

Memorandum of
Understanding

CONFIDENTIAL

COLLABORATION, CONFIDENTIALITY AND EXCLUSIVITY AGREEMENT

This agreement is made and entered into in this 17th day of August, 2004, between:

CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE, S.A. hereinafter referred to as CINTRA, a company duly constituted and existing under the laws of Spain, having its registered office at Plaza Manuel Gomez Moreno, No. 2, Madrid, Spain.

and

ZACHRY CONSTRUCTION CORPORATION hereinafter referred to as ZACHRY, a company duly constituted and existing under the laws of the State of Texas, having its principal place of business at 527 Logwood Avenue, San Antonio, Texas.

CINTRA and ZACHRY are collectively referred to herein as the "Parties" and individually as a "Party."

WITNESSETH

- i. Whereas the Texas Department of Transportation (TxDOT), hereinafter referred to as Tendering Authority, is in the process of launching a Request for Detailed Proposals (RFDP) to plan, develop, acquire, design, construct, finance, maintain and operate the TTC-35 High Priority Trans Texas Corridor, hereinafter referred to as Project.
- ii. CINTRA is one of the bidders that have been short-listed by TxDOT to the next stage of the TTC-35 High Priority Trans Texas Corridor procurement process.
- iii. Whereas the Parties are highly and mutually interested in jointly participating in the bid process (the "Bid") for the Project, and wish to set forth certain terms and conditions in accordance with which they intend to co-operate in respect of the Bid for the Project.

NOW THEREFORE, the Parties hereto in consideration of the above preambles and the mutual covenants and agreements specified hereinafter, do hereby **AGREE AS FOLLOWS**:

CLAUSE 1 THE CONSORTIUM AND OWNERSHIP INTEREST

The Parties will co-operate to prepare the Bid as equity participants in a consortium (the "Consortium") to bid for the Project.

Based on the RFDP and CDA requirements, the Parties promptly will create a special purpose limited liability entity or other appropriate vehicle whose shareholders

CONFIDENTIAL

agreement (or equivalent) will supersede this Agreement. The Parties will use commercially reasonable efforts to finalize the relevant documents prior to the award of the CDA, or as otherwise agreed by the parties in writing. This new entity will be the Developer (as defined in the RFDP), the Parties being the only equity holders in the Developer. In accordance with the terms of the CDA (as defined in the RFDP) the Developer will become a long-term strategic advisor and consultant to TxDOT, helping TxDOT to analyze, identify, plan, develop and finance the Project.

The Parties intend that their roles in relation to equity participation in the Consortium (and eventually in the Developer equity which means namely the amount of shareholders' funds contributed into the Developer as equity) will be as follows:

CINTRA	(85%)
ZACHRY	(15%)

With the Bid, CINTRA shall furnish to TxDOT the commitment to furnish the required guaranty. With the Bid, ZACHRY is not furnishing to TxDOT a commitment to provide either security or a guaranty to TxDOT. By September 24, ZACHRY shall furnish to Cintra a written commitment to deliver to CINTRA a guaranty using Form M of the RFDP (*mutatis mutandis*) pursuant to which ZACHRY will pay 15% of any claim paid by CINTRA under its guarantee (or other security) to TxDOT, up to a total payment by ZACHRY of \$1,500,000. The applicable agreements shall provide that there is no condition to the payment by ZACHRY of such 15% share other than evidence that CINTRA has paid a claim to TxDOT, but the Parties will reserve their mutual rights with respect to any related issues.

In addition, the Parties agree to discuss with TxDOT and seek TxDOT's approval for each Party to furnish TxDOT a guaranty in the form of Form M, but limited to each Party's respective share of the \$10,000,000 damages ceiling. Each Party agrees to deliver such a guaranty to TxDOT if TxDOT approves; provided, however, that a condition to the obligation to deliver such guaranties is that Zachry not become subject to the financial covenants of the CDA.

If TxDOT does not approve such an approach, then it is understood that ZACHRY will deliver to CINTRA the guaranty referred to above, and that the documents governing the formation of the Developer shall provide a mechanism for Zachry to provide a bond or other security to secure its commitment to Cintra if TxDOT asserts a claim against the Developer and the Developer is not adequately capitalized to cover the claim.

