

PURCHASE CONTRACT

RELATING TO

\$35,045,000

HIDALGO COUNTY, TEXAS CERTIFICATES OF OBLIGATION, SERIES 2016

June 14, 2016

The Honorable County Judge Ramon Garcia
and Members of the Commissioners Court
Hidalgo County Courthouse
100 N. Clossner
Edinburg, Texas 78539

Dear Judge Garcia and Members of the Commissioners Court:

J.P. MORGAN SECURITIES LLC (the “**Representative**”), acting on its own behalf and on behalf of the other underwriters listed on the signature page hereto (collectively, the “**Underwriters**”), in the capacity described in Section 1 below, offers to enter into the following agreement (this “**Contract**”) with **HIDALGO COUNTY, TEXAS** (the “**Issuer**”) which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriters. This offer is made subject to the Issuer’s written acceptance hereof on or before 10:00 p.m., Central Time, on June 14, 2016, and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer. Terms not otherwise defined in this Contract shall have the same meanings set forth in the Order (as defined herein) or in the Official Statement (as defined herein). J.P. Morgan Securities LLC represents that it has been duly authorized to execute this Contract and has been duly authorized to act hereunder as the Representative. All actions which may be taken hereunder by the Underwriters may be taken by the Representative alone.

1. **PURCHASE AND SALE OF THE CERTIFICATES.** (a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriters, all, but not less than all, of the Issuer’s **CERTIFICATES OF OBLIGATION, SERIES 2016** (the “**Certificates**”). The Issuer acknowledges and agrees that (i) the purchase and sale of the Certificates pursuant to this Contract is an arm’s-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, each of the Underwriters is and has been acting solely as a principal and is not acting as the agent or fiduciary of the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters), and the Underwriters have no obligation to the Issuer with respect to the

If you agree with the foregoing, please sign the enclosed counterpart of this Contract and return it to the Representative. This Contract shall become a binding agreement between you and the Underwriters when at least the counterpart of this Contract shall have been signed by or on behalf of each of the parties hereto.

THE UNDERWRITERS:

**J.P. MORGAN SECURITIES LLC
RBC CAPITAL MARKETS, LLC
STIFEL, NICOLAUS & COMPANY, INCORPORATED**

BY: J.P. MORGAN SECURITIES LLC
(As Representative of the Underwriters)

By: Pedro A Ramos
Pedro A. Ramos, Vice President

ACCEPTANCE

Accepted and agreed to at 3:35 p.m., Central Time, this 14th day of June, 2016.

By: Reumen Garcia
County Judge
Hidalgo County, Texas

APPROVED BY
COMMISSIONERS' COURT
ON: 6-14-16
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BY: J.P. MORGAN SECURITIES LLC
(As Representative of the Underwriters)

By: *Pedro A Ramos*
Pedro A. Ramos, Vice President

ACCEPTANCE

Accepted and agreed to at 3:35 p.m., Central Time, this 14th day of June, 2016.

By: *Ramon Garcia*
County Judge
Hidalgo County, Texas

APPROVED BY
COMMISSIONERS' COURT
ON: 6-14-16 *d*

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