

## PRELIMINARY OFFICIAL STATEMENT DATED AUGUST [15], 2025

## NEW ISSUE – BOOK ENTRY ONLY

## RATINGS:

Moody's: Fitch: 

See "Ratings" herein.

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Bond Counsel, interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Tax-Exempt Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel observes that interest on the Taxable Bonds is not excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Bond Counsel is also of the opinion that interest on the 2025 Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2025 Bonds. See "TAX MATTERS."*



\$[\_\_\_\_\_] \*  
**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 GENERAL OBLIGATION BONDS**



\$[\_\_\_\_\_] \*  
 (ELECTION OF 2016),  
 2025 SERIES E-1  
 (GREEN BONDS)

\$[\_\_\_\_\_] \*  
 (ELECTION OF 2016),  
 2025 SERIES E-2  
 (FEDERALLY TAXABLE)  
 (GREEN BONDS)

\$[\_\_\_\_\_] \*  
 (ELECTION OF 2004),  
 2025 REFUNDING SERIES H  
 (GREEN BONDS)

**Dated: Date of Delivery****Due: As shown on inside cover**

The San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2016), 2025 Series E-1 (Green Bonds) (the "2025E-1 Bonds") and 2025 Series E-2 (Federally Taxable) (Green Bonds) (the "2025E-2 Bonds" or the "Taxable Bonds" and, together with the 2025E-1 Bonds, the "2025E Bonds") are being issued (i) to finance specific acquisition, construction and improvement projects for facilities of the San Francisco Bay Area Rapid Transit District (the "District" or "BART") approved by the voters, (ii) to pay all or a portion of debt service on the 2025E Bonds through [September \_\_, 20\_\_],\* including the debt service in full on the 2025E-2 Bonds, and (iii) to pay issuance costs of the 2025E Bonds. The San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2004), 2025 Refunding Series H (Green Bonds) (the "2025H Bonds" and, together with the 2025E Bonds, the "2025 Bonds") are being issued (i) to refund certain outstanding general obligation bonds of the District, and (ii) to pay issuance costs of the 2025H Bonds. The 2025E-1 Bonds and the 2025H Bonds are collectively referred to herein as the "Tax-Exempt Bonds." The 2025 Bonds are deliverable in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of the 2025 Bonds will be made in principal amounts of \$5,000 and integral multiples thereof and will be in book-entry form only. Purchasers of the 2025 Bonds will not receive bonds representing their beneficial ownership in the 2025 Bonds but will receive a credit balance on the books of their respective DTC Direct Participants or DTC Indirect Participants. The 2025 Bonds will not be transferable or exchangeable except for transfer to another nominee of DTC or as otherwise described herein.

Principal on the 2025 Bonds is payable in the amounts and on the dates set forth on the inside cover. Interest on the Tax-Exempt Bonds is payable on February 1 and August 1 of each year, commencing [\_\_\_\_\_, 20\_\_],\* and interest on the Taxable Bonds is paid on the maturity date thereof. The principal of the 2025 Bonds is payable by U.S. Bank Trust Company, National Association, as trustee, to Cede & Co., the registered owner of the 2025 Bonds, and such interest and principal payments are to be disbursed to the beneficial owners of the 2025 Bonds through their respective DTC Direct Participants or DTC Indirect Participants.

The 2025 Bonds are special obligations of the District, payable from and secured by *ad valorem* taxes to be levied upon all property subject to taxation by the District, without limitation as to rate or amount (except for certain personal property which is taxable at limited rates) levied in Alameda and Contra Costa Counties and the City and County of San Francisco, as more fully described herein. No other monies of the District other than certain proceeds of the 2025 Bonds are pledged to the payment of the 2025 Bonds.

The 2025E-1 Bonds are subject to optional [and mandatory] redemption prior to maturity as described herein.

**This cover page contains certain information for reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.**

The 2025 Bonds are offered when, as and if issued by the District and received by the Underwriters, subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the Underwriters by their counsel, Husch Blackwell LLP, and for the District by its General Counsel, Jeana Zelan, Esq., and by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District. The 2025 Bonds in book-entry-only form are expected to be delivered through the facilities of DTC on or about \_\_\_\_\_, 2025.

**BARCLAYS****J.P. Morgan****Siebert Williams Shank****Wells Fargo Securities**

Dated: \_\_\_\_\_, 2025

\* Preliminary, subject to change.

MATURITY SCHEDULES

\$[\_\_\_\_\_]\*  
 SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 GENERAL OBLIGATION BONDS  
 (ELECTION OF 2016), 2025 SERIES E-1 (GREEN BONDS)

\$ \_\_\_\_\_ \* SERIAL BONDS

<u>Maturity Date*</u> <u>(August 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP (Base: 797661)†</u>	<u>ISIN (Base: US797661)†</u>
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\$[\_\_\_\_\_]\*  
 SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
 GENERAL OBLIGATION BONDS  
 (ELECTION OF 2016), 2025 SERIES E-2 (FEDERALLY TAXABLE) (GREEN BONDS)

<u>Maturity Date*</u> <u>([____])</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP (Base: 797661)†</u>	<u>ISIN (Base: US797661)†</u>
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\* Preliminary, subject to change.

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\$[\_\_\_\_\_]\*  
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
GENERAL OBLIGATION BONDS  
(ELECTION OF 2004), 2025 REFUNDING SERIES H (GREEN BONDS)

\$ \_\_\_\_\_ \* SERIAL BONDS

<u>Maturity Date*</u> (August 1)	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP (Base: 797661)†</u>	<u>ISIN (Base: US797661)†</u>
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\* Preliminary, subject to change.

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**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

**2150 Webster Street  
Oakland, California 94612**

**BOARD OF DIRECTORS**

Mark Foley <i>President</i>	Melissa Hernandez <i>Vice President</i>	Elizabeth Ames <i>Director</i>
Victor Flores <i>Director</i>	Barnali Ghosh <i>Director</i>	Janice Li <i>Director</i>
Robert Raburn <i>Director</i>	Matthew Rinn <i>Director</i>	Edward Wright <i>Director</i>

**PRINCIPAL OFFICERS**

Robert Powers – *General Manager*  
Joseph F. Beach – *Chief Financial Officer*  
Shane Edwards – *Assistant General Manager, Operations*  
Pamela Herhold – *Assistant General Manager, Performance and Budget*  
Erin Spragan – *Assistant General Manager, Finance*

**GENERAL COUNSEL**

Jeana Zelan, Esq.

**TRUSTEE**

U.S. Bank Trust Company, National Association  
*San Francisco, California*

**BOND AND DISCLOSURE COUNSEL**

Orrick, Herrington & Sutcliffe LLP  
*San Francisco, California*

**MUNICIPAL ADVISOR**

Sperry Capital Inc.  
*Mill Valley, California*

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This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any offer or solicitation or sale of the 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by the San Francisco Bay Area Rapid Transit District (the "District") or the underwriters identified on the cover page of this Official Statement (the "Underwriters") to give any information or to make any representation other than that contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized. Neither the delivery of this Official Statement nor the sale of any of the 2025 Bonds implies that the information herein is correct as of any time subsequent to the date hereof. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof.

This Official Statement is not to be construed as a contract with the purchasers of the 2025 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts. All summaries of statutes and documents are made subject to the provisions of such statutes and documents, respectively, and do not purport to be complete statements of any or all of such provisions.

The information set forth herein has been obtained from sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. No representation, warranty or guarantee is made by the Municipal Advisor as to the accuracy or completeness of any information in this Official Statement, including, without limitation, the information contained in the appendices hereto, and nothing contained in this Official Statement is or shall be relied upon as a promise or representation by the Municipal Advisor.

This Official Statement is submitted in connection with the sale of securities referred to herein and may not be reproduced or be used, as a whole or in part, for any other purpose.

The 2025 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained therein, and have not been registered or qualified under the securities laws of any state.

The District maintains a website. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specifically indicated otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement and should not be relied upon in making investment decisions with respect to the 2025 Bonds.

IN CONNECTION WITH THE OFFERING OF THE 2025 BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2025 BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE 2025 BONDS TO CERTAIN SECURITIES DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF, AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

#### **FORWARD-LOOKING STATEMENTS**

This Official Statement, including the cover and inside cover page and all appendices hereto, contains forecasts, projections and estimates that are based on current expectations or assumptions. When included in this Official Statement, the words "expects," "forecasts," "projects," "budgets," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements which speak only as of the date of this Official Statement. Any such statements inherently are subject to a variety of risks and uncertainties which could cause actual results to differ materially from those that have been projected. Such risks and uncertainties include, among others, changes in economic conditions, federal, state and local statutory and regulatory initiatives, litigation, seismic events, public health emergencies such as the COVID-19 pandemic and various other events, conditions and circumstances, many of which are beyond the control of the District. The inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the District that such forecasts, projections and estimates will occur. Such forecasts, projections, budgets, and estimates are not intended as representations of fact or guarantees of results. The District disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the District's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

## **INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES**

REFERENCES IN THIS SECTION TO THE “ISSUER” MEAN THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT AND REFERENCES TO “BONDS” OR “SECURITIES” MEAN THE 2025 BONDS OFFERED HEREBY. **NEITHER THE ISSUER NOR THE UNDERWRITERS ASSUME ANY RESPONSIBILITY FOR THE CONTENTS OF THIS SECTION.**

### **MINIMUM UNIT SALES**

THE BONDS WILL TRADE AND SETTLE ON A UNIT BASIS (ONE UNIT EQUALING ONE BOND OF \$5,000 PRINCIPAL AMOUNT). FOR ANY SALES MADE OUTSIDE THE UNITED STATES, THE MINIMUM PURCHASE AND TRADING AMOUNT IS 30 UNITS (BEING 30 BONDS IN AN AGGREGATE PRINCIPAL AMOUNT OF \$150,000).

### **NOTICE TO PROSPECTIVE INVESTORS IN CANADA**

THE BONDS MAY BE SOLD ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPALS THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFICIAL STATEMENT (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER’S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER’S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

PURSUANT TO SECTION 3A.3 (OR, IN THE CASE OF SECURITIES ISSUED OR GUARANTEED BY THE GOVERNMENT OF A NON-CANADIAN JURISDICTION, SECTION 3A.4) OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS (“NI 33-105”), THE UNDERWRITERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING UNDERWRITER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA (“EEA”)**

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, AN “EEA RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, “MIFID II”); (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED, THE “INSURANCE DISTRIBUTION DIRECTIVE”), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN REGULATION (EU) 2017/1129 (AS AMENDED, THE “EU PROSPECTUS REGULATION”). CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 (AS AMENDED, THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE BONDS LOCATED WITHIN THE EEA WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A “QUALIFIED INVESTOR” AS DEFINED IN THE EU PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (“UK”)**

THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES A “UK RETAIL INVESTOR” MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) 2017/565 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE “EUWA”); OR (II) A CUSTOMER WITHIN THE MEANING OF PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE “FSMA”) AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (III) NOT A “QUALIFIED INVESTOR” AS DEFINED IN ARTICLE 2 OF

REGULATION (EU) 2017/1129 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "UK PROSPECTUS REGULATION"). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA (AS AMENDED, THE "UK PRIIPS REGULATION") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO UK RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

EACH SUBSCRIBER FOR OR PURCHASER OF THE BONDS LOCATED WITHIN THE UK WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A "QUALIFIED INVESTOR" AS DEFINED IN THE UK PROSPECTUS REGULATION. THE ISSUER AND EACH UNDERWRITER AND OTHERS WILL RELY ON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATION, ACKNOWLEDGEMENT AND AGREEMENT.

UK RESTRICTIONS ON SALES - THE BONDS MUST NOT BE OFFERED OR SOLD AND THIS OFFICIAL STATEMENT AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE BONDS MUST NOT BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UK EXCEPT TO PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19 (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, (AS AMENDED, THE "ORDER") OR ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A)-(D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR WHO OTHERWISE FALL WITHIN AN EXEMPTION SET FORTH IN SUCH ORDER SUCH THAT SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE "FSMA") DOES NOT APPLY TO THE ISSUER OR ARE PERSONS TO WHOM THIS OFFICIAL STATEMENT OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFICIAL STATEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

NEITHER THIS OFFICIAL STATEMENT NOR THE BONDS ARE OR WILL BE AVAILABLE TO PERSONS WHO ARE NOT RELEVANT PERSONS AND THIS OFFICIAL STATEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. THE COMMUNICATION OF THIS OFFICIAL STATEMENT TO ANY PERSON IN THE UK WHO IS NOT A RELEVANT PERSON IS UNAUTHORIZED AND MAY CONTRAVENE THE FSMA.

#### **ADDITIONAL NOTICE TO PROSPECTIVE INVESTORS**

THIS OFFICIAL STATEMENT DOES NOT COMPRISE A PROSPECTUS WITH REGARD TO THE ISSUER OR THE BONDS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION IN RESPECT OF THE EEA OR UNDER THE UK PROSPECTUS REGULATION IN RESPECT OF THE UK. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE ANY OFFER IN THE EEA OR THE UK OF THE BONDS SHOULD ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER OR ANY OF THE UNDERWRITERS TO PROVIDE A PROSPECTUS FOR SUCH OFFER. NEITHER THE ISSUER NOR THE UNDERWRITERS HAVE AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF BONDS THROUGH ANY FINANCIAL INTERMEDIARY, OTHER THAN OFFERS MADE BY THE UNDERWRITERS, WHICH CONSTITUTE THE FINAL PLACEMENT OF THE BONDS CONTEMPLATED IN THIS OFFICIAL STATEMENT.

#### **NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND**

THE BONDS MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE ("SIX") OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A PROSPECTUS OR A KEY INFORMATION DOCUMENT WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON FINANCIAL SERVICES ("FINSA") OR A LISTING PROSPECTUS WITHIN THE MEANING OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE BONDS OR THE OFFERING MAY BE PUBLICLY OFFERED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND. ACCORDINGLY, THIS OFFICIAL STATEMENT MAY BE COMMUNICATED IN OR FROM SWITZERLAND TO A LIMITED NUMBER OF SELECTED INVESTORS ONLY.

NONE OF THIS OFFICIAL STATEMENT OR ANY OTHER OFFERING OR MARKETING MATERIAL RELATING TO THE OFFERING, THE ISSUER OR THE BONDS HAVE BEEN OR WILL BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY. IN PARTICULAR, THIS OFFICIAL STATEMENT WILL NOT BE FILED WITH, AND THE BONDS WILL NOT BE SUPERVISED BY, THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA").

THE BONDS DO NOT CONSTITUTE COLLECTIVE INVESTMENTS SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("CISA"). ACCORDINGLY, INVESTORS ARE EXPOSED TO THE DEFAULT RISK OF THE ISSUER AND DO NOT HAVE THE BENEFIT OF THE SPECIFIC INVESTOR PROTECTION PROVIDED UNDER THE CISA.

## **NOTICE TO PROSPECTIVE INVESTORS IN HONG KONG**

THE CONTENTS OF THIS OFFICIAL STATEMENT HAVE NOT BEEN APPROVED BY THE SECURITIES AND FUTURES COMMISSION IN HONG KONG PURSUANT TO THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) (“SFO”) OR ANY REGULATORY AUTHORITY IN HONG KONG. ACCORDINGLY, YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER OF THE BONDS. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFERING CONTEMPLATED IN THIS OFFICIAL STATEMENT. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS OFFICIAL STATEMENT, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

THE BONDS MAY NOT BE OFFERED OR SOLD, AND THE OFFERING CONTEMPLATED IN THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES, IN HONG KONG BY MEANS OF ANY DOCUMENT OTHER THAN (I) IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE AN OFFER OR INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32 OF THE LAWS OF HONG KONG) (“C(WUMP)O”) OR WHICH DO NOT CONSTITUTE AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SFO, OR (II) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER, OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A “PROSPECTUS” AS DEFINED IN THE C(WUMP)O. NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE BONDS MAY BE ISSUED OR MAY BE IN THE POSSESSION OF ANY PERSON FOR THE PURPOSE OF ISSUE (IN EACH CASE WHETHER IN HONG KONG OR ELSEWHERE), WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC IN HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO BONDS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF (A) ONLY TO PERSONS OUTSIDE HONG KONG OR (B) ONLY TO “PROFESSIONAL INVESTORS” IN HONG KONG AS DEFINED IN THE SFO AND ANY RULES MADE THEREUNDER.

## **NOTICE TO PROSPECTIVE INVESTORS IN JAPAN**

THE PRIMARY OFFERING OF THE BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF IN JAPAN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER PARAGRAPH 1, ARTICLE 4 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE ACT OF JAPAN (NO. 25 OF 1948, AS AMENDED, THE “FIEA”). AS IT IS A PRIMARY OFFERING, IN JAPAN, THE BONDS MAY ONLY BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY TO, OR FOR THE BENEFIT OF CERTAIN QUALIFIED INSTITUTIONAL INVESTORS AS DEFINED IN THE FIEA (“QIIS”). A QII WHO PURCHASED OR OTHERWISE OBTAINED THE BONDS CANNOT RESELL OR OTHERWISE TRANSFER THE BONDS IN JAPAN TO ANY PERSON EXCEPT ANOTHER QII.

OTHER THAN THE PRIMARY OFFERING OF THE BONDS AND THE SOLICITATION OF AN OFFER FOR ACQUISITION THEREOF ABOVE OR PURSUANT TO OTHER EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEA AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND MINISTERIAL GUIDELINES OF JAPAN, NEITHER THE BONDS NOR ANY INTEREST THEREIN MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN, OR TO, OR FOR THE BENEFIT OF, ANY “RESIDENT” OF JAPAN (AS DEFINED UNDER ITEM 5, PARAGRAPH 1, ARTICLE 6 OF THE FOREIGN EXCHANGE AND FOREIGN TRADE ACT (ACT NO. 228 OF 1949, AS AMENDED)) OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN.

## **NOTICE TO PROSPECTIVE INVESTORS IN TAIWAN**

THE OFFER OF THE BONDS HAS NOT BEEN AND WILL NOT BE REGISTERED OR FILED WITH OR APPROVED BY THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN, THE REPUBLIC OF CHINA (“TAIWAN”) (THE “FSC”) PURSUANT TO APPLICABLE SECURITIES LAWS AND REGULATIONS OF TAIWAN AND THE BONDS, INCLUDING ANY COPY OF THIS OFFICIAL STATEMENT OR ANY OTHER DOCUMENTS RELATING TO THE BONDS, MAY NOT BE OFFERED, SOLD, DELIVERED OR DISTRIBUTED WITHIN TAIWAN THROUGH A PUBLIC OFFERING OR IN CIRCUMSTANCES WHICH CONSTITUTE AN OFFER WITHIN THE MEANING OF THE SECURITIES AND EXCHANGE ACT OF TAIWAN THAT REQUIRES THE REGISTRATION WITH OR APPROVAL OF THE FSC. NO PERSON OR ENTITY IN TAIWAN HAS BEEN AUTHORIZED TO OFFER, SELL, DISTRIBUTE, GIVE ADVICE REGARDING OR OTHERWISE INTERMEDIATE THE OFFERING, SALE OR DISTRIBUTION OF THE BONDS UNLESS THE BONDS OFFERED OR SOLD TO INVESTORS IN TAIWAN ARE OTHERWISE THROUGH TAIWAN LICENSED FINANCIAL INSTITUTIONS TO THE EXTENT PERMITTED UNDER RELEVANT TAIWAN LAWS OR REGULATIONS. TAIWAN INVESTORS WHO SUBSCRIBE AND PURCHASE THE BONDS SHALL COMPLY WITH ALL RELEVANT SECURITIES, TAX AND FOREIGN EXCHANGE LAWS AND REGULATIONS IN EFFECT IN TAIWAN.

## **NOTICE TO PROSPECTIVE INVESTORS IN SINGAPORE**

NEITHER THIS OFFICIAL STATEMENT NOR ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH ANY OFFER OF THE BONDS HAS BEEN OR WILL BE LODGED OR REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE (“MAS”) UNDER THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE (“SFA”). ACCORDINGLY, MAS ASSUMES NO RESPONSIBILITY FOR THE CONTENTS OF THIS OFFICIAL STATEMENT. THIS OFFICIAL STATEMENT IS NOT A PROSPECTUS AS DEFINED IN THE SFA AND STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENTS OF PROSPECTUSES WOULD NOT APPLY. PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR IT.

THIS OFFICIAL STATEMENT AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE BONDS MAY NOT BE DIRECTLY OR INDIRECTLY ISSUED, CIRCULATED OR DISTRIBUTED, NOR MAY THE BONDS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A(1)(C) OF THE SFA) (“*INSTITUTIONAL INVESTOR*”) PURSUANT TO SECTION 274 OF THE SFA; (II) TO AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A(1)(A) OF THE SFA) (“*ACCREDITED INVESTOR*”) PURSUANT TO SECTION 275(1) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA; OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

UNLESS SUCH BONDS ARE OF THE SAME CLASS AS OTHER BONDS OF THE ISSUER THAT ARE LISTED FOR QUOTATION ON AN APPROVED EXCHANGE (AS DEFINED IN SECTION 2(1) OF THE SFA) (“*APPROVED EXCHANGE*”) AND IN RESPECT OF WHICH ANY OFFER INFORMATION STATEMENT, INTRODUCTORY DOCUMENT, SHAREHOLDERS’ CIRCULAR FOR A REVERSE TAKE-OVER, DOCUMENT ISSUED FOR THE PURPOSES OF A SCHEME OF ARRANGEMENT, PROSPECTUS, OR ANY OTHER SIMILAR DOCUMENT APPROVED BY AN APPROVED EXCHANGE, WAS ISSUED IN CONNECTION WITH AN OFFER, OR THE LISTING FOR QUOTATION, OF THOSE BONDS, ANY SUBSEQUENT OFFERS IN SINGAPORE OF BONDS INITIALLY ACQUIRED PURSUANT TO AN OFFER MADE IN RELIANCE ON AN EXEMPTION UNDER SECTION 274 OF THE SFA OR SECTION 275(1) OF THE SFA MAY ONLY BE MADE, PURSUANT TO THE REQUIREMENTS OF SECTION 276 OF THE SFA, WITHIN THE PERIOD OF 6 MONTHS FROM THE DATE OF INITIAL ACQUISITION, TO PERSONS WHO ARE INSTITUTIONAL INVESTORS OR ACCREDITED INVESTORS. ANY TRANSFER AFTER SUCH INITIAL 6 MONTH PERIOD IN SINGAPORE SHALL BE MADE IN RELIANCE ON AN APPLICABLE EXEMPTION UNDER SUBDIVISION (4) OF DIVISION 1 OF PART 13 OF THE SFA (OTHER THAN SECTION 280 OF THE SFA).

IN ADDITION TO THE ABOVE, WHERE THE BONDS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275(1) OF THE SFA BY A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA) WHICH IS:

- (1) A CORPORATION (OTHER THAN A CORPORATION THAT IS AN ACCREDITED INVESTOR), THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR
- (2) A TRUST (OTHER THAN A TRUST THE TRUSTEE OF WHICH IS AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

SECURITIES (AS DEFINED IN SECTION 2(1) OF THE SFA) OR SECURITIES-BASED DERIVATIVES CONTRACTS (AS DEFINED IN SECTION 2(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES’ RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN 6 MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE Bonds PURSUANT TO AN OFFER MADE UNDER SECTION 275(1) OF THE SFA EXCEPT:

- (A) TO INSTITUTIONAL INVESTORS;
- (B) TO RELEVANT PERSONS (AS DEFINED IN SECTION 275(2) OF THE SFA);
- (C) WHERE SUCH TRANSFER ARISES FROM AN OFFER MADE ON TERMS THAT SUCH SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS OF THAT CORPORATION OR SUCH BENEFICIARIES’ RIGHTS AND INTEREST IN THAT TRUST, THE SUBJECT OF TRANSFER, ARE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S\$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION, PROVIDED THAT THE PERSON ACQUIRING SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS OF SUCH CORPORATION MUST ACT AS PRINCIPAL;
- (D) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;
- (E) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR
- (F) WHERE SUCH BONDS ARE OF THE SAME CLASS AS OTHER BONDS OF THE ISSUER THAT ARE LISTED FOR QUOTATION ON AN APPROVED EXCHANGE AND IN RESPECT OF WHICH ANY OFFER INFORMATION STATEMENT, INTRODUCTORY DOCUMENT, SHAREHOLDERS’ CIRCULAR FOR A REVERSE TAKE-OVER, DOCUMENT ISSUED FOR THE PURPOSES OF A SCHEME OF ARRANGEMENT, PROSPECTUS, OR ANY OTHER SIMILAR DOCUMENT APPROVED BY AN APPROVED EXCHANGE, WAS ISSUED IN CONNECTION WITH AN OFFER, OR THE LISTING FOR QUOTATION, OF THOSE BONDS.