ZACHRY acknowledges that if an FIP Preparation Agreement increased the damages ceiling pursuant to Section 21.6.1.1(b) of the CDA, then, if ZACHRY has consented in writing to such FIP Preparation Agreement, the \$1,500,000 maximum commitment by Zachry is subject to increase.

ZACHRY and CINTRA will investigate the availability of insurance to satisfy liabilities to TxDOT and other third parties.

CONFIDENTIAL

In no event shall the Parties aggregate exposure related to the Project (which shall be shared on an 85%-15% basis) be increased above \$10,000,000, without mutual written agreement.

Subject to the requirements of the RFDP and CDA, additional equity participants in the Consortium may be admitted with the mutual consent of each of CINTRA and ZACHRY, which each Party may grant or withhold in its sole discretion.

Either Party may, without the prior written consent of the other Party, transfer its interest in the Consortium to an affiliate of such Party if such transfer is permitted by the CDA (or, if the CDA has not yet been executed, then if permitted by the RFDP).

CLAUSE 2 THE PROCESS

As outlined by TxDOT, the tender process will include the following steps:

- Industry review period up to late April 04
- Issue of tender documents April 29, 04
- Submission of proposals August 23, 04
- TxDOT evaluation of proposals until early October 04
- Selection of Preferred Bidder early November 04
- Negotiation of CDA late December 04

Defined terms in the Clause, unless otherwise set forth in this Agreement, shall have the meaning assigned to them in the RFDP.

The CDA is a public private partnership agreement setting forth the framework for the conceptual, preliminary and final planning of facilities that are part of the Project and for financing, building, and operating such facilities, through collaborative efforts of TxDOT and the Developer. As used herein, a "Project Facility" means, at any time, a transportation facility that has been approved to be constructed (and possibly also designed, financed, maintained and operated) under the scope of the Developer's authority under the CDA. It will set forth an Initial Scope of Work for the Developer and the future range of potential roles and responsibilities of the Developer in planning for the management and performance of Project Facility development, acquisition, financing, design, construction, operation, repair and maintenance.

Regarding the development of specific Project Facilities, and the moment when these are deemed by the Developer or TxDOT to be Ready for Development, there are three different scenarios and/or procurement schemes that could arise:

- (1) Concession scenario, under which the holder of the concession (the "Concessionaire") has to provide in addition to design and build services, finance, maintenance and/or operation of the Project Facility. Subject to the concession agreement to be agreed between TxDOT and the

CONFIDENTIAL

Concessionaire, the Parties will participate under the following conditions for each Project Facility developed under a concession scenario:

- CINTRA and ZACHRY (directly or through affiliates) will create a special purpose company (the "Concession Company"). ZACHRY will hold an equity interest of 15% and CINTRA will hold the balance 85%. ZACHRY will have the option to take an additional stake to reach a total share of 35% under the conditions shown in Annex 1 – The Option Agreement.
 - Rights and obligations of the Parties will be proportional to their holding in the Concessionaire.
 - The Concessionaire, and not the Developer, is to carry out, directly or through contractors (such as the Design-Build Venture Entity), the scope of works agreed in the Concession Agreement.
 - The Concessionaire shall enter into a Design-Build Venture Entity agreement with a joint venture of Ferrovia Agroman and a ZACHRY affiliate; on the following basis: (i) lump sum fixed price agreed on arms length; (ii) joint and several liability of the responsible joint venture parties (both contractual and third parties liability); and (iii) unless otherwise mutually agreed between them, Ferrovia Agroman and the ZACHRY affiliate shall each have a 50% ownership and participation interest in the Design-Build joint venture.
- (2) Design and Construction (D+C) scenario: this might include operations and/or maintenance of the Project Facility, but in any case financing will be arranged separately.
- The Design-Build joint venture would pursue this opportunity based on the principles, to the extent applicable, stated out in (1) above.
- (3) Any other scenario: For which the Parties shall consult to determine the most appropriate role that might be played by the Developer and/or a Ferrovia Agroman-ZACHRY design-build entity.

Terms and conditions that will govern the Concession Agreement and D+C JV Agreement are outlined in Clauses 4 and 5 and Annex 2 respectively, Annex 2 to this Agreement will be attached once the agreement between Ferrovia-Agroman and ZACHRY is negotiated.

