

THIRD-PARTY AGREEMENT OF RESPONSIBILITY
Under the H-GAC Clean Vehicles Program

This Third-Party Agreement of Responsibility (the "Responsibility Agreement") is made by and among the Houston-Galveston Area Council ("H-GAC"), _____ (the "Contractor"), and _____ (the "Third-Party") and is dated as of the __ day of _____, ____.

H-GAC Mailing Address:

Contractor Mailing Address:

Third-Party Mailing Address:

WHEREAS, H-GAC and the Contractor entered into a Clean Vehicles Program contract identified as _____ (the "Contract"), pursuant to which the Contractor has agreed to purchase qualified low emission vehicles, equipment, and/or infrastructure (the "Qualified Property") and to operate the Qualified Property in the Houston-Galveston-Brazoria non-attainment area for <center project life> years; and

WHEREAS, the Contractor is financing the acquisition of the Qualified Property through a secured loan, lease purchase or similar financing arrangement from Third Party;

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. Nothing in this Responsibility Agreement shall modify the obligations of the Contractor under the Contract.
2. Third-Party agrees to notify H-GAC of a payment or other default by Contractor under the Financing Documents, Third-Party's acceleration of the debt under the Financing Documents, and Third-Party's proposed exercise of any remedies, including repossession, under the Financing Documents. Third-Party shall notify H-GAC at the same time it notifies the Contractor. Regardless of whether the Thrid-Party notifies the Contractor, the Third-Party shall notify H-GAC promptly and in no event later than 15 days following its determination to exercise its remedies under the Financing Documents.
3. Thrid-Party acknowledges that H-GAC receives federal grants which are used to make the Contract Payments, and such federal grants impose restrictions on the use of the Qualified Property. In the event the Third-Party obtains control of the Qualified Property, Third-Party agrees that it will take such measures as may reasonably be required by H-GAC to ensure that the Qualified Property is used in a manner consistent with the restrictions imposed by the federal grant used to make the Contract Payments. Unless waived by H-GAC in writing, Third-Party shall sell the Qualified Property only to purchasers which agree to comply with the terms of the Contract, including use of the Qualified Property within the Houston-Galveston-Brazoria non-attainment area and quarterly reporting on such use.

IN WITNESS WHEREOF, the parties have caused this Responsibility Agreement to be executed by their respective duly authorized representatives.

HOUSTON-GALVESTON AREA COUNCIL

By: _____
Jack Steele, Executive Director

By: _____
(Contractor)
Printed Name: _____
Title: _____

By: _____
(Assignee)
Printed Name: _____
Title: _____