AS THE BONDS ARE ONLY OFFERED TO PERSONS IN SINGAPORE WHO QUALIFY AS AN ACCREDITED INVESTOR, AN EXPERT INVESTOR (AS DEFINED IN SECTION 4A(1)(B) OF THE SFA), AN INSTITUTIONAL INVESTOR AND/OR ANY OTHER PERSON THAT IS NOT AN INDIVIDUAL, THE ISSUER IS NOT REQUIRED TO DETERMINE THE CLASSIFICATION OF THE BONDS PURSUANT TO SECTION 309B OF THE SFA.

NOTHING SET OUT IN THIS NOTICE SHALL BE CONSTRUED AS LEGAL ADVICE AND EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL COUNSEL. THIS NOTICE IS FURTHER SUBJECT TO THE PROVISIONS OF

THE SFA AND ITS REGULATIONS, AS THE SAME MAY BE AMENDED OR CONSOLIDATED FROM TIME TO TIME, AND DOES NOT PURPORT TO BE EXHAUSTIVE IN ANY RESPECT.

### NOTICE TO PROSPECTIVE INVESTORS IN AUSTRALIA

THIS OFFICIAL STATEMENT IS ISSUED BY THE ISSUER (“WE” OR “US”). WE ARE NOT REGISTERED AS A FOREIGN COMPANY IN AUSTRALIA. THE PROVISION OF THIS OFFICIAL STATEMENT TO ANY PERSON IN AUSTRALIA DOES NOT CONSTITUTE AN OFFER OF BONDS TO THAT PERSON OR AN INVITATION TO THAT PERSON TO APPLY FOR BONDS. ANY SUCH OFFER OR INVITATION WILL ONLY BE EXTENDED TO A PERSON IN AUSTRALIA (INCLUDING AN OFFER OR INVITATION WHICH IS RECEIVED BY A PERSON IN AUSTRALIA) IF:

- THE OFFER OR INVITATION FALLS WITHIN THE EXEMPTION FOR OFFERS TO SOPHISTICATED INVESTORS OR PROFESSIONAL INVESTORS FOR THE PURPOSES OF SECTIONS 708(8) OR 708(11) OF THE CORPORATIONS ACT 2001 OF AUSTRALIA (THE “CORPORATIONS ACT”) OR THE OFFER OR INVITATION DOES NOT OTHERWISE REQUIRE DISCLOSURE TO INVESTORS UNDER PARTS 6D.2 OR 7.9 OF THE CORPORATIONS ACT 2001 OF AUSTRALIA, IN EACH CASE SUCH PERSONS ARE “WHOLESALE INVESTORS”;
- SUCH ACTION DOES NOT REQUIRE ANY DOCUMENT TO BE LODGED WITH THE AUSTRALIAN SECURITIES EXCHANGE OR THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION (“ASIC”); AND
- IT IS NOT MADE TO A PERSON WHO IS A “RETAIL CLIENT” (WITHIN THE MEANING OF SECTION 761G OF THE CORPORATIONS ACT),

AND THE OFFER OR INVITATION AND ALL CONDUCT IN CONNECTION WITH IT OTHERWISE COMPLIES WITH ALL APPLICABLE LAWS AND DIRECTIVES.

**NO RETAIL PRODUCT DISTRIBUTION CONDUCT** – THIS OFFICIAL STATEMENT IS INTENDED TO BE PROVIDED ONLY TO WHOLESALE INVESTORS AND IS NOT FOR DISTRIBUTION TO ANY PERSON IN AUSTRALIA WHO IS A RETAIL CLIENT FOR THE PURPOSES OF SECTION 761G OF THE CORPORATIONS ACT. NO TARGET MARKET DETERMINATION HAS BEEN OR WILL BE MADE FOR THE PURPOSES OF PART 7.8A OF THE CORPORATIONS ACT. BY RETAINING THIS OFFICIAL STATEMENT, THE RECIPIENT REPRESENTS THAT THE RECIPIENT IS A WHOLESALE INVESTOR. THIS OFFICIAL STATEMENT IS NOT INTENDED TO BE DISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER CLASS OF PERSONS IN AUSTRALIA.

WE DO NOT HOLD AN AUSTRALIAN FINANCIAL SERVICES LICENSE. IN PARTICULAR, WE ARE NOT LICENSED IN AUSTRALIA TO PROVIDE FINANCIAL PRODUCT ADVICE IN RELATION TO THE BONDS. THE INFORMATION IN THIS OFFICIAL STATEMENT IS NOT PERSONAL ADVICE AND HAS BEEN PREPARED WITHOUT TAKING INTO ACCOUNT ANY INVESTOR’S INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS. BEFORE ACTING ON THE INFORMATION THE INVESTOR SHOULD CONSIDER ITS APPROPRIATENESS HAVING REGARD TO THEIR INVESTMENT OBJECTIVES, FINANCIAL SITUATION AND NEEDS AND CONSIDER OBTAINING THEIR OWN FINANCIAL PRODUCT ADVICE FROM AN INDEPENDENT PERSON WHO IS LICENSED BY ASIC, TO GIVE SUCH ADVICE. ANY DECISION BY AN INVESTOR TO ACQUIRE BONDS SHOULD ONLY BE MADE HAVING REGARD TO THAT INVESTOR’S PERSONAL CIRCUMSTANCES AND ANY SUCH INDEPENDENT ADVICE RECEIVED. IF ANY FINANCIAL PRODUCT ADVICE IS, IN FACT, HELD TO HAVE BEEN GIVEN BY US IN RELATION TO ANY BONDS ISSUED IN CONNECTION WITH THIS OFFICIAL STATEMENT, IT IS GENERAL ADVICE ONLY. AN INVESTOR IN THE BONDS WILL NOT HAVE COOLING OFF RIGHTS.

THIS OFFICIAL STATEMENT IS NOT A PROSPECTUS OR DISCLOSURE DOCUMENT UNDER CHAPTER 6D OF THE CORPORATIONS ACT OR A PRODUCT DISCLOSURE STATEMENT UNDER PART 7.9 OF THE CORPORATIONS ACT. THIS OFFICIAL STATEMENT HAS NOT BEEN PREPARED SPECIFICALLY FOR AUSTRALIAN INVESTORS AND IS NOT REQUIRED TO, AND DOES NOT PURPORT TO, INCLUDE ALL OF THE INFORMATION WHICH WOULD BE REQUIRED IN A PRODUCT DISCLOSURE STATEMENT, PROSPECTUS OR OTHER DISCLOSURE DOCUMENT UNDER THE CORPORATIONS ACT. IT:

- HAS NOT BEEN LODGED WITH THE AUSTRALIAN SECURITIES EXCHANGE OR ASIC;
- MAY CONTAIN REFERENCES TO DOLLAR AMOUNTS WHICH ARE NOT AUSTRALIAN DOLLARS;
- MAY CONTAIN FINANCIAL INFORMATION WHICH IS NOT PREPARED IN ACCORDANCE WITH AUSTRALIAN LAW OR PRACTICES;
- MAY NOT ADDRESS RISKS ASSOCIATED WITH INVESTMENT IN FOREIGN CURRENCY DENOMINATED INVESTMENTS; AND
- DOES NOT ADDRESS AUSTRALIAN TAX ISSUES.

IF A PERSON TO WHOM BONDS ARE ISSUED, OR AN INVESTOR, ON-SELLS BONDS WITHIN 12 MONTHS OF THEIR ISSUE, THE INVESTOR WILL BE REQUIRED TO LODGE A PROSPECTUS WITH ASIC UNLESS EITHER:

- (A) THAT SALE IS TO ANOTHER WHOLESALE INVESTOR;
- (B) THE SALE OFFER IS RECEIVED OUTSIDE AUSTRALIA BY NON-AUSTRALIAN PERSONS; OR
- (C) OTHERWISE WHERE DISCLOSURE TO INVESTORS IS NOT REQUIRED UNDER THE CORPORATIONS ACT.

EACH INVESTOR ACKNOWLEDGES TO THE ABOVE AND, BY APPLYING FOR BONDS, GIVES AN UNDERTAKING NOT TO SELL THOSE BONDS IN ANY CIRCUMSTANCES OTHER THAN THOSE DESCRIBED IN PARAGRAPHS (A), (B) AND (C) ABOVE FOR 12 MONTHS AFTER THE DATE OF ISSUE.

#### **CERTIFICATION AS CLIMATE BONDS**

The Climate Bonds Initiative has provided the following paragraphs for inclusion in this Official Statement: [The certification of the 2025 Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bond Standard and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the 2025 Bonds or any nominated project, including but not limited to the Official Statement, the transaction documents, the District or the management of the District.

The certification of the 2025 Bonds as Climate Bonds by the Climate Bonds Initiative was addressed solely to the Board of Directors of the District and is not a recommendation to any person to purchase, hold or sell the 2025 Bonds and such certification does not address the market price or suitability of the 2025 Bonds for a particular investor. The certification also does not address the merits of the decision by the District or any third party to participate in any nominated project and does not express and should not be deemed to be an expression of an opinion as to the District or any aspect of any nominated project (including but not limited to the financial viability of any nominated project) other than with respect to conformance with the Climate Bond Standard.

In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any nominated project or the District. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any nominated project. The certification may only be used with the 2025 Bonds and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

The certification does not and is not in any way intended to address the likelihood of timely payment of interest when due on the 2025 Bonds and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.]

# OFFICIAL STATEMENT

## \$[\_\_\_\_\_]\* SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT GENERAL OBLIGATION BONDS

\$[\_\_\_\_\_]\*  
(ELECTION OF 2016),  
2025 SERIES E-1  
(GREEN BONDS)

\$[\_\_\_\_\_]\*  
(ELECTION OF 2016),  
2025 SERIES E-2  
(FEDERALLY TAXABLE)  
(GREEN BONDS)

\$[\_\_\_\_\_]\*  
(ELECTION OF 2004),  
2025 REFUNDING SERIES H  
(GREEN BONDS)

### INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to set forth certain information in connection with the issuance by the San Francisco Bay Area Rapid Transit District (the “District” or “BART”) of \$[\_\_\_\_\_]\* aggregate principal amount of San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2016), 2025 Series E-1 (Green Bonds) (the “2025E-1 Bonds”), \$[\_\_\_\_\_]\* aggregate principal amount of San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2016), 2025 Series E-2 (Federally Taxable) (Green Bonds) (the “2025E-2 Bonds” or the “Taxable Bonds” and, together with the 2025E-1 Bonds, the “2025E Bonds”), and \$[\_\_\_\_\_]\* aggregate principal amount of San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2004), 2025 Refunding Series H (Green Bonds) (the “2025H Bonds” and, together with the 2025E Bonds, the “2025 Bonds”). The 2025E-1 Bonds and the 2025H Bonds are collectively referred to herein as the “Tax-Exempt Bonds.”

### The District

The District was created in 1957 pursuant to the laws of the State of California (the “State”) to provide rapid transit service in the San Francisco Bay Area. The District is governed by an elected board of directors consisting of nine members and is composed of all of the area in the Counties of Alameda and Contra Costa and the City and County of San Francisco (herein referred to as the “Three BART Counties”).

Since beginning operations in 1972, BART has served as the public transportation backbone of the San Francisco Bay Area (the “Bay Area”). BART services five of the nine Bay Area counties directly, connects the region to two of the three major Bay Area airports (the San Francisco International Airport and the Oakland San Francisco Bay Airport), and offers transfers to Amtrak, which connects the region to California’s Central Valley. BART provides a more affordable alternative to owning a car, shortens commute times, and decreases congestion and pollution. For example, BART projects that were the District to cease operations, traffic on the San Francisco—Oakland Bay Bridge (the “Bay Bridge”) would increase by 73%, which would far exceed the Bay Bridge’s capacity. BART also projects that it reduces gasoline consumption by 70,000 gallons per day, and eliminates the equivalent of 1.6 million miles driven each day. BART connects over 20 regional transit operators and approximately 90% of public transit trips in the Bay Area that involve a transfer include a leg on BART.

### Recent Operational Challenges

BART has been, and remains, a particularly integral piece of the workday commute in the Bay Area. However, because BART ridership is closely intertwined with the typical work commute, the shelter-in-place orders at the beginning of the COVID-19 pandemic, and the widespread adoption of work-from-home policies

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\* Preliminary, subject to change.

in the Bay Area have caused a sustained drop in BART ridership. Current weekday ridership is near 50% of BART's pre-pandemic levels.

Prior to the pandemic, BART covered nearly 70% of its operating expenses with farebox revenues – far above the national average of approximately 30%. Post-pandemic, the District's farebox ratio has come into line with the national average, with total farebox revenues covering approximately 25% of BART's operating expenses. The decline in farebox revenues has caused a significant imbalance in BART's operating budget. Since the end of the pandemic, BART has been able to balance its operating budget using one-time emergency funds from the State and Federal governments. By the end of Fiscal Year 2025-26, BART will have exhausted its emergency funds and is facing an annual budget gap of approximately \$350 million to \$400 million thereafter.

BART has taken several steps to try to address these financial challenges. BART has increased revenues by installing new fare gates to reduce fare evasion, implementing strategies to increase parking revenues, undertaking a marketing campaign promoting taking BART for non-work trips, maintaining CPI-based fare increases, increasing returns on cash reserves, and improving safety and cleanliness to encourage ridership. BART has also implemented a number of expense reductions, including a strategic hiring freeze, restructured retiree healthcare costs, targeted reductions to operating costs across all departments, reduction or elimination of non-essential contracts and agreements, and energy cost controls achieved by running fewer, shorter trains, and using long-term energy contracts to hedge against price volatility.

However, many of BART's operating costs are fixed, and BART cannot achieve solvency solely through budget reductions. For example, only about 40% of BART's operating costs scale with levels of service. At the height of the pandemic, BART reduced service by 40% which only generated a 12% reduction in operating costs. Modeling performed by BART projects that even a 90% reduction in service would close less than half of the projected \$380 million operating deficit in Fiscal Year 2026-27.

As such, BART is actively working to secure additional funding support from Federal, State, and local partners. BART is currently collaborating with state legislators to generate a new source of financial assistance for BART and other Bay Area transit operators. Senate Bill 63 ("SB 63") was introduced in January 2025 to authorize placing a regional transportation measure on the ballot in 2026 (the "Revenue Measure"). The Revenue Measure would impose a new sales tax in the Three BART Counties, [and potentially two additional counties in BART's service area],\* for a period of 10 to 15 years. The new tax would directly benefit public transit operators in those counties, including BART. BART has already begun preparing for scenarios in which SB 63 is signed into law and the authorized Revenue Measure passes, as well as scenarios in which the authorized Revenue Measure does not pass, or SB 63 is not signed into law. See Appendix A – "SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Outlook for Fiscal Year 2026-27 and Future Years." BART can give no assurances that SB 63 will be signed into law, or, if signed into law, that the Revenue Measure will pass. While BART has no current plans to pursue placing its own revenue measure on the ballot in the Three BART Counties, it has statutory authority to do so. Any such action would require an exemption from the State-imposed cap on the sales tax rate by the State legislature. BART also makes no assurances that, if the Revenue Measure is approved by the voters, implementation will not be suspended due to taxpayer-initiated litigation challenging the Revenue Measure.

For additional information concerning the District, see Appendix A – "SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION." For information relating to the District's recovery from the COVID-19 pandemic, see "INVESTMENT CONSIDERATIONS – Infectious Disease Outbreak" and Appendix A – "SAN FRANCISCO BAY AREA RAPID TRANSIT

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\* NTD: Will be updated before posting.

DISTRICT FINANCIAL AND OPERATING INFORMATION – THE BART SYSTEM – Ridership” and “ – Adopted Operating Budget for Fiscal Year 2025-26.” For information relating to economic conditions within the Three BART Counties and the State, see Appendix D – “THE ECONOMY OF THE THREE BART COUNTIES.” For additional information concerning potential consequences of District insolvency or bankruptcy, see “INVESTMENT CONSIDERATIONS – Limitations on Remedies in Event of Bankruptcy.”

## **The Bonds**

The 2025 Bonds are not payable from BART operating funds but represent special obligations of the District and will be payable (aside from a portion of the 2025E Bond proceeds that will be used to pay a portion of debt service on the 2025E Bonds) solely from *ad valorem* taxes to be levied without limitation as to rate or amount upon all property subject to taxation within the Three BART Counties (except certain personal property which is taxable at limited rates). The tax levied to pay the 2025 Bonds was approved by voters in the Three BART Counties in November of 2016. The taxes are collected by the Three BART Counties and transmitted directly to the Trustee (defined below). The taxes collected to pay the 2025 Bonds may not, by the terms of the State Constitution, be used for any other purpose. See “PLAN OF FINANCE – Measure RR” and “SECURITY AND SOURCE OF PAYMENT — General” below. The estimated aggregate assessed value of property in the Three BART Counties for the fiscal year ending June 30, 2025 (“Fiscal Year 2024-25”) is \$1.047 trillion.

U.S. Bank Trust Company, National Association will serve as trustee (the “Trustee”) for the 2025E Bonds pursuant to a Trust Agreement (Measure RR), dated as of June 1, 2017 between the District and the Trustee, as supplemented, including by a Fourth Supplemental Trust Agreement (Measure RR), dated as of [September] 1, 2025 between the District and the Trustee (as supplemented, the “Measure RR Trust Agreement”). All capitalized terms used and not otherwise defined herein relating to the 2025E Bonds shall have the meanings assigned to such terms in the Measure RR Trust Agreement.

The Trustee will serve as the trustee for the 2025H Bonds pursuant to a Trust Agreement (Measure AA), dated as of June 1, 2017 between the District and the Trustee, as supplemented, including by a Second Supplemental Trust Agreement (Measure AA), dated as of [September] 1, 2025 between the District and the Trustee (as supplemented, the “Measure AA Trust Agreement” and, together with the Measure RR Trust Agreement, the “Trust Agreements”). All capitalized terms used and not otherwise defined herein relating to the 2025H Bonds shall have the meanings assigned to such terms in the Measure AA Trust Agreement.

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to the entire contents of this Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein, a full review of which should be made by potential investors. All descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each document. Copies of the Measure RR Trust Agreement and the Measure AA Trust Agreement are available upon request to the Chief Financial Officer of the District. The offering of the 2025 Bonds is made only by means of this entire Official Statement and is subject in all respects to the information contained herein.

## **PLAN OF FINANCE**

### **Measure RR**

The 2025E Bonds are part of a \$3.5 billion authorization approved at an election held on November 8, 2016, by over two-thirds of the qualified voters of the District voting on a ballot measure (“Measure RR”) titled “BART Safety, Reliability and Traffic Relief” which asked,

“To keep BART safe; prevent accidents/breakdowns/delays; relieve overcrowding; reduce traffic congestion/pollution; and improve earthquake safety and access for seniors/disabled by replacing and upgrading 90 miles of severely worn tracks; tunnels damaged by water intrusion; 44-year-old train control systems; and other deteriorating infrastructure, shall the Bay Area Rapid Transit District issue \$3.5 billion of bonds for acquisition or improvement of real property subject to independent oversight and annual audits?”

Measure RR was placed on the ballot to fund a portion of the System Renewal Program, introduced by BART in 2016 to address critical infrastructure needs (the “System Renewal Program”). See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – System Renewal Program and System Reinvestment Program.” Upon issuance of the 2025E Bonds, the District will have \$740,000,000\* in remaining voter-approved authorization for future issuances under Measure RR.

For a description of the general obligation bonds previously issued by the District under Measure RR (collectively, the “Measure RR Bonds”) and the amount of each series of such Measure RR Bonds outstanding as of August 2, 2025, see Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – General Obligation Bonds.”

The 2025E Bonds are being issued pursuant to the Measure RR authorization to finance projects approved by Measure RR.

Premium received by the District is required to be applied to debt service. In order to more efficiently utilize the [net] original issue premium on the District’s 2025E-1 Bonds, the District is issuing the 2025E-2 Bonds.

## **Measure AA**

The 2025H Bonds are being issued to refund \$30,620,000\* principal amount of the San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2004), 2013 Series C (the “2013C Bonds” and, the portion thereof being refunded, the “Prior 2013C Bonds”) and \$220,725,000\* principal amount of the San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2004), 2015 Refunding Series D (the “2015D Bonds” and, the portion thereof being refunded, the “Prior 2015D Bonds”). The Prior 2013C Bonds and the Prior 2015D Bonds are herein referred to collectively as the “Prior Bonds.” The Prior Bonds are part of a \$980 million authorization approved at an election held on November 2, 2004, by at least two-thirds of the qualified voters of the District voting on a ballot measure (“Measure AA”), titled “BART Earthquake Safety Bond” which asked,

“To protect public safety and keep Bay Area traffic moving in the aftermath of an earthquake or other disaster, shall BART, the San Francisco Bay Area Rapid Transit District, be authorized to issue bonds not to exceed \$980 million dollars to make earthquake safety improvements to BART facilities in Contra Costa, San Francisco and Alameda Counties, including strengthening tunnels, bridges, overhead tracks and underwater Transbay Tube, and establish an independent citizens’ oversight committee to verify bond revenues are spent as promised?”

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\* Preliminary, subject to change.

Measure AA was placed on the ballot to fund a portion of the Earthquake Safety Program, adopted by BART in 2004 (the “Earthquake Safety Program”). See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – Earthquake Safety Program.”

For a description of the general obligation bonds previously issued by the District under Measure AA (collectively, the “Measure AA Bonds”) and the amount of each series of such Measure AA Bonds outstanding as of August 2, 2025, see Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – General Obligation Bonds.”

The moneys required to refund the Prior Bonds will be derived from the net proceeds of the 2025H Bonds and other available funds. The Prior Bonds will be redeemed on [the date of issuance of the 2025H Bonds].

The 2013C Bonds to be redeemed [or defeased] upon issuance of the 2025H Bonds are set forth below.\*

**San Francisco Bay Area Rapid Transit District  
General Obligation Bonds (Election of 2004), 2013 Series C  
Redemption Date: [ ]  
Redemption Price: 100%**

Maturity Date (August 1)	Interest Rate	Principal Amount	CUSIP <sup>†</sup> (797661)
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Total

The 2013C Bonds that will not be [defeased or] redeemed upon issuance of the 2025H Bonds consist of the unrefunded 2013C Bonds set forth below.\*

**Unrefunded 2013C Bonds**

Maturity Date (August 1)	Interest Rate	Principal Amount	CUSIP <sup>†</sup> (797661)
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Total

\* Preliminary, subject to change.

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\* Preliminary, subject to change.

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The 2015D Bonds to be redeemed [or defeased] upon issuance of the 2025H Bonds are set forth below.\*

**San Francisco Bay Area Rapid Transit District  
General Obligation Bonds (Election of 2004), 2015 Refunding Series D  
Redemption Date: [\_\_\_\_\_] |  
Redemption Price: 100%**

Maturity Date (August 1)	Interest Rate	Principal Amount	CUSIP† (797661)
Total			

The 2015D Bonds that will not be [defeased or] redeemed upon issuance of the 2025H Bonds consist of the unrefunded 2015D Bonds set forth below.\*

**Unrefunded 2015D Bonds**

Maturity Date (August 1)	Interest Rate	Principal Amount	CUSIP† (797661)
Total			

**Concurrent Financing**

Concurrently with the issuance of the 2025 Bonds, the District intends to issue its Sales Tax Revenue Bonds, 2025 Refunding Series A (Green Bonds) (the “2025 Sales Tax Refunding Bonds”) to (i) refund a portion of its outstanding sales tax revenue bonds and (ii) pay the costs of issuing the 2025 Sales Tax Refunding Bonds. The sale of the 2025 Bonds is not contingent on the sale or delivery of such 2025 Sales Tax Refunding Bonds. **The 2025 Sales Tax Refunding Bonds are secured by and payable from a separate source of revenues than the 2025 Bonds, and prospective purchasers of the 2025 Sales Tax Refunding Bonds should not rely on this Official Statement in making investment decisions regarding the 2025 Sales Tax Refunding Bonds.**

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**ESTIMATED SOURCES AND USES OF FUNDS**

The proceeds of the sale of the 2025 Bonds are expected to be applied as follows:

<u>Sources of Funds</u>	<u>2025E Bonds</u>	<u>2025H Bonds</u>	<u>Total</u>
Principal Amount			
[Net] Original Issue Premium	_____	_____	_____
 Total Sources	=====	=====	=====
 <u>Uses of Funds</u>			
Project Fund			
Redemption of Prior Bonds			
Issuance Costs <sup>(1)</sup>			
Interest and Sinking Fund <sup>(2)</sup>	_____	_____	_____
 Total Uses	=====	=====	=====

<sup>(1)</sup> Includes Underwriters' discount, rating agency fees, trustee fees, trustee counsel fees, climate bond certification fees, printing costs, Bond and Disclosure Counsel and Municipal Advisor fees and expenses, and other miscellaneous expenses. For details regarding the Underwriters' discount, see "UNDERWRITING."