CLAUSE 3 COSTS AND EXPENSES

Each Party shall bear its internal costs and expenses (and, directly or through the applicable affiliates, those of its affiliates) incurred or to be incurred in presenting the Bid. The Parties shall each pay their share of third party "common expenses," which shall be those contracted with third parties for works which are necessary to submit the Bid and are expressly authorized in advance after the date of this Agreement by the

CONFIDENTIAL

unanimous approval of the Parties. Each Party's share of such third party common expenses shall be in direct proportion to their participation in the Consortium.

If the Developer enters into a CDA with TxDOT, the Developer shall, to the extent permitted by the CDA, reimburse each Party for the common third party expenses paid by them during the bidding process. The balance (common third party expenses not recovered by the Parties through the CDA) will be recovered by the Parties at financial close of the first Project Facility.

Internal costs of the Parties shall only be compensated through any success fee that the Developer or the Concession Company may receive after the financial closing of the first Project Facility awarded to the Developer or the Concession Company.

If the Developer does not execute a CDA with TxDOT, but does receive a stipend, the stipend will be used to reimburse the Parties for approved third-party common expenses incurred as provided above. If the stipend is not enough to cover common expenses, the Parties shall share the outstanding amount in proportion to their participation in the Developer. Any surplus amounts will be shared by the Parties in proportion to their participation in the Developer.

At the time of entering into this Agreement, ZACHRY is aware that CINTRA is retaining different consultants or/ and advisers for the bidding process, a list of which is attached as Annex 3 (CINTRA represents that current copies of all these agreements have been provided to ZACHRY prior to the execution of this Agreement). The Parties agree that all of the expenses listed in such Annex 3 are acceptable and shall be considered as third party common expenses.

CLAUSE 4 ADDITIONAL TERMS AND AGREEMENTS

At the appropriate time, the Parties will create the Developer (as defined) whose shareholders agreement (or equivalent) will supersede this Agreement. The Parties will use reasonable endeavors to optimize the corporate structure taking into account the commercial and taxation position of the Parties.

In addition, if the CDA is awarded to the Consortium, Parties further agree that if a Project Facility within the Project is made available for development:

- A. If it is on a concession basis,
 - (i) the Parties shall determine by mutual agreement whether and on what terms to make a proposal for the concession, according to Clause 2; and
 - (ii) Ferrovial Agroman (or any of its affiliates) and ZACHRY (acting through an affiliate) shall, to the maximum extent permitted by the CDA, have the exclusive right to negotiate with the Developer, the Concession Company and/or TxDOT, as applicable, to perform the design-build work through a

CONFIDENTIAL

Design-Build Venture Entity. Ferrovial Agroman and ZACHRY shall determine by mutual agreement whether and on what terms to make a proposal for such work, consistent with the CDA and the principles of Clause 2 above. If they decide to propose terms, they shall make such proposal, and implement any resulting concession, through a Design-Build Venture Entity formed as provided in Clause 2 above.

B. If on a design-build basis, Ferrovial Agroman (or any of its affiliates) and ZACHRY (acting through an affiliate) shall, to the maximum extent permitted by the CDA, have the exclusive right to negotiate with the Developer, and/or TxDOT, as applicable, to perform the design-build work through a Design-Build Venture Entity. Ferrovial Agroman and ZACHRY shall determine by mutual agreement whether and on what terms to make a proposal for such work, consistent with the CDA and the principles of Clause 2 above. If they decide to propose terms, they shall make such proposal, and implement any resulting facility project, through a Design-Build Venture Entity formed as provided in Clause 2 above.

C. The following principles will be applied with respect to any concession or design-build opportunity for a Project Facility, if one of the Parties (or the applicable affiliate of the Party) i) desires to pursue the opportunity and the other Party (or affiliate) does not or ii) desires to pursue the opportunity on different terms:

(i) if one Party withdraws, the Party that remains will have the right to pursue it on its own or with others subject to TxDOT's approval, and;

(ii) if there is a disagreement on terms of participation or the proposal to TxDOT and if ZACHRY is taking a share in the Concession Company smaller than 35%, then all decisions regarding the terms and conditions of the proposal for that Facility Project shall be taken by simple majority. If ZACHRY is taking a 35% share in the Concession Company, then all decisions regarding the terms and conditions of the proposal for that Facility Project shall be made on the basis of unanimity.

