

REIMBURSEMENT AGREEMENT

THIS AGREEMENT ("*Agreement*") is made and entered into by and among CASTLE HILLS DEVELOPMENT CORPORATION, BRIGHT REALTY, LTD., BRIGHT FARM PARTNERSHIP, BRIGHT & COMPANY, INC., and CASTLE HILLS PROPERTY COMPANY (collectively "*the Bright Entities*") and DENTON COUNTY FRESH WATER SUPPLY DISTRICTS NO. 1-A, 1-C, 1-D, 1-E, 1-F, 1-G and 1-H (collectively "*the Districts*"), political subdivisions of the State of Texas, organized under Article XVI, Section 59 and Article III, Section 52 of the Constitution of the State of Texas, and is effective as of the 20th day of May, 2009.

RECITALS:

A. One or more of the Bright Entities have advanced funds to or on behalf of the Districts to cover debt service requirements, letter of credit fees, construction costs, and expenses relating to the organization, maintenance, and operation of the Districts and their facilities ("*Advances*").

B. Each District has entered into an agreement with a Bright Entity to reimburse for Advances made by the Entity when funds are legally available ("**Developer Reimbursement Agreements**").

C. District 1-A is the General Manager for all the Districts and responsible for the construction, maintenance and operations of the Districts and their facilities and any facilities constructed for or acquired by Public Improvement Districts with which a District may have a joint contract to service the PID Bonds with ad valorem taxes.

D. The Parties desire for District 1-A to act as a clearinghouse for receipt of reimbursement proceeds and for the redeployment of such proceeds to any District that would otherwise require an Advance from a Bright Entity.

AGREEMENT:

NOW THEREFORE, and in consideration for the mutual promises and covenants and benefits and obligations herein after set forth, the Bright Entities and the Districts hereby agree and contract as follows:

1. For Advances made by Bright Entities on or before November 20, 2006, the Districts will reimburse the relevant Bright Entity for 100%. These reimbursements will be for Advances in the order they were made, i.e. from first to last, in the event the reimbursements are not for the total Advances.

2. For Advances made by a Bright Entity after November 20, 2006, the Districts will transfer reimbursement funds to District 1-A.

3. Any reimbursement for Advances received by District 1-A will be considered as a full and complete release of that particular District's obligation pursuant to existing Developer Reimbursement Agreements.

4. District 1-A, in its discretion, will use funds transferred to it pursuant to Sections 1 and 2 above to advance to any other District(s) that would otherwise require an advance from a Bright Entity to cover costs and expenses outlined in the first recital, provided, however, that the appropriate Bright Entity may request at any time the repayment of such funds prior to their deployment.

5. All funds advanced by the Bright Entities shall bear interest at the rate of six percent (6%) from the time of such advances until repaid by the District receiving such funds, as shall all funds in turn advanced by District 1-A as it acts on the Bright Entities' behalf.

6. The Developer Reimbursement Agreements are hereby amended to reflect the rights and obligations set forth herein, but otherwise remain in full force and effect as written. If one Bright Entity has a Developer Reimbursement Agreement with a District and another Bright Entity has made Advances to that District, this Agreement shall be considered an assignment of rights under the Developer Reimbursement Agreement to the funding Bright Entity with no further documentation necessary. This Agreement is not intended to amend the terms of the December 31, 2007, Omnibus Acknowledgment of Assignment among certain of the Bright Entities and the Districts agree to abide by the terms of such Assignment.

7. This Agreement and the obligations of the Parties hereunder are subject to all rules, regulations, and laws which may be applicable by the United States, the State of Texas, or any regulatory agency having jurisdiction.

The failure of either party hereto to insist, in any one or more instances, upon performance of any of the terms, covenants, and conditions of this Agreement, shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant, or condition by the other party hereto, but the obligation of such other party with respect to such future performance shall continue in full force and effect.

This Agreement shall be for the sole and exclusive benefit of the Districts and Bright Entities and shall not be construed to confer any benefit or right upon any other party.

Each Party hereby agrees that it will take all actions and execute all documents necessary to fully carry out the purposes and intent of this Agreement.

This Agreement shall be binding on the Parties hereto and their respective successors and assigns.

If any Party hereto is a corporation, such party represents to the other party that the execution and delivery of this Agreement has been duly authorized by all necessary proceedings and actions, including action on the part of such corporation's board of directors.