<sup>(2)</sup> To be applied to pay debt service on the 2025E Bonds through [\_\_\_\_\_, 20\_\_],\* including the debt service in full on the 2025E-2 Bonds as maturity on [\_\_\_\_\_, 2025].\*

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\* Preliminary, subject to change.

## DESIGNATION AS GREEN BONDS / CLIMATE BOND CERTIFIED

*The information set forth below concerning (1) the Climate Bonds Initiative (the “Climate Bonds Initiative”) and the process for obtaining Climate Bond Certification (the “Climate Bond Certification”), and (2) First Environment, Inc. (“First Environment”) in its role as a verifier with respect to the Climate Bond Certification, all as more fully described below, has been extracted from materials provided by the Climate Bonds Initiative and First Environment, respectively, for such purposes, and none of such information is guaranteed as to accuracy or completeness or is to be construed as a representation by the District or the Underwriters. Additional information relating to the Climate Bonds Initiative, the Climate Bond Standard, the Certification Process (defined herein) and the process for obtaining Climate Bond Certification can be found at [www.climatebonds.net](http://www.climatebonds.net). The link in the preceding sentence is included for reference only and the information contained therein is not incorporated by reference in this Official Statement.*

**Designation as Green Bonds.** BART is committed to advancing regional sustainability by providing safe, affordable, equitable, and environmentally-friendly transit to move people to jobs, recreation, and services. BART maintains a Sustainability Policy and a Sustainability Action Plan. These plans, among other sustainability-related information and an annual sustainability report, are available at [www.bart.gov/sustainability](http://www.bart.gov/sustainability). In addition, BART maintains a Green Bond Framework which sets forth how BART proposes to use the proceeds of its Bonds that are designated as green bonds for the financing or refinancing of eligible projects in BART’s rapid transit system (the “BART System”) in a manner consistent with BART’s sustainability practices. BART’s Green Bond Framework is available at <https://www.bart.gov/about/financials>. BART is issuing the 2025 Bonds as Green Bonds based on the environmentally sustainable elements of the projects being undertaken. BART’s Green Bonds designation is designed to track the “Green Bond Principles” promulgated by the International Capital Market Association (“ICMA”), updated most recently in June 2025. By reference to the ICMA’s “Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2023), BART’s Green Bonds aim to further several of the United Nations Sustainable Development Goals. Specifically, the projects discussed herein primarily aim to address goals 8 (Decent Work and Economic Growth), 9 (Industry, Innovation and Infrastructure) and 11 (Sustainable Cities and Communities).

The terms “Climate Bond Certified” and “green bonds” are neither defined in, nor related to the Resolutions (defined below), and their use herein is for identification purposes only and is not intended to provide or imply that a holder of the 2025 Bonds is entitled to any additional security other than as provided in the Resolutions and the Trust Agreements. The District has no continuing legal obligation to maintain the Climate Bond Certification of the 2025 Bonds.

**The Climate Bonds Initiative and Climate Bond Certification.** Green Bonds, also known as Climate Bonds, were popularized in 2008 as a method for raising capital for climate-friendly projects across the globe. In 2024, \$1.05 trillion in Climate Bonds were issued worldwide, according to the Climate Bonds Initiative, an international nongovernmental, nonprofit organization dedicated to stimulating investment in projects and assets supporting environmental sustainability.\* The District has requested, and the Climate Bonds Standard Board has approved, the labeling of the 2025 Bonds as “Climate Bond Certified” based on the Climate Bonds Standard Board’s programmatic certification findings that assessed that eligible projects included in Measure RR and Measure AA conform to the Climate Bonds – Low Carbon Land Transport Standard.

The District applied to the Climate Bonds Initiative under the Climate Bonds Standard & Certification Scheme (the “Certification Process”) to obtain a designation of the 2025 Bonds as “Climate Bond Certified.” The Certification Process is a voluntary verification initiative which allows the District to demonstrate to the investor market, the users of the District’s transportation system, and other stakeholders that the 2025 Bonds

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\* See Sustainable Debt Global State of the Market 2024, available at [https://www.climatebonds.net/files/documents/publications/Climate-Bonds-Initiative\\_Global-State-of-the-Market-Report\\_May-2025\\_2025-06-18-123430\\_mejk.pdf](https://www.climatebonds.net/files/documents/publications/Climate-Bonds-Initiative_Global-State-of-the-Market-Report_May-2025_2025-06-18-123430_mejk.pdf). Such website is not incorporated herein by reference.

meet international standards for climate integrity, management of proceeds and transparency. The Certification Process provides a scientific framework for determining which projects and assets are consistent with a low carbon and climate resilient economy and, therefore, eligible for inclusion in a Certified Climate Bond. The Certification Process relating to the 2025 Bonds includes pre-issuance information submission and post-issuance verification requirements.

The pre-issuance information submission is designed to ensure that the District has established appropriate internal processes and controls prior to issuance of the 2025 Bonds, and that these internal processes and controls are sufficient to enable conformance with the Certification Process after the 2025 Bonds have been issued and bond proceeds are expended.

**Use of Proceeds.** The 2025 Bonds are being issued to (a) finance certain projects under Measure RR that assist the District in providing mass transit services primarily using an electrified railway that provides a low-carbon alternative to automobile travel, and (b) refinance a portion of the District’s substantial investment in projects under Measure AA to enhance resiliency measures and reduce the susceptibility of BART’s assets to earthquakes. See “PLAN OF FINANCE” and Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – System Renewal Program and System Reinvestment Program” and “—Earthquake Safety Program.” BART’s broader sustainability statistics and highlights include the following estimates:

- (i) 770,365,833 passenger miles traveled in calendar year 2024;
- (ii) 164,261 average weekday exits in calendar year 2024;
- (iii) 15.3-mile average trip length in calendar year 2024;
- (iv) 31,840 gallons of gasoline saved from all riders for one typical weekday in calendar year 2024;
- (v) 621,400 pounds of carbon dioxide equivalent emissions avoided from automobiles otherwise used by riders for one typical weekday in calendar year 2024;
- (vi) 1,118,487,574 megajoules of traction energy in calendar year 2024;
- (vii) The vast majority of BART trains are 100% electric, except for trains on BART’s Antioch Extension (“eBART”), which was commissioned in May 2018 and relies on renewable diesel as a propulsion fuel;
- (viii) In calendar year 2024, 86% of electric traction power was greenhouse gas-free, sourced from hydroelectric, wind facilities and photovoltaic solar facilities;
- (ix) Since 1993, BART’s Transit-Oriented Development Program has built approximately 4,232 residential units, including 1,298 affordable units, and 874,590 square feet of office and retail space. The Gateway at Millbrae, which includes 400 residential units, including 80 veteran-preferred affordable units, 157,000 square feet of office space, 44,000 square feet of commercial space, and a 164-room hotel, was completed in calendar year 2020;
- (x) In Fiscal Year 2019-20, BART and Valley Transportation Authority opened the Milpitas and Berryessa/North San José stations for passenger service. The Berryessa/North San José station was awarded the Envision Platinum Award by The Institute for Sustainable Infrastructure’s awards program; and

- (xi) BART replaced its legacy fleet of rail cars with its new Fleet of the Future rail cars, which are designed to be at least 7% more energy efficient and have features such as LED lighting, improved regenerative braking, and lightweight exteriors. The District received the last of its 775 new Fleet of the Future rail cars under its case contract on July 18, 2024, and has contracted to purchase an additional 354 new rail cars. As of August 1, 2025, the District has received a total of 1,000 new Fleet of the Future rail cars. See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – Rail Car Procurement Program.”

No representation is made as to the suitability of any 2025 Bonds to fulfill environmental and/or sustainability criteria required by prospective investors. Each potential purchaser of 2025 Bonds should determine for itself the relevance of the information contained or referred to herein or in the Resolutions regarding the use of proceeds and its purchase of 2025 Bonds should be based upon such investigation as it deems necessary. See “INVESTMENT CONSIDERATIONS – Green Bonds Suitability.”

**Project Evaluation and Selection.** As described in “PLAN OF FINANCE”, BART developed its capital programs in response to systemwide operational and resiliency needs. Both Measure RR and Measure AA were approved by over two-thirds of the voters on the respective measures. Measure RR was placed on the ballot to fund a portion of the System Renewal Program, introduced by BART in 2016 to address critical infrastructure needs. Measure AA was placed on the ballot to fund a portion of the Earthquake Safety Program, adopted by BART in 2004.

**Management of Proceeds.** Proceeds of the 2025E Bonds will be deposited into the Project Fund and may be invested only in any investments permitted by the District’s investment policy or in Investment Securities as such term is defined in the Measure RR Trust Agreement. See “THE 2025 BONDS – Purpose and Application of Proceeds”.

**Green Bond Reporting.** As required by the Certification Process, the District will provide an annual statement with respect to the Measure RR and Measure AA programs certifying, to the best of its knowledge, the District’s conformance with the certification requirements of the Climate Bonds Standard. The District is required to engage a third-party verification agent for one post-issuance report within the two years after financial close. The District will also provide an annual report to bondholders of the 2025 Bonds regarding the projects financed by proceeds of the 2025 Bonds and may voluntarily, but is not obligated to, file such report on the Electronic Municipal Market Access (EMMA) website.

## THE 2025 BONDS

### Purpose and Application of Proceeds

The 2025E Bonds are being issued to finance improvements to BART facilities authorized under Measure RR and the System Renewal Program (the “Project”). See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – System Renewal Program and System Reinvestment Program.” Proceeds will be applied to (i) finance the Project, (ii) pay all or a portion of debt service on the 2025E Bonds through [\_\_\_\_\_]”, 2025, including the debt service in full on the 2025E-2 Bonds, and (iii) pay issuance costs of the 2025E Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS.” Proceeds of the 2025E Bonds deposited into the Project Fund may be invested in any investments permitted by the District’s investment policy or in Investment Securities as such term is defined in the Measure RR Trust Agreement. See Appendix H – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENTS” herein. Other

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\* Preliminary, subject to change.

funds held by the Trustee will be invested by the Trustee at the direction of the District in Investment Securities as such term is defined in the Measure RR Trust Agreement.

The 2025H Bonds are being issued to (i) refund the Prior Bonds and (ii) pay issuance costs of the 2025H Bonds. See “PLAN OF FINANCE” above.

### **Authority for Issuance**

The 2025E Bonds are authorized pursuant to the provisions of Part 2 of Division 10 of the Public Utilities Code of the State of California, commencing with Section 28500, and are being issued pursuant to Article 4.5 of Chapter 3 of Division 2 of Title 5 of the California Government Code (the “Government Code”), commencing with Section 53506 and other applicable law, and according to the terms and in the manner set forth in the Measure RR Trust Agreement, as authorized by Resolution No. [\_\_\_\_\_] adopted by the Board of Directors of the District on [\_\_\_\_\_], 2025 (the “2025E Resolution”).

The 2025H Bonds are being issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, the refunding bond provisions of the Government Code, to refund certain of the Measure AA Bonds issued pursuant to the provisions of Part 2 of Division 10 of the Public Utilities Code of the State of California, commencing with Section 28500, Article 4.5 of Chapter 3 of Division 2 of Title 5 of the Government code, commencing with Section 53506 and all other applicable law, and according to the terms and in the manner set forth in the Measure AA Trust Agreement, as authorized by Resolution No. [\_\_\_\_\_] adopted by the Board of Directors of the District on [\_\_\_\_\_], 2025 (the “2025H Resolution and, together with the 2025E Resolution, the “Resolutions”).

### **Description of the 2025 Bonds**

The 2025 Bonds will be dated their date of delivery and will mature at the times and in the principal amounts as set forth on the inside cover page of the Official Statement. Interest on the 2025E-1 Bonds and the 2025H Bonds shall be payable on February 1 and August 1 of each year, commencing [\_\_\_\_\_, 20\_\_].\* Interest on the 2025E-2 Bonds will be paid on the maturity date of such bonds. Interest on the 2025 Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

### **Book-Entry-Only System**

The 2025 Bonds will be delivered in fully registered form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the 2025 Bonds. Beneficial ownership interests in the 2025 Bonds may be purchased by or through a DTC Direct Participant (as such term is defined in Appendix E – “CLEARING SYSTEMS”) in book-entry-only form in denominations of \$5,000 or any integral multiple thereof. See Appendix E – “CLEARING SYSTEMS.”

DTC will act as securities depository for the 2025 Bonds. See Appendix E – “CLEARING SYSTEMS – Book Entry-Only System.” Payments of interest on, principal of and premium, if any, on the 2025 Bonds will be made by the Trustee to DTC or its nominee, Cede & Co., as registered owner of the 2025 Bonds. Each such payment to DTC or its nominee will be valid and effective to fully discharge all liability of the District or the Trustee with respect to the principal or redemption price of or interest on the 2025 Bonds to the extent of the sum or sums so paid.

The District and the Trustee cannot and do not give any assurances that (1) DTC will distribute payments of principal of, premium if any, and interest on the 2025 Bonds, or redemption or other notices, to

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\* Preliminary, subject to change.

participants (“Participants”) of the Clearing Systems (as such term is defined in Appendix E – “CLEARING SYSTEMS”); (2) Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the 2025 Bonds), or redemption or other notices, to the Beneficial Owners (as such term is defined in Appendix E – “CLEARING SYSTEMS”), or that they will do so on a timely basis; or (3) DTC or the other Clearing Systems will serve and act in the manner described in this Official Statement. So long as the 2025 Bonds are held in the book-entry-only system of DTC, the registered owner of the 2025 Bonds will be DTC, and not the beneficial owner.

### **Payments, Transfers and Exchanges Upon Abandonment of Book-Entry-Only System**

The book-entry system for registration of the ownership of the 2025 Bonds in book-entry-only form may be discontinued at any time if: (1) DTC resigns as securities depository for the 2025 Bonds; or (2) the District determines that a continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of the District. In each of such events (unless the District appoints a successor securities depository), the 2025 Bonds shall be delivered in such denominations and registered in the names of such persons as are requested in a certificate of the District, but without any liability on the part of the District or the Trustee for the accuracy of such designation. Whenever DTC requests the District and the Trustee to do so, the District and the Trustee shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of or to print bonds evidencing the 2025 Bonds. Thereafter, all 2025 Bonds are transferable or exchangeable as described in the Trust Agreements.

In the event that the book-entry-only system is no longer used with respect to the 2025 Bonds, payment of interest on the Tax-Exempt Bonds will be made on each interest payment date to the person whose name appears on the bond registration books of the Trustee as the registered owner of the Tax-Exempt Bonds as of the close of business on the fifteenth day of the month prior to such interest payment date, whether or not such day is a Business Day (the “Record Date”). Payment of the interest on any Tax-Exempt Bond will be made by check or draft mailed by first class mail to the registered owner of such Tax-Exempt Bond at such owner’s address as it appears on the bond registration books of the Trustee or at such address as such owner may have filed with the Trustee for that purpose; or, upon the written request of the registered owner of Tax-Exempt Bonds aggregating not less than \$1,000,000 in principal amount, given no later than the Record Date preceding the applicable interest payment date, by wire transfer in immediately available funds to an account maintained in the United States at such wire address as such owner shall specify in its written notice. Principal of, and premium, if any, on the 2025 Bonds, and interest on the Taxable Bonds, will be payable on the maturity date thereof or the date such Tax-Exempt Bond is called for redemption, in lawful money of the United States of America to the registered owner thereof, upon surrender thereof at the principal corporate trust office of the Trustee or at such other location as the Trustee may designate. The 2025 Bonds will be in the form of fully registered 2025 Bonds and will be issued in denominations of \$5,000 or any integral multiple thereof.

### **Redemption Provisions\***

**Optional Redemption.** The 2025E-2 Bonds and 2025H Bonds are not subject to redemption prior to their stated maturity date. The 2025E-1 Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their respective stated maturity dates. The 2025E-1 Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part, on any date on or after [August] 1, 20\_\_ at the principal amount of the 2025E-1 Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium. If less than all of the 2025E-1 Bonds are called for redemption, the 2025E-1 Bonds shall be redeemed in such maturities as is directed by the District, and if less than all of the 2025E-1

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\* Preliminary, subject to change.

Bonds of any given maturity are called for redemption, the portions of 2025E-1 Bonds of a given maturity to be redeemed shall be determined by lot.

**[Mandatory Redemption.** The 2025E-1 Term Bond maturing on August 1, 20\_\_ is also subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption.

**Mandatory  
Sinking Fund  
Payment Date  
(August 1)**

**Mandatory  
Sinking Fund  
Payment Amount**

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† Final Maturity

The principal amount of each mandatory sinking fund payment of any maturity shall be reduced as specified by the District, in \$5,000 increments, by the amount of any Tax-Exempt Bonds of that maturity optionally redeemed prior to the mandatory sinking fund payment date.]

**Selection of Redemption.** If less than all of the Tax-Exempt Bonds are called for redemption, such Tax-Exempt Bonds shall be redeemed in such maturities as is directed by the District. Whenever less than all of the Tax-Exempt Bonds of any one maturity are designated for redemption, the Trustee shall select the Tax-Exempt Bonds to be redeemed by lot in any manner deemed fair by the Trustee. For purposes of such selection, each Tax-Exempt Bond shall be deemed to consist of individual Tax-Exempt Bonds of \$5,000 denominations each, which may be separately redeemed.

**Notice and Effect of Redemption.** Notice of any redemption of any 2025 Bonds shall be given by the Trustee upon written request of the District by first class mail to the registered owners of any 2025 Bonds designated for redemption at least twenty (20) but not more than sixty (60) days prior to the redemption date. Each notice of redemption shall contain all of the following information: (i) the date of such notice; (ii) the name of the 2025 Bonds and the date of issue of the 2025 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity of the 2025 Bonds to be redeemed; (vi) (if less than all of the 2025 Bonds of any maturity are to be redeemed) the distinctive numbers of the 2025 Bonds of each maturity to be redeemed; (vii) (in the case of 2025 Bonds redeemed in part only) the respective portions of the principal amount of the 2025 Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of 2025 Bonds to be redeemed; (ix) a statement that such 2025 Bonds must be surrendered by the Owners (as such term is defined in Appendix H – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENTS”) at the principal corporate trust office of the Trustee, or at such other place or places designated by the Trustee; and (x) notice that further interest on such 2025 Bonds will not accrue from and after the designated redemption date. A certificate of the Trustee or the District that notice of redemption has been given to Owners and to the appropriate securities depositories and as may be further required in the Continuing Disclosure Agreement shall be conclusive as against all parties. The actual receipt by the Owner of any 2025 Bond or by any securities depository or any other party of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such 2025 Bonds or the cessation of interest on the date fixed for redemption. When

notice of redemption has been given substantially as provided for in the applicable Trust Agreement, and when the redemption price of the 2025 Bonds called for redemption is set aside as provided in the applicable Trust Agreement, the 2025 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such 2025 Bonds at the place specified in the notice of redemption, such 2025 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such 2025 Bonds so called for redemption after such redemption date shall look for the payment of such 2025 Bonds and the redemption premium thereon, if any, only to the interest and sinking fund of the District (the "Interest and Sinking Fund") or the escrow fund established for such purpose. All 2025 Bonds redeemed shall be cancelled forthwith by the Trustee and shall not be reissued.

**Conditional Notice.** Any notice of optional redemption delivered with respect to the 2025 Bonds may be conditioned on any fact or circumstance stated therein, and if such condition stated in the notice of redemption will not have been satisfied on or prior to the redemption date, said notice will be of no force and effect, the redemption will be cancelled, and the District will not be required to redeem the 2025 Bonds that were the subject of the notice. The Trustee will within a reasonable time thereafter give notice of such cancellation to the persons and in the manner in which notice of redemption was originally given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the Owner of any 2025 Bond of notice of such cancellation will not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice will not affect the validity of the cancellation.

**Right to Rescind Notice of Redemption.** The District may rescind any optional redemption and notice thereof for any reason on any date on or prior to the date fixed for optional redemption by causing written notice of the rescission to be given to the registered owners of the 2025 Bonds so called for redemption. In addition, any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund established pursuant to the applicable Trust Agreement or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2025 Bonds called for redemption. Any notice of rescission shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the registered owner of any 2025 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

## **Defeasance**

If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the registered owners of all outstanding 2025 Bonds all of the principal, interest and premium, if any, represented by 2025 Bonds at the times and in the manner provided in the applicable Trust Agreement and in the 2025 Bonds, or as provided pursuant to the provisions of the applicable Trust Agreement described in the following paragraph, or as otherwise provided by law consistent with the applicable Trust Agreement, then such registered owners shall cease to be entitled to the obligation of the District to levy taxes for payment of the 2025 Bonds as described in the applicable Trust Agreement, and such obligation and all agreements and covenants of the District to such registered owners under the applicable Trust Agreement and under the 2025 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal of and premium, if any, and interest on the 2025 Bonds, but only out of monies or securities on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment.

Pursuant to each Trust Agreement, the District may pay and discharge any or all of the 2025 Bonds by depositing in trust with the Trustee (or an escrow agent) at or before maturity, lawful money of the United States of America or non-callable Investment Securities described in clauses (i), (ii) or (vi) of the definition thereof, in an amount which, together with the interest to accrue thereon, will be fully sufficient to pay and discharge the indebtedness on such 2025 Bonds (including all principal, interest and redemption premiums) at or before their

respective maturity dates. See Appendix H – “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENTS” herein.

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## DEBT SERVICE SCHEDULES

The following table sets forth annual debt service on the 2025E Bonds together with the annual debt service of the prior series of bonds issued pursuant to Measure RR:

Year Ending August 1	Outstanding Measure RR Bonds Debt Service	2025E Bonds <sup>(1)</sup>		Total 2025E Bonds Debt Service	Aggregate Measure RR Bonds Debt Service
		Principal	Interest		
2026	\$ 98,532,925.00			(2)	(2)
2027	98,536,175.00			(2)	(2)
2028	98,538,675.00				
2029	98,536,925.00				
2030	98,537,425.00				
2031	98,534,175.00				
2032	98,536,825.00				
2033	98,538,375.00				
2034	98,535,675.00				
2035	98,534,425.00				
2036	98,537,325.00				
2037	98,536,975.00				
2038	92,311,475.00				
2039	122,034,075.00				
2040	122,032,325.00				
2041	122,030,725.00				
2042	122,034,975.00				
2043	122,033,125.00				
2044	122,034,637.50				
2045	122,035,212.50				
2046	122,032,650.00				
2047	122,033,462.50				
2048	122,032,775.00				
2049	122,032,193.76				
2050	122,033,362.50				
2051	122,031,668.76				
2052	122,031,925.00				
<b>Total<sup>(1)</sup></b>	<b>\$2,983,210,487.52</b>				

<sup>(1)</sup> Totals may reflect rounding.

<sup>(2)</sup> Includes all or a debt service to be paid from a portion of proceeds of the 2025E Bonds through [\_\_\_\_\_], 2025.\*

\* Preliminary, subject to change.

The following table sets forth annual debt service on the 2025H Bonds together with the annual debt service of the prior series of bonds issued pursuant to Measure AA, as well as the annual debt service of the District’s bonds issued pursuant to Measure RR and the combined annual debt service of the District’s bonds issued pursuant to Measure AA and Measure RR:

Year Ending August 1	Outstanding Measure AA Bonds Debt Service <sup>(2)</sup>	2025H Bonds <sup>(1)</sup>		Total 2025H Bonds Debt Service	Aggregate Measure AA Bonds Debt Service	Aggregate Measure RR Bonds Debt Service <sup>(3)</sup>	Aggregate GO Bonds Debt Service <sup>(3)</sup>
		Principal	Interest				
2026	\$54,657,643.66						
2027	54,655,593.66						
2028	54,656,093.66						
2029	54,654,343.66						
2030	54,656,101.86						
2031	54,658,065.76						
2032	54,653,762.76						
2033	54,652,833.86						
2034	54,655,660.26						
2035	54,656,544.76						
2036	54,653,452.50						
2037	54,656,946.50						
2038	54,656,950.00						
2039	-						
2040	-						
2041	-						
2042	-						
2043	-						
2044	-						
2045	-						
2046	-						
2047	-						
2048	-						
2049	-						
2050	-						
<b>Total<sup>(1)</sup></b>	<b>\$710,523,992.90</b>						

(1) Totals may reflect rounding.  
(2) Includes debt service of bonds to be redeemed [or defeased] upon issuance of the 2025H Bonds.  
(3) Includes debt service to be paid from a portion of proceeds of the 2025E Bonds through [\_\_\_\_\_], 2025.\*

\* Preliminary, subject to change.