The fact that the Parties (or their affiliates) do not proceed together on any Project Facility shall not terminate or cause the dissolution of the Developer or terminate the contractual agreements of the Parties and their affiliates to jointly pursue each other opportunity for a Project Facility.

CLAUSE 5 ADDITIONAL PROVISIONS REGARDING THE CONCESSION COMPANY

A. Should a facility be awarded to the Developer as a concession, the Parties will create the Concession Company (as defined). Unless otherwise agreed, the Parties will become equity owners of the Concession Company in the proportion stated in Clause 2 (1).

CONFIDENTIAL

B. The Concession Company shall operate according to the following principles:

- Either equity owner in a Concession Company may, without the prior written consent of the other Party, transfer its interest in the Concession Company to an affiliate of such Party if such transfer is permitted by the CDA. The transferor shall remain responsible for the full performance of its obligations to the Concession Company and to the other owners of the Concession Company.
- All the decisions of the Concession Company (other than those referred to in Clause 4) will be approved by the applicable majority, as discussed below (subject to review by either Texas or US legal counsel).
- Minority shareholder protections:
 - “Simple Majority” over 50%
 - “Majority” 66% or more
 - “Super Majority” 75% or more

i. Super Majority (or other greater level prescribed by US or applicable state law) approval will be required for:

- material change in constituent documents
- material change in shareholder/equivalent agreement
- any transaction between the Concession Company and an affiliate of either ZACHRY or CINTRA

Note: Subject to US Law, a lower threshold of a Majority will be set for non-material or minor changes to these documents.

ii. Majority (or other greater level prescribed by US law) approval will be required for:

- IPO of asset
- Mergers/Consolidation/New acquisition
- Sale of material component of asset
- affiliate transactions
- material capital calls (unless there is a capital call pursuant to a contractual arrangement, credit agreement or governmental directive where such call will require a Simple Majority)

iii. Simple Majority (or Board Approval) approval will be required for:

- changes to operations
- approval of budgets
- all decisions not described in Clause B (i) or Clause B (ii) above

C. CINTRA will nominate the Chief Executive Officer (CEO) and the Secretary of the Board, subject to the unanimous approval of the Parties. So long as it holds at least

CONFIDENTIAL

10% of the equity of the Concession Company, ZACHRY will nominate the Chief Operations Officer (COO), subject to the unanimous approval of the Parties.

- D. The CEO will be responsible of the day to day decisions, consistent with policies established by the Board and in accordance with procedures to be agreed to by the Parties governing the management of the Concession Company including delegation of authority.
- E. The documents governing each Concession Company will contain reciprocal rights of first refusal with respect to proposed sales of equity to a third party and other equity transfer provisions to be negotiated.

CLAUSE 6 CONFIDENTIALITY

The Parties agree to be mutually bound, to the same extent ZACHRY is bound, by the Letter of Understanding regarding confidentiality dated March 16, 2004, executed by ZACHRY Construction Company and as amended from time to time, to the extent the same is consistent with the activities contemplated by this Agreement.

Neither Party shall make any media announcement without the consent of and coordination with the other Party. Notwithstanding the foregoing, the Parties shall develop formal or informal "if-asked" guidance that may be referred to by both Party should it receive a media inquiry and believe that a response is appropriate to pursue the overall objectives of the Parties related to the Project.

CLAUSE 7 EXCLUSIVITY

- A. Neither Party, directly or through an affiliate, shall participate (whether solely or jointly, directly or indirectly, with any other person or persons including, but not limited to, in joint venture, partnership, as a shareholder in a corporate body or as director in a corporate body) in negotiations or discussions or the making of any proposal with any third party in respect of a CDA for the Project without the prior written consent of the other Party.
- B. Except for the specific restriction set forth in A. above (which is limited to the current procurement of TxDOT for the TTC-35 High Priority Trans Texas Corridor), nothing in this Agreement restricts the ability of either Party or any of their affiliates to submit bids or proposals for construction or design-build work, or for any component of any such work, related to any facility of any type, whether directly to TxDOT or indirectly through another contractor. Without limiting the generality of the foregoing, CINTRA understands that ZACHRY is in the business (directly and through its affiliates) of serving as general contractor and as subcontractor and materials supplier of various tiers with respect to a variety of construction projects. During the pendency of the proposal for the CDA, and after the CDA is executed, it is expected that TxDOT, cities, counties, and other entities may make available opportunities to perform work, and ZACHRY and CINTRA may perform work, that is outside the scope of what the

CONFIDENTIAL

Developer is permitted or able to direct to a Concession Company or to a Design-Build Venture Entity.

