

#16

Placement Agent Agreement

By and Between:

Tom Green County, Texas

And

RBC Capital Markets Corporation

April 8, 2008

Tom Green County
Honorable Judge and Commissioner's Court
122 W. Harris
San Angelo, TX 76903

Re: Tom Green County General Obligation Refunding Bonds, Series 2008

Ladies and Gentlemen:

RBC Capital Markets Corporation, (the "Placement Agent" or "RBC CM") offers to enter into the following Placement Agreement with Tom Green County (the "Issuer" or "you"), which, upon your acceptance of this offer and subject to Paragraph 6 hereof, shall be binding upon both the Issuer and the Placement Agent. This offer is made subject to your acceptance of this Placement Agreement on or before April 8, 2008 and, if not so accepted, will be subject to withdrawal by the Placement Agent upon notice delivered to your office at any time prior to your acceptance hereof. The above-captioned bonds (the "Bonds") are to be issued pursuant to Bond Order. Unless otherwise indicated, each capitalized term contained herein shall have the meaning assigned to it in the Resolution.

1. Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, the Placement Agent hereby agrees to use its best efforts to locate a purchaser for all, but not less than all of the Bonds on terms consistent with the Resolution. With your consent, the Placement Agent has conducted preliminary discussions with the potential purchasers ("Purchaser") to purchase the Bonds. If the Purchaser does purchase the Bonds on the Closing Date, the Issuer will pay a placement fee equal to \$20,000 to the Placement Agent on the Closing Date.

2. Simultaneously with the execution of this Placement Agreement, you will deliver or cause to be delivered to the Placement Agent a copy of the Order in substantially final form, duly approved and adopted and to be in full force and effect upon execution and delivery by the parties hereto.

3. You represent and warrant to and agree with the Placement Agent (and hereby it shall be a condition of the obligation of the Placement Agent to perform under this Agreement) that you shall so represent and warrant as of the date the Bonds are purchased (such date referred to herein as the "Closing Date") that:

(a) The Issuer is duly organized and validly existing under the laws of the State of Texas.]

(b) The Issuer has complied, and reasonably expects, in all respects on the Closing Date to be in compliance with all of the provisions of applicable State law.

(c) The Issuer, prior to the acceptance hereof, has duly adopted the Order, and the Issuer has duly authorized and approved the execution and delivery of the applicable documents and this Placement Agreement (collectively, the “Bond Documents”), as well as the performance of its obligations contained in the Bonds and the consummation by it of all other transactions contemplated hereby.

(d) The Issuer is not in breach of or default under any applicable law or administrative regulation of the State, any department, division, agency or instrumentality thereof, or of the United States or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Bond Documents; and the execution and delivery of this Placement Agreement, the adoption of the Order, the execution of the Bond Documents and the execution and the issuance of the Bonds and compliance with the provisions of each thereof will not conflict materially with or constitute a breach of or default under any applicable law or administrative regulation or under any certificate, agreement, or other instrument to which the Issuer is a party or is otherwise subject which breach or default would materially and adversely affect the Issuer, its Bond Documents or its ability to perform its duties and obligations under the Bond Documents.

(e) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction that would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Bond Documents and the Bonds have been, or prior to the Closing Date will have been, obtained.

(f) No litigation is pending or, to the knowledge of the Issuer, threatened in any court in any way affecting the existence of the Issuer or the title of the members of the Issuer to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection or pledge of any revenues pledged or to be pledged under the Bond Documents to pay the principal of and interest on the Bonds, or in anyway contesting or affecting the validity or enforceability of the Bonds, the Order or this Placement Agreement, or contesting the powers of the Issuer or its members with respect to the Bonds.

(g) The Issuer will apply the proceeds of the Bonds in accordance with the applicable terms of the Order.

(h) On the Closing Date, the Placement Agent shall receive a copy of each of the following documents, each dated the Closing Date:

- (i) a certified copy of the Order;
- (ii) certified copies of the transcript of proceedings;
- (iii) a certificate of an authorized officer of the Issuer that the Order and this Placement Agreement are in full force and effect;
- (iv) opinions of your bond counsel, McCall Parkhurst & Horton L.L.P., Dallas, Texas (“Bond Counsel”), dated the Closing Date in form and substance satisfactory to the Placement Agent;
- (v) a certificate, dated as of the Closing Date and signed by an authorized officer of the Issuer, to the effect that (A) the representations, warranties and covenants of the Issuer contained herein are true and correct in all material respects on and as of the Closing Date, with

the same effect as if made on the date of the delivery of the Bonds by the Issuer; (B) no litigation is pending or, to its knowledge, threatened in any court in any way affecting the existence of the Issuer or the titles of its officers or directors to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of any revenues or assets of the Issuer pledged or to be pledged to pay the principal of and premium, if any, and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Order or this Placement Agreement, or contesting the powers of the Issuer or its authority with respect to the Bonds, the Order or this Placement Agreement (but in lieu of or in conjunction with such certificate, the Placement Agent may, in its sole discretion, accept certificates or opinions of Counsel to the Issuer (as hereinafter defined), acceptable to the Placement Agent, that in the opinion of such counsel the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); and (C) the Issuer has complied in all material respects with the Order and the terms of the Bonds and satisfied all material conditions on its part to be performed or satisfied at or prior to the delivery of the Bonds;

