.
  - g. The Authority has paid all fees required to be paid by it under the terms of the Liquidity Agreement and invoiced through the date hereof.
  - h. The representations and warranties of the Authority as set forth in Section 6 of the Liquidity Agreement were true and correct when made, and the Authority hereby makes all of the representations and warranties contained in said Section 6 as of the date hereof and with respect to the execution and delivery of this Amendment so that references to this Agreement in said section shall refer to this Amendment as well as the Liquidity Agreement.
  - i. The Authority has complied fully with all of the Affirmative Covenants set forth in Section 7 of the Liquidity Agreement through the date of the execution of this Amendment and will continue to comply therewith, and the Authority has not violated any of the Negative Covenants set forth in Section 8 of the Liquidity Agreement.
  - j. The Transaction Documents, except as amended and restated or modified as stated herein, have not been amended or modified nor have any of the terms or provisions been waived or released.
3. The Authority and the Liquidity Provider agree that, except as amended or modified by the First Amendment and this Amendment, the Liquidity Agreement has not been amended and/or modified, nor have any of the terms or provisions contained therein been

waived or released, and the parties hereto do hereby ratify, adopt and confirm all of the terms, provisions and agreements set forth in the Liquidity Agreement as amended by the First Amendment and this Amendment, and agree that the same are and shall remain in full force and effect.

30<sup>th</sup> This Second Amendment to Liquidity Agreement dated August 1, 2009, is executed this day of August, 2011, and is effective as of September 1, 2011.

COMPTROLLER OF PUBLIC ACCOUNTS FOR THE  
STATE OF TEXAS, as Liquidity Provider

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

  
Martin A. Hubert  
Deputy Comptroller

TEXAS PUBLIC FINANCE AUTHORITY

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

  
Susan K. Durso  
Interim Executive Director and General Counsel