- C. CINTRA understands that certain entities owned and/or controlled by ZACHRY operate as subcontractors providing materials and specific subcontracting services ("Special Purpose Subcontracting Affiliates") for projects in Texas, and routinely submit bids and proposals to, and provide such materials and services for, competitors of ZACHRY affiliates that are general contractors. The Parties agree that Special Purpose Subcontracting Affiliates may bid, propose and provide such materials and specific subcontracting services for work on any specific Project Facility, provided, however, that during the term of this Agreement (i) no such activity is permitted prior to the time of the signature of the CDA for the Corridor Project, (ii) such activity is permitted only on Project Facilities for which the Tendering Authority establishes a process where others may bid or propose for the construction work, (iii) no Special Purpose Subcontracting Affiliate may act as a general or main contractor in any tender process in which a Concession Company or a Design Build Venture Entity is involved, (iv) ZACHRY must prevent such Special Purpose Subcontracting Affiliate from using for such purpose any confidential information obtained from or through a ZACHRY-CINTRA entity or a Design Build Venture Entity, (v) the Special Purpose Subcontracting Affiliate must not enter into any exclusivity commitment with a third party that would prevent it or restrict it in any way from offering, bidding or proposing materials or services to a Concession Company or a Design Build Venture Entity, (vi) the ZACHRY personnel assisting in the preparation of a proposal for correction on behalf of a Design Build Venture Entity shall not direct the Special Purpose Subcontracting Affiliate with respect to whether or on what terms to make its bid to, or perform work for a competitor of the Design Build Venture Entity and (vii) ZACHRY shall not cause or permit the Special Purpose Subcontracting Affiliate to furnish a materially lower bid for goods or services to competitors of the Design Build Joint Venture than to the Design Build Joint Venture except as may be justified based on differing quality, quantities, terms and conditions applicable to the bids.

CLAUSE 8 TERM AND TERMINATION

This Agreement shall remain in force until, whichever occurs first:

- It is replaced by a more detailed agreement.
- Both Parties decide in writing not to make a Bid for the CDA for the Project
- TxDOT cancels the procurement for the CDA for the Project or awards it to a competitor
- If by March 1, 2005, the Developer and TxDOT have not signed the CDA, unless the Parties otherwise agree in writing
- Either Party withdraws as permitted by this Agreement.

CONFIDENTIAL

CLAUSE 9 REGIONAL Project

ZACHRY has briefed CINTRA on a confidential basis on ZACHRY's proposal for a series of facilities connecting locations in Bexar County and surrounding counties with Travis County and surrounding counties (collectively, the "Regional Project") that might become a "Project Facility" within the Project or that might become independently ready for development. Accordingly, CINTRA has expressed an interest in joining ZACHRY in a collaborative effort to pursue the Regional Project. ZACHRY will negotiate with CINTRA in good faith for a period of not less than 45 days after the date hereof to determine if the Parties can reach agreement on terms for them to pursue the Regional Project together. Such negotiations would be based on (a) having 50-50% participation by ZACHRY (or an affiliate) and Ferrovial-Agroman, respectively, in the design and construction of the Regional Project if the team is awarded that work and (b) having CINTRA and ZACHRY (or an affiliate) also participating on a 50-50 basis in the development/concession entity related to the Regional Project. ZACHRY shall have the right to appoint the chairman of the governing board of each of the development/concession company, and CINTRA shall have the right to nominate the CEO of this development/concession entity). In any event, however, CINTRA agrees that nothing in this Agreement prevents ZACHRY or any of its affiliates from pursuing the Regional Project whether or not CINTRA and/or Ferrovial-Agroman reach an agreement with ZACHRY (or the applicable affiliate) on participation in the Regional Project efforts, as well as nothing prevents CINTRA from submitting a proposal at the competing proposal stage, if an agreement is not reached.