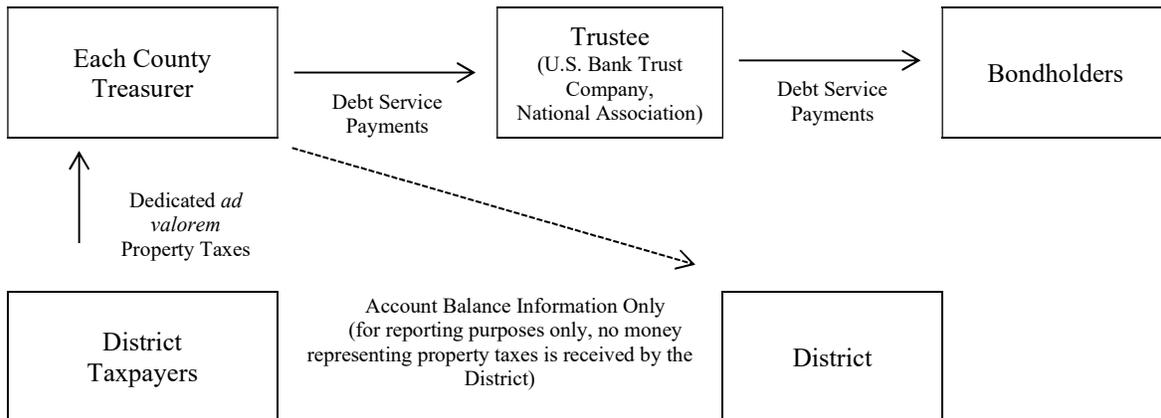
## SECURITY AND SOURCE OF PAYMENT FOR THE 2025 BONDS

### General

In order to provide sufficient funds for repayment of principal and interest when due on the 2025 Bonds, the District is empowered and is obligated to annually levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to all other taxes levied upon property within the District. Such taxes, when collected and received by the respective BART county collecting such taxes on behalf of the District, are received by the Trustee and deposited in the applicable Interest and Sinking Fund for the bonds authorized by Measure RR, including the 2025E Bonds, and for the bonds authorized by Measure AA, including the 2025H Bonds, proportionally based on the respective tax rates for each measure for such applicable tax period. If the Trustee does not receive notice of the respective tax rates by September 1 of any year, it is required to request such information from the District.

The District, in the Measure RR Trust Agreement and the Measure AA Trust Agreement, pledges all revenues from the property taxes collected from the levy for the payment of the 2025E Bonds and the 2025H Bonds, respectively, and amounts on deposit in the respective Interest and Sinking Fund to the payment of the principal or redemption price of, and interest on, such Bonds. Each Trust Agreement provides that the pledge will be valid and binding from the date of such Trust Agreement for the benefit of the owners of the related Bonds and successors thereto. The property taxes and amounts held in such Interest and Sinking Fund will be immediately subject to this pledge, and the pledge will constitute a lien and security interest which will immediately attach to the property taxes and amounts held in such Interest and Sinking Fund to secure the payment of the related Bonds and will be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. “Bonds” for purpose of the pledge contained in each Trust Agreement means all bonds of the District heretofore or hereafter issued pursuant to the applicable voter-approved Measure RR or Measure AA of the District, including the 2025E Bonds and the 2025H Bonds, respectively.

The following diagram illustrates the flow of property taxes from District taxpayers to the respective Interest and Sinking Funds, and from there to bondholders.



Government Code Section 53515 (enacted by California Senate Bill 222 (2015), effective January 1, 2016), provides that general obligation bonds are secured by a statutory lien on the *ad valorem* taxes levied and collected to pay principal and interest thereon. For more information, see “INVESTMENT CONSIDERATIONS – Limitation on Remedies” herein.

## **Property Taxation System**

Local property taxation is the responsibility of the District and various officers of each of the Three BART Counties. In each county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding Bonds in each year, the District computes the rate of tax necessary to pay such debt service and transmits that information to each county auditor-controller. Each county auditor-controller prepares the tax rolls, and presents those rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. Each county treasurer-tax collector prepares and mails bills to taxpayers and collects the taxes. The treasurer-tax collectors of Alameda County, Contra Costa County and the City and County of San Francisco transmit the tax revenues collected to pay the District's outstanding general obligation bonds directly to the Trustee. The State Board of Equalization also assesses certain special classes of property, as described later in this section.

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the Three BART Counties. The District levies taxes through the combination of its own actions and the actions of county officers as described above for payment of voter-approved bonds. The District receives an additional allocation of property taxes for general operating purposes which constitute a part of each county's general 1% levy. These taxes are deposited in the District's general fund, are used by the District for operations, and are not pledged to or available as security for the Bonds.

### **Assessed Valuation of Property Within the Three BART Counties**

As required by the law of the State, the District utilizes the services of each of the Three BART Counties for the assessment and collection of *ad valorem* taxes on property, as discussed above. Such District taxes are collected at the same time and on the same tax rolls as are county, school district, and other special district taxes. The Three BART Counties have each adopted, subject to certain limitations, an Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (each, a "Teeter Plan"), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code, as described under "—Tax Rates, Collections and Delinquencies" and "—Teeter Plans" below.

Under Proposition 13, an amendment adopted in 1978 which added Article XIII A to the California Constitution ("Article XIII A"), the county assessor's valuation of real property is established as shown on the Fiscal Year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property not otherwise adjusted may be increased annually to reflect inflation at a rate not to exceed 2% per year, or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold, and that may be lower than its own market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly leads to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership, such as in Fiscal Year 2024-25.

Proposition 13 has had the effect of stabilizing assessed valuation such that it does not fluctuate as significantly as the market value of property, but instead gradually changes as longer owned residential properties are transferred and reassessed upon such transfer. Residences newly constructed or acquired prior to a downturn in the housing market may substantially decrease in assessed value. Other factors which may affect the value of property and cause it to decline are substantial damage, destruction, or inflation. See "CONSTITUTIONAL LIMITATIONS" and "INVESTMENT CONSIDERATIONS" below.

State law provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions. State law also exempts from taxation \$7,000 of the full cash value of an owner-occupied dwelling provided that the owner files for such exemption.

The greater the assessed value of taxable property in the Three BART Counties, the lower the tax rate necessary to generate taxes sufficient to pay scheduled debt service on the District's Bonds.

The following table shows a recent history of the assessed valuation of property in the Three BART Counties ("Fiscal Year" refers to fiscal years of July 1 through the following June 30 of the years indicated). Since *ad valorem* assessed value is determined as of January 1, the Fiscal Year 2021-22 assessed valuation data presented below is the first data reflecting any impact of the COVID-19 pandemic.

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**San Francisco Bay Area Rapid Transit District**  
**Assessed Valuation**  
**(Fiscal Years Ending June 30)**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>% Change</u>
<u>Alameda County Portion</u>					
2010-11	\$181,685,580,407	\$97,581,171	\$11,448,265,391	\$193,231,426,969	-1.57%
2011-12	181,858,450,818	71,523,308	11,273,954,399	193,203,928,525	-0.01
2012-13	185,782,114,251	261,640,769	11,629,397,550	197,673,152,570	2.31
2013-14	195,515,528,517	969,629,855	11,531,178,412	208,016,336,784	5.23
2014-15	208,003,389,831	770,033,506	11,695,232,865	220,468,656,202	5.99
2015-16	224,219,586,188	758,810,176	12,564,441,697	237,542,838,061	7.74
2016-17	240,518,829,251	726,989,170	12,841,386,839	254,087,205,260	6.96
2017-18	257,329,548,075	597,814,349	13,101,928,319	271,029,290,743	6.67
2018-19	275,571,099,438	560,652,352	13,666,895,652	289,798,647,442	6.93
2019-20	294,758,415,232	543,751,013	15,049,638,027	310,351,804,272	7.09
2020-21	314,647,881,380	525,605,390	16,286,416,056	331,459,902,826	6.80
2021-22	329,589,202,788	556,267,619	16,472,724,533	346,618,194,940	4.57
2022-23	356,579,303,031	402,192,964	17,803,165,029	374,784,661,024	8.13
2023-24	379,830,015,934	411,971,776	20,720,804,173	400,962,791,883	6.98
2024-25	398,087,189,726	383,762,459	22,122,910,010	420,593,862,195	4.90
<u>City and County of San Francisco Portion</u>					
2010-11	\$146,680,168,492	\$43,565,042	\$9,446,789,960	\$156,170,523,494	4.18%
2011-12	147,612,367,616	41,527,475	9,249,419,572	156,903,314,663	0.47
2012-13	153,348,031,902	46,515,990	9,764,668,943	163,159,216,835	3.99
2013-14	160,650,767,471	35,943,747	9,867,122,786	170,553,834,004	4.53
2014-15	169,001,854,462	32,843,747	10,734,859,006	179,769,557,215	5.40
2015-16	180,311,079,707	250,473,678	11,784,296,408	192,345,849,793	7.00
2016-17	195,319,718,011	242,464,205	13,750,364,838	209,312,547,054	8.82
2017-18	217,167,706,689	456,895,690	14,017,474,513	231,642,076,892	10.67
2018-19	241,800,535,728	453,925,863	14,410,415,905	256,664,877,496	10.80
2019-20	261,018,657,481	437,144,893	17,009,940,509	278,465,742,883	8.49
2020-21	280,818,331,421	433,728,865	17,524,316,683	298,776,376,969	7.29
2021-22	291,894,672,529	440,718,111	16,771,714,976	309,107,105,616	3.46
2022-23	308,322,777,035	462,641,841	16,699,598,804	325,485,017,680	5.30
2023-24	322,627,415,691	461,641,382	17,502,971,985	340,592,029,058	4.64
2024-25	330,530,499,851	445,515,298	16,800,021,051	347,776,036,200	2.11
<u>Contra Costa County Portion</u>					
2010-11	\$135,669,128,300	\$560,296,728	\$5,037,631,621	\$141,267,056,649	-3.37%
2011-12	134,765,284,339	539,960,865	5,240,695,911	140,545,941,115	-0.51
2012-13	135,755,672,418	590,750,775	5,454,953,657	141,801,376,850	0.89
2013-14	140,680,879,833	986,316,033	5,404,238,387	147,071,434,253	3.72
2014-15	153,890,877,314	1,093,614,055	5,485,371,422	160,469,862,791	9.11
2015-16	166,143,700,424	989,438,611	5,238,343,881	172,371,482,916	7.42
2016-17	176,545,464,148	969,779,069	5,145,073,152	182,660,316,369	5.97
2017-18	186,998,751,975	732,963,837	5,198,546,983	192,930,262,795	5.62
2018-19	198,900,921,175	660,996,279	5,490,387,706	205,052,305,160	6.28
2019-20	209,515,810,794	622,389,632	5,712,374,229	215,850,574,655	5.27
2020-21	219,762,711,807	566,730,999	5,955,036,112	226,284,478,918	4.83
2021-22	227,244,068,352	559,297,728	6,252,916,047	234,056,282,127	3.43
2022-23	244,978,840,220	583,445,735	6,729,962,127	252,292,248,082	7.79
2023-24	259,154,493,626	602,010,084	8,517,661,083	268,274,164,793	6.33
2024-25	270,324,795,976	583,515,019	8,510,920,794	279,419,231,789	4.15
<u>Total Three BART Counties</u>					
2010-11	\$464,034,877,199	\$701,442,941	\$25,932,686,972	\$490,669,007,112	-0.36%
2011-12	464,236,102,773	653,011,648	25,764,069,882	490,653,184,303	0.00
2012-13	474,885,818,571	898,907,534	26,849,020,150	502,633,746,255	2.44
2013-14	496,847,175,821	1,991,889,635	26,802,539,585	525,641,605,041	4.58
2014-15	530,896,121,607	1,896,491,308	27,915,463,293	560,708,076,208	6.67
2015-16	570,674,366,319	1,998,722,465	29,587,081,986	602,260,170,770	7.41
2016-17	612,384,011,410	1,939,232,444	31,736,824,829	646,060,068,683	7.27
2017-18	661,496,006,739	1,787,673,876	32,317,949,815	695,601,630,430	7.67
2018-19	716,272,556,341	1,675,574,494	33,567,699,263	751,515,830,098	8.04
2019-20	765,292,883,507	1,603,285,538	37,771,952,765	804,668,121,810	7.07
2020-21	815,228,924,608	1,526,065,254	39,765,768,851	856,520,758,713	6.44
2021-22	848,727,943,669	1,556,283,458	39,497,355,556	889,781,582,683	3.88
2022-23	909,880,920,286	1,448,280,540	41,232,725,960	952,561,926,786	7.06
2023-24	961,611,925,251	1,475,623,242	46,741,437,241	1,009,828,985,734	6.01
2024-25	998,942,485,553	1,412,792,776	47,433,851,855	1,047,789,130,184	3.76

Source: California Municipal Statistics, Inc.

Based upon information provided by California Municipal Statistics, Inc., the assessed value of taxable property within the Three BART Counties is approximately \$1.047 trillion in Fiscal Year 2024-25. Assessed value increased in Fiscal Year 2024-25 from Fiscal Year 2023-24 by approximately \$38.0 billion, or 3.76%. Assessed values could decline or rise due to factors beyond the District’s control, including taxpayer appeal, general economic conditions, or earthquakes, tsunamis, wildfires, or other natural or manmade disasters. The assessed value has grown by approximately 113.5% over the last fifteen years, with a fifteen-year compound annual growth rate of approximately 5.19%. See “CONSTITUTIONAL LIMITATIONS” and “INVESTMENT CONSIDERATIONS,” below, and Appendix D – “THE ECONOMY OF THE THREE BART COUNTIES.”

California Municipal Statistics, Inc. has also provided the preliminary assessed valuation data for each of the Three BART Counties for Fiscal Year 2025-26:

**San Francisco Bay Area Rapid Transit District  
Assessed Valuation (Preliminary)  
(Fiscal Year Ending June 30, 2026)**

2025-26 Preliminary Assessed Valuation

<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
<u>Alameda County</u>			
\$411,993,776,613	\$397,390,174	\$23,533,018,370	\$435,924,185,157
<u>City and County of San Francisco</u>			
\$337,542,489,938	\$4,861,498,816 <sup>(1)</sup>	\$16,020,103,709	\$358,424,092,463
<u>Contra Costa County</u>			
\$281,900,613,821	\$603,474,101	\$8,618,220,711	\$291,122,308,633
<u>Total</u>			
\$1,031,436,880,372	\$5,862,363,091 <sup>(1)</sup>	\$48,171,342,790	\$1,085,470,586,253

<sup>(1)</sup> Includes unitary assessed valuation for San Francisco County. The local utility valuation is not available as of [July 31, 2025].  
Source: California Municipal Statistics, Inc.

The following table gives the distribution of taxable property in the Three BART Counties by jurisdiction.

**San Francisco Bay Area Rapid Transit District  
2024-25 Assessed Valuation by Jurisdiction**

<u>Jurisdiction:</u>	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Alameda	\$ 20,367,337,898	1.94%	\$ 20,367,337,898	100%
City of Albany	3,824,668,773	0.37	3,824,668,773	100%
City of Antioch	15,584,716,488	1.49	15,584,716,488	100%
City of Berkeley	29,573,546,105	2.82	29,573,546,105	100%
City of Brentwood	14,125,554,545	1.35	14,125,554,545	100%
City of Clayton	2,955,046,108	0.28	2,955,046,108	100%
City of Concord	22,465,885,460	2.14	22,465,885,460	100%
Town of Danville	17,987,613,311	1.72	17,987,613,311	100%
City of Dublin	23,421,104,695	2.24	23,421,104,695	100%
City of El Cerrito	6,075,986,503	0.58	6,075,986,503	100%
City of Emeryville	7,868,722,719	0.75	7,868,722,719	100%
City of Fremont	75,372,707,055	7.19	75,372,707,055	100%
City of Hayward	31,439,010,074	3.00	31,439,010,074	100%
City of Hercules	4,875,025,245	0.47	4,875,025,245	100%
City of Lafayette	11,785,053,297	1.12	11,785,053,297	100%
City of Livermore	26,725,528,533	2.55	26,725,528,533	100%
City of Martinez	8,124,080,480	0.78	8,124,080,480	100%
Town of Moraga	5,783,083,939	0.55	5,783,083,939	100%
City of Newark	15,496,518,922	1.48	15,496,518,922	100%
City of Oakland	89,306,764,583	8.52	89,306,764,583	100%
City of Oakley	7,228,246,787	0.69	7,228,246,787	100%
City of Orinda	9,738,614,860	0.93	9,738,614,860	100%
City of Piedmont	6,146,610,087	0.59	6,146,610,087	100%
City of Pinole	3,312,485,276	0.32	3,312,485,276	100%
City of Pittsburg	10,460,828,135	1.00	10,460,828,135	100%
City of Pleasant Hill	8,453,391,436	0.81	8,453,391,436	100%
City of Pleasanton	31,882,411,081	3.04	31,882,411,081	100%
City of Richmond	19,928,999,595	1.90	19,928,999,595	100%
City of San Francisco	347,776,036,200	33.19	347,776,036,200	100%
City of San Leandro	18,334,010,977	1.75	18,334,010,977	100%
City of San Pablo	2,574,690,336	0.25	2,574,690,336	100%
City of San Ramon	28,336,794,517	2.70	28,336,794,517	100%
City of Union City	14,157,619,166	1.35	14,157,619,166	100%
City of Walnut Creek	24,898,636,051	2.38	24,898,636,051	100%
Unincorporated Alameda County	26,677,301,527	2.55	26,677,301,527	100%
Unincorporated Contra Costa County	54,724,499,420	5.22	54,724,499,420	100%
Total District	\$1,047,789,130,184	100.00%		
 <u>Summary by County:</u>				
Alameda County	\$ 420,593,862,195	40.14%	\$420,593,862,195	100%
Contra Costa County	279,419,231,789	26.67	279,419,231,789	100%
San Francisco City and County	347,776,036,200	33.19	347,776,036,200	100%
Total District	\$1,047,789,130,184	100.00%		

Source: California Municipal Statistics, Inc.

The following table shows the per parcel assessed valuation for single family homes by property value in the Three BART Counties for Fiscal Year 2024-25, including the median and average assessed value per parcel.

Per Parcel 2024-25 Assessed Valuation of Single Family Homes

	No. of Parcels	2024-25		Average	Median		
		Assessed Valuation		Assessed Valuation	Assessed Valuation		
Single Family Residential	714,696	\$520,446,550,110		\$728,207	\$568,356		
	<u>2024-25 Assessed Valuation</u>	<u>No. of Parcels<sup>(1)</sup></u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
	\$0 - \$99,999	44,339	6.204%	6.204%	\$ 3,114,880,143	0.599%	0.599%
	\$100,000 - \$199,999	61,270	8.573	14.777	9,181,682,007	1.764	2.363
	\$200,000 - \$299,999	67,130	9.393	24.170	16,881,626,610	3.244	5.606
	\$300,000 - \$399,999	71,043	9.940	34.110	24,845,671,587	4.774	10.380
	\$400,000 - \$499,999	68,886	9.639	43.748	30,962,784,416	5.949	16.330
	\$500,000 - \$599,999	64,124	8.972	52.721	35,209,049,000	6.765	23.095
	\$600,000 - \$699,999	57,355	8.025	60.746	37,202,225,705	7.148	30.243
	\$700,000 - \$799,999	49,508	6.927	67.673	37,058,548,731	7.121	37.363
	\$800,000 - \$899,999	40,715	5.697	73.370	34,531,901,883	6.635	43.998
	\$900,000 - \$999,999	34,015	4.759	78.129	32,240,664,671	6.195	50.193
	\$1,000,000 - \$1,099,999	26,735	3.741	81.870	28,008,355,686	5.382	55.575
	\$1,100,000 - \$1,199,999	20,634	2.887	84.757	23,677,502,866	4.549	60.124
	\$1,200,000 - \$1,299,999	17,328	2.425	87.181	21,628,612,483	4.156	64.280
	\$1,300,000 - \$1,399,999	14,811	2.072	89.254	19,968,744,713	3.837	68.117
	\$1,400,000 - \$1,499,999	12,309	1.722	90.976	17,815,836,732	3.423	71.540
	\$1,500,000 - \$1,599,999	10,707	1.498	92.474	16,565,020,226	3.183	74.723
	\$1,600,000 - \$1,699,999	8,660	1.212	93.686	14,271,784,871	2.742	77.465
	\$1,700,000 - \$1,799,999	6,982	0.977	94.663	12,197,474,749	2.344	79.809
	\$1,800,000 - \$1,899,999	5,813	0.813	95.476	10,739,754,494	2.064	81.872
	\$1,900,000 - \$1,999,999	4,628	0.648	96.124	9,013,028,701	1.732	83.604
	\$2,000,000 and greater	<u>27,704</u>	<u>3.876</u>	100.000	<u>85,331,399,836</u>	<u>16.396</u>	100.000
		714,696	100.000%		\$520,446,550,110	100.000%	

<sup>(1)</sup> Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.  
Source: California Municipal Statistics, Inc.

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The following table shows the local secured assessed valuation and number of parcels by land use category for property in the Three BART Counties for Fiscal Year 2024-25.

**San Francisco Bay Area Rapid Transit District  
Assessed Valuation and Parcels by Land Use**

	2024-25 Assessed Valuation <sup>(1)</sup>	% of Total	No. of Parcels	% of Total
<b>Non-Residential:</b>				
Agricultural/Rural	\$ 4,481,363,681	0.45%	5,715	0.53%
Commercial/Office	171,011,068,752	17.10	29,881	2.79
Vacant Commercial	2,794,673,173	0.28	2,261	0.21
Industrial	61,349,838,276	6.13	11,490	1.07
Vacant Industrial	2,400,543,285	0.24	2,533	0.24
Power Plants/Utility Roll	1,412,792,776	0.14	123	0.01
Recreational	2,934,217,472	0.29	2,410	0.22
Government/Social/Institutional	2,677,789,657	0.27	24,229	2.26
Miscellaneous	1,028,749,709	0.10	2,296	0.21
Subtotal Non-Residential	\$250,091,036,781	25.00%	80,938	7.55%
<b>Residential:</b>				
Single Family Residence	\$520,446,550,110	52.03%	714,696	66.63%
Condominium/Townhouse	105,047,032,547	10.50	158,630	14.79
Mobile Home	196,119,758	0.02	4,162	0.39
2-4 Residential Units	42,035,137,409	4.20	56,018	5.22
5+ Residential Units/Apartments	71,827,578,381	7.18	23,664	2.21
Timeshare Units	315,157,140	0.03	3,648	0.34
Vacant Residential	7,111,828,924	0.71	26,363	2.46
Subtotal Residential	\$746,979,404,269	74.67%	987,181	92.03%
Unclassified Vacant Parcels	\$3,284,837,279	0.33%	4,561	0.43%
<b>Total</b>	<b>\$1,000,355,278,329</b>	<b>100.00%</b>	<b>1,072,680</b>	<b>100.00%</b>

<sup>(1)</sup> Total secured assessed valuation, excluding tax-exempt property.

Source: California Municipal Statistics, Inc.

**Tax Rates, Collections and Delinquencies**

*Ad valorem* taxes are levied for each Fiscal Year on taxable real and personal property on the tax rolls as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change occurs or the construction is completed and the current year's tax rate is applied to the reassessed value for the remainder of the tax year. The annual tax rate is limited to the 1% general county levy of the full cash value, plus the amount necessary to pay all obligations legally payable from *ad valorem* taxes in the current year, including the 2025 Bonds. The rate of tax necessary to pay fixed debt service on the 2025 Bonds in a given year will depend on the assessed value of taxable property in that year. Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, fire, flood, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the Three BART Counties and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the 2025 Bonds.

For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on the assessment roll. The "secured roll" is that part of the assessment roll

containing State-assessed property and real property secured by a lien which is sufficient, in the opinion of the applicable County Assessor if relating to property in Alameda County or Contra Costa County, or in the opinion of the Assessor-Recorder if relating to property in the City and County of San Francisco, to secure payment of the taxes. All other taxable property is assessed on the “unsecured roll” which generally comprises all property not attached to land, such as personal property or business equipment not otherwise exempt from taxation. State law requires that the assessment roll be finalized by August 20 of each year. Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as “utility” property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each Fiscal Year, and become delinquent on December 10 and April 10, respectively. A penalty of ten percent (10%) attaches immediately to all delinquent payments. Properties on the secured roll with respect to which taxes are delinquent become tax defaulted on or about June 30 of the Fiscal Year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five (5) years or more, the property is deeded to the State and then may be sold at public auction by the applicable County Treasurer-Tax Collector if relating to property in Alameda County or Contra Costa County and by the Assessor-Recorder if relating to property in the City and County of San Francisco.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent on August 31. A ten percent (10%) penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of 1.5% attaches on the first day of each month until paid. Each of the Three BART Counties has four ways of collecting delinquent unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a judgment, such judgment to be filed in the office of the County Clerk-Recorder if relating to property in Alameda County or Contra Costa County, and to be filed in the office of the Assessor-Recorder if relating to property in the City and County of San Francisco, specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) recording a certificate of delinquency in the office of the County Clerk-Recorder if relating to property in Alameda County or Contra Costa County, and to be filed in the office of the Assessor-Recorder in the City and County of San Francisco if relating to property in the City and County of San Francisco in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the taxpayer.

Property owners have a right to appeal the county assessor’s valuation of their real property. See “INVESTMENT CONSIDERATIONS – Reassessments and Appeals of Assessed Values.”