(vi) a certificate of the Trustee under the Order as to the delivery of the Bonds and a certificate of the Issuer as to the receipt of payment therefore;

(vii) a letter from the Purchaser in form and substance satisfactory to the Placement Agent; and

(viii) such additional certificates, instruments or opinions as Bond Counsel, the Issuer or the Placement Agent may deem necessary or desirable.

All certificates, instruments, opinions and documents referred to above and any resolutions shall be in form and substance satisfactory to Bond Counsel, the Issuer and the Placement Agent.

If the obligations of the Placement Agent shall be terminated for any reason permitted hereby, neither the Placement Agent nor the Issuer shall be under further obligation hereunder.

4. At or prior to closing, you will deliver to, or at the direction of, the Purchaser the Bonds in definitive fully registered form duly executed, registered in the names and denomination specified by the Purchaser together with the other documents hereinabove mentioned, upon payment of the purchase price of the Bonds as set forth in Paragraph 1 hereof by wire and in immediately available funds. Delivery as aforesaid shall be made as shall have been mutually agreed upon and such payment shall be made simultaneously therewith. This payment and delivery is herein called the "Closing."

5. Unless otherwise set forth herein, the representations and agreements in this Placement Agreement shall survive the delivery of the Bonds hereunder.

6. The Placement Agent's obligation hereunder to use its best efforts to place the Bonds shall be subject to the performance by you of your obligations hereunder in all material respects at or prior to the Closing and the accuracy in all material respects of your representations and warranties contained herein and shall also be subject to the following conditions:

(a) At the time of the Closing, the Order and all related documents of the Issuer with respect to the issuance of the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the undersigned.

(b) The undersigned may terminate this Placement Agreement by notification in writing to you if at any time subsequent to the date hereof and at or prior to the Closing: (i) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds without registration thereof or obligations of the general character of the Bonds is in violation of any provision of the Securities Act of 1933 or of the Trust Indenture Act of 1939; (ii) in the Congress of the United States, legislation shall be enacted or a bill shall be favorably reported out of committee of either house, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that securities of the issuer or of any similar body are not exempt from the registration, qualification or other requirements of the Securities Act of 1933 or the Trust Indenture Act of 1939; (iii) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; (iv) there shall have occurred a general suspension of trading on the New York Stock Exchange; or (v) a general banking moratorium shall have been declared by the United States, State of New York, or State of Texas authorities.

(c) The Issuer shall have arranged for payment of the Placement Agent's fee at the time of Closing.

(d) You shall perform or have performed in all material respects at or prior to the Closing all of your obligations required under or specified in this Placement Agreement and the Order to be performed at or prior to the Closing.

7. On or before 5:00 p.m. CST, on April 10, 2008, the Purchaser shall deliver to the Trustee the names in which the Bonds are to be registered and the denominations thereof. At the Closing, contemporaneously with the receipt of the Bonds, the Purchaser will deliver to you a receipt therefor, in form satisfactory to Bond Counsel, signed by the Purchaser.

8. You shall pay, solely from the proceeds of the sale of the Bonds, upon or promptly after the Closing: (a) the cost of the preparation and printing of the Bonds; (b) the fees and disbursements of Bond Counsel and of any other counsel or consultants retained by you; and (c) the fees and expenses of the Trustee. The Placement Agent shall pay the fees and disbursements of any counsel to the Placement Agent and Placement Agent's own out-of-pocket expenses. The Issuer shall be under no obligation to pay any expenses incident to the performance of the obligations of the Placement Agent hereunder.

9. The agreements and all representations and warranties herein set forth have been and are made for the benefit of the Placement Agent and the Issuer, and no other person shall acquire or have any right under or by virtue of this Placement Agreement.

10. This Placement Agreement shall become effective upon the execution of the acceptance hereof by an authorized officer of the Issuer and shall be valid and enforceable as of the time of such acceptance.

Respectfully submitted,

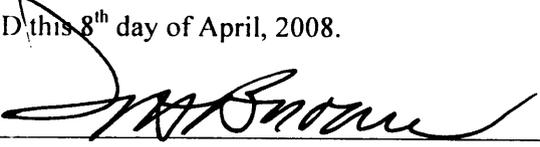
RBC CAPITAL MARKETS CORPORATION

Name: _____

Title: Managing Director

ACCEPTANCE

ACCEPTED this 8th day of April, 2008.

By  _____

Name _____

Title _____