CLAUSE 10 DISPUTE RESOLUTION; MISCELLANEOUS

All disputes which cannot be settled between the Parties arising in connection with this Agreement, the formation of the Developer or any other aspect of their relationship relating to the Project, shall be resolved by mediation in accordance with the Construction Industry Mediation Procedures of the American Arbitration Association; provided that the Parties may agree to use a dispute resolution service provider other than the American Arbitration Association. The Parties covenant that they will participate in the mediation in good faith, that they will share equally in its costs of the mediation and that the mediation will be held in Austin, Texas in the English language. Notwithstanding the preceding sentence, either Party may bring and maintain an action for injunctive relief in any court of applicable jurisdiction at any time. Neither Party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session or 45 days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the Parties so desire. The provisions of this section may be enforced by any court of competent jurisdiction, and the Party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorney's fees, to be paid by the Party against whom enforcement is ordered.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, CONSEQUENTIAL, INDIRECT, ENHANCED, PUNITIVE, OR SIMILAR DAMAGES (OR

CONFIDENTIAL

LOST PROFITS), HOWSOEVER CAUSED, WHETHER AS A CONSEQUENCE OF NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR INTENTIONAL MISCONDUCT, EVEN IF THE PARTY AGAINST WHOM SUCH DAMAGES ARE SOUGHT HAD REASON TO KNOW OF THE POSSIBLE EXISTENCE OR INCURRENCE OF SUCH DAMAGES.

This Agreement shall be governed by, and any dispute, controversy or claim arising out of or in connection with this Agreement shall be resolved in accordance with, the laws of the State of Texas.

The Parties represent to one another and agree that CINTRA, on the one hand, and ZACHRY, on the other hand, have each retained their own legal counsel and are relying upon their own legal counsel's advice for all purposes in connection with this Collaboration, Confidentiality and Exclusivity Agreement. The Parties further warrant and represent that each Party shall at all times rely upon the legal advice of its own legal counsel in connection with its execution of the documents described above and the performance of its obligations created therein. In the event that a Party chooses to rely upon the comments or advice given by the legal counsel to the other Party, the Parties hereby agree that such limited reliance shall not create an attorney-client relationship, and further disclaim any fiduciary responsibility owed by the legal counsel of one Party to the other Party.

Each Party shall defend, indemnify and hold harmless the other Party and its affiliates and their owners, directors, managers, officers, employees and agents from and against all damages, judgments, fines, penalties, liabilities, claims, costs and expenses (including attorneys' fees and court costs) to the extent the same are caused or arise out of the indemnifying Party's negligence, breach of contract or breach of other legal duty. Any person seeking to invoke this obligation of a Party shall notify the Party in writing promptly upon receiving notice of the matter with respect to which defense or indemnity is sought, but failure or delay in giving such notice shall not affect or impair the rights of the Party entitled to defense and indemnification except to the extent that the indemnifying Party is actually prejudiced in defending against the matter with respect to which such defense and or indemnification is sought.

The Parties expressly declare that they shall fulfill any judgment or arbitration award handed down, as well as declare that the USA and Spain are signatories to the Convention on recognition and execution of foreign arbitration awards, subscribed on New York on the 10th June 1958.

CINTRA is not conducting business or trade in the United States, and nothing contained in this Agreement or any of the transactions contemplated hereunder shall constitute CINTRA conducting business or trade in the United States. Solely for the benefit of ZACHRY, CINTRA hereby consents to the jurisdiction of the Courts of the State of Texas and the federal courts of the United States of America sitting in the State of Texas.

CONFIDENTIAL


Any and all joint venture or partnership status between the Parties is hereby expressly denied and the Parties expressly state that they have not formed, either expressly or impliedly, a joint venture or partnership. Under no circumstances will either Party be deemed an employee of the other, and neither Party may act as an agent of the other Party.

This Agreement sets forth the entire understanding of the Parties with respect to the subject matter hereof. This Agreement supersedes all prior communications, agreements, and understandings, written or oral, concerning such subject matter. There are no other agreements, written or oral, between the Parties affecting the subject matter hereof.