Generally, once an installment of property tax becomes delinquent, penalties are assessed commencing on the applicable delinquency date until the delinquent installment(s) and all assessed penalties are paid. In the event of foreclosure and sale of property by a mortgage lender, all past due property taxes, penalties, and interest are required to be paid before such property is transferred to a purchaser or new owner.

Property tax delinquencies may be impacted by economic and other factors beyond the District’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or natural or manmade disaster, such as earthquake, drought, flood, tsunami, fire, or toxic dumping. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the Three BART Counties to pay property taxes in the future. See “– Largest Taxpayers in the Three BART Counties” below.

The District cannot predict the extent of delinquencies and delayed tax collections, or the resulting impact on the District's financial condition or operations. However, each of the Three BART Counties has adopted a Teeter Plan, and two of the Three BART Counties, Contra Costa County and the City and County of San Francisco, distribute to the District the amount levied instead of the amount actually collected. Alameda County does not apply the Teeter Plan to the payment of District general obligation bonds. Taxes levied to pay the 2025 Bonds in the City and County of San Francisco and Contra Costa County are included in their respective Teeter Plans. See “– Teeter Plans.” To address the potential delinquency risk, the District includes an estimated increase in the tax rate, historically in the 3-5 percent range, depending on current economic conditions, and determines the tax rate solely on the secured assessed value of property.

Pursuant to Section 4985.2 of the State Revenue and Taxation Code, the tax collector of each county may cancel any penalty, costs or other charges resulting from tax delinquency upon a finding that the late payment is due to reasonable cause and circumstances beyond the taxpayer's control, and occurred notwithstanding the exercise of ordinary care in the absence of willful neglect, provided the property taxes are paid within four fiscal years of such taxes coming due.

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The following table shows recent history of real property tax collections and delinquencies in the District.

**San Francisco Bay Area Rapid Transit District  
Secured Tax Charges and Delinquencies**

Fiscal Year	Secured Tax Charge <sup>(1)</sup>	Amount Delinquent as of June 30 <sup>(2)</sup>	% Delinquent as of June 30
<u>Alameda County</u>			
2010-11	\$2,622,091,573	\$66,671,453	2.54%
2011-12	2,677,341,749	57,514,916	2.15
2012-13	2,728,535,736	42,358,154	1.55
2013-14	2,881,348,672	36,423,504	1.26
2014-15	3,061,123,272	34,486,942	1.13
2015-16	3,246,190,994	41,818,285	1.29
2016-17	3,464,296,368	40,054,443	1.16
2017-18	3,769,332,149	35,390,342	0.94
2018-19	4,064,040,849	38,260,609	0.94
2019-20	4,345,460,533	48,992,167	1.13
2020-21	4,632,185,031	49,059,108	1.06
2021-22	4,891,896,279	61,538,224	1.26
2022-23	5,297,618,740	64,882,011	1.22
2023-24	5,674,122,351	76,115,767	1.34
<u>City and County of San Francisco</u>			
2010-11	\$1,768,368,141	\$29,102,564	1.65%
2011-12	1,810,103,262	25,476,315	1.41
2012-13	1,878,868,414	20,668,235	1.10
2013-14	2,018,013,991	19,020,178	0.94
2014-15	1,996,955,408	15,959,828	0.80
2015-16	2,146,646,004	14,089,301	0.66
2016-17	2,310,696,197	12,020,054	0.52
2017-18	2,556,736,908	14,820,215	0.58
2018-19	2,824,518,111	17,721,353	0.63
2019-20	3,320,760,894	27,706,207	0.83
2020-21	3,627,167,123	36,315,872	1.00
2021-22	3,674,855,320	31,327,390	0.85
2022-23	3,876,031,090	30,756,555	0.79
2023-24	4,062,856,539	41,853,637	1.03
<u>Contra Costa County</u>			
2010-11	\$1,871,495,451	\$34,561,134	1.85%
2011-12	1,914,539,235	54,091,753	2.83
2012-13	1,910,681,659	20,720,820	1.08
2013-14	2,018,861,039	19,163,615	0.95
2014-15	2,198,680,361	18,988,337	0.86
2015-16	2,323,318,942	18,134,715	0.78
2016-17	2,443,499,532	18,332,203	0.75
2017-18	2,589,121,926	17,384,044	0.67
2018-19	2,755,201,406	19,550,849	0.71
2019-20	2,938,626,804	25,884,618	0.88
2020-21	3,051,193,547	23,264,075	0.76
2021-22	3,158,372,838	38,611,622	1.22
2022-23	3,386,342,080	29,082,716	0.86
2023-24	3,544,493,951	36,070,604	1.02
<u>Total Three BART Counties</u>			
2010-11	\$6,261,955,165	\$130,335,151	2.08%
2011-12	6,401,984,246	137,082,984	2.14
2012-13	6,518,085,809	83,747,209	1.28
2013-14	6,918,223,702	74,607,294	1.08
2014-15	7,256,759,041	69,435,107	0.96
2015-16	7,716,155,940	74,042,301	0.96
2016-17	8,218,492,097	70,406,700	0.86
2017-18	8,915,190,983	67,594,601	0.76
2018-19	9,643,760,366	75,532,811	0.78
2019-20	10,604,848,231	102,582,993	0.97
2020-21	11,310,545,701	108,639,055	0.96
2021-22	11,725,124,437	131,477,236	1.12
2022-23	12,559,991,910	124,721,282	0.99
2023-24	13,281,472,841	154,040,008	1.16

<sup>(1)</sup> All taxes levied by the county.

<sup>(2)</sup> Each of the Three BART Counties has adopted a Teeter Plan. The City and County of San Francisco and the County of Contra Costa include taxes to pay the 2025 Bonds in their respective Teeter Plans. The County of Alameda does not apply its Teeter Plan to collections of taxes for general obligation bonds, including the 2025 Bonds. See “—Teeter Plans” below.

*Source:* California Municipal Statistics, Inc.

## **Teeter Plans**

The City and County of San Francisco, the County of Alameda and the County of Contra Costa each adopted a Teeter Plan, as provided for in Section 4701 *et. seq.* of the California Revenue and Taxation Code. Under each Teeter Plan, each participating local agency levying property taxes is credited the amount of uncollected taxes in the same manner as if the amount credited had been collected. In return, the City and County of San Francisco, the County of Alameda and the County of Contra Costa receive and retain delinquent payments, penalties and interest as collected, that otherwise would have been due to the local agency. Taxes to pay the 2025 Bonds collected in the City and County of San Francisco and the County of Contra Costa are included in their respective Teeter Plans. The County of Alameda does not apply its Teeter Plan to collections of taxes for general obligation bonds, including the 2025 Bonds.

Each Teeter Plan is to remain in effect unless the Board of Supervisors of the applicable County orders its discontinuance or unless, prior to the commencement of a County’s fiscal year (which commences on July 1), the Board of Supervisors of such County receives a petition for its discontinuance joined in by resolutions duly adopted by the governing boards of at least two-thirds of the participating revenue districts in such County. The applicable Board of Supervisors may, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency in such County if the rate of secured tax delinquency in that agency in any year exceeds three percent (3%) of the total of all taxes and assessments levied on the secured rolls in that agency. See “—Tax Rates, Collections and Delinquencies” above.

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## Largest Taxpayers in the Three BART Counties

The following table shows the largest secured taxpayers in the Three BART Counties. No secured taxpayer accounts for more than one percent of total assessed value, and the top twenty taxpayers in the Three BART Counties account for approximately 2.92% of total property taxes.

### San Francisco Bay Area Rapid Transit District Largest Local Secured Taxpayers Fiscal Year 2024-25

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>County</u>	<u>2024-25 Assessed Valuation</u>	<u>% of Total<sup>(1)</sup></u>
1.	Chevron USA Inc.	Industrial – Refinery	Contra Costa	\$ 3,401,195,087	0.34%
2.	Tesla Inc.	Industrial	Alameda	3,005,771,839	0.30
3.	Phillips 66 Company	Industrial – Refinery	Contra Costa	2,425,911,014	0.24
4.	Essex Portfolio	Apartments	Alameda/Contra Costa/San Francisco	2,050,292,247	0.20
5.	Transbay Tower LLC	Office Building	San Francisco	1,913,672,794	0.19
6.	BRE Properties Inc.	Apartments	Alameda/Contra Costa/San Francisco	1,813,332,267	0.18
7.	GSW Arena LLC	Sports Arena	San Francisco	1,706,142,313	0.17
8.	Martinez Refining Company LLC	Industrial – Refinery	Contra Costa	1,505,481,543	0.15
9.	HWA 555 Owners LLC	Office Building	San Francisco	1,402,359,708	0.14
10.	Park Tower Owner LLC	Office Building	San Francisco	1,163,207,711	0.12
11.	Elm Property Venture LLC	Office Building	San Francisco	1,101,967,156	0.11
12.	KRE Exchange Owner LLC	Office Building	San Francisco	1,088,881,917	0.11
13.	Ponte Gadea California LLC	Office Building	San Francisco	955,150,642	0.10
14.	Kilroy Realty LP / Kilroy Realty 303 LLC	Office Building	San Francisco	940,019,208	0.09
15.	PPF Paramount One Market Plaza	Office Building	San Francisco	931,075,752	0.09
16.	SFDC 50 Fremont LLC	Office Building	San Francisco	799,444,029	0.08
17.	Market Center Owner LP	Office Building	San Francisco	774,221,928	0.08
18.	Parkmerced Owner LLC	Apartments	San Francisco	772,748,269	0.08
19.	Emporium Mall LLC	Shopping Center	San Francisco	751,728,664	0.08
20.	706 Mission Street Co LLC	Condominiums	San Francisco	<u>720,245,083</u>	<u>0.07</u>
				\$29,222,849,171	2.92%

<sup>(1)</sup> 2024-25 Total Secured Assessed Valuation: \$1,000,355,278,329

Source: California Municipal Statistics, Inc.

## Taxation of State-Assessed Utility Property

Under the Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The State Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the State Board of Equalization is allocated by a formula to local jurisdictions in the county and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the State Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the State Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived.

The District is unable to predict future transfers of State-assessed property in the Three BART Counties, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State’s methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

## **Direct and Overlapping Debt Report**

Contained within the District’s boundaries are numerous overlapping local agencies. Set forth on the following page is a direct and overlapping debt report (the “Debt Report”) prepared by California Municipal Statistics, Inc. and dated August 1, 2025. The Debt Report speaks only as of its date and is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representations in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations are not payable from revenues of the District nor are they necessarily obligations secured by land within the District. The Debt Report does not include any information concerning any obligations authorized but not yet issued by any public agencies whose boundaries overlap the boundaries of the District in whole or in part.

The Debt Report does not include any information concerning sales tax revenue bonds issued by the District or obligations of the District, other than general obligation bonds, issued for the benefit of the District. For information concerning such sales tax revenue bonds and other obligations of the District, see Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS.”

The first column in the table set forth on the following page names each public agency which has outstanding debt as of the date of the Debt Report and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency’s assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column which is the apportionment of each overlapping agency’s outstanding debt to taxable property in the District.

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**San Francisco Bay Area Rapid Transit District  
Schedule of Direct and Overlapping Bonded Debt**

2024-25 Assessed Valuation: \$1,047,789,130,184

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 8/1/25</u>
<b>Bay Area Rapid Transit District</b>	<b>100. %</b>	<b>\$ 2,334,420,000<sup>(1)</sup></b>
Alameda County	100.	459,885,000
City and County of San Francisco	100.	2,499,229,950
Community College Districts	0.315-100.	2,834,895,211
Oakland Unified School District	100.	1,018,385,000
San Francisco Unified School District	100.	1,008,390,000
West Contra Costa Unified School District	100.	1,200,679,447
Other Unified School Districts	4.711-100.	6,508,085,747
Union High School Districts	100.	260,797,675
Elementary School Districts	100.	499,464,578
City of Oakland	100.	703,055,000
Other Cities	100.	386,973,078
East Bay Regional Park District	100.	145,930,000
Healthcare Districts	100.	511,330,000
Recreation and Park Districts	100.	157,630,000
Community Facilities Districts	100.	1,403,551,768
1915 Act Bonds	100.	<u>242,639,475</u>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$22,175,341,929</b>

<u>OVERLAPPING GENERAL FUND DEBT:</u>	<u>% Applicable</u>	<u>Debt 8/1/25</u>
Alameda County General Fund Obligations	100. %	\$ 622,687,500
Contra Costa County General Fund and Pension Obligation Bonds	100.	150,845,000
City and County of San Francisco General Fund Obligations	100.	1,593,496,960
Community College District General Fund and Pension Obligation Bonds	100.	299,816,272
Unified School District General Fund Obligations	100.	264,035,663
Other School District Certificates of Participation	100.	8,448,212
City of Fremont Certificates of Participation	100.	49,005,000
City of Oakland General Fund and Pension Obligation Bonds	100.	71,897,500
City of Richmond General Fund and Pension Obligation Bonds	100.	227,940,000
Other City General Fund Obligations	100.	570,685,338
Fire Protection Districts General Fund and Pension Obligation Bonds	100.	45,743,000
Special District General Fund Obligations	100.	<u>55,821,000</u>
<b>TOTAL GROSS OVERLAPPING GENERAL FUND DEBT</b>		<b>\$3,960,421,445</b>
Less: Supported obligations		<u>45,958,795</u>
<b>TOTAL NET OVERLAPPING GENERAL FUND DEBT</b>		<b>\$3,914,462,650</b>

<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	\$1,790,352,412
<b>GROSS COMBINED TOTAL DEBT</b>	<b>\$27,926,115,786<sup>(2)</sup></b>
<b>NET COMBINED TOTAL DEBT</b>	<b>\$27,880,156,991</b>

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2024-25 Assessed Valuation:

<b>Direct Debt (\$2,334,420,000)</b> .....	<b>0.22%</b>
Total Direct and Overlapping Tax and Assessment Debt.....	2.12%
Gross Combined Total Debt.....	2.67%
Net Combined Total Debt .....	2.66%

Ratio to Redevelopment Incremental Valuation (\$144,737,516,919):

Total Overlapping Tax Increment Debt.....	1.24%
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Source: California Municipal Statistics, Inc.

## CONSTITUTIONAL LIMITATIONS

### Limitations on Tax Revenues

California Constitutional provisions allow for amendments by voter approval of qualified initiative petitions as well as legislative proposals. Over the years, such amendments have limited state and local taxing and spending powers, such as Proposition 98 that required approximately 48% of State general fund revenues to be expended on education. The following highlights certain provisions affecting the District.

*Article XIII A of the California Constitution.* Article XIII A of the State Constitution, adopted and known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum *ad valorem* tax on real property to one percent of “full cash value,” and provides that such tax shall be collected by the counties and apportioned according to State law. Section 1(b) of Article XIII A provides that the one-percent (1%) limitation does not apply to *ad valorem* taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast on the proposition, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. The *ad valorem* tax for payment of the District’s general obligation bonds including the 2025E Bonds under the 2016 Measure RR and the 2025H Bonds under the Measure AA election falls within the exception for bonds approved by a two-thirds vote.

Section 2 of Article XIII A of the California Constitution defines “full cash value” to mean the county assessor’s valuation of real property as shown on the Fiscal Year 1975-76 tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Proposition 8 (“Proposition 8”), approved by California voters in November of 1978, subsequently amended Article XIII A to permit reduction of the full cash value base in the event of declining property values caused by damage, destruction or other factors, and provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the base year value, and assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors. See “INVESTMENT CONSIDERATIONS – Reassessments and Appeals of Assessed Values.” The California Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than two percent (2%), depending on the assessor’s measure of the restoration of value of the damaged property. The California courts have upheld the constitutionality of this procedure. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except the one percent (1%) base tax levied by each county and taxes to pay debt service on indebtedness approved by the voters as described above.

Proposition 19, which was approved by the voters of the State on November 3, 2020, allows eligible homeowners to transfer their tax assessments anywhere within the State and allows tax assessments to be transferred to a more expensive home with an upward adjustment; requires that inherited homes that are not used as principal residences, such as second homes or rentals, be reassessed at market value when transferred; and allocates additional revenue or net savings resulting from the ballot measure to wildfire agencies and counties. The District is unable to predict the effect such measure may have on tax assessments within the District.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property.

Both the California Supreme Court and the United States Supreme Court have upheld the validity of Article XIII A.

*Article XIII C and Article XIII D of the California Constitution.* On November 5, 1996, California voters approved an initiative known as the Right to Vote on Taxes Act (“Proposition 218”). Proposition 218 added Articles XIII C and XIII D to the California Constitution. Article XIII C requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government, which is defined to include local or regional governmental agencies such as the District. Article XIII C also removes limitations on the initiative power with regard to reducing or repealing previously authorized local taxes. Proposition 26, approved by the voters of California on November 2, 2010, also amended Article XIII C to define “tax” to include in the two-thirds voter approval requirement local levies, charges or exactions previously considered fees with certain specified exemptions.

Article XIII D addresses assessments and property-related fees and charges. Article XIII D explicitly provides that nothing in Article XIII C or XIII D shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District.

The interpretation and application of Proposition 218 and Proposition 26 will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determinations.

## **Expenditures and Appropriations**

*Article XIII B of the California Constitution.* State and local government agencies in California are each subject to annual “appropriations limits” imposed by Article XIII B of the Constitution of the State of California (“Article XIII B”). Article XIII B prohibits government agencies and the State from spending “appropriations subject to limitation” in excess of the appropriations limit imposed. “Appropriations subject to limitation” are authorizations to spend “proceeds of taxes,” which include all tax revenues and investment earnings thereon, certain state subventions and certain other funds, including proceeds received by an entity of local government from regulatory licenses, user charges or other user fees to the extent that such proceeds exceed “the cost reasonably borne by that entity in providing the regulation, product, or service.” “Appropriations subject to limitation” under Article XIII B do not include appropriations required to comply with mandates of courts or of the Federal government, appropriations for qualified outlay projects (as defined by the Legislature), or appropriations for debt service on indebtedness existing prior to the passage of Article XIII B or thereafter authorized by the voters.

As amended at the June 5, 1990 election by Proposition 111, Article XIII B provides that, in general terms, the District’s appropriations limit is based on the limit for the prior year adjusted annually to reflect changes in cost of living, population and, when appropriate, transfer of financial responsibility of providing services from one governmental unit to another. Proposition 111 liberalized the aforementioned adjustment factors as compared to the original provisions of Article XIII B. If revenues from “proceeds of taxes” during any two consecutive Fiscal Years exceed the combined appropriations

limits for those two years, the excess must be returned by a revision of tax rate or fee schedules within the two subsequent Fiscal Years.

Section 7900 et seq. of the Government Code defines certain terms used in Article XIII B and sets forth the methods for determining the appropriations limits for local jurisdictions. The District's appropriations limit for the Fiscal Year ending June 30, 2025 is \$752,649,300 and the "appropriations subject to the limitation" are \$481,024,770, or \$271,624,530 under the limit. It is not anticipated that the District will ever reach its appropriations limit. However, if it were ever to reach such limit, amounts appropriated to pay debt service on the Bonds are considered appropriations for capital outlay projects and therefore not subject to the limit.

### **Prohibitions on Diverting Local Revenues for State Purposes**

Proposition 22, an initiative constitutional amendment adopted at the November 2010 election, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools. This was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment is to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State may have to take other actions to balance its budget in some years which could adversely affect State funding for transportation projects. One of the actions taken by the State Legislature was to dissolve redevelopment agencies, which was accomplished through the enactment of Assembly Bill No. 26 (First Extraordinary Session) in 2011 and Assembly Bill No. 1484 in 2012. The dissolution of redevelopment agencies by the State has had a modest positive impact on the District's finances related to the District's receipt of a portion of the 1% countywide general tax levy, which is used for general operating purposes.

### **Future Initiatives**

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 22, 26, 98, 111 and 218 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenues.

## **INVESTMENT CONSIDERATIONS**

### **Economy of the Three BART Counties and the State**

Until the outbreak of COVID-19, and the adverse economic impact of shelter-in-place orders instituted in the Three BART Counties in response to the outbreak, the economy of the Three BART Counties had enjoyed a period of robust development and expansion as evidenced by increases in sales tax revenues, employment rates, housing costs, assessed valuations, and total personal income. Since the onset of the COVID-19 pandemic, assessed valuations in the Three BART Counties have continued to increase. See "SECURITY AND SOURCE OF PAYMENT FOR THE 2025 BONDS – Assessed Valuation of Property Within the Three BART Counties." The District's financial condition is dependent upon the level of economic activity in the Three BART Counties and in the State generally.

For information relating to the decrease in ridership since the COVID-19 pandemic, see "INVESTMENT CONSIDERATIONS – Infectious Disease Outbreak" and Appendix A – "SAN

FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – THE BART SYSTEM – Ridership” and “ – Adopted Operating Budget for Fiscal Year 2025-26.” For information relating to economic conditions within the Three BART Counties and the State, see Appendix D – “THE ECONOMY OF THE THREE BART COUNTIES.”

### **Risk of Earthquake and Tsunami**

The District is located in a seismically active region. Active earthquake faults underlie both the District and the surrounding Bay Area, most notably the Hayward Fault and the San Andreas Fault (both located within the District). On August 24, 2014, an earthquake occurred in Napa, California. The tremor’s epicenter was located approximately 3.7 miles northwest of American Canyon near the West Napa Fault and registered 6.0 on the Richter scale of earthquake intensity. The Napa earthquake caused fires, damaged buildings and roads, and injured approximately 200 people. The Napa earthquake was the largest earthquake in the San Francisco Bay Area since the 1989 Loma Prieta earthquake on the San Andreas Fault, which was centered about 60 miles south of San Francisco, and it caused fires and collapse of and structural damage to buildings, highways and bridges in the San Francisco Bay Area. Neither earthquake caused damage to BART facilities.

In March 2015, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey (the “U.S.G.S.”), the California Geological Survey, and the Southern California Earthquake Center) reported that there is a 72% chance that one or more quakes of magnitude 6.7 or larger will occur in the San Francisco Bay Area before the year 2045. In addition, the U.S.G.S. released a report in April 2017 entitled the HayWired Earthquake Scenario (last updated in 2021), which estimates that in the first six months following a magnitude 7.0 earthquake on the Hayward Fault, property damages, utility outages, and ripple effects through supply chains could result in approximately \$44 billion of gross State product losses. The report also estimates that business continuity practices and economic resilience measures could reduce business interruption losses by approximately 40%, to approximately \$25 billion. Such earthquakes may be very destructive. Property within the Three BART Counties could sustain extensive damage in a major earthquake, District facilities could be damaged, and a major earthquake could adversely affect the area’s economic activity, in addition to adversely affecting the assessed value of property in the Three BART Counties.

The Three BART Counties may also experience the effects of a tsunami following a major seismic or volcanic event on the west coast of the United States or in other areas in the Pacific Ocean or the Pacific rim. In 2013, the U.S.G.S. and California Geological Survey released a report entitled the SAFRR (Science Application for Risk Reduction) Tsunami Scenario, which estimates property damage and business interruption losses in California (without resilience efforts) of approximately \$6 billion (in 2010 dollars) from a magnitude 9.1 earthquake offshore of the Alaskan peninsula. The study estimates wave heights in excess of six feet at the Golden Gate, which is predicted to cause flooding and damage to ports and other properties in the San Francisco Bay Area. In 2011, a magnitude 9.1 earthquake in Honshu, Japan caused tsunami damage in the San Francisco Bay Area, including to the Santa Cruz Harbor and the Berkeley Marina. Additionally, in January 2022, an underwater volcanic eruption offshore of Tonga triggered a tsunami that resulted in relatively minor flooding and damage to the San Francisco Bay Area. Moreover, in December 2024, a magnitude 7.0 earthquake off the coast of Northern California near Humboldt County triggered a brief tsunami warning. None of these events caused damage to BART facilities.

### **Climate Change**

Hazards relating to climate change include sea level rise, flooding, heat wave, drought, wildfire and severe storm and wind, all of which may have adverse effects on economic activity and assessed valuation of properties located within the Three BART Counties. Any such events, if unmitigated, may also have major impacts to BART stations, trackway, traction power, train control and maintenance

yard/shops, as well as wayside facilities. The impacts may directly impact patron safety, cause service disruptions and require prolonged recovery.

In recent years, portions of the State have experienced wildfires that have burned millions of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed valuation of property in the Three BART Counties. It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the San Francisco Bay Area or the extent to which wildfires may impact the value of taxable property within the Three BART Counties. The District also faces some limited risks associated with the impact of wildfire on its portfolio of power supply resources and the transmission of electricity to the District. See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – THE BART SYSTEM – Power Supply.”

BART is responding to climate change impacts by developing adaptation strategies and strengthening its infrastructure against such hazards. BART has analyzed the risks of sea level rise and concluded that damage resulting from storm surges and sea level rise could result in up to approximately \$650 million in damage without local and regional adaptation work, but that much of the damage could be mitigated by adaptation work valued at an estimated \$70 million.

