

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

Resolution No.

RESOLUTION OF THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS.

WHEREAS, the San Francisco Bay Area Rapid Transit District (the “District”) intends to purchase new and replacement non-revenue vehicles, and equipment and infrastructure to undertake network stabilization upgrades (collectively, the Project”);

WHEREAS, the District (and for purposes of this Resolution and the Treasury Regulations referenced herein, the “Issuer”) expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis;

WHEREAS, the Issuer reasonably expects debt obligations in an amount not expected to exceed \$50 million will be issued in order to finance the Project, and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures;

WHEREAS, Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the “Treasury Regulations”) requires the Issuer to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing, if such proceeds are to be deemed spent upon the reimbursement allocation, for purposes of federal tax law;

WHEREAS, under Section 1.150-2 of the Treasury Regulations, the Issuer must make any reimbursement allocation within 18 months after the later of (i) the date the Reimbursement Expenditure is paid or (ii) the date the Project is placed in service, but in no event later than three years after the Reimbursement Expenditure is paid;

BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District, as follows:

Section 1. Recitals. All of the above recitals are true and correct, and this Board of Directors so finds.

Section 2. Compliance with the Requirements of Section 1.150-2 of the Treasury Regulations. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, this Board of Directors hereby declares its official intent to use proceeds of indebtedness to reimburse the District for Reimbursement Expenditures. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. Authorization of Officers. The General Manager, the Chief Financial Officer, and the District Secretary, and each of their designees, are hereby authorized and directed to take all actions necessary or appropriate to carry out the purposes of this Resolution, including executing and delivering any and all certificates, documents, agreements, and instruments in connection with the financing described herein.

Section 4. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Resolution and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 5. Effective Date. This Resolution shall take effect immediately.

Adopted: _____ SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
CERTIFIED A TRUE COPY

District Secretary