CONFIDENTIAL

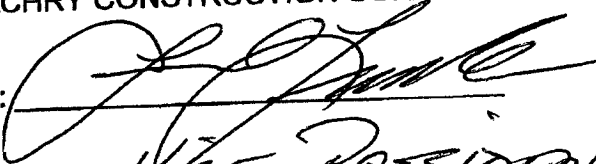
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed in 2 originals on the date first written above by their duly authorized representatives.

CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE, S.A.

By:  _____

Title: HEAD OF PROJECT DEVELOPMENT

ZACHRY CONSTRUCTION CORPORATION

By:  _____

Title: VICE PRESIDENT

CONFIDENTIAL

ANNEX 1

OPTION AGREEMENT CINTRA/ZACHRY

For value received, Cintra hereby grants to Zachry an option to purchase the Option Securities (as hereinafter defined) allowing Zachry to increase its aggregate fully diluted equity holding in the Company(ies) to be used by Cintra-Zachry to implement a Project Facility (Concession Company) up to 35%, at any time during the Exercise Period at the Option Price calculated as detailed below. Since, if Zachry elects to participate in a Concession Company, Zachry's minimum investment in a Concession Company is 15%, the equity participation in each Concession Company subject to the option is for a total of 20% of the Concession Company.

GENERAL CONDITIONS

1. The terms of this Option Agreement have been negotiated based on the assumption that the applicable Facility Agreement (as defined in the current CDA) will be executed only at such time as the financial requirements for the Project Facility and the Concession Company are determined to the extent that the parties can rely on them to determine their respective financial commitments.
2. Subject to the following clause 3, there will be an Exercise Period that starts on the Commencement Date and ends on the Expiry Date. The first being the date when the applicable Facility Agreement is signed and the Expiry Date being the actual date of completion of the applicable construction works.
3. If Zachry elects at the time of the signing of the applicable Facility Agreement the amount of equity in the applicable Concession Company that it wants to purchase and advises Cintra in writing that it does not wish to have an option to acquire any further equity in that entity pursuant the Option Agreement, then this Option Agreement shall terminate as to such entity and Project Facility (but not otherwise) and Zachry shall not be obligated to pay Cintra any money hereunder with respect to the same.
4. When exercising the Option, Zachry shall specify in its notice to Cintra how many Option Securities it wishes to purchase together with details of the Option Price, provided that the number of Option Securities specified in the notice shall be not less than 5% (five per cent) of the fully diluted equity of the Concession Company. The Option may be exercised in whole, or in as many parts as possible in accordance with this agreement.
5. Zachry shall be entitled to exercise the Option provided that it has paid the full Option Price, including payment of both the Premium and the Strike Price, in accordance with this Option Agreement.
6. Any exercise of the Option is conditioned on satisfying any requirement to obtain consent from TxDOT as set out in the Tender Documents.
7. All rights attached to the Option Securities shall accrue to Zachry on the date of completion of the sale and purchase of the Option Securities and following any such sale and purchase of the same Cintra shall account to Zachry for all dividends or other distributions of the Concession Company and shall exercise all voting and other rights at the direction of Zachry.
8. Cintra shall have the right to veto any proposed sale by Zachry of its rights hereunder in part or as a whole to any other company or group of companies with which Cintra might have a conflict of interest or are Cintra's direct competitors, unless otherwise agreed.
9. The Option Securities are defined as, for each Concession Company, up to 20% of the equity in that Concession Company. The form of the Option Securities shall be the shares, membership interests, partnership interests, joint venture interests, or other rights or interests of the same class or classes

CONFIDENTIAL

(including preferred or "loan" classes) as is owned by (or subject to an option or warrant in favor of) Cintra immediately prior to the time Zachry exercises the option.

THE OPTION PRICE

The Option Price for each Concession Company will be calculated as the addition of the following "Premium Payment" and "Strike Price":

10. The Premium Payment

The Premium Payment shall be payable in return for Cintra agreeing to subscribe for and make contributions in respect of the Option Securities and shall be calculated at an amount representing 2.00% per annum of the Base Subscription Price of the Option Securities. The obligation to pay Premium Payment shall commence at the beginning of the Exercise Period, or the date the Parties pay their capital contributions or make their irrevocable written commitment to make their capital contributions, whichever is later. Zachry shall pay the premium through the entire Exercise Period, subject to the exceptions stated below. Except as provided below, the Premium Payment shall be calculated and payable in advance on a quarterly basis commencing on the first day of the Exercise Period.