Current efforts to mitigate the effects of climate change include water intrusion mitigation, earthquake safety, erosion control, storm drainage treatment, power redundancy, and fire suppression. BART is also working with regional partners in the San Francisco Bay Area to plan for regional adaptation needs. No assurance can be given that such measures will be sufficient to protect against all impacts of climate change.

### **Infectious Disease Outbreak**

The District’s operations and financial results may be adversely impacted by the outbreak of an infectious disease, including but not limited to COVID-19. The District’s financial results have been harmed by the COVID-19 pandemic and the resulting behavior changes in the Bay Area that have decreased ridership on the BART system.

A pandemic, epidemic, or outbreak of an infectious disease can have significant adverse health and financial impacts on global and local economies. Future pandemics similar to the COVID-19 pandemic and other widespread public health emergencies may arise from time-to-time and can impact broader economic conditions in the affected region. Reduced economic activity and its associated impacts such as job losses, income losses, business closures and housing foreclosures or vacancies, and any prolonged recession that may occur, could have a variety of adverse effects on sales tax revenues, ridership on the BART System, and the District’s financial condition. Reduced ridership on the BART System, including as a result of the outbreak of an infectious disease, could lead to a deterioration of the District’s financial condition that challenges its solvency. For additional information concerning potential consequences of District insolvency, see “ – Limitations on Remedies in Event of Bankruptcy” below. During the COVID-19 pandemic, the District has been able to balance its operating budget using one-time emergency funds from the State and Federal governments. For additional details regarding the one-time emergency assistance the District received, see Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Management’s Discussion of Historical Financial Results.”

The District cannot predict whether another national or localized outbreak of a highly contagious or epidemic disease in the future would negatively impact sales tax revenues. The District also cannot predict the extent or future duration of any outbreak, or how long the effects of the COVID-19 pandemic will continue to negatively impact the District’s financial condition and operations. For a discussion

regarding some other impacts of the COVID-19 pandemic on the District, see Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – THE BART SYSTEM – Ridership” and “ – Adopted Operating Budget for Fiscal Year 2025-26.”

### **Other Force Majeure Events**

Operation of the BART System is also at risk from other events of force majeure, such as damaging storms, winds and floods, fires and explosions, epidemics, pandemics, spills of hazardous substances, strikes and lockouts, sabotage, wars, blockades and riots. The District cannot predict the potential impact of such events on the financial condition of the District.

### **Limitations on Remedies in Event of Bankruptcy**

The opinion of Bond Counsel (defined below) notes that the rights and obligations under the 2025 Bonds and their enforceability are subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities like BART.

BART is currently considering a wide range of options to respond to the operational challenges it is facing. See “INTRODUCTION — Recent Operational Challenges.” If the Revenue Measure were to fail, and BART were to fail to secure sufficient alternative additional revenue to close its operating deficit in Fiscal Years 2026-27 and beyond, BART can give no assurances that it would not need to file for bankruptcy. Because BART is a governmental entity, an involuntary bankruptcy case cannot be commenced against BART. BART is, however, eligible to file a voluntary bankruptcy petition under Chapter 9 (“Chapter 9”) of the United States Bankruptcy Code (the “Bankruptcy Code”). Should BART file a Chapter 9 bankruptcy case, there could be adverse effects on the holders of the 2025 Bonds.

Chapter 9 provides that it does not limit or impair the power of the applicable state to control its municipalities in the exercise of the political or governmental powers of such municipality, including expenditures for such exercise. In addition, Chapter 9 provides that a bankruptcy court may not interfere with the political or governmental powers of the debtor, unless the debtor consents to that action or the plan so provides. There are very few court decisions as to meaning of these provisions of Chapter 9, but the United States Court of Appeals for the First Circuit, in a case involving the insolvency proceedings of Puerto Rico, concluded that a bankruptcy court does not have the power to order a debtor to comply with state law. California law provides that the *ad valorem* taxes levied for BART’s general obligation bonds must be used for no other purpose than the payment of principal of and interest on BART’s general obligation bonds. No assurance can be given, however, that in the event of a BART bankruptcy, a bankruptcy court would not conclude that it cannot or will not enforce that requirement.

If BART is in bankruptcy, the parties (including the Trustee and the holders of the 2025 Bonds) may be prohibited from taking any action to collect any amount payable by BART or to enforce any obligation of BART, without the permission of the bankruptcy court. In particular, the Trustee may be prevented from foreclosing on the property tax revenues or any other collateral that secures the 2025 Bonds. These restrictions may also prevent the Trustee from making payments to the holders of the 2025 Bonds from funds in the Trustee’s possession. In addition, the obligation of BART and the Three BART Counties to raise taxes if necessary to pay the 2025 Bonds may no longer be enforceable if BART is in bankruptcy.

BART may be able, without the consent and over the objection of the holders of the 2025 Bonds and the Trustee, to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the

2025 Bonds and other transaction documents related to the 2025 Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

BART may be able to borrow additional money that is secured by a lien on any of its property (including the property tax revenues), which lien could have priority over the lien of the 2025 Indenture. Additionally, a bankruptcy court may authorize the release of the property tax revenues to BART free and clear of the lien of the 2025 Indenture.

Actions could be taken in a bankruptcy of BART that could adversely affect the exclusion of interest on the 2025 Bonds from gross income for federal income tax purposes or otherwise adversely affect the tax treatment of the 2025 Bonds.

**Statutory Lien.** All general obligation bonds issued by local agencies in California, including the 2025 Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the ad valorem property tax. State law provides that the lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the bonds are executed and delivered. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by BART, the automatic stay provisions of the Bankruptcy Code would apply, preventing holders of the 2025 Bonds from enforcing their rights to payment from such taxes, so payments that become due and owing on the 2025 Bonds could be delayed during the pendency of the Chapter 9 proceeding.

**Special Revenues.** If the *ad valorem* tax revenues that are pledged to the payment of the 2025 Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. “Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. BART has specifically pledged the *ad valorem* taxes for payment of the 2025 Bonds. Additionally, the *ad valorem* taxes levied for payment of the 2025 Bonds are permitted under the State Constitution only if the applicable bond proposition is approved by two-thirds of voters and such bonds must be issued for the acquisition or improvement of real property. Because State law prohibits the use of the tax proceeds for any purpose other than payment of the bonds and the bond proceeds can only be used to fund the acquisition or improvement of real property, such tax revenues appear to fit the definition of special revenues. There is, however, no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payments of general obligation bonds in California, and thus no assurance can be given that a court would not hold that such property taxes are not special revenues. Even if the *ad valorem* tax revenues that are pledged to the payment of the 2025 Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, bondholders may not be able to compel them to be used to pay debt service during the pendency of a Chapter 9 proceeding. The Bankruptcy Code provides that there is no stay of application of pledged special revenues to payment of indebtedness secured by such revenues. The United States Court of Appeals for the First Circuit, in another case arising out of the insolvency proceedings of Puerto Rico, held that this provision permitted voluntary payments of debt service by the issuer of bonds backed by special revenues, but did not permit the bondholders to compel the issuer to make payments of debt service from special revenues. If this decision is followed in a BART bankruptcy, the holders of the 2025 Bonds may be prohibited from taking any action to require BART or any of the Three BART Counties to make payments on the 2025 Bonds without the bankruptcy court’s permission. This could result in substantial delays and reductions in payments on the 2025 Bonds.

If the *ad valorem* tax revenues are determined to be “special revenues,” the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the

transaction documents. Thus, BART may be able to use the ad valorem tax revenues to pay necessary operating expenses of BART, before the remaining revenues are paid to the owners of the 2025 Bonds. It is not clear precisely what expenses would constitute necessary operating expenses.

If any or all of property tax revenues are determined not to be special revenues, then any such property tax revenues collected after the commencement of a bankruptcy case will likely not be subject to the lien of the 2025 Indenture, although they should be subject to the statutory lien described above. It is not clear what would be the consequences for the bondholders of such an outcome.

If BART goes into bankruptcy and BART or any of the Three BART Counties has possession of pledged property tax revenues (whether collected before or after commencement of the bankruptcy), and if BART or any of the Three BART Counties, as applicable, does not voluntarily pay such property tax revenues to the Trustee or the holders of the 2025 Bonds, it is not clear what procedures the holders of the 2025 Bonds would have to follow to attempt to obtain possession of such property tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. A similar risk would exist if any of the Three BART Counties goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy).

There may be delays in payments on the 2025 Bonds while a bankruptcy court considers any of these or related issues. There may be other possible effects of a bankruptcy of BART that could result in delays or reductions in payments on the 2025 Bonds or other losses to the holders of the 2025 Bonds. Regardless of any specific adverse determinations in a BART bankruptcy proceeding, the commencement and pendency of a BART bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2025 Bonds.

Pending delivery of property tax revenues to the Trustee, the property tax revenues may be invested. Should any such investments suffer delays in payment or any losses, there may be delays or reductions in payments on the 2025 Bonds.

### **No Acceleration Provision**

The Trust Agreements do not contain a provision allowing for the acceleration of the 2025 Bonds in the event of a default in the payment of principal and interest on the 2025 Bonds when due. In the event of a default by the District, each holder of a 2025 Bond will have the right to exercise the remedies, subject to the limitations thereon, set forth in the respective Trust Agreement.

### **Loss of Tax Exemption**

As discussed under “TAX MATTERS,” interest on the Tax-Exempt Bonds could become includable in federal gross income, possibly from the date of issuance of the Tax-Exempt Bonds, as a result of acts or omissions of the District subsequent to the issuance of the Tax-Exempt Bonds. Should interest become includable in federal gross income, the Tax-Exempt Bonds are not subject to redemption by reason thereof and will remain outstanding until maturity or earlier redemption.

### **Green Bonds Suitability**

The purpose of labeling the 2025 Bonds as “Green Bonds” is to allow owners of the 2025 Bonds to invest in bonds that have financed environmentally beneficial projects. The District does not make any representation as to the suitability of the 2025 Bonds to fulfill such environmental and sustainability criteria. The 2025 Bonds may not be a suitable investment for all investors seeking exposure to green or sustainable assets. There is currently no market consensus on what precise attributes are required for a particular project to be defined as “green” or “sustainable,” and therefore no assurance can be provided to

investors that the projects refinanced by proceeds of the 2025 Bonds will continue to meet investor expectations regarding sustainability performance. Adverse environmental or social impacts may occur during the operation of such projects and where any negative impacts are insufficiently mitigated, such projects may become controversial, and/or may be criticized by activist groups and other stakeholders.

No representation is made as to the suitability of any 2025 Bonds to fulfill environmental and/or sustainability criteria required by prospective investors. Each potential purchaser of 2025 Bonds should determine for itself the relevance of the information contained or referred to herein or in the Resolutions regarding the use of proceeds and its purchase of 2025 Bonds should be based upon such investigation as it deems necessary. **THERE CAN BE NO ASSURANCE THAT THE USE OF PROCEEDS OF THE 2025 BONDS WILL BE SUITABLE FOR THE INVESTMENT CRITERIA OF AN INVESTOR.** It is the District's intention to apply the net proceeds received from the sale of the 2025 Bonds for environmentally sustainable projects as described in "DESIGNATION AS GREEN BONDS / CLIMATE BOND CERTIFIED."

Prospective investors should review the information included in this Official Statement pertaining to the intended use of the proceeds of the 2025 Bonds and must determine for themselves the relevance of such information for the purpose of any investment in the 2025 Bonds, together with any other investigation the investor deems necessary. In particular, no assurance is given by the District or any Underwriter that the use of such proceeds will satisfy, in whole or in part, any present or future investor expectations or requirements as to any investment criteria or guidelines with such investor or its investments are required to comply, whether by any present or future applicable law or regulations, or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental impact of any uses of the proceeds of the 2025 Bonds.

Furthermore, it should be noted that there is currently no clearly defined definition of (legal, regulatory, or otherwise), nor market consensus as to what constitutes a "green" or an equivalently labeled project or as to what precise attributes are required for a particular project to be defined as "green" or such other equivalent label. No assurance can be given that such a clear definition will develop over time, or that, if developed, it will include the projects to be financed or refinanced with proceeds of the 2025 Bonds. Accordingly, no assurance is or can be given to investors that any uses of the 2025 Bonds will meet investor expectations regarding such "green" or other equivalently-labeled performance objectives or that any adverse environmental and/or other impacts will not occur during the construction or operation of projects to be financed with the proceeds of the 2025 Bonds.

### **Reassessments and Appeals of Assessed Values**

State law affords an appeal procedure to taxpayers who disagree with the assessed value of their taxable property. Taxpayers may informally request a reduction in assessment directly from the applicable County Assessor (the "Assessor"), who may grant or refuse the request, and may appeal an assessment directly to the State Board of Equalization, which rules on appealed assessments whether or not settled by the Assessor. The Assessor is also authorized to reduce the assessed value of any taxable property upon a determination that the market value has declined below the then-current assessment, whether or not appealed by the taxpayer.

Several of the District's twenty largest secured taxpayers have previously filed appeals seeking to reduce the assessed valuation of their property located within the Three BART Counties. The District can make no predictions as to the changes in assessed values that might result from any pending or future appeals by taxpayers or blanket reassessments enacted by the assessor. Any reduction in aggregate assessed valuation in the Three BART Counties due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the 2025 Bonds to increase accordingly, so that the fixed debt service on the 2025 Bonds (and other outstanding bonds) may be paid. Any refund of paid taxes triggered by a successful assessment appeal will be debited by the county

treasurer against all taxing agencies who received tax revenues, including the District. See “CONSTITUTIONAL LIMITATIONS – Limitations on Tax Revenues – Article XIII A of the California Constitution.”

### **Cyber Security Risk**

The District, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District is potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the District’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage. The District has never had a major cyber breach that resulted in a material financial loss.

No assurance can be given that the District’s efforts to manage cyber threats and attacks will, in all cases, be successful or that any such attack will not materially impact the operations or finances of the District. The District is also reliant on other entities and service providers, such as the Trustee in its role as trustee, and U.S. Bank Trust Company, National Association in its role as dissemination agent in connection with the District’s compliance with its continuing disclosure undertakings. No assurance can be given that the District may not be affected by cyber threats and attacks against other entities or service providers in a manner which may affect the owners of the 2025 Bonds, including for example, systems related to the timeliness of payments to owners of the 2025 Bonds or compliance with disclosure filings pursuant to the Continuing Disclosure Agreement. See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Risk Management and Insurance.”

### **Threats and Acts of Terrorism**

BART and the BART police department collaborate with federal, State and local law enforcement authorities to implement security measures to reduce the probability that the BART System could be attacked by terrorists or violent extremists. However, such measures are not guaranteed to prevent an attack on the BART System. As such, BART and the BART police department actively plan and prepare to respond to and recover from all hazard events including acts of terrorism and violent extremism. The District cannot predict the likelihood of a terrorist attack on any portion of the BART System. Components of the BART System are not insured against terrorist attacks. See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – Security Enhancement Program.”

### **Potential Labor Disruptions**

BART employees are represented by employee bargaining units that under State law are permitted to strike during negotiations for a contract. During strikes, the District does not operate service, which results in a loss of operating revenues. In 2013, the District suffered strikes during contract negotiations. Based on its current labor agreements, the District expects to enjoy stability in its labor relations through at least June 30, 2027. See Appendix A – “SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Labor Relations and Employee Retirement Benefits.” The District cannot predict the potential impact of future labor disruptions on the financial condition of the District.

### **Federal Funding Risks**

***Federal Policy Risks.*** Federal policies involving taxation, appropriations, borrowing (including

the debt ceiling), trade (including tariffs), immigration, climate change, clean energy and other topics can shift, sometimes dramatically, from one presidential administration or Congress to another. From time to time, such shifts can result in reductions to the level of federal funding for a variety of policy priorities, including transportation, housing, healthcare, social services and other federally funded programs. Recently, several such policy shifts, including proposed delays in grants and other appropriations, have been proposed or promulgated through presidential executive orders and other official and unofficial actions at the federal level. The District cannot predict the outcome of such proposals and other actions, nor the potential impacts of any future such changes in federal policy. However, such changes could in the future have adverse effects on revenues, operation and maintenance costs or capital funding requirements.

Federal Transit Administration (“FTA”) grants are a significant source of funding for the District. If there is a significant decrease in or delay of FTA grants due to a shift in federal policy, the District may need to delay or cancel projects or use alternate funding sources for projects. For example, on January 20, 2025, President Trump signed an executive order requiring all agencies to immediately pause the disbursement of funds appropriated through the Inflation Reduction Act of 2022 or the Infrastructure Investment and Jobs Act, and to review their processes, policies and programs for issuing grants, loans, contracts or other financial disbursements of such appropriated funds for consistency with the law and policy outlined in the executive order. The executive order has not yet been implemented and remains subject to pending legal challenges. Most recently, on February 25, 2025, the United States District Court for the District of Columbia indefinitely enjoined the federal Office of Management and Budget from implementing the executive order while the litigation remains pending. The District cannot predict how and to what extent the executive order or any similar executive order will impact FTA grants and the timing, process or amount of disbursements to the District.

Additionally, on April 2, 2025 President Trump announced global tariffs on all items imported into the United States, subject to limited exemptions, declaring a 10% baseline tax on imports from all countries as well as higher rates for dozens of nations that run trade surpluses with the United States. The District cannot predict what additional actions may ultimately be taken by the United States and or any foreign government with respect to tariffs or trade relations, what products may be subject to such actions or what actions may be taken by such foreign governments in retaliation. The imposition of additional tariffs or other trade barriers could impact the cost of construction materials and supplies for the District or have an impact on inflation and spending habits of the public. Finally, it is possible that government policy changes and uncertainty about such changes could increase market volatility and currency exchange rate fluctuations.

***Federal Legislation.*** Legislation is periodically introduced in the United States Congress that could affect the finances or operations of the District. Examples of federal legislative proposals that could have an adverse effect on the District if they were to be introduced and become law include, but are not limited to: (1) changes in federal funding for transportation services and infrastructure, (2) limitations on the amount or availability of tax-exempt financing under Section 103 of the Code, or (3) elimination of the exclusion of interest on tax-exempt bonds from gross income for all or some taxpayers. Legislative proposals to eliminate or limit the benefit of tax-exempt interest on bonds such as the 2025 Bonds have been made in the past, and may be made again in the future. If adopted, any such proposal could alter the federal tax treatment described under the heading “TAX MATTERS” or could adversely affect the market value or marketability of the 2025 Bonds. The District cannot predict whether any such legislation will be introduced or enacted in the current or future sessions of the United States Congress.

Additionally, the current Infrastructure Investment and Jobs Act, which sets the funding levels, policy directives, and programmatic requirements for numerous federal agencies including FTA, is set to expire in September 2026. The reauthorization process is expected to commence in Fall 2025, and the District cannot predict whether and to what extent any reauthorization will maintain funding levels for programs the District may utilize.

## **CITIZENS' OVERSIGHT COMMITTEES**

Measure RR, approved by voters on November 8, 2016, requires that an independent Citizens' Oversight Committee (the "Measure RR Oversight Committee") be created by the District to review and report to the public expenditures of the bond proceeds. The Measure RR Oversight Committee currently consists of four members selected by the Board of Directors of the District, and the District is recruiting additional members to fill three vacant seats. Measure RR requires that members of the Measure RR Oversight Committee have expertise in certain specific subjects and reside within the District. Since its formation, the Measure RR Oversight Committee has held multiple meetings and the chair of the Measure RR Oversight Committee has presented reports to the District's Board, in which the Measure RR Oversight Committee stated its consensus opinion that bond proceeds are being spent properly and in accordance with Measure RR. In June 2024, the chair of the Measure RR Oversight Committee presented its annual report for Fiscal Year 2023-24 to the Board of Directors, which indicated that the District's Measure RR program is approximately 58% complete, which exceeds projections made by BART when Measure RR was put before the voters in 2016. The District expects the Measure RR Oversight Committee to present its annual report for Fiscal Year 2024-25 in October 2025. The 2025E Bonds will be subject to review by the Measure RR Oversight Committee.

Measure AA required that a BART Earthquake Safety Program Citizens' Oversight Committee (the "Measure AA Oversight Committee") be created by the District to confirm that proceeds of General Obligation Bonds are spent on seismic upgrades to BART structures as required by Measure AA and to review scheduling and budgeting of the projects to be funded. Measure AA requires that members of the Measure AA Oversight Committee have expertise in certain specific subjects and reside within the District. Since its formation, the Measure AA Oversight Committee has held at least one meeting annually and the chair of the Measure AA Oversight Committee has presented reports to the District's Board, in which the Committee stated its consensus opinion that bond proceeds are being spent properly and in accordance with Measure AA. The Measure AA new money authorization has been expended, and the District is currently in the process of disbanding the Measure AA Oversight Committee. The 2025H Bonds are refunding bonds and, as such, are not subject to review by the Measure AA Oversight Committee.

The Measure RR Oversight Committee and the Measure AA Oversight Committee are responsible for confirming that work is completed and bond funds are expended in accordance with the applicable bond measure.

## **LEGAL MATTERS**

The validity of the 2025 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District ("Bond Counsel"). A complete copy of the proposed form of the opinion to be delivered by Bond Counsel is attached hereto as Appendix G. Compensation of Bond Counsel and counsel to the Underwriters is contingent upon the issuance of the 2025 Bonds. Approval of certain other legal matters will be passed upon for the District by its General Counsel and by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, and for the Underwriters by Husch Blackwell LLP. Neither Orrick, Herrington & Sutcliffe LLP nor Husch Blackwell LLP take any responsibility for the accuracy, completeness or fairness of this Official Statement.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the

Internal Revenue Code of 1986 (the “Code”). Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Tax-Exempt Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel observes that interest on the Taxable Bonds is not excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code. Bond Counsel is also of the opinion that interest on the 2025 Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2025 Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix G hereto.

As used herein, “U.S. Holder” means a Beneficial Owner of a 2025 Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, “Non-U.S. Holder” generally means a Beneficial Owner of a 2025 Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds 2025 Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding 2025 Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the 2025 Bonds (including their status as U.S. Holders or Non-U.S. Holders).

### **The Tax-Exempt Bonds**

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Tax-Exempt Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Tax-Exempt Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Tax-Exempt Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Tax-Exempt Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Tax-Exempt Bonds may adversely affect the value of, or the tax status of interest on, the Tax-Exempt Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Tax-Exempt Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Tax-Exempt Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise

prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Tax-Exempt Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Tax-Exempt Bonds ends with the issuance of the Tax-Exempt Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Tax-Exempt Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Tax-Exempt Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

#### ***For U.S. Holders of Tax-Exempt Bonds***

To the extent the issue price of any maturity of the Tax-Exempt Bonds is less than the amount to be paid at maturity of such Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Tax-Exempt Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Tax-Exempt Bonds accrues daily over the term to maturity of such Tax-Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted U.S. federal income tax basis of such Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bonds. Beneficial Owners of the Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such Tax-Exempt Bonds is sold to the public.

Tax-Exempt Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Tax-Exempt Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Tax-Exempt Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-

exempt interest received, and a Beneficial Owner's U.S. federal income tax basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Tax-Exempt Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Payments on the Tax-Exempt Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of Tax-Exempt Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Tax-Exempt Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Tax-Exempt Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. Holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

#### ***For Non-U.S. Holders of Tax-Exempt Bonds***

Subject to the discussion below addressing backup withholding tax requirements, payments of principal of, and interest on, any Tax-Exempt Bond to a Non-U.S. Holder, generally will not be subject to any federal withholding tax.

Subject to the discussion below addressing backup withholding tax requirements, any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Tax-Exempt Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

Under current U.S. Treasury Regulations, payments of principal and interest on any Tax-Exempt Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the Beneficial Owner of the Tax-Exempt Bond or a financial institution holding the Tax-Exempt Bond on behalf of the Beneficial Owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a Beneficial Owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury.

#### **The Taxable Bonds**

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to holders of the Taxable Bonds that acquire their Taxable Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S.

federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, investors whose “functional currency” is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Taxable Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Taxable Bonds pursuant to this offering for the issue price that is applicable to such Taxable Bonds (i.e., the price at which a substantial amount of the Taxable Bonds are sold to the public) and who will hold their Taxable Bonds as “capital assets” within the meaning of Section 1221 of the Code.

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Taxable Bonds in light of their particular circumstances.

#### ***For U.S. Holders of Taxable Bonds***

Interest. Interest on the Taxable Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder’s method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of any maturity of the Taxable Bonds is less than the amount to be paid at maturity of such Taxable Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Taxable Bonds) by more than a de minimis amount, the difference may constitute original issue discount (“OID”). U.S. Holders of Taxable Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

Taxable Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Taxable Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Taxable Bond.

Sale or Other Taxable Disposition of the Taxable Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Taxable Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Taxable Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Taxable Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder’s adjusted U.S. federal income tax basis in the Taxable Bond (generally, the purchase price paid by the U.S. Holder for the Taxable Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Taxable Bond). Any such gain or loss generally will be capital gain or loss.

In the case of a non-corporate U.S. Holder of the Taxable Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Taxable Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Taxable Bonds. If the District defeases any Taxable Bond, the Taxable Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted U.S. federal income tax basis in the Taxable Bond.

Information Reporting and Backup Withholding. Payments on the Taxable Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Taxable Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Taxable Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Taxable Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. Holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

#### ***For Non-U.S. Holders of Taxable Bonds***

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," payments of principal of, and interest on, any Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation described in Section 881(c)(3)(C) of the Code, and (2) a bank which acquires such Taxable Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the Beneficial Owner of the Taxable Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Taxable Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Taxable Bond) or other disposition of a Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," under current U.S. Treasury Regulations, payments of principal and interest on any Taxable Bonds to a

holder that is not a United States person will not be subject to any backup withholding tax requirements if the Beneficial Owner of the Taxable Bond or a financial institution holding the Taxable Bond on behalf of the Beneficial Owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a Beneficial Owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury.

***Foreign Account Tax Compliance Act (“FATCA”)—U.S. Holders and Non-U.S. Holders of Taxable Bonds***

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the Taxable Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain “passthru” payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term “foreign passthru payments.” Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Taxable Bonds in light of the holder’s particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Taxable Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

**LITIGATION**

At the time of delivery of and payment for the 2025 Bonds, the District will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending with respect to which the District has been served with process or, to the knowledge of the District, threatened against the District in any way affecting the existence of the District or the titles of its officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the 2025 Bonds, the application of the proceeds thereof in accordance with the Trust Agreements, or the levy, collection or application of the *ad valorem* taxes, or in any way contesting or affecting the validity or enforceability of the 2025 Bonds or the Trust Agreements or in any way contesting the completeness or accuracy of this Official Statement with respect to the 2025 Bonds.

The District is currently involved in various lawsuits, claims and disputes. Many of those lawsuits arise as a result of personal injuries and property damage which are anticipated in connection with operations such as the District’s. The District is currently named in thirteen active lawsuits filed by current and former employees alleging employment related claims including claims of racial and

disability discrimination, a number of civil rights lawsuits arising from its ongoing police activities and one construction-related claim.

The District in 2019 received a defense verdict in litigation brought by a company retained to act as a master station retail vendor which the District had terminated. The company sought \$30 million in damages. The Court of Appeal affirmed the judgment for the District, and there was no appeal to the California Supreme Court.

In the wake of the COVID-19 pandemic, several former District employees have brought suits against the District claiming the District failed to provide accommodations to the District's vaccine mandate to which the claimants were legally entitled. The District has settled a number of these claims, and in fall of 2024, a jury entered a \$7.8 million verdict in favor of six plaintiffs. The District is appealing the verdict. There are still potential claims that may be within the statute of limitation. The District cannot predict whether any of the potential claims will be brought, or, if brought, will prevail. The District estimates that were all the extant potential claims to be brought, and were the claims to prevail, it could face a maximum liability of approximately \$90 million, or about 0.8% of the District's annual operating budget. While the District maintains insurance coverage it believes to be applicable to these claims, such insurance coverage will provide no greater than \$3 million per year to offset losses and \$1 million per year to offset expenses.

The District is also monitoring the potential for litigation to be filed in response to prior United States Department of Labor federal grant certifications in light of the California Public Employees' Pension Reform Act. A dispositive ruling that prevents the certification of federal transit grants or interferes with prior certifications would have a material adverse effect on the District's finances. See Appendix A – "SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT FINANCIAL AND OPERATING INFORMATION – BART FINANCINGS AND CAPITAL PROGRAMS – Funding Developments – *Pension Reform Act and Federal Grant Funding.*"

## **RATINGS**

Moody's Investors Service ("Moody's") has assigned a rating of "[\_\_\_\_]" to the 2025 Bonds. Fitch Ratings ("Fitch") has assigned a rating of "[\_\_\_\_]" to the 2025 Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from such rating agencies furnishing the same at the following addresses: Moody's Investors Service, 405 Howard Street, Suite 300, San Francisco, California 94105 and Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any credit ratings given to the 2025 Bonds will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by such rating agencies, if, in their judgment, circumstances so warrant. The District undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2025 Bonds.

## **MUNICIPAL ADVISOR**

Sperry Capital Inc., Mill Valley, California, serves as Municipal Advisor to the District with respect to the sale of the 2025 Bonds. The Municipal Advisor has not conducted a detailed investigation of the affairs of the District to determine the completeness or accuracy of this Official Statement, has not independently verified any of the data contained herein and has no responsibility for the accuracy or completeness thereof.

The compensation of the Municipal Advisor is contingent upon the issuance of the 2025 Bonds.

## CONTINUING DISCLOSURE

To enable the Underwriters to comply with the requirements of Rule 15c2-12 promulgated by the Securities Exchange Commission (the “Rule”), the District will enter into a Continuing Disclosure Agreement with U.S. Bank Trust Company, National Association, as dissemination agent, for the benefit of the Beneficial Owners (as such term is defined in such Continuing Disclosure Agreement) from time to time of the 2025 Bonds. A copy of the proposed form of Continuing Disclosure Agreement is set forth in Appendix F hereto. During the five-year period preceding the date of this Official Statement, the District was current in the filing of its required annual report filings under the Rule; however, the District has determined that its Fiscal Year 2019-20 annual report filing was not linked to all of the specific CUSIP numbers to which it related. The District subsequently filed its Fiscal Year 2019-20 annual report filing on the Municipal Securities Rulemaking Board Electronic Municipal Market Access System and linked the previously omitted CUSIPs. The District has engaged BLX Group to assist with its continuing disclosure obligations and U.S. Bank Trust Company, National Association to serve as Dissemination Agent.

## UNDERWRITING

The 2025 Bonds are being purchased by Barclays Capital Inc., as representative of itself and the Underwriters identified on the cover page of this Official Statement (the “Underwriters”) pursuant to a bond purchase agreement between the District and the Underwriters (the “Bond Purchase Agreement”). The Bond Purchase Agreement provides that the Underwriters will purchase all of the 2025 Bonds, if any are purchased, at a purchase price equal to \$ \_\_\_\_\_ (representing the principal amount of the 2025 Bonds, plus/less a [net] original issue [premium/discount] of \$ \_\_\_\_\_ and less an Underwriters’ discount of \$ \_\_\_\_\_).

The Underwriters are initially offering the 2025 Bonds to the public at the public offering yields indicated on the inside cover page hereof but the Underwriters may offer and sell the 2025 Bonds to certain securities dealers, institutional investors and others (including sales for deposit into investment trusts, certain of which may be sponsored or managed by one or more of the Underwriters) at yields higher than the public offering yields stated on the cover page and the public offering yields may be changed from time to time by the Underwriters.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the 2025 Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 2025 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2025 Bonds that such firm sells.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“WFBNA”), an underwriter of the 2025 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2025 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its

underwriting or remarketing agent compensation, as applicable, with respect to the 2025 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2025 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

[Placeholder for additional dealer agreement disclosures]

## **FINANCIAL STATEMENTS**

The most recent audited financial statements of the District included in Appendix B to this Official Statement have been audited by Crowe LLP (the “Auditor”), whose report thereon appears in such Appendix. The Auditor was not requested to consent to the inclusion of its report in Appendix B, nor has the Auditor undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

## **MISCELLANEOUS**

This Official Statement is not to be construed as a contract or agreement between the District and the purchasers, holders or beneficial owners of any of the 2025 Bonds. All of the preceding summaries of the 2025 Bonds, the Trust Agreements, applicable legislation and other agreements and documents are made subject to the provisions of the 2025 Bonds and such documents, respectively, and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the District for further information in connection therewith.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

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The execution and delivery of this Official Statement by the Chief Financial Officer of the District has been duly authorized by the District. Concurrently with the delivery of the 2025 Bonds, the District will furnish to the Underwriters a certificate of the District to the effect that this Official Statement, as of the date of this Official Statement and as of the date of delivery of the 2025 Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading.

SAN FRANCISCO BAY AREA RAPID TRANSIT  
DISTRICT

By: \_\_\_\_\_  
Chief Financial Officer

**APPENDIX A**

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
FINANCIAL AND OPERATING INFORMATION**

**APPENDIX B**

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**APPENDIX C**

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
STATEMENT OF INVESTMENT POLICY**

## APPENDIX D

### THE ECONOMY OF THE THREE BART COUNTIES

#### General

The San Francisco Bay Area (the “Bay Area”) encompasses the nine counties which border San Francisco Bay. The Three BART Counties (the City and County of San Francisco, Alameda County and Contra Costa County) comprise a 1,512-square-mile central core of the nearly 7,000 square miles of land in the Bay Area. The City and County of San Francisco occupies approximately 49 square miles, while Alameda County and Contra Costa County are approximately 733 and 734 square miles in size, respectively. The San Francisco Bay Area Rapid Transit District (the “District” or “BART”) service area also includes northern San Mateo County, adjacent to the southern border of San Francisco, and northern Santa Clara County, adjacent to the southern borders of San Mateo County and Alameda County. The surrounding six non-member counties, Marin, Sonoma, Napa and Solano to the north and San Mateo and Santa Clara to the south, provide reciprocal economic support, potential users and expansion area for the District’s centrally located system. All capitalized terms used and not otherwise defined in this Appendix D shall have the meanings set forth in the front portion of this Official Statement.

The City and County of San Francisco occupies the tip of a peninsula situated between the Pacific Ocean and San Francisco Bay (the “Bay”) and is separated from Marin County and other northerly counties by the Golden Gate, which forms the entrance to the Bay and is spanned by the Golden Gate Bridge. Alameda and Contra Costa Counties, bordering the east side of the Bay across from San Francisco, stretch eastward up to 40 miles beyond the series of hills between the Bay and the Central Valley (the Sacramento and San Joaquin Valleys) of California. Contra Costa County is bordered on the northwest by San Pablo Bay and the north by the Carquinez Strait and the extensive delta area of the Sacramento and San Joaquin Rivers, which empty into the Bay. Alameda County adjoins Santa Clara County at the southern end of the Bay. Linking the Bay Area are eight major toll bridges.

Sales taxes levied in the Three BART Counties are a principal source of the District’s non-operating revenues. Sales tax revenues depend on economic activity and trends as well as the demographic characteristics of the Three BART Counties. Historical trends are summarized below and forecasts are presented for the population and employment of the Three BART Counties.

#### Historical Population and Employment Trends

Table 1 shows historical population for cities within the Three BART Counties for the selected years between 2000 and 2025. Population in the Three BART Counties increased approximately 16.1% between 2000 and 2025 and decreased approximately 1.5% between 2020 and 2025.

**Table 1**  
**HISTORICAL POPULATION**  
**Alameda and Contra Costa Counties and City and County of San Francisco**  
**2000, 2010, 2020, and 2023 through 2025**

	<u>2000<sup>(1)</sup></u>	<u>2010<sup>(1)</sup></u>	<u>2020<sup>(1)</sup></u>	<u>2023<sup>(1)</sup></u>	<u>2024<sup>(1)</sup></u>	<u>2025<sup>(1)</sup></u>	<u>% Change 2024-2025</u>
<b>Alameda County</b>							
Alameda	72,398	73,717	78,477	77,912	79,172	79,020	(0.2)
Albany	16,422	18,481	21,190	20,451	20,520	20,578	0.3
Berkeley	102,540	112,363	127,659	126,122	126,676	128,348	1.3
Dublin	28,540	45,681	74,348	73,222	73,832	74,691	1.2
Emeryville	6,836	9,795	12,569	12,801	13,509	13,471	(0.3)
Fremont	202,337	213,524	229,711	232,533	232,241	232,619	0.2
Hayward	139,124	143,921	163,890	162,049	161,977	162,359	0.2
Livermore	72,922	80,932	87,829	86,012	86,094	85,899	(0.2)
Newark	42,250	42,592	47,356	48,165	48,382	48,886	1.0
Oakland	398,247	391,475	432,459	424,172	424,235	426,457	0.5
Piedmont	10,931	10,674	11,268	10,903	10,836	10,806	(0.3)
Pleasanton	63,317	70,135	79,701	77,862	77,526	77,232	(0.4)
San Leandro	78,983	84,831	91,044	88,594	88,124	87,813	(0.4)
Union City	66,412	69,625	70,188	67,536	66,898	66,657	(0.4)
Other Areas	135,877	141,494	153,648	149,000	148,039	147,646	(0.3)
	1,437,136	1,509,240	1,681,337	1,657,334	1,658,061	1,662,482	(0.3)
<b>Contra Costa County</b>							
Antioch	90,091	102,277	115,060	115,109	116,177	116,781	0.5
Brentwood	22,003	51,453	64,204	64,735	65,353	65,747	0.6
Clayton	10,774	10,899	11,060	10,735	10,793	10,743	(0.5)
Concord	121,445	122,109	125,474	122,507	123,074	122,650	(0.3)
Danville	41,519	42,067	43,559	42,951	43,030	42,960	(0.2)
El Cerrito	23,167	23,552	25,957	25,500	25,943	25,862	(0.3)
Hercules	19,412	24,079	25,991	26,311	26,357	26,225	(0.5)
Lafayette	23,916	23,895	25,363	24,944	25,073	25,054	(0.1)
Martinez	35,824	35,846	37,518	36,649	36,871	36,817	(0.1)
Moraga	16,307	16,019	17,213	16,959	16,973	16,637	(2.0)
Oakley	25,622	35,351	43,285	45,140	46,218	46,826	1.3
Orinda	17,590	17,647	19,488	19,323	19,395	19,351	(0.2)
Pinole	19,027	18,376	18,926	18,324	18,344	18,261	(0.5)
Pittsburg	56,513	63,181	76,401	75,098	75,887	76,374	0.6
Pleasant Hill	32,802	33,175	34,482	33,597	33,694	33,601	(0.3)
Richmond	99,047	103,764	115,782	113,613	113,872	113,594	(0.2)
San Pablo	30,157	29,245	32,185	31,345	31,450	31,507	0.2
San Ramon	44,560	71,788	84,758	83,074	83,245	83,391	0.2
Walnut Creek	64,244	64,240	70,165	69,414	70,238	69,927	(0.4)
Other Areas	150,933	158,985	177,973	174,978	176,262	175,917	(0.2)
	944,953	1,047,948	1,164,844	1,150,306	1,158,249	1,158,225	0.0
<b>City and County of San Francisco</b>							
	773,312	804,989	873,444	848,036	845,355	842,027	(0.4)
<b>Three BART Counties</b>							
	3,155,401	3,362,177	3,719,625	3,655,676	3,661,665	3,662,734	0.0

<sup>(1)</sup> As of January 1 of that year.

Sources: For 2000: State of California, Department of Finance, E-4 Historical Population Estimates for City, County and the State, 1991-2000, with 1990 and 2000 Census Counts. Sacramento, California, August 2007. For 2010: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2001-2010, with 2000 & 2010 Census Counts. Sacramento, California, November 2012. For 2020: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2020, with 2010 and 2020 Census Benchmarks. Sacramento, California, May 2025. For 2023, State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2021-2025, with 2020 Census Benchmark. Sacramento, California, May 2025. For 2024 and 2025: State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2024 and 2025. Sacramento, California, May 2025.

Table 2-A shows historical nonagricultural employment for the Three BART Counties by industry sector in calendar year 2023 and Table 2-B shows total nonagricultural employment for those counties by industry sector in calendar years 2013 and 2023.

**Table 2-A**  
**NONAGRICULTURAL EMPLOYMENT BY INDUSTRY SECTOR**  
**Alameda and Contra Costa Counties and City and County of San Francisco**  
**Calendar Year 2023**  
**(Not Seasonally Adjusted)**

	Alameda County		Contra Costa County		City and County of San Francisco	
	Number	Percent <sup>(2)</sup>	Number	Percent <sup>(2)</sup>	Number	Percent <sup>(2)</sup>
Total Nonagricultural Employment <sup>(1)</sup>	812,800	–	375,200	–	743,500	–
<i>Major Classifications</i>						
Manufacturing .....	97,800	12.0%	14,100	3.8%	12,600	1.7%
Transportation, Warehousing and Public Utilities .....	40,000	4.9	14,400	3.8	20,800	2.8
Wholesale Trade .....	33,000	4.1	8,500	2.3	10,400	1.4
Retail Trade .....	64,100	7.9	41,400	11.0	35,300	4.7
Finance and Insurance .....	16,300	2.0	16,000	4.3	44,500	6.0
Real Estate, Rental and Leasing .....	11,000	1.4	7,500	2.0	14,700	2.0
Information .....	18,600	2.3	5,600	1.5	63,900	8.6
Professional & Business Services .....	135,000	16.6	54,500	14.5	203,800	27.4
Private Education & Health Services ...	135,800	16.7	80,700	21.5	99,600	13.4
Leisure & Hospitality .....	71,100	8.7	41,000	10.9	82,000	11.0
Other Services .....	27,200	3.3	14,100	3.8	24,200	3.3
Government .....	115,500	14.2	49,400	13.2	108,500	14.6

<sup>(1)</sup> Totals may reflect rounding.

<sup>(2)</sup> Represents percentage of total nonagricultural employment; reflects rounding.

Source: California Employment Development Department, Labor Market Information Division with March 2024 Benchmark.

**Table 2-B**  
**NONAGRICULTURAL EMPLOYMENT BY INDUSTRY SECTOR**  
**Total Three BART Counties**  
**Calendar Years 2013 and 2023**  
**(Not Seasonally Adjusted)**

	2013		2023	
	Number	Percent <sup>(2)</sup>	Number	Percent <sup>(2)</sup>
Total Nonagricultural Employment <sup>(1)</sup>	1,645,400	-	1,931,500	-
<i>Major Classifications</i>				
Manufacturing .....	89,300	5.4%	124,500	6.4%
Transportation, Warehousing and Public Utilities .....	44,500	2.7	75,200	3.9
Wholesale Trade .....	58,700	3.6	51,900	2.7
Retail Trade .....	151,800	9.2	140,800	7.3
Finance and Insurance .....	73,600	4.5	76,800	4.0
Real Estate, Rental, and Leasing .....	29,200	1.8	33,200	1.7
Information .....	48,400	2.9	88,100	4.6
Professional & Business Services .....	327,300	19.9	393,300	20.4
Private Education & Health Services .....	253,300	15.4	316,100	16.4
Leisure & Hospitality .....	183,500	11.2	194,100	10.0
Other Services .....	61,200	3.7	65,500	3.4
Government .....	251,700	15.3	273,400	14.2

<sup>(1)</sup> Totals may reflect rounding.

<sup>(2)</sup> Represents percentage of total nonagricultural employment; reflects rounding.

Source: California Employment Development Department, Labor Market Information Division with March 2024 Benchmark.

Total nonagricultural employment in the Three BART Counties increased approximately 17.4% between 2013 and 2023.

As shown in Table 2-A and Table 2-B, the economy of the Three BART Counties is well diversified, with emphasis on professional and business services, educational and health services, and government.

*Alameda County.* Alameda County accounts for approximately 45.4% of the population and approximately 42.1% of the nonagricultural employment of the Three BART Counties. Alameda County's population increased approximately 15.7% between 2000 and 2025. Alameda County has a diverse economic base. A large number of new jobs have been created by firms classified in the services industry, many of which are highly skilled professional, technical, and managerial positions. The two largest employment sectors in 2023 were private education and health services and professional and business services, which accounted for approximately 33.3% of total nonagricultural employment. The transportation, warehousing and public utilities sector, accompanied by both retail trade and wholesale trade categories, averaged 137,100 jobs in 2023, comprising approximately 16.9% of total nonagricultural employment.

*Contra Costa County.* Contra Costa County, predominantly a low-density residential area, accounts for approximately 31.6% of the population and approximately 19.4% of total nonagricultural employment of the Three BART Counties. Contra Costa County's population increased approximately 22.6% between 2000 and 2025.

Contra Costa County's growing employment base has been driven primarily by the need to provide services to an increasing local population. Contra Costa County has also experienced an influx of white-collar jobs due to the relocation of companies from more expensive locations in the Bay Area. The professional and business services, private education and health services, retail trade and government employment sectors accounted for approximately 60.2% of the nonagricultural employment base in Contra Costa County in 2023.

*City and County of San Francisco.* The City and County of San Francisco (the "City") is a major employment center of the Three BART Counties, accounting for approximately 38.5% of the nonagricultural employment and approximately 23.0% of the population of the Three BART Counties. The City's population is relatively dense and increased slowly in recent years prior to the COVID-19 pandemic, with an overall increase of approximately 8.9% between 2000 and 2025.

The City has the benefit of a highly skilled, professional labor force. Key industries include tourism, real estate, banking and finance, technology, retailing, apparel design, manufacturing, multimedia and bioscience. The two largest employment sectors in 2023 were professional and business services and government, which accounted for approximately 42.0% of total nonagricultural employment. The transportation, warehousing and public utilities sector, accompanied by both the retail trade and wholesale trade sectors, accounted for approximately 66,500 jobs in 2023, comprising approximately 8.9% of total nonagricultural employment. The professional and business services sector accounted for approximately 203,800 jobs in 2023, comprising approximately 27.4% of total nonagricultural employment.

Table 3 shows the average annual unemployment rates for the Three BART Counties and the State of California and the United States for the calendar years 2015 through 2024, and the preliminary unemployment rates for the Three BART Counties and the State of California and the United States for June 2025.

**Table 3**  
**AVERAGE ANNUAL UNEMPLOYMENT RATES**

**Alameda County, Contra Costa County, City and County of San Francisco,  
State of California and the United States  
Calendar Years 2015 Through 2025**

<b>Calendar Year</b>	<b>Alameda County</b>	<b>Contra Costa County</b>	<b>City and County of San Francisco</b>	<b>State of California</b>	<b>United States</b>
2015	4.8%	5.0%	3.7%	6.2%	5.3%
2016	4.1	4.4	3.6	5.5	4.9
2017	3.5	3.7	3.2	4.8	4.4
2018	2.9	3.1	2.6	4.3	3.9
2019	2.8	3.0	2.4	4.1	3.7
2020	8.5	8.7	8.5	10.1	8.1
2021	5.9	6.1	5.5	7.3	5.3
2022	3.2	3.4	2.8	4.3	3.6
2023	3.8	3.9	3.4	4.7	3.6
2024	4.5	4.5	3.9	5.3	4.0
2025 <sup>(1)</sup>	5.0	5.1	4.2	5.7	4.1

<sup>(1)</sup> Preliminary data for June 2025.

Sources: For Alameda County, Contra Costa County, the City and County of San Francisco, and the State of California, 2015 through 2025: California Employment Development Department, Local Area Unemployment Statistics (LAUS) for California Areas, July 18, 2025, March 2024 Benchmark, Not Seasonally Adjusted. For the United States: U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey.

Table 4 identifies the major employers of the San Francisco Bay Area.

**Table 4**  
**MAJOR PRIVATE SECTOR EMPLOYERS**  
**San Francisco Bay Area<sup>(1)</sup>**  
**As of [\_\_\_\_\_] 2025**

<b>Employer</b>	<b>Number of Bay Area Employees</b>
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<sup>(1)</sup> Data includes Alameda County, Contra Costa County, Marin County, San Mateo County, and the City and County of San Francisco.  
Source: San Francisco Business Times.

## **Personal Income**

The United States Department of Commerce, Bureau of Economic Analysis (the “BEA”) produces economic accounts statistics that enable government and business decision-makers, researchers, and the public to follow and understand the performance of the national economy.

The BEA defines “personal income” as income received by persons from all sources, including income received from participation in production as well as from government and business transfer payments. Personal income represents the sum of compensation of employees (received), supplements to wages and salaries, proprietors’ income with inventory valuation adjustment and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, personal income receipts on assets, and personal current transfer receipts, less contributions for government social insurance. Per capita personal income is calculated as the personal income divided by the resident population based upon the Census Bureau’s annual midyear population estimates.

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Table 5 below presents the latest available total income and per capita personal income for the Three BART Counties, the State and the nation for the calendar years 2018 through 2023 (the most recent annual data available). The Three BART Counties have traditionally had per capita income levels significantly higher than those of the State and the nation.

**Table 5**  
**PERSONAL INCOME**  
**Alameda County, Contra Costa County, City and County of San Francisco,**  
**State of California and United States**  
**Calendar Years 2018 through 2023**

Year and Area	Personal Income (millions of dollars) <sup>(1)</sup>	Per Capita Personal Income (dollars)
<b>2018</b>		
Alameda County	\$124,672	\$74,192
Contra Costa County	91,161	78,509
San Francisco County	111,996	126,910
State of California	2,411,055	60,984
United States	17,514,402	53,311
<b>2019</b>		
Alameda County	134,684	79,984
Contra Costa County	93,567	80,354
San Francisco County	112,278	127,302
State of California	2,539,747	64,219
United States	18,349,584	55,567
<b>2020</b>		
Alameda County	148,201	88,190
Contra Costa County	102,426	87,839
San Francisco County	119,721	137,529
State of California	2,769,103	70,098
United States	19,600,945	59,123
<b>2021</b>		
Alameda County	161,726	98,370
Contra Costa County	109,919	94,437
San Francisco County	130,036	160,155
State of California	3,009,557	76,882
United States	21,403,979	64,460
<b>2022</b>		
Alameda County	164,187	100,836
Contra Costa County	112,301	97,061
San Francisco County	125,359	155,190
State of California	3,003,826	76,941
United States	22,077,232	66,244
<b>2023</b>		
Alameda County	173,018	106,657
Contra Costa County	119,219	103,218
San Francisco County	133,327	164,807
State of California	3,166,135	81,255
United States	23,380,269	69,810

<sup>(1)</sup> Numbers reflect rounding.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, last updated February 20, 2025; revised statistics for 2010-2019.