If Zachry terminates its option as to a particular Facility (either by terminating it without exercise or by exercising it) prior to or at the Financial Closing for the Project Facility, then the accrual of the Premium Payment shall be terminated at Financial Closing and Zachry shall have no further obligation to pay Premium Payment.

If, however, Zachry retains any portion of its option hereunder with respect to a particular Facility after the Financial Closing for such Facility, then the remaining Premium Payment with respect to the applicable Option Securities to the end of the Exercise Period shall be a fixed obligation of Zachry, payable quarterly as provided herein, provided, that the balance shall be due within 60 days after Zachry fully exercises or fully terminates its rights hereunder.

The Base Subscription Price is the value of the Option Securities that are subject to the Option, determined as provided in this paragraph. Initially, this will be the value of Option Securities representing a 20% interest in the Concession Company. As of any time, that value will be calculated based on the sum of (a) the aggregate cash paid by Cintra and Zachry for the equity they have acquired in the Concession Company as of the date the value is calculated and (b) the aggregate amounts for which Cintra and Zachry have made to TxDOT or to a third party (such as a bank) irrevocable, non-contingent, binding written commitments to make equity contributions to the Concession Company or to reimburse a financial institution for draws under a credit facility issued for the benefit of the Concession Company.

Premium Payments shall not be credited to the Strike Price of Option Securities.

11. The Strike Price

For purposes of determining the Strike Price, the Base Subscription Price shall be calculated for the percentage of equity being acquired by Zachry at the time of the exercise.

The Strike Price will be calculated as set out below:

CONFIDENTIAL

- (a) from the date when the Facility Agreement is entered into, until the Close of Finance of the Project Facility, Option Shares may be purchased at 100% of the Base Subscription Price for the securities acquired;
- (b) from the first day after the Close of Finance of the Project Facility, to the date which is FIVE months thereafter, at 105% of the Base Subscription Price for the securities acquired;
- (c) from the first day of the SIXTH month until the end of the TENTH month after date of Close of Finance, at 110% of the Base Subscription Price for the securities acquired;
- (d) from the first day of the ELEVENTH month until the end of the FIFTEENTH month after date of the Close of Finance, at 115% of the Base Subscription Price for the securities acquired;
- (e) from the first day of the SIXTEENTH month until the end of the TWENTIETH month after date of the Close of Finance, at 120% of the Base Subscription Price for the securities acquired;
- (f) from the first day of the TWENTY-FIRST month until the end of the TWENTY-FIFTH month after date of the Close of Finance, at 125% of the Base Subscription Price for the securities acquired;
- (g) from the first day of the TWENTY-SIXTH month through the Expiry Date at 130% of the Base Subscription Price for the securities acquired.

[The remainder of this page has been left blank intentionally.]

CONFIDENTIAL

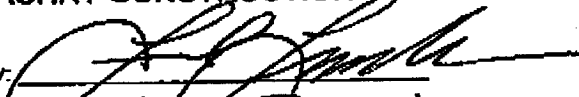
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed in 2 originals on August 17, 2004, by their duly authorized representatives.

CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE, S.A.

By:  _____

Title: HEAD OF PROJECT DEVELOPMENT

ZACHRY CONSTRUCTION CORPORATION

By:  _____

Title: VICE PRESIDENT

CONFIDENTIAL

ANNEX 2

FERROVIAL-AGROMAN/ZACHRY AGREEMENT

To be attached when negotiated.

CONFIDENTIAL

Annex 3

LIST OF AGREEMENTS WITH CONSULTANTS/ADVISORS TO BE CONSIDERED AS COMMON EXPENSES

The parties agree to consider as third-party common expenses all the expenses derived from the agreements that CINTRA has reached or is about to reach with the following consultants/advisors:

Earth Tech, Inc.

PricewaterhouseCoopers

JP Morgan Securities, Inc.

Texas Perspectives

Dan Shelley

The Parties also agree to consider as common expenses, the initial \$20,000 that CINTRA paid to TxDOT together with its submission of the SOQ for the TTC-35.