Table 6 shows the total dollar volume of sales and other taxable transactions (which correlate with sales tax receipts) in the Three BART Counties for calendar years 2014 through 2024.

**Table 6**  
**HISTORICAL TAXABLE TRANSACTIONS**  
**Alameda and Contra Costa Counties and City and County of San Francisco**  
**Calendar Years 2014 Through 2024**  
**(\$ in thousands)**

<b>Calendar Year</b>	<b>Alameda County<sup>(1)</sup></b>	<b>Contra Costa County<sup>(1)</sup></b>	<b>San Francisco County<sup>(1)</sup></b>	<b>Total Three BART Counties<sup>(1)</sup></b>	<b>Percentage Change</b>
2014	\$28,377,714	\$15,030,047	\$18,469,729	\$61,877,490	6.3%
2015	29,972,313	15,786,868	18,912,493	64,671,674	4.5
2016	31,163,320	16,104,285	19,437,168	66,704,773	3.1
2017	32,702,083	16,757,632	19,473,871	68,933,586	3.3
2018	35,073,302	17,607,890	20,342,721	73,023,913	5.9
2019	35,116,164	18,080,746	20,957,132	74,154,042	1.5
2020	32,176,002	18,043,575	14,389,723	64,609,300	(12.9)
2021	37,935,594	21,057,354	16,607,114	75,600,062	17.0
2022	44,323,669	22,521,022	19,611,406	86,456,097	14.4
2023	41,390,500	22,373,010	19,102,077	82,865,587	(4.2)
2024	39,565,009	22,091,501	18,773,323	80,429,833	(2.9)

<sup>(1)</sup> Numbers reflect rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales by County, last updated July 21, 2025.

Table 7 shows taxable transactions by type of business for the Three BART Counties for calendar year 2024.

**Table 7**  
**TAXABLE TRANSACTIONS BY TYPE OF BUSINESS**  
**Alameda and Contra Costa Counties and the City and County of San Francisco**  
**For Calendar Year 2024**  
**(\$ in thousands)**

<b>Type of Business</b>	<b>Alameda County<sup>(1)</sup></b>	<b>Contra Costa County<sup>(1)</sup></b>	<b>City and County of San Francisco<sup>(1)</sup></b>
<i><b>Retail and Food Services</b></i>			
Motor Vehicle and Parts Dealers	\$4,631,853	\$2,450,458	\$585,619
Home Furnishings and Appliance Stores	1,294,775	692,043	760,261
Building Material and Garden Equipment and Supplies Dealers	1,951,749	1,404,136	571,945
Food and Beverage Stores	1,336,832	1,031,956	792,042
Gasoline Stations	1,915,663	1,648,128	494,260
Clothing and Clothing Accessories Stores	1,805,129	1,213,767	1,515,683
General Merchandise Stores	2,247,420	1,825,511	629,358
Food Services and Drinking Places	4,227,712	2,489,308	4,612,261
Other Retail Group	3,429,876	2,922,162	2,443,268
<i><b>Total Retail and Food Services<sup>(1)</sup></b></i>	<b>\$22,841,009</b>	<b>\$15,677,469</b>	<b>\$12,404,698</b>
<i><b>All Other Outlets<sup>(1)</sup></b></i>	<b>\$16,724,000</b>	<b>\$6,414,032</b>	<b>\$6,368,626</b>
<i><b>Total All Outlets<sup>(1)</sup></b></i>	<b>\$39,565,010</b>	<b>\$22,091,501</b>	<b>\$18,773,323</b>

<sup>(1)</sup> Columns may not sum to totals due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales by County by Type of Business, last updated July 21, 2025.

Table 8 shows a comparison of taxable transactions among several large northern and southern California counties (including the Three BART Counties) and state-wide over the calendar years 2019 through 2024.

**Table 8**  
**COMPARISON OF TAXABLE TRANSACTIONS TRENDS**  
**FOR MAJOR CALIFORNIA COUNTIES**  
**Calendar Years 2019 Through 2024**  
**(\$ in thousands)**

	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2021 <sup>(1)</sup>	2022 <sup>(1)</sup>	2023 <sup>(1)</sup>	2024 <sup>(1)</sup>	% Change (2019-2024)
<b>Three BART Counties</b>							
Alameda	\$35,116,164	\$32,176,002	\$37,935,594	\$44,323,669	\$41,390,500	\$39,565,010	12.7%
Contra Costa	18,080,746	18,043,575	21,057,354	22,521,022	22,373,010	22,091,501	22.2
San Francisco	20,957,132	14,389,723	16,607,114	19,611,406	19,102,077	18,773,323	10.4
<b>Total Three BART Counties</b>	<b>\$74,154,042</b>	<b>\$64,609,300</b>	<b>\$75,600,062</b>	<b>\$86,456,097</b>	<b>\$85,865,587</b>	<b>\$80,429,834</b>	<b>8.5%</b>
<b>Other Northern Counties</b>							
Sacramento	\$26,836,365	\$27,173,406	\$33,918,020	\$36,511,260	\$35,778,877	\$36,004,024	34.2%
San Mateo	18,286,057	15,940,068	19,538,725	21,932,690	22,102,267	21,968,460	20.1
Santa Clara	47,001,964	46,444,650	52,994,694	57,738,947	57,098,298	57,527,704	22.4
<b>Southern Counties</b>							
Los Angeles	\$172,313,603	\$157,737,984	\$192,524,203	\$213,716,609	\$208,502,835	\$205,810,069	19.4%
Orange	69,688,975	63,833,515	78,253,936	88,027,071	87,298,417	86,337,413	23.9
Riverside	40,626,998	42,313,474	55,535,196	62,117,153	61,331,274	60,826,953	49.7
San Bernardino	41,768,748	43,265,512	55,378,097	59,992,846	57,933,855	58,819,797	40.8
San Diego	61,365,277	58,814,528	71,714,655	80,699,961	80,817,754	80,999,172	32.0
Ventura	14,800,284	14,538,294	17,330,637	19,140,259	19,506,781	19,732,290	33.3
<b>Statewide</b>	<b>\$732,756,903</b>	<b>\$706,756,521</b>	<b>\$862,712,178</b>	<b>\$951,775,364</b>	<b>\$935,894,939</b>	<b>\$930,280,960</b>	<b>27.0%</b>

<sup>(1)</sup> Numbers reflect rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales by County, last updated July 21, 2025.

**APPENDIX E**  
**CLEARING SYSTEMS**

**Introduction.** The information in this Appendix E concerning The Depository Trust Company (“DTC”), Euroclear Bank S.A./N.V. as operator of the Euroclear System (“Euroclear”) and Clearstream Banking, société anonyme, Luxembourg (“Clearstream Banking”) (DTC, Euroclear and Clearstream Banking together, the “Clearing Systems”), and DTC’s book-entry-only system has been provided by DTC, Euroclear and Clearstream Banking for use in disclosure documents such as this Official Statement. Capitalized terms used herein which are not otherwise defined herein shall have the meaning set forth in the front portion of the Official Statement or in APPENDIX H under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENTS – Definitions.”

DTC will act as the initial securities depository for the 2025 Bonds. Euroclear and Clearstream Banking are participants of DTC and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders.

The information set forth below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect and the San Francisco Bay Area Rapid Transit District (the “District”) expressly disclaims any responsibility to update this Official Statement to reflect any such changes. The information herein concerning the Clearing Systems has been obtained from sources that the District believes to be reliable, but neither the District nor the Underwriters takes any responsibility for the accuracy or completeness of the information set forth herein. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. The District will have no responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the 2025 Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The District and the Underwriters cannot and do not give any assurance that: (1) DTC will distribute payments of principal of, premium if any, and interest (“Debt Service”) on the 2025 Bonds, or redemption or other notices, to participants of the Clearing Systems (“Participants”); (2) Participants or others will distribute Debt Service payments paid to DTC or its nominee (as the registered owner of the 2025 Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis; or (3) DTC or the other Clearing Systems will serve and act in the manner described in this Official Statement. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission, and the current “Procedures” of DTC to be followed in dealing with DTC Participants (hereinafter defined) are on file with DTC.

None of the District, the Underwriters nor the Trustee will have any responsibility or obligations to DTC, the Direct Participants, the Indirect Participants of DTC or the Beneficial Owners with respect to: (1) the accuracy of any records maintained by DTC or any Direct Participants or Indirect Participants of DTC; (2) the payment by DTC or any Direct Participants or Indirect Participants of DTC of any amount due to any Beneficial Owner in respect of the Debt Service on the 2025 Bonds; (3) the delivery by DTC or any Direct Participants or Indirect Participants of DTC of any notice to any Beneficial Owner that is required or permitted to be given to owners under the terms of the Trust Agreements; or (4) any consent given or other action taken by DTC as registered owner of the 2025 Bonds.

**Book Entry-Only System.** The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2025 Bonds. The 2025 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may

be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of 2025 Bonds under the DTC system must be made by or through Direct Participants, who will receive a credit for the 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2025 Bond (each a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2025 Bonds, except in the event that use of the book-entry system for the 2025 Bonds is discontinued.

To facilitate subsequent transfers, all 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2025 Bonds may wish to take

certain steps to augment the transmission to them of notices of significant events with respect to the 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of 2025 Bonds may wish to ascertain that the nominee holding the 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District or to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2025 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

### **Discontinuation of Book-Entry-Only System; Payment to Beneficial Owners**

In the event that the book-entry system described above is no longer used with respect to the 2025 Bonds, the provisions of the Trust Agreements relating to place of payment, transfer and exchange of the 2025 Bonds, regulations with respect to exchanges and transfers, bond register, 2025 Bonds mutilated, destroyed or stolen, and evidence of signatures of 2025 Bond Owners and ownership of 2025 Bonds will govern the payment, registration, transfer, exchange and replacement of the 2025 Bonds. Interested persons should contact the District for further information regarding such provisions of the Trust Agreements.

## **Euroclear and Clearstream Banking.**

Euroclear and Clearstream Banking have advised the District as follows:

Euroclear and Clearstream Banking each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream Banking provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream Banking also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream Banking have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream Banking customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream Banking is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system, either directly or indirectly.

Clearing and Settlement Procedures. Any 2025 Bonds sold in offshore transactions will be initially issued to investors through the book-entry facilities of DTC, for the account of its participants, including but not limited to Euroclear and Clearstream Banking. If the investors are participants in Clearstream Banking and Euroclear in Europe, or indirectly through organizations that are participants in the Clearing Systems, Clearstream Banking and Euroclear will hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream Banking's and Euroclear's names on the books of their respective depositories. In all cases, the record holder of the 2025 Bonds will be DTC's nominee and not Euroclear or Clearstream Banking. The depositories, in turn, will hold positions in customers' securities accounts in the depositories' names on the books of DTC. Because of time zone differences, the securities account of a Clearstream Banking or Euroclear participant as a result of a transaction with a participant, other than a depository holding on behalf of Clearstream Banking or Euroclear, will be credited during the securities settlement processing day, which must be a business day for Clearstream Banking or Euroclear, as the case may be, immediately following the DTC settlement date. These credits or any transactions in the securities settled during the processing will be reported to the relevant Euroclear participant or Clearstream Banking participant on that business day. Cash received in Clearstream Banking or Euroclear as a result of sales of securities by or through a Clearstream Banking participant or Euroclear participant to a DTC Participant, other than the depository for Clearstream Banking or Euroclear, will be received with value on the DTC settlement date but will be available in the relevant Clearstream Banking or Euroclear cash account only as of the business day following settlement in DTC.

Transfers between participants will occur in accordance with DTC rules. Transfers between Clearstream Banking participants or Euroclear participants will occur in accordance with their respective rules and operating procedures. Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Banking participants or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the relevant depositories; however, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in the system in accordance with its rules and procedures and within its established deadlines in European time. The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in

accordance with normal procedures for same day funds settlement applicable to DTC. Clearstream Banking participants or Euroclear participants may not deliver instructions directly to the depositories.

The District will not impose any fees in respect of holding the 2025 Bonds; however, holders of book-entry interests in the 2025 Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in the Clearing Systems.

Initial Settlement. Interests in the 2025 Bonds will be in uncertified book-entry form. Purchasers electing to hold book-entry interests in the 2025 Bonds through Euroclear and Clearstream Banking accounts will follow the settlement procedures applicable thereto and applicable to DTC. Book-entry interests in the 2025 Bonds will be credited by DTC to Euroclear and Clearstream Banking participants' securities clearance accounts on the business day following the date of delivery of the 2025 Bonds against payment (value as on the date of delivery of the 2025 Bonds). DTC participants acting on behalf of purchasers electing to hold book-entry interests in the 2025 Bonds through DTC will follow the delivery practices applicable to securities eligible for DTC's Same Day Funds Settlement system. DTC participants' securities accounts will be credited with book-entry interests in the 2025 Bonds following confirmation of receipt of payment to the District on the date of delivery of the 2025 Bonds.

Secondary Market Trading. Secondary market trades in the 2025 Bonds will be settled by transfer of title to book-entry interests in the Clearing Systems. Title to such book-entry interests will pass by registration of the transfer within the records of Euroclear, Clearstream Banking or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the 2025 Bonds may be transferred within Euroclear and within Clearstream Banking and between Euroclear and Clearstream Banking in accordance with procedures established for these purposes by Euroclear and Clearstream Banking. Book-entry interests in the 2025 Bonds may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfer of book-entry interests in the 2025 Bonds between Euroclear or Clearstream Banking and DTC shall be effected in accordance with procedures established for this purpose by Euroclear, Clearstream Banking and DTC.

### **Special Timing Considerations**

Investors should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the 2025 Bonds through Euroclear or Clearstream Banking on days when those systems are open for business. In addition, because of time-zone differences, there may be complications with completing transactions involving Clearstream Banking and/or Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the 2025 Bonds, or to receive or make a payment or delivery of 2025 Bonds, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg if Clearstream Banking is used, or Brussels if Euroclear is used.

### **Clearing Information**

The District and the Underwriters expect that the 2025 Bonds will be accepted for clearance through the facilities of Euroclear and Clearstream Banking. The international securities identification number and/or CUSIP number for the 2025 Bonds are set out on the inside cover page of this Official Statement.

### **Limitations**

For so long as the 2025 Bonds are registered in the name of DTC or its nominee, Cede & Co., the District and the Trustee will recognize only DTC or its nominee, Cede & Co., as the registered owner of

the 2025 Bonds for all purposes, including payments, notices and voting. So long as Cede & Co. is the registered owner of the 2025 Bonds, references in this Official Statement to registered owners of the 2025 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2025 Bonds.

Because DTC is treated as the owner of the 2025 Bonds for substantially all purposes, Beneficial Owners may have a restricted ability to influence in a timely fashion remedial action or the giving or withholding of requested consents or other directions. In addition, because the identity of Beneficial Owners is unknown to the District or DTC, it may be difficult to transmit information of potential interest to Beneficial Owners in an effective and timely manner. Beneficial Owners should make appropriate arrangements with their broker or dealer regarding distribution of information regarding the 2025 Bonds that may be transmitted by or through DTC.

The District will have no responsibility or obligation with respect to:

- the accuracy of the records of DTC, its nominee or any Direct Participant or Indirect Participant with respect to any Beneficial Ownership interest in any 2025 Bonds;
- the delivery to any Direct Participant or Indirect Participant or any other person, other than a registered owner as shown in the bond register kept by the Trustee, of any notice with respect to any 2025 Bonds including, without limitation, any notice of redemption with respect to any 2025 Bonds;
- the payment to any Direct Participant or Indirect Participant or any other person, other than a registered owner as shown in the bond register kept by the Trustee, of any amount with respect to the principal of, premium, if any, or interest on, any 2025 Bonds; or
- any consent given by DTC or its nominee as registered owner.

Prior to any discontinuation of the book entry only system hereinabove described, the District and the Trustee may treat Cede & Co. (or such other nominee of DTC) as, and deem Cede & Co. (or such other nominee) to be, the absolute registered owner of the 2025 Bonds for all purposes whatsoever, including, without limitation:

- the payment of principal, premium, if any, and interest on the 2025 Bonds;
- giving notices of redemption and other matters with respect to the 2025 Bonds;
- registering transfers with respect to the 2025 Bonds; and
- the selection of 2025 Bonds for redemption.

### **General**

None of Euroclear, Clearstream Banking or DTC is under any obligation to perform or continue to perform the procedures referred to above, and such procedures may be discontinued at any time.

Neither the District, the Underwriters nor any of their agents will have any responsibility for the performance by Euroclear, Clearstream Banking or DTC or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations or the arrangements referred to above.

## APPENDIX F

### PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered by the San Francisco Bay Area Rapid Transit District (the “Issuer”) and U.S. Bank Trust Company, National Association, as dissemination agent (the “Dissemination Agent”), in connection with the issuance of \$\_\_\_\_\_ aggregate principal amount of San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2016), 2025 Series E-1 (Green Bonds) and 2025 Series E-2 (Federally Taxable) (Green Bonds) (together, the “2025E Bonds”) and \$\_\_\_\_\_ aggregate principal amount of San Francisco Bay Area Rapid Transit District General Obligation Bonds (Election of 2004), 2025 Refunding Series H (Green Bonds) (the “2025H Bonds” and, together with the 2025E Bonds, the “Bonds”). The 2025E Bonds are being issued pursuant to Resolution No. \_\_\_\_, adopted by the Board of Directors of the Issuer on \_\_\_\_\_, 2025, and according to the terms and in the manner set forth in the Trust Agreement (Measure RR), dated as of June 1, 2017, as supplemented by the First Supplemental Trust Agreement (Measure RR), dated as of August 1, 2019, as further supplemented by the Second Supplemental Trust Agreement (Measure RR), dated as of August 1, 2020, as further supplemented by the Third Supplemental Trust Agreement (Measure RR), dated as of May 1, 2022, and as further supplemented by the Fourth Supplemental Trust Agreement (Measure RR), dated as of \_\_\_\_\_ 1, 2025 (as supplemented, the “Measure RR Trust Agreement”), each between the Issuer and U.S. Bank Trust Company, National Association, as Trustee (the “Trustee”). The 2025H Bonds are being issued pursuant to Resolution No. \_\_\_\_, adopted by the Board of Directors of the Issuer on \_\_\_\_\_, 2025, and according to the terms and in the manner set forth in the Trust Agreement (Measure AA), dated as of June 1, 2017, as supplemented by the First Supplemental Trust Agreement (Measure AA), dated as of August 1, 2019, and as further supplemented by the Second Supplemental Indenture (Measure AA), dated as of \_\_\_\_\_ 1, 2025 (as supplemented, the “Measure AA Trust Agreement” and, together with the Measure RR Trust Agreement, the “Trust Agreement”), each between the Issuer and the Trustee. The Issuer and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Holders and the Beneficial Owners (as hereinafter defined) of the Bonds and in order to assist the Participating Underwriters (as hereinafter defined) in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the applicable Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement and not otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Disclosure Representative” shall mean the Chief Financial Officer of the Issuer or their designee, or such other officer or employee of the Issuer as the Chief Financial Officer of the Issuer shall designate in writing to the Trustee and the Dissemination Agent from time to time.

“Dissemination Agent” shall mean U.S. Bank Trust Company, National Association, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Holder” shall mean the person in whose name any Bond shall be registered.

“Listed Events” shall mean any of the events listed in Section 5(a) or (b) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the Securities and Exchange Commission or any successor agency thereto.

“State” shall mean the State of California.

### SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than eight (8) months after the end of the Issuer’s fiscal year (presently June 30), commencing with the Annual Report for the fiscal year of the Issuer ending June 30, 2025, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. Each Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. Neither the Trustee nor the Dissemination Agent shall have any duties or responsibilities with respect to the contents of the Annual Report. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e).

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer to determine if the Issuer is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent shall send a notice in a timely manner, in electronic format, to the MSRB, such notice to be in substantially the form attached as Exhibit A.

(d) If the Annual Report is delivered to the Dissemination Agent for filing, the Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement and stating the date it was provided.

SECTION 4. Content of Annual Reports. The Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, dated \_\_\_\_\_, 2025, relating to the Bonds (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when such audited financial statements become available.

(b) An update (as of the most recently ended fiscal year of the Issuer) for the table set forth in the Official Statement under the caption "Debt Service Schedules" and an update for the tables entitled "San Francisco Bay Area Rapid Transit District Assessed Valuation" and "San Francisco Bay Area Rapid Transit District Secured Tax Charges and Delinquencies," each set forth in the Official Statement under the caption "Security and Source of Payment for the Bonds."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the MSRB or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the Issuer; or
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to rights of bond holders;
3. Optional, unscheduled or contingent bond calls;
4. Release, substitution, or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional trustee or the change of name of a trustee; or
8. Incurrence of a Financial Obligation of the Issuer, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders.

(c) The Issuer shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3, as provided in Section 3(b).

(d) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Issuer shall determine if such event would be material under applicable federal securities laws.

(e) If the Issuer learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the Issuer shall within ten business days of the occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Trust Agreement.

(f) The Issuer intends to comply with respect to the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Commission in its Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty (30) days written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the form or content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the Issuer, provided the Dissemination Agent shall not be obligated to enter into any such amendment that modifies or increases its duties or obligations hereunder), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer with respect to the Bonds, or the type of business conducted;

(b) This Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the applicable Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(e), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee, at the written request of any Participating Underwriter or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent funds in an amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges and fees of the Trustee whatsoever, including, without limitation, fees and expenses of its attorneys, or any Owner or Beneficial Owner of the Bonds, may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the applicable Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article VIII of the applicable Trust Agreement is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the applicable Trust Agreement and the Trustee and the Dissemination Agent shall be entitled to the protections, limitations from liability and indemnities afforded the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees to indemnify and save the Dissemination Agent and the Trustee and their officers, directors, employees and agents, harmless against

any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Trustee's or the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Issuer for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The obligations of the Issuer under this Section shall survive resignation or removal of the Trustee or the Dissemination Agent and payment of the Bonds. The Dissemination Agent has no power to enforce performance on the part of the Issuer under this Disclosure Agreement.

The Dissemination Agent agrees to accept and act upon instructions or directions pursuant to this Disclosure Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Dissemination Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Dissemination Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Dissemination Agent acts upon such instructions, the Dissemination Agent's understanding of such instructions shall be deemed controlling. The Dissemination Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Dissemination Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees: (i) to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Dissemination Agent, including without limitation the risk of the Dissemination Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Dissemination Agent and that there may be more secure methods of transmitting instructions than the method(s) selected by the Issuer; and (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

SECTION 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

- (i) If to the Issuer:  
San Francisco Bay Area Rapid Transit District  
2150 Webster Street  
Oakland, California 94612  
Attention: Chief Financial Officer  
Telephone: (510) 817-5660  
Fax: (510) 464-6011
  
- (ii) If to the Dissemination Agent:  
U.S. Bank Trust Company, National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attention: Global Corporate Trust  
Telephone: (415) 677-3596  
Fax: (415) 677-3769

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent. Notices may also be given by electronic means.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed under the laws of the State of California.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: \_\_\_\_\_, 2025.

SAN FRANCISCO BAY AREA RAPID  
TRANSIT DISTRICT

By \_\_\_\_\_  
Chief Financial Officer

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,  
as Dissemination Agent

By \_\_\_\_\_  
Authorized Officer

**Exhibit A**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF  
FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: San Francisco Bay Area Rapid Transit District  
Name of Bond Issue: San Francisco Bay Area Rapid Transit District General  
Obligation Bonds (Election of 2016), 2025 Series E-1  
(Green Bonds)  
San Francisco Bay Area Rapid Transit District General  
Obligation Bonds (Election of 2016), 2025 Series E-2  
(Federally Taxable) (Green Bonds)  
  
San Francisco Bay Area Rapid Transit District General  
Obligation Bonds (Election of 2004), 2025 Refunding  
Series H (Green Bonds)

Date of Issuance of Bonds: \_\_\_\_\_, 2025

NOTICE IS HEREBY GIVEN that the San Francisco Bay Area Rapid Transit District (the “Issuer”) has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Agreement, dated \_\_\_\_\_, 2025, between the Issuer and U.S. Bank Trust Company, National Association, as dissemination agent. [The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,  
as Dissemination Agent on behalf of the San  
Francisco Bay Area Rapid Transit District

cc: Issuer

**APPENDIX G**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

[TO COME]

**APPENDIX H**

**SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENTS**