

EXISTING ISSUE

REOFFERING — BOOK-ENTRY ONLY

INVESTORS MUST REVIEW THE AUTHORITY'S INFORMATION STATEMENT DATED NOVEMBER 26, 2013, WHICH IS INCORPORATED BY REFERENCE AS DESCRIBED HEREIN TOGETHER WITH THIS SUPPLEMENT NO. 2 TO MAKE AN INFORMED INVESTMENT DECISION CONCERNING THE SECURITIES DESCRIBED HEREIN.

RATINGS:

(See "SUMMARY OF REMARKETING" and "RATINGS")

On the respective dates of issuance of the Remarketed Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, delivered an opinion with respect to the Series of the Remarketed Bonds issued on such date to the effect that 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 such Series of Remarketed Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Each of Bond Counsel's opinions further stated that interest on such Series of Remarketed Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observed that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expressed no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Remarketed Bonds. In connection with the substitution of liquidity and credit facilities of the Remarketed Bonds, Bond Counsel will deliver its opinion that such substitution will not, in and of itself, adversely affect the tax-exempt status of the Remarketed Bonds. Bond Counsel is not rendering any opinion on the current tax status of the Remarketed Bonds. See "TAX MATTERS" herein for additional information.

\$400,000,000

**BAY AREA TOLL AUTHORITY
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
2007 Series G-1, A-2, B-2, C-2 and D-2; and
2008 Series C-1 and E-1
Variable Rate Demand Bonds (2014 Remarketing)**



The Bay Area Toll Authority (the "Authority") Information Statement dated November 26, 2013 and this Supplement No. 2 together comprise the Reoffering Circular (collectively, the "Reoffering Circular") for the Authority's San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series G-1, A-2, B-2, C-2 and D-2; and 2008 Series C-1 and E-1 (collectively, the "Remarketed Bonds") remarketed hereby. Investors must read the entire Reoffering Circular to obtain information essential to making an informed investment decision.

The Authority administers the toll revenues from the seven state-owned toll bridges in the San Francisco Bay area. Information about the Authority, the Authority's bridge system, the Authority's capital projects and the security and sources of payment for the Remarketed Bonds is contained in the Information Statement. The Remarketed Bonds were issued and are outstanding pursuant to a Master Indenture, dated as of May 1, 2001 (as amended and supplemented, the "Indenture"), between the Authority and MUFJ Union Bank, N.A., as trustee.

The Authority is replacing the existing letters of credit for each Series of Remarketed Bonds with letters of credit issued by the financial institutions named in the SUMMARY OF REMARKETING following this cover page. In connection with this change, the Remarketed Bonds are subject to mandatory tender and remarketing as described in this Reoffering Circular. The proceeds of this remarketing will pay the purchase price of the tendered Remarketed Bonds.

The Remarketed Bonds will continue to bear interest at a Weekly Rate. The interest rates for each Series will be set by the remarketing agent for that Series. The aggregate principal amount, interest rate determination method, interest payment dates, maturity date, authorized denominations, liquidity and credit support arrangements, and other information relating to the Remarketed Bonds are summarized in the SUMMARY OF REMARKETING following this cover page. Investors may purchase Remarketed Bonds in book-entry form only.

Payments of principal of and interest on the Remarketed Bonds will be made from draws on the respective Letter of Credit for each Series of Remarketed Bonds shown in the SUMMARY OF REMARKETING.

The Remarketed Bonds are subject to mandatory sinking fund redemption by the Authority prior to maturity as described in the Reoffering Circular. The Remarketed Bonds also are subject to optional redemption by the Authority prior to maturity as described in the Reoffering Circular.

The Remarketed Bonds may be tendered on any business day upon prior notice by Bond owners for purchase and remarketing. Funds for the purchase of Remarketed Bonds that are not successfully remarketed will be drawn under the Letter of Credit supporting such Series of Remarketed Bonds. The expiration dates of the Letters of Credit are shown in the SUMMARY OF REMARKETING. The Authority is not required to purchase Remarketed Bonds with funds other than remarketing proceeds or funds drawn under the Letters of Credit.

The Authority is not obligated to pay the Remarketed Bonds except from draws on the Letters of Credit and from Revenue as defined and provided in the Indenture. The Remarketed Bonds are limited obligations of the Authority and do not constitute an obligation of the State, the Metropolitan Transportation Commission or of any other political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any other political subdivision of the State or of any other entity, including the Authority.

Certain legal matters will be passed upon for the Authority by Orrick, Herrington & Sutcliffe LLP, Bond Counsel and Disclosure Counsel to the Authority, and by its general counsel, for the Remarketing Agents by their counsel, Nixon Peabody LLP and for the Letter of Credit Providers by McGuireWoods LLP. The Authority expects that the Remarketed Bonds will be available for delivery through DTC on or about October 16, 2014.

**Barclays
J.P. Morgan**

**BofA Merrill Lynch
Morgan Stanley**

**Citigroup
Stifel**

SUMMARY OF REMARKETING
\$400,000,000
BAY AREA TOLL AUTHORITY
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
Variable Rate Demand Bonds (2014 Remarketing)

	\$50,000,000 2007 Series G-1 Bonds	\$75,000,000 2007 Series A-2 Bonds	\$75,000,000 2007 Series B-2 Bonds	\$25,000,000 2007 Series C-2 Bonds
Maturity Date:	April 1, 2047	April 1, 2047	April 1, 2047	April 1, 2047
Price:	100%	100%	100%	100%
Authorized Denominations:	\$100,000 or any integral multiple of \$5,000 in excess thereof	\$100,000 or any integral multiple of \$5,000 in excess thereof	\$100,000 or any integral multiple of \$5,000 in excess thereof	\$100,000 or any integral multiple of \$5,000 in excess thereof
Interest Rate Determination Method*:	Weekly Rate	Weekly Rate	Weekly Rate	Weekly Rate
Interest Payment Dates:	First Business Day of each calendar month commencing November 3, 2014	First Business Day of each calendar month commencing November 3, 2014	First Business Day of each calendar month commencing November 3, 2014	First Business Day of each calendar month commencing November 3, 2014
Record Date for Interest Payments:	Business Day prior to Interest Payment Date	Business Day prior to Interest Payment Date	Business Day prior to Interest Payment Date	Business Day prior to Interest Payment Date
Letter of Credit Provider:	U.S. Bank National Association	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch
Letter of Credit Expiration:	October 16, 2017	October 16, 2019	October 16, 2019	October 16, 2019
Remarketing Agent:	Barclays Capital Inc.	J.P. Morgan Securities LLC	Citigroup Global Markets Inc.	Stifel, Nicolaus & Company, Incorporated
Expected Short Term Ratings**				
Moody's/S&P/Fitch:	VMIG 1/A-1+/F1+	VMIG 1/A-1/F1	VMIG 1/A-1/F1	VMIG 1/A-1/F1
Expected Long Term Ratings***				
Moody's/S&P/Fitch:	Aa1/AAA/AA+	Aa1/AAA/AA+	Aa1/AAA/AA-	Aa1/AAA/AA+
CUSIP No.†:	072024 KJ0	072024 KR2	072024 KV3	072024 KE1

* Upon satisfaction of certain conditions set forth in the Indenture, the Remarketed Bonds may bear interest calculated pursuant to a different Interest Rate Determination Method, provided however, that all Remarketed Bonds of a Series must have the same Interest Rate Determination Method. See "DESCRIPTION OF THE REMARKETED BONDS."

This Reoffering Circular is not intended to provide information about the Remarketed Bonds after conversion to another Interest Rate Determination Method (except with respect to the conversion of any Remarketed Bonds to a Daily Rate where such Remarketed Bonds are supported by a Letter of Credit that supports a Daily Rate).

While in a Daily Rate Period or a Weekly Rate Period, the Remarketed Bonds are subject to optional and mandatory tender for purchase in authorized denominations at a purchase price equal to the principal amount thereof, without premium, plus accrued interest to the Purchase Date. See "DESCRIPTION OF THE REMARKETED BONDS."

** Based on the current ratings of the Letter of Credit Providers.

*** The Moody's long term ratings are based upon a joint default analysis based on the long term rating of the respective Letter of Credit Providers, the rating of the Authority and the structure and legal protections of the transaction. The S&P long term ratings are based upon a joint support analysis of the Authority and the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for the 2007 B-2 and 2008 C-1 Bonds are based upon on the higher of the underlying long term rating assigned to the bonds by Fitch and the long term rating assigned by Fitch to the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for all other series are based upon Fitch's dual-party pay criteria and will be based jointly on the underlying rating assigned to each Series of Bonds by Fitch and the ratings assigned to the respective Letter of Credit Provider for each Series of Bonds.

† CUSIP information herein is provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw Hill Companies, Inc. CUSIP numbers are provided for convenience of reference only. Neither the Authority nor the Remarketing Agents assume any responsibility for the accuracy of such numbers.

SUMMARY OF REMARKETING (continued)

	\$100,000,000 2007 Series D-2 Bonds	\$25,000,000 2008 Series C-1 Bonds	\$50,000,000 2008 Series E-1 Bonds
Maturity Date:	April 1, 2047	April 1, 2045	April 1, 2045
Price:	100%	100%	100%
Authorized Denominations:	\$100,000 or any integral multiple of \$5,000 in excess thereof	\$100,000 or any integral multiple of \$5,000 in excess thereof	\$100,000 or any integral multiple of \$5,000 in excess thereof
Interest Rate Determination Method[†]:	Weekly Rate	Weekly Rate	Weekly Rate
Interest Payment Dates:	First Business Day of each calendar month commencing November 3, 2014	First Business Day of each calendar month commencing November 3, 2014	First Business Day of each calendar month commencing November 3, 2014
Record Date for Interest Payments:	Business Day prior to Interest Payment Date	Business Day prior to Interest Payment Date	Business Day prior to Interest Payment Date
Letter of Credit Provider:	Bank of America, N.A.	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch
Letter of Credit Expiration:	October 16, 2019	October 16, 2019	October 16, 2019
Remarketing Agent:	Merrill Lynch, Pierce, Fenner & Smith Incorporated	Morgan Stanley & Co. LLC	Morgan Stanley & Co. LLC
Expected Short Term Ratings** Moody's/S&P/Fitch:	VMIG 1/A-1/F1	VMIG 1/A-1/F1	VMIG 1/A-1/F1
Expected Long Term Ratings*** Moody's/S&P/Fitch:	Aa1/AAA/AA+	Aa1/AAA/AA-	Aa1/AAA/AA+
CUSIP No.[†]:	072024 KC5	072024 JA1	072024 JD5

* Upon satisfaction of certain conditions set forth in the Indenture, the Remarketed Bonds may bear interest calculated pursuant to a different Interest Rate Determination Method, provided however, that all Remarketed Bonds of a Series must have the same Interest Rate Determination Method. See "DESCRIPTION OF THE REMARKETED BONDS."

This Reoffering Circular is not intended to provide information about the Remarketed Bonds after conversion to another Interest Rate Determination Method (except with respect to the conversion of any Remarketed Bonds to a Daily Rate where such Remarketed Bonds are supported by a Letter of Credit that supports a Daily Rate).

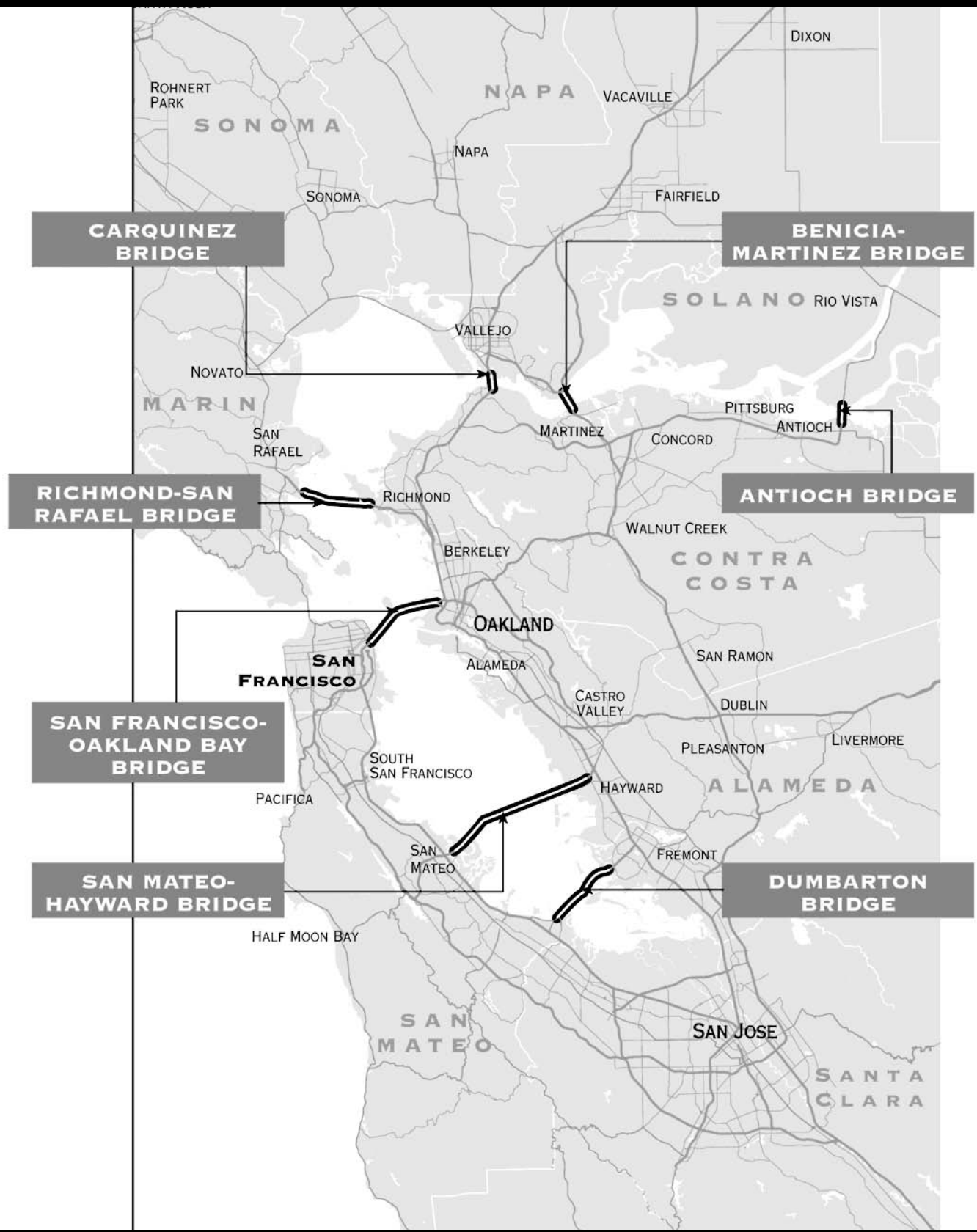
While in a Daily Rate Period or a Weekly Rate Period, the Remarketed Bonds are subject to optional and mandatory tender for purchase in authorized denominations at a purchase price equal to the principal amount thereof, without premium, plus accrued interest to the Purchase Date. See "DESCRIPTION OF THE REMARKETED BONDS."

** Based on the current ratings of the Letter of Credit Providers.

*** The Moody's long term ratings are based upon a joint default analysis based on the long term rating of the respective Letter of Credit Providers, the rating of the Authority and the structure and legal protections of the transaction. The S&P long term ratings are based upon a joint support analysis of the Authority and the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for the 2007 B-2 and 2008 C-1 Bonds are based upon on the higher of the underlying long term rating assigned to the bonds by Fitch and the long term rating assigned by Fitch to the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for all other series are based upon Fitch's dual-party pay criteria and will be based jointly on the underlying rating assigned to each Series of Bonds by Fitch and the ratings assigned to the respective Letter of Credit Provider for each Series of Bonds.

† CUSIP information herein is provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw Hill Companies, Inc. CUSIP numbers are provided for convenience of reference only. Neither the Authority nor the Remarketing Agents assume any responsibility for the accuracy of such numbers.

THE BATA BRIDGES



BAY AREA TOLL AUTHORITY

MEMBERS AND OFFICERS

Voting Members

AMY REIN WORTH—Chair	Cities of Contra Costa County
DAVE CORTESE—Vice Chair	Santa Clara County
ALICIA C. AGUIRRE	Cities of San Mateo County
TOM BATES	Cities of Alameda County
DAVID CAMPOS	City and County of San Francisco
BILL DODD	Napa County and Cities
FEDERAL D. GLOVER	Contra Costa County
SCOTT HAGGERTY	Alameda County
ANNE W. HALSTED	San Francisco Bay Conservation and Development Commission
STEVEN KINSEY	Marin County and Cities
SAM LICCARDO	San José Mayor's Appointee
MARK LUCE	Association of Bay Area Governments
JAKE MACKENZIE	Sonoma County and Cities
JOE PIRZYNSKI	Cities of Santa Clara County
JEAN QUAN	Oakland Mayor's Appointee
JAMES P. SPERING	Solano County and Cities
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Non-Voting Members

TOM AZUMBRADO	U.S. Department of Housing and Urban Development
DORENE M. GIACOPINI	U.S. Department of Transportation
BIJAN SARTIPI	State Business, Transportation and Housing Agency

STEVE HEMINGER, Executive Director
ALIX BOCKELMAN, Deputy Executive Director, Policy
ANDREW B. FREMIER, Deputy Executive Director, Operations
BRIAN MAYHEW, Chief Financial Officer
ADRIENNE D. WEIL, General Counsel

**SENIOR INDENTURE
TRUSTEE**

MUFG Union Bank, N.A.
San Francisco, California

**SUBORDINATE INDENTURE
TRUSTEE**

The Bank of New York Mellon
Trust Company, N.A.
Los Angeles, California

BOND AND DISCLOSURE COUNSEL
Orrick, Herrington & Sutcliffe LLP
San Francisco, California

FINANCIAL ADVISOR
Public Financial Management Inc.
San Francisco, California

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IMPORTANT NOTICES

The Authority is providing information about the Remarketed Bonds in two related documents: (1) the incorporation by reference of the Authority's Information Statement dated November 26, 2013, which provides information about the Authority and incorporates by reference the Metropolitan Transportation Commission's Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2013, as described in this Supplement No. 2 under the heading "INFORMATION CONCERNING BAY AREA TOLL AUTHORITY", and (2) this Supplement No. 2, which describes the specific terms of the Remarketed Bonds. Together, these documents and all appendices thereto comprise the Reoffering Circular for the San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series G-1, A-2, B-2, C-2 and D-2 and 2008 Series C-1 and E-1 reoffered hereby and are referred to collectively as the "Reoffering Circular." **All references to the "Information Statement" mean the Information Statement dated November 26, 2013.**

The Reoffering Circular does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Remarketed Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information set forth herein has been provided by the Authority, the State of California Department of Transportation ("Caltrans") and other sources that are believed by the Authority to be reliable. The Remarketing Agents have provided the following sentence for inclusion in the Reoffering Circular. The Remarketing Agents have reviewed the information in the Reoffering Circular 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 Remarketing Agents do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained in the Reoffering Circular. If given or made, such other information or representations must not be relied upon as having been authorized by the Authority or the Remarketing Agents.

The Reoffering Circular is not to be construed as a contract with the purchasers of the Remarketed Bonds.

This Supplement No. 2 speaks only as of its date and the Information Statement speaks only as of its date. The information and expressions of opinion herein are subject to change without notice and neither delivery of the Reoffering Circular nor any sale made in conjunction herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or other matters described herein since the respective dates hereof. The Reoffering Circular is submitted with respect to the reoffering of the Remarketed Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the Authority. Preparation of the Reoffering Circular and its distribution have been duly authorized and approved by the Authority.

All descriptions and summaries of documents and statutes hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document and statute for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document and statute. Capitalized terms used but not defined herein are defined in the Information Statement in APPENDIX A – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE–Definitions" or APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE–Definitions."

In connection with the reoffering of the Remarketed Bonds, the Remarketing Agents may over-allot or effect transactions that stabilize or maintain the market prices of the Remarketed Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if

commenced, may be discontinued at any time. The Remarketing Agents may offer and sell the Remarketed Bonds to dealers, institutional investors and others at prices lower than the public offering prices stated in the Summary of Remarketing and such public offering prices may be changed from time to time by the Remarketing Agents.

REMARKETED BONDS NOT REGISTERED

The Remarketed Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such laws. The Remarketed Bonds will not have been recommended by the Securities and Exchange Commission or any other federal or state securities commission or regulatory authority, and no such commission or regulatory authority will have reviewed or passed upon the accuracy or adequacy of this Reoffering Circular. The registration or qualification of the Remarketed Bonds in accordance with the applicable provisions of securities laws of any jurisdiction in which the Remarketed Bonds may have been registered or qualified and the exemption therefrom in other jurisdictions cannot be regarded as a recommendation thereof by any such jurisdiction. Any representation to the contrary may be a criminal offense.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THE REOFFERING CIRCULAR

Some statements contained in the Reoffering Circular reflect not historical facts but forecasts and “forward-looking statements.” In this respect, the words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe,” “plan,” “budget,” and similar expressions are intended to identify forward-looking statements. Projections, forecasts, assumptions, expressions of opinions, estimates and other forward-looking statements are not to be construed as representations of fact and are qualified in their entirety by the cautionary statements set forth in the Reoffering Circular.

The achievement of results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that 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 Authority does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or do not occur.

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SUPPLEMENT NO. 2 TO INFORMATION STATEMENT DATED NOVEMBER 26, 2013

\$400,000,000
BAY AREA TOLL AUTHORITY
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
Variable Rate Demand Bonds (2014 Remarketing)

INTRODUCTION

This Reoffering Circular of the Bay Area Toll Authority (the “Authority”), which consists of this Supplement No. 2 including all Appendices hereto (the “Supplement No. 2”), the Authority’s Information Statement dated November 26, 2013, which is incorporated herein by reference and which in turn incorporates by reference the Metropolitan Transportation Commission’s Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2013 (the “MTC 2013 CAFR”), and all Appendices thereto (the “Information Statement” and together with this Supplement No. 2, collectively, the “Reoffering Circular”), provides information concerning the remarketing of \$400,000,000 aggregate principal amount of Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds (the “Remarketed Bonds”). The Remarketed Bonds are comprised of:

Principal Amount (\$)	Series	Interest Rate Mode
50,000,000	2007 Series G-1	Weekly Rate
75,000,000	2007 Series A-2	Weekly Rate
75,000,000	2007 Series B-2	Weekly Rate
25,000,000	2007 Series C-2	Weekly Rate
100,000,000	2007 Series D-2	Weekly Rate
25,000,000	2008 Series C-1	Weekly Rate
50,000,000	2008 Series E-1	Weekly Rate

The Authority administers toll revenue collections and finances improvements for seven state-owned toll bridges in the San Francisco Bay area: the Antioch Bridge, the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Richmond-San Rafael Bridge, the San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge (the “Bridge System”). Principal of and interest and mandatory sinking fund payments on the Remarketed Bonds are payable from Revenue, as summarized in the Information Statement. Further information about the Authority, its finances, its projects, the Bridge System and security for the Remarketed Bonds appears in the Information Statement.

The Remarketed Bonds are being remarketed by the Authority upon a mandatory tender of such Bonds in connection with the substitution of new letters of credit for the prior letters of credit. The proceeds of the remarketing will be used to pay the purchase price of the tendered Remarketed Bonds. Investors must review the entire Reoffering Circular to make an informed investment decision concerning the Remarketed Bonds.

INFORMATION CONCERNING BAY AREA TOLL AUTHORITY

Information Statement

Information concerning the Authority, including description of the revenues pledged as security for the Remarketed Bonds, the Authority’s rights to issue additional senior lien and subordinate lien Bonds, the financial tests that are imposed as preconditions to their issuance, the MTC 2013 CAFR that is

incorporated by reference therein, and other matters relating to the Authority and the Bridge System, is set forth in the Information Statement that has been posted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") website at <http://emma.msrb.org/EP779258-EP604215-EP1005659.pdf> and is incorporated herein by such reference as if fully included herein. **All references to the "Information Statement" mean the Information Statement dated November 26, 2013.**

Financial Statements

The audited financial information relating to the Authority is included in MTC's financial statements. The MTC 2013 CAFR is posted to EMMA at <http://emma.msrb.org/EP769480-EP596594-EP997989.pdf> and is incorporated by reference as part of the Authority's Information Statement. The Authority expects the MTC's Comprehensive Annual Financial Report for the Fiscal Year Ended ("FYE") June 30, 2014, including MTC's Financial Statements for FYE June 30, 2014 and 2013 (the "MTC 2014 CAFR") to be approved by the MTC and filed on EMMA in November 2014.

DESCRIPTION OF THE REMARKETED BONDS

General

Chapters 4, 4.3 and 4.5 of Division 17 of the California Streets and Highways Code and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code (collectively, as amended from time to time, the "Act") authorize the Authority to issue toll bridge revenue bonds, including the Remarketed Bonds, to finance and refinance the construction, improvement and equipping of the Bridge System and other transportation projects authorized by the Act.

The Remarketed Bonds were issued and are outstanding pursuant to a Master Indenture, dated as of May 1, 2001, as supplemented and amended (the "Indenture"), between the Authority and MUFG Union Bank, N.A., as trustee (the "Trustee"). The Remarketed Bonds are being remarketed following a mandatory tender on October 16, 2014, and will bear interest from such date which becomes an Interest Payment Date, as described below, and will mature on the dates shown in the SUMMARY OF REMARKETING. References herein to a "Series" of Remarketed Bonds refer to Remarketed Bonds of a given Series, as applicable.

Payments of principal of and interest on the Remarketed Bonds will be made from draws on the Letter of Credit securing such Series of the Remarketed Bonds as shown in the SUMMARY OF REMARKETING. The obligation of the Authority to timely reimburse each Letter of Credit Provider under the Reimbursement Agreement is on parity with the Authority's obligation to pay the Remarketed Bonds. See "LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT."

The Remarketed Bonds are limited obligations of the Authority and do not constitute an obligation of the State, the Metropolitan Transportation Commission or of any other political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any other political subdivision of the State or of any other entity, including the Authority.

The Remarketed Bonds may be purchased in book-entry form only. The Remarketed Bonds have been registered in the name of a nominee of The Depository Trust Company ("DTC"), which acts as securities depository for the Remarketed Bonds. Beneficial Owners of the Remarketed Bonds will not receive certificates representing their ownership interests in the Remarketed Bonds purchased. The Authority will make payments of principal of and interest on the Remarketed Bonds to DTC, and DTC is to distribute such payments to its Direct Participants. Disbursement of such payments to Beneficial Owners of the Remarketed Bonds is the responsibility of DTC's Direct and Indirect Participants and not the Authority. See APPENDIX I – "BOOK-ENTRY ONLY SYSTEM."

Upon remarketing, the Remarketed Bonds will continue to bear interest at the Weekly Rate determined as described below under “—Interest Rate Determination Methods.” The interest rate for each Series will be set by the remarketing agent for that Series. Interest on Remarketed Bonds bearing interest at a Daily Rate or a Weekly Rate will be payable on the first Business Day of each calendar month, the next Interest Payment Date after the mandatory tender date being November 3, 2014. Other Interest Payment Dates for the Remarketed Bonds are (i) each Conversion Date, (ii) each mandatory tender date on which substitution of a Credit Support Instrument providing support for Bonds bearing interest at the Daily Rate or the Weekly Rate occurs, and (iii) in all events the final maturity date or redemption date. Interest on Remarketed Bonds bearing interest at a Daily Rate or a Weekly Rate will be computed on the basis of a 365/366-day year and actual days elapsed. In connection with the substitution of the existing letters of credit with the new letters of credit, the mandatory tender date of October 16, 2014 will become an Interest Payment Date. The record date for Remarketed Bonds bearing interest at the Daily Rate or the Weekly Rate will be the Business Day immediately preceding the Interest Payment Date. The Remarketed Bonds will be remarketed in fully registered form in denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof.

Upon satisfaction of conditions set forth in the Indenture, the Remarketed Bonds may be changed at the election of the Authority to bear interest calculated pursuant to a different Interest Rate Determination Method (which may be the Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Auction Rate (certain series only), the Index Rate, the Term Rate or the Fixed Rate), provided however, that all Remarketed Bonds of a Series must have the same Interest Rate Determination Method and (except for any Credit Provider Bonds and Remarketed Bonds bearing interest at a Commercial Paper Rate) all Remarketed Bonds of a Series must bear interest at the same interest rate.

This Reoffering Circular is not intended to provide information about the Remarketed Bonds after conversion to another Interest Rate Determination Method (except with respect to the conversion of any Remarketed Bonds to a Daily Rate where such Remarketed Bonds are supported by a Letter of Credit that supports a Daily Rate).

Redemption Terms of the Remarketed Bonds

Optional Redemption. The Remarketed Bonds bearing interest at the Daily Rate or the Weekly Rate are subject to optional redemption by the Authority, in whole or in part, in Authorized Denominations on any Business Day, at a redemption price equal to the principal amount thereof, plus accrued interest, if any, without premium.

Mandatory Redemption. The Remarketed Bonds are subject to mandatory redemption by the Authority on each date a Sinking Fund Installment is due, in the principal amount equal to such Sinking Fund Installment, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium, as follows:

Redemption Date (April 1)	<u>Sinking Fund Installment Amounts for</u>						
	2007 Series G-1	2007 Series A-2	2007 Series B-2	2007 Series C-2	2007 Series D-2	2008 Series C-1	2008 Series E-1
2032	\$2,400,000	\$3,500,000	\$3,500,000	\$1,200,000	\$4,600,000	\$1,385,000	\$2,770,000
2033	2,400,000	3,600,000	3,600,000	1,200,000	4,800,000	1,440,000	2,875,000
2034	2,500,000	3,700,000	3,700,000	1,300,000	5,000,000	1,495,000	2,985,000
2035	2,600,000	3,900,000	3,900,000	1,300,000	5,200,000	1,550,000	3,100,000
2036	2,700,000	4,100,000	4,100,000	1,300,000	5,400,000	1,610,000	3,215,000
2037	2,800,000	4,200,000	4,200,000	1,400,000	5,600,000	1,670,000	3,340,000
2038	2,900,000	4,300,000	4,300,000	1,500,000	5,800,000	1,735,000	3,465,000
2039	3,000,000	4,500,000	4,500,000	1,600,000	6,000,000	1,795,000	3,600,000
2040	3,100,000	4,700,000	4,700,000	1,500,000	6,300,000	1,865,000	3,735,000
2041	3,300,000	4,900,000	4,900,000	1,600,000	6,500,000	1,940,000	3,875,000
2042	3,300,000	5,100,000	5,100,000	1,700,000	6,800,000	2,010,000	4,025,000
2043	3,500,000	5,300,000	5,300,000	1,800,000	7,000,000	2,090,000	4,180,000
2044	3,700,000	5,500,000	5,500,000	1,800,000	7,300,000	2,165,000	4,335,000
2045	3,800,000	5,700,000	5,700,000	1,900,000	7,600,000	2,250,000*	4,500,000*
2046	3,900,000	5,900,000	5,900,000	1,900,000	7,900,000		
2047	4,100,000*	6,100,000*	6,100,000*	2,000,000*	8,200,000*		

* Final Maturity

Purchase in Lieu of Redemption

In lieu of mandatory redemption, the Authority may surrender to the Trustee for cancellation Remarketed Bonds purchased by it, and such Remarketed Bonds shall be cancelled by the Trustee. If any Remarketed Bonds are so cancelled, the Authority may designate the Sinking Fund Installments or portions thereof within the Series of Remarketed Bonds so purchased that are to be reduced as a result of such cancellation.

General Redemption Provisions

Selection for Redemption. The Authority will designate which maturities of Remarketed Bonds are to be redeemed; *provided* that Credit Provider Bonds must be redeemed prior to the optional redemption of any other Remarketed Bonds. If less than all the Remarketed Bonds of a Series maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the Bonds of such maturity date to be redeemed in any manner that it deems appropriate and fair. DTC's practice is to determine by lot the amount of the interest of each DTC Direct Participant in each Series to be redeemed. See APPENDIX I—"BOOK-ENTRY ONLY SYSTEM." For purposes of such selection, the Remarketed Bonds of a Series shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. The Authority may designate the Sinking Fund Installments, or portions thereof, that are to be reduced as a result of such redemption.

Notice of Redemption. Each notice of redemption is to be mailed by the Trustee not less than 30 nor more than 60 days prior to the redemption date to DTC. 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 of Remarketed Bonds will be governed by arrangements among them, and the Authority and the Trustee will not have any responsibility or obligation to send a notice of redemption except to DTC. Failure of DTC or Beneficial Owners to receive

any notice of redemption or any defect therein will not affect the sufficiency of any proceedings for redemption.

Conditional Notice of Redemption; Rescission. Any notice of optional redemption of the Remarketed Bonds may be conditional and if any condition stated in the notice of redemption is not satisfied on or prior to the redemption date, said notice will be of no force and effect and the Authority will not redeem such Remarketed Bonds. The Trustee will within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled.

In addition, the Authority may, at its option, prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption by Written Request of the Authority to the Trustee, and the Trustee is to mail notice of such cancellation to DTC.

Any optional redemption of the Remarketed Bonds and notice thereof will be rescinded and cancelled if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal and interest due on the Remarketed Bonds called for redemption.

Effect of Redemption. Notice of redemption having been duly given pursuant to the Indenture and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the Remarketed Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice the Remarketed Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in such notice, together with interest accrued thereon to the date fixed for redemption. Thereafter, interest on such Remarketed Bonds shall cease to accrue, and said Remarketed Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture.

Interest Rate Determination Methods

General. The Remarketed Bonds bear interest at a Weekly Rate. The Authority has the right to change the Interest Rate Determination Method for all (but not less than all) of any Series of the Remarketed Bonds to a different Interest Rate Determination Method (which may be the Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Auction Rate (certain series only), the Index Rate, the Term Rate or the Fixed Rate). See “—Conversion of Interest Rate Determination Method” below.

Each Series of the Remarketed Bonds will initially have a Remarketing Agent, each of which is referred to herein as “Remarketing Agent” and collectively as “Remarketing Agents.” See “REMARKETING AGENTS.” See also “PRACTICES AND PROCEDURES RELATED TO THE REMARKETED BONDS.”

No Daily Rate or Weekly Rate on the Remarketed Bonds will exceed 12% per annum.

Daily Rate. So long as the Remarketed Bonds are in the Daily Rate Period, the Remarketed Bonds will bear interest at a Daily Rate. During each Daily Rate Period, the Remarketing Agent for each Series is to set a Daily Rate for the Remarketed Bonds of that Series by 9:30 a.m., New York City time, on each Business Day, which Daily Rate is to be the rate of interest that, if borne by that Series of the Remarketed Bonds in the Daily Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for Tax-Exempt Securities that are of the same general nature as the Remarketed Bonds of that Series or Tax-Exempt Securities that are competitive as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of the Remarketed Bonds of that Series, be the lowest interest rate that would enable the Remarketing Agent to

place the Remarketed Bonds of that Series at a price of par (plus accrued interest, if any) on such Business Day. The Daily Rate for any non-Business Day will be the rate for the last Business Day on which a Daily Rate was set.

Weekly Rate. So long as the Remarketed Bonds are in the Weekly Rate Period, the Remarketed Bonds will bear interest at a Weekly Rate. During each Weekly Rate Period, the Remarketing Agent for each Series is to set a Weekly Rate for the Remarketed Bonds of that Series, by 5:00 P.M., New York City time, on each Wednesday (or the immediately succeeding Business Day, if such Wednesday is not a Business Day) for the next period of seven (7) days from and including Thursday of any week to and including Wednesday of the next following week (a “Calendar Week”); *provided*, that, the Weekly Rate for the first Calendar Week (or portion thereof) following a Conversion Date resulting in a change in the Interest Rate Determination Method to a Weekly Rate is to be set by the Remarketing Agent on the Business Day immediately preceding such Conversion Date; *provided further*, that, in connection with the substitution of a Credit Support Instrument providing support for any Series of Remarketed Bonds bearing interest at the Weekly Rate, the Weekly Rate with respect to such Series for the first Calendar Week (or portion thereof) following such substitution shall be set by the applicable Remarketing Agent on the Business Day immediately preceding the date of such substitution, and such Weekly Rate will be effective only if such substitution is effected. Each Weekly Rate for a Series of the Remarketed Bonds is to be the rate of interest that, if borne by the Remarketed Bonds of that Series in the Weekly Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for Tax-Exempt Securities that are of the same general nature as the Remarketed Bonds of that Series, or Tax-Exempt Securities that are competitive as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of the Remarketed Bonds of that Series, be the lowest interest rate that would enable the Remarketing Agent to place the Remarketed Bonds of that Series at a price of par (plus accrued interest, if any) on the first day of such Weekly Rate Period.

Failure to Determine Rate for Certain Rate Periods. If, for any reason, the Daily Rate or the Weekly Rate for any Series of the Remarketed Bonds is not established as described above, or there is no Remarketing Agent for such Series of Remarketed Bonds, or any Daily Rate or Weekly Rate so established is held to be invalid or unenforceable, then an interest rate for such Series for such Rate Period equal to 100% of the SIFMA Swap Index on the date such Daily Rate or Weekly Rate was (or would have been) determined, as provided pursuant to the provisions of the Indenture described above, shall be established automatically. “SIFMA Swap Index” is an index published or made available by the Securities Industry and Financial Markets Association (formerly the Bond Market Association) and is defined in the Information Statement in APPENDIX A—“DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE—Definitions.”

Bond Purchases. The Trustee will make each purchase drawing under a Credit Support Instrument in an amount equal to the Purchase Price for the Bonds being purchased less the amount of remarketing proceeds, if any, that the Trustee has received from the applicable Remarketing Agent for the Bonds by the time that is thirty minutes prior to the latest time for submitting purchase draw requests for same day payment under the applicable Credit Support Instrument. Remarketing Agents for the Remarketed Bonds will be required to transfer to the Trustee the proceeds of any remarketing that has occurred by 12:15 p.m., New York City time, thereby assisting the Trustee to determine whether it is necessary to obtain funds under a Credit Support Instrument to purchase tendered Bonds.

Conversion of Interest Rate Determination Method

Right of Conversion. The Interest Rate Determination Method for each Series of the Remarketed Bonds is subject to conversion from one Interest Rate Determination Method to another from time to time at the option of the Authority, with such right to be exercised by delivery of a Conversion Notice to the Trustee, the Remarketing Agent and the Letter of Credit Provider for such Series. Upon receipt of a

Conversion Notice from an Authorized Representative, as soon as possible, but in any event not less than 30 days prior to the proposed Conversion Date, the Trustee is to give notice by first-class mail to the Owners of the affected Series of the Remarketed Bonds in accordance with the Indenture. The Indenture provides that such notice may be rescinded prior to the effective date of the Conversion. See APPENDIX A—“DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE—THE INDENTURE—Conversion of Interest Rate Determination Method” in the Information Statement.

Failure to Convert. The Indenture includes provisions setting forth the procedures and conditions for the exercise by the Authority of its right of conversion of the Remarketed Bonds from one Interest Rate Determination Method to another. Under certain circumstances, a planned conversion may not be completed. However, once a notice of conversion is provided to the Owners of the Remarketed Bonds, all Remarketed Bonds must be tendered for purchase (whether or not the planned conversion is completed). See “—Mandatory Tender Provisions” below. See “—Funding Optional and Mandatory Tenders of Remarketed Bonds” below concerning payment for Remarketed Bonds so tendered for purchase.

The Indenture provides that a failed conversion of Remarketed Bonds to another Interest Rate Determination Method means that such Remarketed Bonds will continue to bear interest at the Interest Rate Determination Method in effect prior to the proposed Conversion Date (as if no proceedings for Conversion had taken place) and the rate of interest thereon shall be determined on the proposed Conversion Date. If the failed conversion is due to insufficient funds, such Remarketed Bonds will be returned to the respective Owners thereof and the interest rate will be the lesser of the SIFMA Swap Index plus 3% and the Maximum Interest Rate of 12% from the date of such failed purchase until all Remarketed Bonds are purchased as required in accordance with the Indenture. See “—Funding Optional and Mandatory Tenders of Remarketed Bonds” below.

Optional Tender Provisions

The Remarketed Bonds bearing interest at a Daily Rate or a Weekly Rate (other than Remarketed Credit Provider Bonds) are subject to tender for purchase and remarketing at the option of the Owner or the Beneficial Owners of those Bonds, who may elect to have Remarketed Bonds (or portions thereof in Authorized Denominations) purchased at a purchase price (the “Purchase Price”) equal to the principal amount thereof, without premium, plus any accrued interest to the Purchase Date. If the Purchase Date occurs before an Interest Payment Date, but after the Record Date applicable to such Interest Payment Date, then accrued interest will be paid to DTC for payment to the Beneficial Owners as of the applicable Record Date.

Remarketed Bonds bearing interest at a Daily Rate may be tendered for purchase on any Business Day at the applicable Purchase Price, payable in immediately available funds, upon (A) delivery by the Owner or the Beneficial Owner of such Remarketed Bonds to the applicable Remarketing Agent and to the Trustee at its Principal Office of an irrevocable written or electronic notice by 11:00 A.M. (New York City time) on any Business Day, that states the principal amount to be tendered for purchase and the Purchase Date, and (B) delivery of such Remarketed Bonds to the Trustee on the Purchase Date in accordance with the Indenture.

Remarketed Bonds bearing interest at a Weekly Rate may be tendered for purchase on any Business Day at the applicable Purchase Price, payable in immediately available funds, upon (A) delivery by the Owner or the Beneficial Owner of such Remarketed Bonds to the applicable Remarketing Agent and to the Trustee at its Principal Office of an irrevocable written or electronic notice by 5:00 P.M. (New York City time) on any Business Day at least seven days prior to the Purchase Date, which states the

principal amount of such Remarketed Bond to be tendered for purchase and the Purchase Date, and (B) delivery of such Remarketed Bonds to the Trustee on the Purchase Date in accordance with the Indenture.

Any Remarketed Bond may be tendered for purchase in part as long as the amount so purchased and not so purchased are each in an Authorized Denomination.

Any instrument delivered to the Trustee in accordance with the provisions of the Indenture described above shall be irrevocable with respect to the purchase for which such instrument was delivered and shall be binding upon the Owner and any subsequent Beneficial Owner of the Remarketed Bonds to which it relates, and as of the date of such instrument, the Owner or the Beneficial Owner shall not have any right to optionally tender for purchase such Remarketed Bonds prior to the date of purchase specified in such notice. The Authority, the Remarketing Agents and the Trustee may conclusively assume that any person (other than DTC) providing notice of optional tender pursuant to the Indenture is the Beneficial Owner of the Remarketed Bonds to which such notice relates, and none of the Authority, the Remarketing Agents or the Trustee shall assume any liability in accepting such notice from any person whom it reasonably believes to be a Beneficial Owner of Remarketed Bonds.

Draws on the Letters of Credit issued pursuant to the Reimbursement Agreement described under “LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT” will provide funds for the purchase of Remarketed Bonds that are not successfully remarketed upon optional tender by Owners or Beneficial Owners for purchase and remarketing. See “Funding Optional and Mandatory Tenders of Remarketed Bonds” below.

Mandatory Tender Provisions

The Remarketed Bonds will be subject to mandatory tender for purchase at the applicable Purchase Price on the Conversion Date (or on the proposed Conversion Date if the conversion fails to occur) to a new Interest Rate Determination Method specified in a Conversion Notice as described above under “Conversion of Interest Rate Determination Method.”

Draws on the Letters of Credit issued pursuant to the Reimbursement Agreement described under the caption “LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT” will provide funds for the purchase of Remarketed Bonds that are not successfully remarketed upon optional tender by Bond owners for purchase and remarketing, and for the purchase of Remarketed Bonds that are not successfully remarketed upon mandatory tender. A Series of the Remarketed Bonds will be subject to mandatory tender for purchase at the applicable Purchase Price (i) on the fifth Business Day preceding the scheduled expiration of, or the termination by election of the Authority of, the Letter of Credit for such Series, and (ii) on the date of provision of a substitute credit or liquidity facility and resultant termination of the Letter of Credit for such Series. If the existing Credit Support instrument is not in the form of a letter of credit, then no such mandatory tender is required if a substitute credit or liquidity facility is provided to the Trustee and a Rating Confirmation is delivered by each Rating Agency then rating the Remarketed Bonds with respect to which the substitute credit or liquidity facility is being provided. A Credit Support Instrument may not be substituted for the Letter of Credit for a Series of Remarketed Bonds unless a mandatory tender and purchase of all of the Remarketed Bonds of such Series occurs (and such a mandatory tender and purchase must occur whether or not a Rating Confirmation with respect to the substitution is obtained). The Trustee is to give DTC at least 15 days’ notice of any such elected termination, substitution or expiration. The Authority may rescind any notice of mandatory tender provided to Owners in connection with the substitution of a Credit Support Instrument by giving written notice of such rescission to Owners two or more Business Days immediately preceding the date set for such substitution and mandatory tender.

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 of Remarketed Bonds will be governed by arrangements among them, and the Authority and the Trustee will not have any responsibility or obligation to send any notice to Beneficial Owners of Remarketed Bonds.

Funding Optional and Mandatory Tenders of Remarketed Bonds

The Authority expects funds to be made available to purchase Remarketed Bonds tendered for purchase pursuant to the optional and mandatory tender provisions described above by having the applicable Remarketing Agent remarket the tendered Remarketed Bonds and having the proceeds applied to purchase the tendered Remarketed Bonds. See “REMARKETING AGENTS.”

Payment of the purchase price for any Remarketed Bonds tendered for purchase and not successfully remarketed is expected to be paid from amounts drawn under the Letters of Credit as described under “LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT.” If insufficient funds are available from remarketing proceeds and under the Letters of Credit, the Authority has the option, but no obligation under the Indenture, to pay the shortfall to the Trustee.

The Indenture provides that if sufficient funds are not available for the purchase of all Remarketed Bonds of a Series tendered and required to be purchased on any Purchase Date, all Remarketed Bonds of such Series shall bear interest at the lesser of the SIFMA Swap Index plus 3% and the Maximum Interest Rate from the date of such failed purchase until all such Remarketed Bonds are purchased as required in accordance with the Indenture, and that all tendered Remarketed Bonds shall be returned to the respective Owners. Thereafter, the Trustee is to continue to take all such action available to it to obtain remarketing proceeds from the applicable Remarketing Agent and sufficient other funds from the Letters of Credit to purchase all Remarketed Bonds required to be purchased. The Indenture provides that such failed purchase and return shall not constitute an Event of Default.

Mechanics and Timing of Optional and Mandatory Tenders

The mechanics and timing of delivery and payment for Remarketed Bonds tendered for purchase are addressed in the Indenture. See APPENDIX A—“DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE—THE SENIOR INDENTURE—Mechanics of Optional and Mandatory Tenders” in the Information Statement.

Mandatory Tender for Authority Purchase of Remarketed Bonds at Election of Authority

The Remarketed Bonds are also subject to mandatory tender for purchase by the Authority, in whole or in part (in Authorized Denominations), on any date such Remarketed Bonds would be subject to optional redemption (each, an “Optional Purchase Date”) at a purchase price equal to the principal amount of such Remarketed Bonds to be purchased on the Optional Purchase Date, plus accrued interest to the Optional Purchase Date (the “Optional Purchase Price”). In the event that the Authority determines to purchase any Remarketed Bonds on any Optional Purchase Date, the Authority will provide the Trustee with written notice of such determination at least 45 days prior to the Optional Purchase Date, which notice will specify the principal amount of the Remarketed Bonds of each maturity that are to be purchased and the Optional Purchase Date on which such purchase is to occur.

When the Trustee receives notice from the Authority of its determination to purchase Remarketed Bonds pursuant the provisions described above, the Trustee shall give notice to the Owners of the Remarketed Bonds and the applicable Remarketing Agent, in the name of the Authority, of the mandatory tender for purchase such Remarketed Bonds, which notice shall be mailed, by first class mail, postage

prepaid, not more than 60 nor less than 30 days before the Optional Purchase Date. Receipt of such notice of mandatory tender for purchase shall not be a condition precedent to the mandatory tender for purchase of the Remarketed Bonds and failure to receive any such notice or any defect in such notice shall not affect the validity of the proceedings for the mandatory tender for purchase of such Remarketed Bonds pursuant to the provisions of the Indenture described herein. 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 of Remarketed Bonds will be governed by arrangements among them, and the Authority and the Trustee will not have any responsibility or obligation to send any notice to Beneficial Owners of Remarketed Bonds.

If less than all of the Remarketed Bonds are to be called for mandatory tender at the election of the Authority, the Authority may select the principal amount and maturity of such Remarketed Bonds to be purchased at its sole discretion. If less than all of the Remarketed Bonds of a Series maturing by their terms on any one date are to be tendered at any one time, DTC's practice is to determine by lot the amount of the interest of each DTC Direct Participant in the Remarketed Bonds to be tendered. See APPENDIX I – "BOOK-ENTRY ONLY SYSTEM." For purposes of such selection, the Remarketed Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately tendered. If at the time the Trustee sends any notice of mandatory tender for purchase of any Remarketed Bonds as described in the preceding paragraph, the Authority has not deposited with the Trustee an amount sufficient to pay the full Optional Purchase Price of such Remarketed Bonds, or the portions thereof, to be purchased, such notice shall state that such mandatory tender for purchase is conditional upon the receipt by the Trustee on or prior to the Optional Purchase Date fixed for such purchase of moneys sufficient to pay the Optional Purchase Price of such Remarketed Bonds, or the portions thereof to be purchased, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Authority shall not be required to purchase such Remarketed Bonds. No funds may be drawn on the Letters of Credit to pay the Optional Purchase Price of Remarketed Bonds on a mandatory tender at the option of the Authority.

Funding for purchases of Remarketed Bonds pursuant to the mandatory tender at the election of the Authority as described under this heading is not in the addressed Letters of Credit described under "LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT" or in the Authority's agreements with the Remarketing Agents for Remarketed Bonds.

REMARKETING AGENTS

The Authority has entered into a Remarketing Agreement covering each Series of the Remarketed Bonds with the Remarketing Agent for such Series as shown in the SUMMARY OF REMARKETING following the cover page. Each Remarketing Agent undertakes, among other things, to use its best efforts to remarket Remarketed Bonds of the Series assigned to it that are tendered for purchase. The Authority or the Remarketing Agent may terminate the Remarketing Agreement under the circumstances and in the manner described in the Remarketing Agreement, in which case the Authority expects to appoint a replacement remarketing agent in accordance with the Indenture.

The Remarketing Agents and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Certain of the Remarketing Agents and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Authority, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Remarketing Agents and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity

securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority (including the Remarketed Bonds).

The Remarketing Agents and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments. See “REMARKETING” herein for additional information.

PRACTICES AND PROCEDURES RELATED TO THE REMARKETED BONDS

The Remarketing Agent for each Series of Remarketed Bonds is shown in the SUMMARY OF REMARKETING following the front cover.

Each of the Remarketing Agents has agreed to comply with the Authority’s variable rate demand bond procedures, which are included in the Indenture and described herein.

The Remarketing Agents also have internal practices and procedures pertaining to variable rate demand securities. The resale of Remarketed Bonds and the rates of interest thereon may be affected by those practices and procedures.

The Remarketing Agents Are Paid by the Authority. Each Remarketing Agent’s responsibilities include determining the interest rate from time to time and remarketing Remarketed Bonds of the Series assigned to it that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of its Remarketing Agreement), all as further described in this Reoffering Circular. The Remarketing Agents are appointed by the Authority and are paid by the Authority for their services. As a result, the interests of the Remarketing Agents may differ from those of existing holders and potential purchasers of Remarketed Bonds.

The Remarketing Agents May Be Removed, Resign or Cease Remarketing the Remarketed Bonds, Without a Successor Being Named. Under certain circumstances each Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement.

The Remarketing Agents and the Authority May Purchase Remarketed Bonds for Their Own Accounts. Each Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, has routinely purchased such obligations for its own account in order to achieve a successful remarketing of the obligations (i.e., because there are otherwise not enough buyers to purchase the obligations) or for other reasons. The Remarketing Agent is permitted, but not obligated, to purchase tendered Remarketed Bonds for its own account and, if it does so, it may cease doing so at any time without notice. Any cessation of purchases by the Remarketing Agent may result in a failed remarketing and draw on the applicable letter of credit. The Remarketing Agent may also make a market in the Remarketed Bonds by purchasing and selling Remarketed Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Remarketed Bonds. The Remarketing Agent may also sell any Remarketed Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Remarketed Bonds. The Authority may purchase certain Remarketed Bonds held by a Remarketing Agent. In addition, the Indenture permits the Remarketing

Agents to remarket Remarketed Bonds to the Authority as part of the remarketing and interest rate setting process undertaken by the Remarketing Agents. The willingness of the Authority to buy Remarketed Bonds in connection with a remarketing may affect the interest rate determined for such Remarketed Bonds. The Authority's interest in connection with the determining of the interest rate by a Remarketing Agent may differ from the interests of Bondholders other than the Authority. The purchase of Remarketed Bonds by the Remarketing Agent or the Authority may create the appearance that there is greater third party demand for the Remarketed Bonds in the market than is actually the case. The practices described above also may result in fewer Remarketed Bonds being tendered in a remarketing, fewer draws on the Letters of Credit, and lower interest rates on the Remarketed Bonds than would otherwise be the case.

Remarketed Bonds May Be Offered at Different Prices on Any Date Including an Interest Rate Determination Date. Each Remarketing Agent is required by its Remarketing Agreement to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Series of Remarketed Bonds assigned to it bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of the applicable Rate Determination Date. The interest rate will reflect, among other factors, the level of market demand for the Remarketed Bonds (including whether the Remarketing Agent or the Authority is willing to purchase Remarketed Bonds for its own account). Each Remarketing Agreement requires that the Remarketing Agent use its best efforts to remarket Remarketed Bonds of the Series assigned to it tendered pursuant to the Indenture. There may or may not be Remarketed Bonds tendered and remarketed on a Rate Determination Date, the Remarketing Agent may or may not be able to remarket any Remarketed Bonds tendered for purchase on such date at par, and the Remarketing Agent may sell Remarketed Bonds at varying prices to different investors on such date or any other date. Each Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Remarketed Bonds at the remarketing price. In the event a Remarketing Agent or the Authority owns any Remarketed Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Remarketed Bonds on any date, including the Rate Determination Date, at a discount to par to some investors which, in the case of the Remarketing Agent, may include the Authority.

The Ability to Sell the Remarketed Bonds other than through Tender Process May Be Limited. The Remarketing Agents and the Authority may buy and sell Remarketed Bonds other than through the tender process. However, they are not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Remarketed Bonds to do so through the Trustee with appropriate notice. Thus, investors who purchase the Remarketed Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Remarketed Bonds other than by tendering the Remarketed Bonds in accordance with the tender process.

LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT

The following is a summary of provisions of the Letters of Credit to be issued under the Reimbursement Agreement with respect to the Remarketed Bonds. This summary does not purport to be comprehensive. Reference should be made to the Letters of Credit and the Reimbursement Agreement for their complete terms. Capitalized terms used under this heading not defined elsewhere in this Reoffering Circular shall have the meanings set forth in the Reimbursement Agreement. For information regarding the Letter of Credit Providers, see APPENDIX III—“THE LETTER OF CREDIT PROVIDERS.”

General

The Letters of Credit for the Remarketed Bonds are provided by the financial institutions shown in the following table (collectively, the “Letter of Credit Providers”), pursuant to the Reimbursement Agreement among those providers, the Authority and Bank of America, N.A, as agent for the Letter of

Credit Providers (the “Bank Agent”). The respective principal amounts of the Letters of Credit for the Remarketed Bonds are indicated in the following table. In addition to the principal amount, each Letter of Credit will include an interest amount that is based upon an assumed rate of interest of 12% on the principal amount for a period of 34 days using a 365 day year. Under the terms of each Letter of Credit, the Letter of Credit Provider thereof is solely liable for payments thereunder and no Letter of Credit Provider will be liable for the failure of any other Letter of Credit Provider to perform its obligations under its Letter of Credit.

LETTER OF CREDIT PROVIDERS AND BOND PRINCIPAL AMOUNTS

Series	Letter of Credit Provider	Principal Amount	Expiration Date
2007 Series G-1	U.S. Bank National Association	\$50,000,000	October 16, 2017
2007 Series A-2	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch	\$75,000,000	October 16, 2019
2007 Series B-2	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	\$75,000,000	October 16, 2019
2007 Series C-2	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch	\$25,000,000	October 16, 2019
2007 Series D-2	Bank of America, N.A.	\$100,000,000	October 16, 2019
2008 Series C-1	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	\$25,000,000	October 16, 2019
2008 Series E-1	The Bank of Tokyo – Mitsubishi UFJ, Ltd., acting through its New York Branch	\$50,000,000	October 16, 2019

Payment of principal of and interest on the Remarketed Bonds and payment of the Purchase Price for Remarketed Bonds tendered for purchase or subject to mandatory purchase in accordance with the Indenture and not remarketed will be made from amounts drawn under the Letters of Credit.

The Letters of Credit supporting the Remarketed Bonds will expire on the dates shown on the table above. An extension of the Letters of Credit or the substitution of another liquidity facility for the Remarketed Bonds is required by the Indenture until the Remarketed Bonds are retired or changed to bear interest, as permitted by the Indenture, at a Fixed Rate, a Term Rate, a Commercial Paper Rate, or an Index Rate. The scheduled expiration or the termination by the Authority of a Letter of Credit will, and the substitution of another liquidity facility may, result in a mandatory purchase of the Remarketed Bonds supported by such Letter of Credit as explained under “DESCRIPTION OF THE REMARKETED BONDS—Mandatory Tender Provisions.”

Draws under each Letter of Credit are to be requested by the Trustee by written notice to each of the Letter of Credit Providers. Upon payment by a Letter of Credit Provider, the Remarketed Bonds purchased by such Letter of Credit Provider will be called Credit Provider Bonds or Bank Bonds and bear interest at the Bank Rate determined pursuant to the Reimbursement Agreement. The Reimbursement Agreement provides for the remarketing of Bank Bonds at the election of the Authority and requires the Authority to redeem any Bank Bond that is not remarketed in 13 equal quarterly installments beginning on the first Business Day of the twenty-fourth calendar month immediately following the purchase of the

Bank Bond by the Letter of Credit Provider. The Indenture requires Credit Provider Bonds of a Series to be remarketed prior to the remarketing of any other Remarketed Bonds of such Series tendered for purchase or subject to mandatory purchase.

Upon the mandatory tender and remarketing of the Remarketed Bonds as described herein, the information set forth in the Information Statement under the heading “OTHER AUTHORITY OBLIGATIONS – Credit Facilities” will no longer be effective. Reference should be made to the summary set forth herein and the Letters of Credit and the Reimbursement Agreement for the complete terms.

Extension, Reduction, Adjustment or Termination of Letters of Credit

The scheduled expiration dates of the Letters of Credit are set forth above and in the SUMMARY OF REMARKETING commencing on the inside front cover of this Reoffering Circular.

The Letters of Credit supporting the Remarketed Bonds will expire on the indicated dates, unless extended for additional periods by mutual agreement of the Authority and the respective Letter of Credit Providers. Written request for extension of the Letters of Credit must be received by the respective Letter of Credit Providers not less than 120 nor more than 150 days preceding the then current relevant expiration date and the applicable Letter of Credit Provider in its sole and absolute discretion shall notify the Authority within 45 days of the Letter of Credit Provider’s decision with respect to such request. If a Letter of Credit Provider does not respond to the Authority’s request, that Letter of Credit Provider will be deemed to deny such request. Requests can be made on a Series by Series basis.

Upon any redemption, defeasance or other payment of all or any portion of the principal amount of a Series of the Remarketed Bonds, the Letter of Credit supporting such Series shall automatically be reduced by the principal amount of the Remarketed Bonds so redeemed, defeased or otherwise paid from the proceeds of a drawing under such Letter of Credit. The interest amount of such Letter of Credit will be adjusted downward by an amount in proportion to the reduction of the commitment as to principal because of the redemption, defeasance or other payment of the Remarketed Bonds or the purchase by the Letter of Credit Provider of the Remarketed Bonds tendered or deemed tendered in accordance with the terms of the Indenture. The stated amount of a Letter of Credit may also be permanently reduced on the business day following a Letter of Credit Provider’s receipt from the Trustee of a reduction certificate in the form attached to the applicable Letter of Credit.

Each Letter of Credit will terminate on the close of business of the applicable Letter of Credit Provider on the earliest to occur of on the following: (i) the scheduled expiration date (as such date may be extended from time to time), (ii) the earlier of (A) the date specified by the Trustee in a certificate delivered to the applicable Letter of Credit Provider as being the date which is five (5) days following the date on which all of the Bonds supported by such Letter of Credit are converted (the “*Conversion*”) to bear interest at a rate other than a daily interest rate or a weekly interest rate or (B) the date on which the applicable Letter of Credit Provider honors a purchase drawing made by the Trustee in connection with the Conversion, (iii) the date on which such Letter of Credit Provider receives a certificate from the Trustee certifying that (A) no Bonds supported by such Letter of Credit remain outstanding within the meaning of the Indenture, (B) all drawings required to be made under the Indenture and available under such Letter of Credit have been made and honored, or (C) a substitute Credit Support Instrument has been issued to replace such Letter of Credit pursuant to the Indenture, and (iv) the date which is thirty (30) days following receipt by the Trustee of a written notice from such Letter of Credit Provider specifying the occurrence of an “Event of Default” under the Reimbursement Agreement.

The Authority has agreed in the Reimbursement Agreement that any termination of a Letter of Credit as a result of the provision of an alternate Credit Support Instrument will require, as a condition

thereto, that the Authority or the issuer of the alternate Credit Support Instrument, as the case may be, will provide immediately available funds on the date of such termination or provision, which funds will be sufficient to ensure the payment of all amounts due to the Letter of Credit Provider under the Reimbursement Agreement, the bank fee letter described in the Reimbursement Agreement and the Bank Bonds (if any) owned by such Letter of Credit Provider.

Summary of Reimbursement Agreement

Set forth below is a summary of certain provisions of the Reimbursement Agreement. This summary is qualified in its entirety by reference to the Reimbursement Agreement, a copy of which can be obtained from the Authority.

Defined Terms

“Amortization End Date” means, with respect to a Liquidity Advance or Bank Bond, the fifth (5th) anniversary of the date such Liquidity Advance was made or Bank Bond was purchased.

“Amortization Payment Date” means, with respect to a Liquidity Advance or Bank Bond, (a) the first Business Day of the twenty-fourth calendar month immediately following the date such Liquidity Advance was made or Bank Bond was purchased and the first Business Day of each third calendar month occurring thereafter prior to the Amortization End Date and (b) the Amortization End Date.

“Debt” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, and (f) all obligations, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person including, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement condition or otherwise), or (ii) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part). For purposes of clarification, membership of the Authority in a joint powers authority will not cause the Debt of the joint powers authority to be considered guaranteed by the Authority.

“Event of Insolvency” means the occurrence and continuance of one or more of the following events: (a) the Authority shall (i) voluntarily commence any case or proceeding or file any petition seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it, or seeking to declare a moratorium with respect to any obligations of the Authority under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, (ii) consent to the institution of, or fail to controvert in a timely and appropriate manner, any such case or proceeding or the filing of any such case or petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for itself or for a substantial part of its property, (iv) file an answer admitting the material allegations of a case or petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable or admit in writing its inability to pay its debts as they become due or (vii) take action for the purpose of effecting any of the foregoing; (b) an involuntary proceeding shall be commenced or an involuntary petition shall

be filed in a court of competent jurisdiction seeking (i) relief in respect of the Authority or of a substantial part of the property of the Authority, under any federal, state or foreign bankruptcy, insolvency or similar law or (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Authority or for a substantial part of the property of the Authority, and such proceeding or petition shall continue undismissed and unstayed for sixty (60) days; or (c) an order or decree for relief shall be entered against the Authority in a court of competent jurisdiction under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors.

“Fitch” means Fitch Inc.

“Liquidity Drawing” means, with respect to a Letter of Credit, a drawing under such Letter of Credit to purchase Bonds (or beneficial interests therein) (i) tendered for purchase at the option of the holder thereof (other than the Authority) in accordance with the terms of the Indenture and for which remarketing proceeds are not available and (ii) tendered or deemed tendered for mandatory purchase in accordance with the terms of the Indenture as a result of the expiration of the Letter of Credit on its scheduled expiration date.

“Majority” means Banks with commitments equal to or greater than sixty-six and two-thirds percent of the aggregate commitments.

“Moody’s” means Moody’s Investors Service, Inc.

“Obligations” means Reimbursement Obligations and all other obligations of the Authority to the Letter of Credit Providers and the Bank Agent arising under or in relation to the Reimbursement Agreement, Bank Bonds, the fee letters (between the Authority and the Letter of Credit Providers and the Bank Agent) and the other Related Documents, including, without limitation, the obligation to pay fees and expenses.

“Person” means any individual, partnership, limited liability company, firm, corporation, association, joint venture, trust or other entity, or any government (or political subdivision or agency, department or instrumentality thereof).

“Reimbursement Obligations” means the obligation of the Authority to reimburse Letter of Credit Providers for drawings under the Letters of Credit to pay the principal of and interest on the Bonds (including the redemption price and purchase price of the Bonds) and to pay the principal of and interest on Liquidity Advances.

“Related Documents” means, collectively, the Reimbursement Agreement, the Bonds (including Bank Bonds), the custodian agreement among the Authority, the Trustee and the Bank Agent, the fee letters between the Authority and the Letter of Credit Providers and the Bank Agent, the Indenture, the Letters of Credit and the Remarketing Agreements.

“S&P” means Standard & Poor’s Ratings Service, a division of The McGraw-Hill Companies, Incorporated.

“Swap Contract” means any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options or bond index swaps or options or forward payment agreements or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or

not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement.

“Swap Obligation” means any payment obligation of the Authority under any Swap Contract.

Reimbursement of Drawings

The Authority agrees to reimburse each Letter of Credit Provider for the full amount of any drawing (other than a Liquidity Drawing for which the conditions precedent to a Liquidity Advance are satisfied on the date of such Liquidity Drawing) honored by such Letter of Credit Provider under the Letter of Credit issued by such Letter of Credit Provider immediately following, and on the date of, payment by such Letter of Credit Provider of each such drawing. If the Authority does not make such reimbursement on such date, each such reimbursement obligation shall bear interest at the rate per annum equal to the “default rate” (as defined in the Reimbursement Agreement) from time to time in effect.

If the conditions precedent set forth in the Reimbursement Agreement are satisfied at the time of payment by a Letter of Credit Provider of a Liquidity Drawing, such Liquidity Drawing shall constitute an advance (“Liquidity Advance”) by such Letter of Credit Provider to the Authority. Subject to the acceleration of Obligations (including Liquidity Advances) in accordance with the Reimbursement Agreement, each Liquidity Advance shall be repaid in thirteen (13) equal quarterly installments of principal (each, an “Amortization Payment”) payable on each Amortization Payment Date for such Liquidity Advance and with the final Amortization Payment (which shall be equal to all principal of such Liquidity Advance remaining outstanding) being due and payable no later than the Amortization End Date for such Liquidity Advance. A Liquidity Advance shall be prepaid by the Authority (i) on each date on which a Bank Bond purchased with the proceeds of the Liquidity Drawing which gave rise to such Liquidity Advance (a “Related Bank Bond”) is redeemed, defeased or is otherwise paid in accordance with its terms, but only to the extent of the principal amount of the Related Bank Bond so redeemed, defeased or otherwise paid; and (ii) the date of the remarketing of a Related Bank Bond, but only to the extent of the principal amount of such Related Bank Bond that is remarketed. If a Letter of Credit is replaced with a Credit Support Instrument, as a condition precedent to such replacement, the Authority shall, or shall cause the issuer of such Credit Support Instrument to, prepay in full on or prior to the applicable substitution date all outstanding Liquidity Advances derived from Liquidity Drawings made pursuant to such Letter of Credit. If a Letter of Credit is terminated following a drawing thereunder made to purchase Bonds in connection with the conversion of the interest mode of such Bonds to a mode other than a daily rate or a weekly rate, the Authority shall prepay in full on the date of conversion all outstanding Liquidity Advances derived from Liquidity Drawings made pursuant to such Letter of Credit. The Authority may also elect to prepay a Liquidity Advance in whole or in part at any time on any business day, without premium or penalty. The Authority also promises to pay interest on the unpaid principal amount of each Liquidity Advance from the date such Liquidity Advance is made until it is paid in full, at a rate per annum equal to the “bank rate” (defined in the Reimbursement Agreement) from time to time in effect. Any Liquidity Advance and/or interest thereon that is not paid when due shall bear interest at the rate per annum equal to the “default rate” (defined in the Reimbursement Agreement) from time to time in effect.

A Liquidity Drawing shall be converted to a Liquidity Advance only if certain conditions are satisfied including that certain representations and warranties of the Authority set forth in the Reimbursement Agreement are true and correct in all material respects on and as of the date of such Liquidity Advance and that at the time of and immediately after giving effect to such Liquidity Advance, no Event of Default (other than an Event of Default derived from the failure of the Authority to provide a

replacement Letter of Credit upon the expiration of a Letter of Credit) shall have occurred and be continuing.

Payment of Other Amounts

Pursuant to the Reimbursement Agreement, the Authority has agreed to pay certain fees to the Letter of Credit Providers and the Bank Agent, to pay increased costs and compensate the Letter of Credit Providers for loss of return in the event of certain changes in law and to indemnify to the Letter of Credit Providers, the Bank Agent and certain other persons in certain circumstances. The Authority has also agreed to pay, in the manner set forth in the Reimbursement Agreement, interest (or, if interest is already accruing, interest at a higher interest rate) on Liquidity Advances and amounts that are not paid when due.

Representations, Warranties and Covenants

In connection with the execution and delivery of the Reimbursement Agreement, the Authority has made an extensive number of representations and warranties to the Letter of Credit Providers and the Bank Agent and will covenant to take or do, and to refrain from taking or doing, certain actions.

Events of Default

The occurrence or existence of any of the following specified events shall each constitute an “Event of Default” under the Reimbursement Agreement:

(a) The Authority shall fail to pay, or cause to be paid, when due (i) the principal of, or interest on, any Liquidity Advance or Bank Bond or reimbursement obligation arising from a drawing under a Letter of Credit (other than a Liquidity Drawing which has become a Liquidity Advance); or (ii) any Obligation (other than an Obligation described in clause (i) immediately above) and, in the case of this clause (ii) only, such failure shall continue unremedied for ten (10) business days or more; or

(b) The Authority shall have declared a moratorium on the payment of, or repudiated, any Obligation or Bond; or

(c) The Authority shall fail to pay, or cause to be paid, when due (whether by scheduled maturity, redemption or otherwise) any Debt or Swap Obligation that is secured by Bridge Toll Revenues, and such failure shall continue after any applicable grace period, or shall have declared a moratorium on the payment of, or repudiated, any such Debt or Swap Obligation; or

(d) Any material provision of any Related Document at any time for any reason ceases to be valid and binding on the Authority in accordance with the terms of such Related Document or is declared or ruled to be null and void by a court or other governmental agency of appropriate jurisdiction; or

(e) An Event of Insolvency shall have occurred; or

(f) The long-term unenhanced ratings (i.e., any rating that is assigned to a Bond (other than a Bank Bond) or any other indebtedness of the Authority senior to or on a parity with the Bonds (other than Bank Bonds) and secured by and payable from Bridge Toll Revenues without regard to the provision of credit enhancement such as a letter of credit, bond insurance policy or other financial guarantee) of the Bonds or any other indebtedness of the Authority senior to or on a parity with the Bonds and secured by and payable from Bridge Toll Revenues shall be withdrawn or suspended for credit related reasons by any two of Fitch, Moody’s and S&P or reduced below “BBB-,” “BBB-” and “Baa3,” respectively, by any two of Fitch, S&P and Moody’s; or

(g) A breach by the Authority of the provisions of, or an event of default by the Authority shall occur and be continuing under, any Related Document (other than the Reimbursement Agreement) and the expiration of any applicable grace period shall have occurred; or

(h) The Authority shall default in the observance or performance of certain covenants or agreements set forth in the Reimbursement Agreement for which no grace or cure period is provided (“No Cure Period Covenants”); or

(i) The Authority shall default in the observance or performance of any covenant or agreement contained in the Reimbursement Agreement (other than the covenant to provide a substitute Credit Support Instrument upon the scheduled expiration of a Letter of Credit (“Letter of Credit Substitution Covenant”), the covenant to provide certain quarterly financial information, the covenant to provide certain swap portfolio information and the No Cure Period Covenants) and such default shall continue for thirty (30) days after written notice of such default shall have been given to the Authority by the Bank Agent; or

(j) Any representation or warranty on the part of the Authority contained in, or incorporated into, the Reimbursement Agreement shall at any time prove to have been untrue in any material respect when made or when reaffirmed, as the case may be;

(k) The existence of the Authority is terminated or the Authority is dissolved; or

(l) One or more judgments or orders for the payment of money in excess of \$35,000,000 in the aggregate and payable from Bridge Toll Revenues and for which insurance proceeds shall not be available (or for which insurance coverage has been denied) shall be rendered against the Authority and such judgment(s) or order(s) shall not be stayed, bonded, vacated, discharged or satisfied for a period of sixty (60) days; or

(m) The Act is repealed, reenacted or amended by legislative or judicial action or any other legislation is enacted, repealed, reenacted or amended, in a manner that could reasonably be expected to result in a material adverse effect on the ability of the Authority to timely perform its obligations under the Related Documents.

Remedies

In addition to any other remedies in the Reimbursement Agreement or by law or by equity, upon the occurrence and during the continuance of any Event of Default:

(a) Any Letter of Credit Provider may give notice of the occurrence of such Event of Default to the Trustee thereby causing the Letter of Credit issued by such Letter of Credit Provider to terminate in accordance with its terms;

(b) The Bank Agent may with the consent of the Letter of Credit Provider whose Letter of Credit supports the Bonds of a Series, and shall at the request of such Letter of Credit Provider, be entitled to proceed to enforce all remedies available, if any, under the Related Documents that apply to that Series of Bonds only and not to other Series of Bonds;

(c) The Bank Agent may with the consent of a Majority of the Banks, and shall at the request of a Majority of the Banks, be entitled to proceed to enforce all remedies available under the Related Documents and under applicable law and in equity, including, but not limited to, the right to seek mandamus; and/or

(d) The Bank Agent shall, at the request of a Majority of the Banks, by notice to the Authority, declare all Obligations (other than Bank Bonds) to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which have been waived by the Authority in the Reimbursement Agreement, provided that upon the occurrence of an Event of Insolvency such acceleration shall automatically occur (unless such automatic acceleration is waived by a Majority of the Banks in writing).

Notwithstanding the foregoing, the remedies set forth in Section (a) and (d) above shall not be available in the case of an Event of Default resulting from a failure of the Authority to comply with Letter of Credit Substitution Covenant.

SUMMARY OF FINANCING PLAN

As described herein, the Authority expects to enter into a Reimbursement Agreement dated as of October 16, 2014 with the banks identified in the section “LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT,” pursuant to which such banks will issue letters of credit on October 16, 2014, in the aggregate notional amount of \$400,000,000 plus 34 days interest thereon at 12% per annum to provide credit and liquidity support for the Remarketed Bonds bearing interest at the Weekly Rate. The Authority’s reimbursement obligations under the Reimbursement Agreement are on parity with the Senior Bonds (as defined below). For information regarding the Letter of Credit Providers, see APPENDIX III—“THE LETTER OF CREDIT PROVIDERS.”

See the table labeled “LETTER OF CREDIT PROVIDERS AND BOND PRINCIPAL AMOUNTS” above for a summary of the outstanding \$400,000,000 variable rate demand bonds bearing interest at a Weekly Rate.

The Remarketed Bonds will be paid as to principal and interest from draws on the Letters of Credit, the proceeds of which will be segregated from other funds. The reimbursement obligations created by draws on the Letters of Credit, including draws to purchase the Remarketed Bonds, will also be Parity Obligations with the Senior Bonds. In the event the Trustee does not have sufficient funds on hand in the Bond Fund to pay the principal of and interest on Senior Bonds and amounts due on Parity Obligations when due, the Trustee shall notify the Authority as promptly as practicable of the shortfall and apply the funds it has on hand in the Bond Fund and any additional funds received from the Authority for deposit in the Bond Fund to pay such Senior Bonds and Parity Obligations on a pro rata basis based on the respective amounts then known to the Trustee to be due on such Senior Bonds and Parity Obligations. See “DESCRIPTION OF THE REMARKETED BONDS” herein.

Anticipated Bond Issuances of the Authority

The Authority anticipates issuing additional toll bridge revenue bonds to fund capital projects under its current capital project programs. The Authority, by resolution of its governing board, has authorized the issuance of up to \$500,000,000 of Senior Bonds or Subordinate Bonds for capital projects prior to December 31, 2014 and may authorize the issuance of additional Subordinate Bonds or Senior Bonds thereafter. On August 5, 2014, the Authority issued \$200,000,000 of such authorized amount as Senior Bonds, 2014 Series F-1 and has \$300,000,000 remaining authority for issuance during calendar year 2014. See “RECENT DEVELOPMENTS – Recent Transactions.” Subject to approval by its governing board, the Authority anticipates issuing toll bridge revenue bonds on either a senior or subordinate basis prior to December 31, 2014 to refund all or a portion of its outstanding Toll Bridge Revenue Bonds, 2009 Series F-1.

The Authority has also authorized the issuance of refunding Bonds and the termination of existing interest rate swaps and the execution of new interest rate swaps. Toll bridge revenue bonds may be issued

on a parity with the outstanding Senior Bonds under the Senior Indenture or as Subordinate Bonds on a parity with the Subordinate Bonds under the Subordinate Indenture. Additional toll bridge revenue bonds could be issued for refunding or restructuring purposes, additional work on the Bridges or other purposes authorized by the Act.

The principal amount of additional toll bridge revenue bonds (and any senior obligations or subordinate obligations) to be issued by the Authority and the timing of any such issuance or issuances will be determined by the Authority based on the actual costs of its programs (which are subject to modification by the Authority and by state law) and the resources then available. The Act does not limit the principal amount of Authority obligations that may be issued. The Senior Indenture and the Subordinate Indenture limit the issuance of Senior Bonds, obligations of the Authority that are payable on a parity with the Senior Bonds, Subordinate Bonds, and obligations that are payable on a parity with the Subordinate Bonds. See “CAPITAL PROJECTS AND FUNDING – Anticipated Bond Issuances of the Authority” and “SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS – Certain Provisions of the Senior Indenture – Toll Rate Covenants” and “—Additional Bonds Test” and “— Certain Provisions of the Subordinate Indenture – Toll Rate Covenant” and “—Additional Bonds Test” in the Information Statement.

Outstanding Senior Bonds and Senior Obligations

As of October 1, 2014, the Authority has outstanding bonds secured by a pledge of Revenue that is on parity with the pledge of Revenue securing the Remarketed Bonds (the “Senior Bonds”) in the aggregate principal amount of \$5,642,030,000 comprised of: (i) \$2,990,395,000 of fixed rate bonds; (ii) the Remarketed Bonds, \$400,000,000 variable rate demand bonds bearing interest at a Weekly Rate; (iii) \$745,000,000 of bonds bearing interest at Index Rates tied to the SIFMA Swap Index; (iv) \$155,000,000 of bonds bearing interest at an Index Rate tied to 67% of 3-month LIBOR; and (v) \$1,351,635,000 bonds bearing interest at Term Rates, all as more specifically set forth herein.

Fixed Rate Bonds. The following are outstanding Senior Bonds that bear interest at a Fixed Rate:

Bonds	Outstanding Principal Amount	Interest Rate
San Francisco Bay Area Toll Bridge Revenue Bonds, 2006 Series F	\$73,050,000	Fixed
San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series F	\$58,620,000	Fixed
San Francisco Bay Area Toll Bridge Revenue Bonds, 2009 Series F-1	\$451,200,000	Fixed
San Francisco Bay Area Toll Bridge Revenue Bonds, 2009 Series F-2	\$1,300,000,000	Fixed (Taxable)
San Francisco Bay Area Toll Bridge Revenue Bonds, 2012 Series F-1	\$907,525,000	Fixed
San Francisco Bay Area Toll Bridge Revenue Bonds, 2014 Series F-1	\$200,000,000	Fixed
TOTAL	<u>\$2,990,395,000</u>	

Term Rate and Index Rate Bonds. The following are outstanding Senior Bonds that bear interest at a Term Rate or Index Rate, as described below, and are not supported by a letter of credit or liquidity facility:

<u>Series</u>	<u>Principal Amount</u>	<u>Term Rate</u>	<u>Index Rate</u>	<u>Purchase Date Following End of Index Rate or Term Rate Period⁽¹⁾</u>
2001 Series A (Francis F. Chin Issue)	\$150,000,000		SIFMA Swap Index plus 1.25%	April 1, 2027
2006 Series C-1	125,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2006 Series C-2	100,000,000	1.45%		August 1, 2017
2006 Series C-3	25,000,000	1.45%		August 1, 2017
2006 Series C-4	25,000,000	1.45%		August 1, 2017
2007 Series A-1	50,000,000		SIFMA Swap Index plus 0.70%	October 1, 2019
2007 Series C-1	50,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2007 Series E-3	100,000,000		SIFMA Swap Index plus 0.70%	October 1, 2019
2008 Series A-1	110,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2008 Series B-1	110,000,000		SIFMA Swap Index plus 1.10%	April 1, 2024
2008 Series D-1	155,000,000		67% of 3-month LIBOR plus 0.80%	August 1, 2017
2008 Series G-1	50,000,000		SIFMA Swap Index plus 1.10%	April 1, 2024
2014 Series A	247,445,000	1.00%		April 3, 2017
2014 Series B	552,085,000	1.50%		April 2, 2018
2014 Series C	402,105,000	1.875%		April 1, 2019
TOTAL	\$ 2,251,635,000			

⁽¹⁾ The Authority expects funds from remarketing to be applied to pay the purchase price of such Bonds upon mandatory tender. The Authority is not obligated to provide any other funds for the purchase of such Bonds other than remarketing proceeds and can give no assurance that sufficient remarketing proceeds will be available to pay such Bonds upon mandatory tender. If there are insufficient funds to purchase any Series of Bonds identified in the table above at the end of any Term Rate Period or Index Rate Period, the owners of such Bonds will retain such Bonds and such Bonds will bear interest at the Stepped Rate. In its Pricing Notices for each Series of Bonds identified in the table above, the Authority specified that the Stepped Rate Index for such Bonds is the SIFMA Swap Index.

Outstanding Subordinate Bonds

As of October 1, 2014, the Authority has outstanding \$3,285,000,000 aggregate principal amount of fixed rate Subordinate Bonds secured by a pledge of Revenue that is subordinate to the pledge of Revenue securing the Remarketed Bonds.

<u>Bonds</u>	<u>Outstanding Principal Amount</u>	<u>Interest Rate</u>
San Francisco Bay Area Subordinate Toll Bridge Revenue Bonds, 2010 Series S-1	\$1,500,000,000	Fixed (Taxable)
San Francisco Bay Area Subordinate Toll Bridge Revenue Bonds, 2010 Series S-2	\$410,000,000	Fixed
San Francisco Bay Area Subordinate Toll Bridge Revenue Bonds, 2010 Series S-3	\$475,000,000	Fixed (Taxable)
San Francisco Bay Area Subordinate Toll Bridge Revenue Bonds, 2013 Series S-4	<u>\$900,000,000</u>	Fixed
TOTAL	<u><u>\$3,285,000,000</u></u>	

Qualified Swap Agreements

The Authority currently has outstanding seventeen Qualified Swap Agreements with seven counterparties that, as of October 1, 2014, had an aggregate notional amount of \$1,924,145,000. Of these, thirteen, having an aggregate notional amount of \$1,440,000,000, are agreements pursuant to which the Authority pays a fixed rate and receives a variable rate based on an index and four of these, having an aggregate notional amount of \$484,145,000, are agreements pursuant to which the Authority pays a variable rate based on an index and receives a fixed rate. The governing board of the Authority has authorized the amendment, restructuring, and termination of existing Qualified Swap Agreements and the governing board has authorized the Authority to enter into additional Qualified Swap Agreements.

For a discussion of the Authority's outstanding Qualified Swap Agreements as of June 30, 2013, see "Note 5—Derivative Instruments" and "—Objective and Terms of Hedging Derivative Instruments" on pages 73-77 and Schedules 16 through 20 on pages 116-120, of the MTC 2013 CAFR.

Each Qualified Swap Agreement may terminate prior to its scheduled termination date and prior to the maturity of the Senior Bonds to which it relates. As of September 30, 2014, the aggregate mark-to-market (including accrued interest) of the Qualified Swap Agreements pursuant to which the Authority pays a fixed rate and receives a variable rate based on an index is approximately \$384.2 million, payable by the Authority and the aggregate mark-to-market (including accrued interest) of the Qualified Swap Agreements pursuant to which the Authority pays a variable rate based on an index and receives a fixed rate is approximately \$12.5 million, payable to the Authority.

Each Qualified Swap Agreement pursuant to which the Authority pays a variable rate based on an index and receives a fixed rate may be terminated in whole or in part at the option of the counterparty on April 1, 2018. No payment would be due from the Authority or the counterparty if the option is exercised, other than net accrued interest for the then-current calculation period until that date.

There are no automatic termination events under any of the Authority's Qualified Swap Agreements, except in the case of bankruptcy under certain circumstances.

Each of the Authority's Qualified Swap Agreements may be terminated at the option of the Authority or its counterparty upon the occurrence of certain events. Such events include, among other events, the election of the Authority to terminate (in its sole discretion) at any time and the election of the counterparty to terminate if the Authority's unenhanced Senior Bond credit rating is withdrawn, suspended or reduced below "BBB-" by Standard & Poor's (or in certain cases below "BBB" or "BBB+") or is withdrawn, suspended or reduced below "Baa3" by Moody's (or in certain cases below "Baa2" or "Baa1") and that withdrawal, suspension or reduction continues for five business days. In the event a Qualified Swap Agreement is so terminated, a termination payment will be payable by either the Authority or the counterparty, depending on market conditions and the specific provisions of the Qualified Swap Agreement. Any such termination payment payable by the Authority could be substantial. Termination payments payable pursuant to Qualified Swap Agreements are payable on parity with the Subordinate Bonds and constitute "Parity Obligations" under the Subordinate Indenture.

The Authority is not required to post collateral under its Qualified Swap Agreements. The counterparties are not required to post collateral unless they are rated below either "AA-" by Standard & Poor's or "Aa3" by Moody's. Each swap counterparty is required to post collateral to the Authority to secure its exposure in excess of \$10 million if the counterparty is rated between either "A+" and "A-" by Standard & Poor's or "A1" and "A3" by Moody's. However, each counterparty must secure its entire exposure if it is rated below either "A-" by Standard & Poor's or "A3" by Moody's.

Additionally, each of the Qualified Swap Agreements provide the Authority with the right to terminate if the rating of the counterparty (or, if applicable, its credit support provider) to the agreement is withdrawn, suspended or reduced below specified levels by either Standard & Poor's or Moody's. As a result of a downgrade by Moody's of Morgan Stanley Capital Services LLC (formerly Morgan Stanley Capital Services Inc.) ("MSCS"), the Authority and MSCS entered into an Amendment and Waiver Agreement dated as of January 22, 2014 (the "MSCS Amendment"), to the Qualified Swap Agreement dated as of January 14, 2002 between the Authority and MSCS. Pursuant to the MSCS Amendment, the Authority agreed to revise the ratings trigger for termination to a reduction in MSCS rating below BBB-/Baa3, in exchange for a reduction in the fixed interest rate payable by the Authority for a three year period from January 1, 2014 to but excluding January 1, 2017.

The Authority terminates, novates and amends existing swaps and enters into new swaps from time to time. Since November 2013, there have been several changes to the Authority's portfolio of swaps, in addition to the modification of the swap with MSCS discussed above. First, the Authority amended two swaps with Bank of America, N.A. and one swap with The Bank of New York Mellon to decrease the fixed rates payable by those counterparties in exchange for the extension from April 1, 2014 to April 1, 2018 of an optional right to terminate by those counterparties with respect to which no termination payment would be made by either party. Also, JP Morgan Chase Bank, N.A. exercised its option to terminate one of its swaps with the Authority as of April 1, 2014, with no termination payment payable by either party. To replace this swap, the Authority entered into a new swap with Wells Fargo Bank, N.A. on March 31, 2014, under which the Authority pays a variable rate based on an index and receives a fixed rate from the counterparty.

LIBOR Litigation. From time to time, the Authority has entered into interest rate swap contracts under which periodic payments to the Authority are calculated based on the U.S. dollar London InterBank Offered Rate (LIBOR). LIBOR is a benchmark rate calculated using an average of daily estimates of the interest rates at which a panel of international banks are prepared to lend unsecured funds to one another. LIBOR rates are set for several maturities (for example, 1-month, 3-months and 6-months) and several currencies, including the U.S. dollar. The panel banks are primarily selected by the British Bankers' Association, which owns LIBOR.

On March 31, 2014 the Authority initiated litigation against 25 named defendants in the United States District Court for the Northern District of California seeking recovery for damages allegedly suffered by the Authority under interest rate swap contracts with the panel banks and other counterparties resulting from the alleged manipulation of U.S. dollar LIBOR between August 2007 and May 2010 (the “LIBOR Litigation”). The LIBOR Litigation is currently being conducted in the United States District Court Southern District of New York where the Authority recently filed an amended complaint.

The defendants named by the Authority include Bank of America Corporation, Barclays Bank, plc, British Bankers’ Association, Citigroup, Inc. and Citibank, N.A., Cooperatieve Centrale Raiffeisen-Boerenleenbank, B.A., Credit Suisse Group AG, Deutsche Bank AG, HSBC Holdings plc, JPMorgan Chase & Co., Lloyds Banking Group plc, Societe Generale, The Norinchukin Bank, Royal Bank of Canada, The Royal Bank of Scotland plc, The Bank of Tokyo-Mitsubishi UFJ Ltd., UBS AG, and Portigon AG. The defendants deny the allegations.

The LIBOR Litigation asserts, among other things, that the panel banks secretly manipulated U.S. dollar LIBOR downward by making suppressed submissions that did not accurately reflect their expected borrowing rate. According to the complaint, this, in turn, resulted in lower amounts being payable to the Authority by certain of its interest rate swap counterparties. A number of the panel banks have settled enforcement actions initiated by United Kingdom, Swiss, and United States authorities. As of several months ago, publicly available data indicated that \$5 billion in regulatory penalties and disgorgements have been levied on certain of the panel banks, with more proceedings ongoing by various regulatory authorities globally.

As described above, the Authority has initiated the LIBOR Litigation against certain counterparties, which are identified in the table below.

**Qualified Swap Agreements
as of October 1, 2014**

Counterparty	Notional Amount	Rate Paid by Authority	Rate Received by Authority
Bank of America, N.A. ⁽¹⁾	\$30,000,000 amortizing to \$0 by April 1, 2045	3.633% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
Bank of America, N.A. ⁽¹⁾	\$50,000,000 amortizing to \$0 by April 1, 2047	3.6255% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
Bank of America, N.A. ⁽¹⁾	\$160,000,000 amortizing to \$0 by April 1, 2045 ⁽³⁾	A floating per annum rate based on the SIFMA Swap Index ⁽⁴⁾	3.395% per annum
Bank of America, N.A. ⁽¹⁾	\$125,000,000 amortizing to \$0 by April 1, 2045	3.6418% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
Bank of America, N.A. ⁽¹⁾	\$40,000,000 amortizing to \$0 by April 1, 2047 ⁽³⁾	A floating per annum rate based on the SIFMA Swap Index ⁽⁴⁾	3.55% per annum
Citibank, N.A. ⁽¹⁾	\$115,000,000 amortizing to \$0 by April 1, 2045	3.6375% per annum	A floating per annum rate based on 53.80% of the one- month LIBOR Index ⁽²⁾ plus 0.74%

Counterparty	Notional Amount	Rate Paid by Authority	Rate Received by Authority
Citibank, N.A. ⁽¹⁾	\$260,000,000 amortizing to \$0 by April 1, 2047	3.636% per annum	A floating per annum rate based on 53.80% of the one- month LIBOR Index ⁽²⁾ plus 0.74%
Goldman Sachs Mitsui Marine Derivative Products, L.P.	\$85,000,000 amortizing to \$0 by April 1, 2047	3.6357% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
Goldman Sachs Mitsui Marine Derivative Products, L.P.	\$60,000,000 amortizing to \$0 by April 1, 2045	3.6418% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
JPMorgan Chase Bank, N.A. ⁽¹⁾	\$245,000,000 amortizing to \$0 by April 1, 2045	4.00% per annum	A floating per annum rate based on 75.105% of the one-month LIBOR Index ⁽²⁾
Morgan Stanley Capital Services Inc.	\$75,000,000, amortizing to \$0 by April 1, 2036	4.09% per annum (except 3.34% from 1/1/2014 through 12/31/2016)	A floating per annum rate based on 65% of the one- month LIBOR Index ⁽²⁾
The Bank of New York Mellon	\$146,445,000 amortizing to \$0 by April 1, 2047 ⁽³⁾	A floating per annum rate based on the SIFMA Swap Index ⁽⁴⁾	3.2525% per annum
The Bank of New York Mellon	\$170,000,000 amortizing to \$0 by April 1, 2047	3.6357% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
The Bank of New York Mellon	\$40,000,000 amortizing to \$0 by April 1, 2047	3.6357% per annum	A floating per annum rate based on 68% of the one- month LIBOR Index ⁽²⁾
Wells Fargo Bank, N.A.	\$75,000,000 amortizing to \$0 by April 1, 2036	4.10% per annum	A floating per annum rate based on 65% of the one- month LIBOR Index ⁽²⁾
Wells Fargo Bank, N.A.	\$110,000,000 amortizing to \$0 by April 1, 2045	3.6375% per annum	A floating per annum rate based on 53.80% of the one- month LIBOR Index ⁽²⁾ plus 0.74%
Wells Fargo Bank, N.A.	\$137,700,000 amortizing to \$0 by April 1, 2047 ⁽³⁾	A floating per annum rate based on the SIFMA Swap Index ⁽⁴⁾	3.10% per annum

⁽¹⁾ Named Defendant in LIBOR Litigation described in “OTHER AUTHORITY OBLIGATIONS – Qualified Swap Agreement – LIBOR Litigation.”

⁽²⁾ Defined, generally, as the average interest rate at which a selection of banks in London are prepared to lend to one another in United States dollars with a maturity of one month.

⁽³⁾ Counterparties have the right to cancel the Qualified Swap Agreement on April 1, 2018, without termination payments.

⁽⁴⁾ Defined, generally, as a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations as produced by Municipal Market Data and made available by Bloomberg.

Investment Policies and Portfolio

As of June 30, 2014, the average maturity of the investment portfolio of MTC, which includes investments on behalf of the Authority, was 308 days, with an average yield to maturity of approximately 0.19%. For information concerning the Authority’s investment policies, see “LIQUIDITY AND CASH RESERVES — Investment Portfolio” in the Information Statement.

INVESTMENT PORTFOLIO INFORMATION⁽¹⁾ as of June 30, 2014 (Unaudited)

Investments	Percent of Portfolio	Par Value	Market Value
Cash	9.9%	\$ 359,686,197	\$ 359,686,197
Government Sponsored Enterprises ⁽²⁾	65.9%	2,407,350,000	2,407,294,814
Municipal Bonds	4.2%	151,330,000	151,330,000
Certificates of Deposit	5.4%	198,900,000	198,922,090
Commercial Paper	0.3%	10,000,000	9,994,500
Corporate Bonds	0.7%	25,080,000	25,181,175
Mutual Funds	3.8%	138,971,841	138,971,841
Government Pools ⁽³⁾	Less than 0.1%	1,852,853	1,852,853
CalTrust Heritage Money Market	8.2%	299,535,242	299,535,242
California Asset Management Program	1.6%	57,272,497	57,272,497
TOTAL INVESTMENTS	100.0%	\$3,649,978,630	\$3,650,041,209

⁽¹⁾ The investment portfolio includes funds of MTC and related entities and trustee held funds, approximately \$2.6 billion of which are funds of the Authority.

⁽²⁾ Federal Home Loan Mortgage Corp., Federal Home Loan Banks, Federal National Mortgage Association and Federal Farm Credit Bank.

⁽³⁾ Local Agency Investment Fund maintained by the Treasurer of the State of California and the County of Alameda, California Treasurer’s Investment Pool.

Source: MTC Monthly Investment Report.

Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage

The following table sets forth projected revenues and expenditures of the Authority and projected debt service coverage for its fiscal years ending June 30, 2014 through 2018.

The prospective financial information was not prepared with a view toward compliance with published guidelines of the United States Securities and Exchange Commission or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information.

The projections set forth below represent the Authority’s forecast of future results based on information currently available to the Authority as well as estimates, trends and assumptions that are inherently subject to economic, political, regulatory, competitive and other uncertainties, all of which are difficult to predict and many of which will be beyond the control of the Authority. As a result, projected results may not be realized and actual results could be significantly higher or lower than projected. The Authority is not obligated to update, or otherwise revise the financial projections or the specific portions presented to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions are shown to be in error. The projected

financial information was not prepared in accordance with generally accepted accounting principles and could differ from comparable presentations by other similar organizations.

The prospective financial information included in the Reoffering Circular has been prepared by, and is the responsibility of, the Authority's management. PricewaterhouseCoopers LLP has neither examined, compiled nor performed any procedures with respect to the accompanying prospective financial information and, accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. The PricewaterhouseCoopers LLP report incorporated by reference in the Information Statement relates to the Authority's historical financial information. It does not extend to the prospective financial information and should not be read to do so.

**PROJECTED REVENUE, OPERATIONS & MAINTENANCE
EXPENSES AND DEBT SERVICE COVERAGE ⁽¹⁾
(\$ in thousands)**

	Fiscal Year Ending June 30,				
	2014⁽²⁾	2015	2016	2017	2018
Senior Obligation Debt Service					
A Bridge Toll Revenues ⁽³⁾	\$654,129	\$657,400	\$660,687	\$663,990	\$667,310
B Interest Earnings ⁽⁴⁾	10,441	10,644	15,564	13,789	11,952
C Other Revenues ⁽⁵⁾	23,317	23,434	23,551	23,669	23,787
D Total Revenue Under Senior Indenture	<u>687,888</u>	<u>691,478</u>	<u>699,802</u>	<u>701,448</u>	<u>703,050</u>
E Existing Senior Bonds and Parity Obligations ⁽⁶⁾	275,247	239,100	255,387	251,143	260,062
F Additional Senior Bonds ⁽⁷⁾	—	—	5,220	5,220	5,220
G Total Senior Bonds and Parity Obligations	<u>275,247</u>	<u>239,100</u>	<u>260,607</u>	<u>256,363</u>	<u>265,282</u>
H Senior Debt Service Coverage (D/G)	2.50	2.89	2.69	2.74	2.65
Projected Subordinate Bond Debt Service					
I Total Revenue Under Subordinate Indenture	<u>687,888</u>	<u>691,478</u>	<u>699,802</u>	<u>701,448</u>	<u>703,050</u>
J Debt Service on Senior Bonds and Parity Obligations	275,247	239,100	260,607	256,363	265,282
K Existing Subordinate Bond Debt Service ⁽⁸⁾	143,531	157,403	155,673	155,673	155,673
L Additional Subordinate Bond Debt Service	—	—	—	—	—
M Aggregate Debt Service	<u>418,777</u>	<u>396,503</u>	<u>416,279</u>	<u>412,035</u>	<u>420,954</u>
N Gross Aggregate Debt Service Coverage (I/M)	1.64	1.74	1.68	1.70	1.67
O Total Revenue Under Subordinate Indenture	687,888	691,478	699,802	701,448	703,050
P Less: Maintenance and Operations Expenses ⁽⁹⁾	(97,849)	(95,269)	(103,723)	(105,512)	(107,346)
Q Net Available Revenue Under Subordinate Indenture	<u>\$590,039</u>	<u>\$596,208</u>	<u>\$596,079</u>	<u>\$595,936</u>	<u>\$595,704</u>
Net Aggregate Debt Service Coverage (M/Q)	1.41	1.50	1.43	1.45	1.42

⁽¹⁾ Reflects issuance of approximately \$1.4 billion of 2014 Series F-1, 2014 Series A, 2014 Series B and 2014 Series C bonds as described below under "RECENT DEVELOPMENTS – Recent Transactions" as well as \$300 million of additional bonds in Fiscal Year 2015, as discussed above under "— Anticipated Bond Issuances of the Authority." This table does not calculate coverage ratio covenants or additional bonds tests that are discussed in the Information Statement under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS" and in "APPENDIX A – DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE" and "APPENDIX B – DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE" to the Information Statement.

- (2) The projected numbers for FYE 2014 presented in the Table have not been updated with unaudited, actual numbers for FYE 2014. See “INFORMATION CONCERNING BAY AREA TOLL AUTHORITY – Financial Statements” and “RECENT DEVELOPMENTS – Motor Vehicle Traffic and Revenues.”
- (3) The projected Bridge Toll Revenues assume Fiscal Year 2014 traffic is the same as Fiscal Year 2013 traffic and grows at 0.50% annually thereafter. In accounting for peak traffic tolling, instead of actual revenues, it is assumed that the average 2-axle toll rate on the San Francisco-Oakland Bay Bridge is \$5.00.
- (4) Assumes average interest earnings on cash balances including debt service reserve funds of 0.46% in Fiscal Year 2014 (actual earnings rate to date is approximately 0.16%), 0.46% in Fiscal Year 2015, 0.74% in Fiscal Year 2016, 0.74% in Fiscal Year 2017 and 0.74% in Fiscal Year 2018.
- (5) Other Revenues include revenues from toll violations and Electronic Toll Collection Reimbursement. Electronic Toll Collection Reimbursements are revenues of the Authority not pledged under the Indenture, this amounted to \$7.2 million in Fiscal Year 2013. The same growth rate as Bridge Toll Revenues of 0.50% annually after Fiscal Year 2014 is assumed for Other Revenues.
- (6) Reflects actual interest rates for outstanding fixed rate Senior Bonds. Assumes an interest rate per annum for hedged variable rate Senior Bonds equal to the fixed rate payable under related interest rate swap arrangements plus any fixed spread on relevant bonds while in an Index Mode. See “SUMMARY OF FINANCING PLAN” in this Supplement No. 2 and “APPENDIX D – OUTSTANDING OBLIGATIONS” to the Information Statement. Assumes an interest rate of 0.46% on unhedged variable rate bonds in Fiscal Years 2014 and 2015 and 0.74% thereafter. Assumes the actual term rate of 1.45% through the end of the term period and then projected rate assumptions of 5.25% from August 1, 2017 through maturity on the unhedged 2006 Series C-2, 2006 Series C-3 and 2006 Series C-4 bonds. Assumes the actual term rate of 1.00% for the 2014 Series A Bonds, 1.500% for the 2014 Series B Bonds and 1.875% for the 2014 Series C Bonds through the end of their respective term periods and then projected rate assumptions of 3.37% thereafter to maturity for each respective series of bonds. Does not include ongoing remarketing fees, liquidity fees and any basis risk for the Senior Bonds. The annual remarketing and liquidity facility fees for Fiscal Year 2013 were \$10.40 million. Except for Fiscal Years 2014 and 2015, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the Authority received \$1.2 million and \$1.0 million less in Build America Bond subsidy payments than expected for the October 1, 2013 and April 1, 2014 debt service payments, respectively. Debt service shown accounts for this lack of subsidy payments and assumes the October 1, 2014 subsidy payment will be reduced by the same amount as the April 1, 2014 payment. It is assumed that the full subsidy will be received on April 1, 2015 and will continue throughout the life of the affected bonds. See “RISK FACTORS — Risk of Non-Payment of Direct Subsidy Payments” in the Information Statement.
- (7) Assumes \$300 million of Senior Lien variable rate bonds at an interest rate of 1.74% are issued in Fiscal Year 2015.
- (8) Reflects the actual interest rates for outstanding fixed rate Subordinate Bonds. Except for Fiscal Years 2014 and 2015, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the Authority received \$2.1 million and \$1.7 million less in Build America Bond subsidy payments than expected for the October 1, 2013 and April 1, 2014 debt service payments, respectively. Debt service shown accounts for this lack of subsidy payments and assumes the October 1, 2014 subsidy payment will be reduced by the same amount as the April 1, 2014 payment. It is assumed that the full subsidy will be received on April 1, 2015 and will continue throughout the life of the affected bonds.
- (9) Includes Maintenance and Operation Expenses as defined in the Subordinate Indenture and additional maintenance and expenses for Electronic Toll Collections on behalf of entities other than the Bay Area Toll Authority. Significant increase in Fiscal Year 2016 reflects expected increase in maintenance expense associated with the completion of construction on the East Span of the San Francisco-Oakland Bay Bridge. Assumed growth at a rate of 1.7% after Fiscal Year 2016. See “APPENDIX B – DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE” in the Information Statement.

Source: The Authority.

The levels of traffic assumed and toll revenue projected in the foregoing are based solely upon estimates and assumptions made by the Authority. Actual levels of traffic and toll revenue have differed, will differ, and may differ materially, from the levels projected. Actual interest earnings, debt service

interest rates, interest subsidy payments, swap revenues and operations and maintenance expenses could also differ materially from the forecast.

The debt service coverage ratios set forth in the foregoing table are for information purposes only. The Authority is only required to meet the coverage ratios specified in the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS – Certain Provisions of the Senior Indenture – Toll Rate Covenants” and “—Certain Provisions of the Subordinate Indenture – Toll Rate Covenant” in the Information Statement. Coverage ratios are also taken into account in determining the amount of toll bridge revenue bonds and parity obligations the Authority can issue. See “SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS – Certain Provisions of the Senior Indenture – Additional Bonds Test” and “—Certain Provisions of the Subordinate Indenture – Additional Bonds Test” in the Information Statement.

RECENT DEVELOPMENTS CONCERNING THE AUTHORITY

Motor Vehicle Traffic and Revenues

Total toll-paying traffic for the Authority’s fiscal year ending June 30, 2014, increased by approximately 3.4 million vehicles, which represents an increase of approximately 3% from the fiscal year ended June 30, 2013. The Authority is unable to predict whether this upward trend will continue. For more information concerning motor vehicle traffic, see “THE BRIDGE SYSTEM — Motor Vehicle Traffic” in the Information Statement. The Authority has preliminarily determined that its unaudited FYE 2014 Bridge Toll Revenues are approximately \$671.5 million, unaudited FYE 2014 Interest Earnings are approximately \$5.8 million, unaudited FYE 2014 Other Revenues are approximately \$22 million, and unaudited FYE 2014 Operating Expenses are approximately \$92.2 million. All unaudited numbers are preliminary and subject to change. See “INFORMATION CONCERNING BAY AREA TOLL AUTHORITY – Financial Statements.”

Recent Transactions

On August 1, 2014, the Authority redeemed a portion of its outstanding 2008 Series E-1 Bonds in the principal amount of \$3,940,000. On August 5, 2014, the Authority issued \$1,401,635,000 aggregate principal amount of Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds (the “2014 Series Bonds”), comprised of \$247,445,000 2014 Series A Bonds (the “2014 Series A Bonds”), \$552,085,000 2014 Series B Bonds (the “2014 Series B Bonds”) and \$402,105,000 2014 Series C Bonds (the “2014 Series C Bonds”) (Variable Rate Bonds) and \$200,000,000 2014 Series F-1 Bonds (the “2014 Series F-1 Bonds”). The proceeds of the 2014 Series Bonds were applied to (i) refund the Authority’s then outstanding 2008 Series F-1 Bonds and a portion of the Authority’s then outstanding 2009 Series F-1 Bonds, (ii) fund capital projects, (iii) make a cash deposit to the Reserve Fund and (iv) pay the costs of issuing the 2014 Series Bonds. See “SUMMARY OF FINANCING PLAN – Outstanding Senior Bonds and Senior Obligations” herein.

Napa Earthquake

On August 24, 2014, a 6.0-magnitude earthquake occurred near Napa, California, the epicenter of which was located approximately 15 miles from the Carquinez and Benicia-Martinez Bridges. Caltrans has conducted inspections of the seven bridges of the Bridge System and found no damage. See “RISK FACTORS – Risk of Earthquake” in the Information Statement.

Seismic Retrofit Program Capital Projects

All of the Seismic Retrofit Program projects have been completed except for the replacement of the eastern span of the San Francisco-Oakland Bay Bridge, which opened for traffic on September 2, 2013 and is discussed below and in the Information Statement. See “CAPITAL PROJECTS AND FUNDING – Seismic Retrofit Program Capital Projects” in the Information Statement.

Project Review. The construction and administration of the Seismic Retrofit Program, by Caltrans, has been and continues to be subject to project oversight and review by various commissions, panels and review boards (collectively, the “Review Panels”) appointed by various entities including the California legislature, Caltrans and the Toll Bridge Program Oversight Committee. The analysis conducted by the Review Panels includes, among other things, review of seismic design, construction quality and techniques, contract award and expenditures of funds in connection with carrying out the Seismic Retrofit Program. The Authority expects that the work of all or any portion of the Review Panels will be ongoing. The Authority cannot predict the nature, outcome or effect of the findings of any of the Review Panels.

San Francisco-Oakland Bay Bridge – Eastern Span Replacement. The project for replacement of the eastern span of the San Francisco-Oakland Bay Bridge is 95% complete. The replacement span has been open to traffic for more than a year and the remaining project components needing completion are the Yerba Buena Island transition structures, scheduled for completion in 2016, the permanent bicycle and pedestrian pathway, scheduled for completion in 2015, and the dismantling of the old eastern span, scheduled for completion in 2018. Dismantling of the old bridge continues with the removal of the upper and lower concrete decks of the main cantilever section of the bridge. The main cantilever truss was cut in half in April 2014.

Functional completion of the steel saddle retrofit for bolts that failed on the Self-Anchored Suspension (“SAS”) span was achieved in December 2013. The cost of remediation for the broken bolts was \$25 million. Samples of the remaining similar rods and bolts used on the bridge are currently being tested and evaluated. The cost of the testing is currently estimated to be \$17 million and testing will be substantially complete in the Fall of 2014. One remaining test, designed to evaluate long-term corrosion risk, is expected to be completed in the Spring of 2015. No additional rods or bolts have failed in service on the bridge.

Construction inspectors found that the steel rods anchoring the main cable for the SAS structure were out of alignment where they pass through the anchor plates, and in some cases were in contact with the anchor plates. Caltrans was able to fix the problem, for a cost of less than \$1.0 million, by loosening the nuts, allowing for realignment of misplaced rods to achieve proper design tolerances. This work has been completed.

In the course of ongoing inspections of the new eastern span of the Bay Bridge, Caltrans inspectors have discovered that several of the galvanized steel rods that anchor the tower of the eastern span to its base have been exposed to water. The water has been drained from the area and inspectors are analyzing the rods and testing the water to determine the source of the water, the length of time the rods were exposed to water and whether any rods were compromised. Caltrans plans to inspect all of the rod assemblies for water intrusion and take appropriate remedial action. Caltrans will update the Toll Bridge Oversight Committee in November on its findings.

Program Contingency. The Seismic Retrofit Program has a comprehensive risk management program to assess program and project risks, which includes a contingency fund. A comprehensive risk assessment is performed on a quarterly basis for each project in the Seismic Retrofit Program and used to develop forecast costs using the average cost of risk. These forecast costs can increase or decrease as

risks are identified, resolved or retired. Current risks under review include, among other things, environmental challenges related to the dismantling of the old eastern span of the San Francisco-Oakland Bay Bridge, such as bird nesting deterrence, lead abatement, permitting and marine impacts and pier removal. As of the end of the second quarter of 2014, the 50 percent probable draw on the program contingency is \$115.5 million. The potential draw ranges from approximately \$50 million to \$180 million. The 50 percent probable draw exceeds the remaining program contingency balance of \$90 million. The Toll Bridge Program Oversight Committee is working to identify additional cost-saving strategies to bring the two amounts into better balance.

Transportation Committee Hearings and Related Investigation. The Senate Transportation and Housing Committee (the “Committee”) held an informational hearing on August 5, 2014 to receive reports and hear presentations of findings involving the development and construction of the eastern span of the San Francisco-Oakland Bay Bridge. The hearing was the eighth in a series of oversight hearings relating to the Bay Bridge project, the first of which occurred in November of 2011. The reports received by the Committee during the August hearing discuss opportunities to improve management and operations of large infrastructure projects and costs of future maintenance and monitoring of the new Bay Bridge. None of the reports raise concerns about the safety of the Bay Bridge.

During prior hearings of the Committee allegations of negligence and wrongdoing were raised against Caltrans and bridge officials. The State Transportation Secretary ordered the California Highway Patrol (“CHP”) to conduct an administrative investigation in response to these allegations. The CHP’s investigation, titled “Inquiry Into Personnel Practices Associated with the San Francisco-Oakland Bay Bridge Project,” (the “CHP Report”) probes management of Bay Bridge construction and component fabrication that occurred more than five years ago, primarily overseas in China. The report does not address the safety of the Bay Bridge, an issue which was not in question. The conclusion of the CHP investigation and release of the CHP report found no violations of the California Whistleblower Protection Act, insufficient evidence to support a claim of collusion in the selection of the firm for the continuing quality assurance work in China, and no retaliation against employees. The totality of the evidence did not support any violation of law. The CHP Report identifies past management shortfalls and poor communication, which the State Transportation Secretary has requested be addressed through implementation of a new management structure by December 1, 2014.

New Project Initiatives

The Authority has included approximately \$326 million in its capital budget for bridge improvement projects consisting of the conversion of high-occupancy lanes to express lanes for the regional Express Lane Network (as defined in the Information Statement). The Authority is assuming it will not receive any revenue from this project and does not plan to issue any debt to fund its share of the project. See “RELATED ENTITIES – Regional Express Lanes” in the Information Statement for further information on the Express Lane Network.

The Transit Core Capacity Challenge Grant Program seeks to fund the replacement of all or a portion of the rolling stock of buses, streetcars and rail cars of the Alameda-Contra Costa Transit District, the San Francisco Municipal Transportation Agency and the Bay Area Rapid Transit District. The total estimated program cost is \$7.5 billion of which the Authority’s contribution in its capital budget is \$250 million as a bridge improvement project.

Litigation

On July 3, 2014 a class action complaint (“Lawsuit”) was filed in San Francisco Superior Court against the Authority and others claiming deficiencies in policies and procedures with regard to the processing and assessment of violation penalties by the All Electronic Toll (“AET”) collection system on

the Golden Gate Bridge. AET is currently in effect only on the Golden Gate Bridge and is not currently in effect on any of the Bridge System bridges. The Authority was named because it oversees and holds the contract with Xerox State and Local Solutions, Inc. (“Xerox”), which as described below manages the toll collection customer service center for the Golden Gate Bridge as well as all the bridges in the Bridge System. The Lawsuit follows a claim filed by the Plaintiff that was subsequently amended to broaden the proposed class to include persons assessed for nonpayment of toll evasion violations associated with all the Bay Area bridges, including the bridges in the Bridge System. The Lawsuit, served on the Authority in August, corresponds to the original claim pertaining to AET on the Golden Gate Bridge only. The Authority has not yet been served with an amended complaint corresponding to the amended claim broadening the class to persons assessed violations on all bridges in the Bridge System. The Lawsuit seeks actual damages, punitive damages, attorneys’ fees, and injunctive and declaratory relief. The Authority cannot predict the timeframe for consideration of the case. No discovery has occurred yet in the Lawsuit. Based on the facts known to the Authority as of the date hereof, and prior to any facts learned through discovery, the Authority does not expect the litigation to have a material adverse impact on its revenues or its ability to pay its obligations, including the Remarketed Bonds.

In 2003, the Authority entered into a contract for the management and operation of the FasTrak Regional Customer Service Center (“CSC”), with ACS State & Local Solutions, Inc., which was subsequently acquired by Xerox. The contract with Xerox provides for the management and operation of the CSC, which includes the FasTrak account management system, transaction processing, call center operations, web services, payment processing, customer communications, violation image review and violation noticing. In 2012, the Authority approved an amendment to its contract with Xerox to authorize Xerox to design, deploy and process the transactions for the AET program for the Golden Gate Bridge. Under the AET program, beginning in March 2013, cash was no longer collected at the Golden Gate Bridge and all transactions are processed electronically through the CSC. The current contract has been extended to November 2014, and the Authority has also approved award of a new contract to Xerox for the operation of a new CSC system for a five-year term with an option to extend up to an additional ten years. Funding for CSC operations is included in the annual Authority operating budget. The Authority has preliminarily determined its unaudited FYE 2014 CSC Operations expenses to be approximately \$23.2 million.

Legislation

From time to time, bills are introduced in the California legislature that may impact the Authority. The California legislature did not override the Governor’s veto of SB 110 which would have established an independent expert panel to assess the anticipated seismic structural performance of the new eastern span of the San Francisco-Oakland Bay Bridge. The Authority is not aware of any pending legislation which could have a material adverse effect on the Authority’s finances or operations.

ABSENCE OF MATERIAL LITIGATION

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 or, to the knowledge of the Authority, threatened against the Authority in any way affecting the existence of the Authority or the titles of its officers to their respective offices or seeking to restrain or to enjoin the remarketing or delivery of the Remarketed Bonds, the collection or application of the Bridge Toll Revenues (as defined in the Information Statement), or the statutory lien thereon, in any way contesting or affecting the validity or enforceability of the Remarketed Bonds, the Indenture, in any way contesting the completeness or accuracy of the Reoffering Circular or the powers of the Authority with respect to the Remarketed Bonds or the Indenture, or which could, if adversely decided, have a materially adverse impact on the Authority’s financial position or the Authority’s ability to collect Bridge Toll Revenues.

TAX MATTERS

On the respective dates of issuance of the Remarketed Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, delivered an opinion with respect to the Series of Remarketed Bonds (the “Original Opinions”) issued on such date to the effect that 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 such Series of the Remarketed Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. The Original Opinions further stated that interest on the Remarketed Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observed that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expressed no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Remarketed Bonds. A complete copy of the forms of the original Opinions is set forth in Appendix II hereto.

On the closing date for the remarketing of the Remarketed Bonds in connection with the substitution of the liquidity facilities with letters of credit, Bond Counsel will deliver its opinion (the “Remarketing Opinion”) to the effect that such substitution will not, in and of itself, adversely affect the exclusion from gross income of interest on the Remarketed Bonds for federal income tax purposes. The text of the Remarketing Opinion to be delivered by Bond Counsel is included as Appendix II hereto. Bond Counsel is not rendering any opinion on the current tax status of the Remarketed 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 Remarketed Bonds. The Authority has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Remarketed Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply or to have complied with these covenants may result in interest on the Remarketed Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Remarketed Bonds. The Original Opinions assumed the accuracy of these representations and compliance with these covenants. With the exception of the matters set forth in its Remarketing Opinion, 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 Remarketed Bonds may adversely affect or have adversely affected the value of, or the tax status of interest on, the Remarketed Bonds.

Accordingly, the Original Opinions were and are not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although the Original Opinions stated that interest on the Remarketed 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 Remarketed 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 Remarketed 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. For

example, Representative Dave Camp, Chair of the House Ways and Means Committee released draft legislation that would subject interest on the Remarketed Bonds to a federal income tax at an effective rate of 10% or more for individuals, trusts, and estates in the highest tax bracket, and the Obama Administration proposed legislation that would limit the exclusion from gross income of interest on the Remarketed Bonds to some extent for high-income individuals. 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 Remarketed Bonds. Prospective purchasers of the Remarketed 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 is expected to express no opinion.

The Original Opinions were based and the Remarketing Opinion is based on current legal authority, cover certain matters not directly addressed by such authorities, and represent Bond Counsel's judgment as to the proper treatment of the Remarketed Bonds for federal income tax purposes. The Original Opinions and the remarketing Opinion are 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 Authority, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the requirements of the Code.

The IRS has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. Bond Counsel is not obligated to defend the owners regarding the tax-exempt status of the Remarketed Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority and their appointed counsel, including the 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 Authority legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Remarketed 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 Remarketed Bonds, and may cause the Authority or the beneficial owners to incur significant expense.

LEGAL MATTERS

Certain legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority. A complete copy of the proposed form of opinion of Bond Counsel is contained in Appendix II hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Reoffering Circular. Certain legal matters will be passed upon for the Authority by its general counsel, and for the Remarketing Agents by their counsel, Nixon Peabody LLP. Certain legal matters will be passed upon for the Letter of Credit Providers by their counsel, McGuireWoods LLP.

RATINGS

Remarketed Bonds

Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch") are expected to assign the short term ratings to the Remarketed Bonds shown on the SUMMARY OF REMARKETING commencing on the inside front cover of this Reoffering Circular. The short term ratings on the Remarketed Bonds are based upon the Letters of Credit and the short term ratings of the Letter of Credit Providers.

Moody's, S&P and Fitch are expected to assign the long term ratings to the Remarketed Bonds shown on the SUMMARY OF REMARKETING commencing on the inside front cover of this Reoffering Circular. The Moody's long term ratings are based upon a joint default analysis based on the long term rating of the respective Letter of Credit Providers, the rating of the Authority and the structure and legal protections of the transaction. The S&P long term ratings are based upon a joint support analysis of the Authority and the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for the 2007 Series B-2 and 2008 Series C-1 Bonds are based upon on the higher of the underlying long term rating assigned to the bonds by Fitch and the long term rating assigned by Fitch to the respective Letter of Credit Provider for each Series of Bonds. The Fitch long term ratings for all other series are based upon Fitch's dual-party pay criteria and will be based jointly on the underlying rating assigned to each Series of Bonds by Fitch and the ratings assigned to the respective Letter of Credit Provider for each Series of Bonds.

Moody's, S&P and Fitch have assigned long term ratings to the Authority's Senior Bonds that do not have credit enhancement of "Aa3," "AA" and "AA-," respectively.

Meaning of Ratings

The ratings described above reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch Ratings, One State Street Plaza, New York, New York 10004; Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007; and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. Such ratings could be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any of such ratings may have an adverse effect on the market price of the Remarketed Bonds.

REMARKETING

In connection with the substitution of the credit and liquidity facilities, the Remarketed Bonds are subject to a mandatory tender by the owners thereof for purchase on October 16, 2014 at a purchase price equal to the principal amount thereof. Each of the Remarketing Agents shown in the SUMMARY OF REMARKETING following the front cover of this Reoffering Circular will remarket the Remarketed Bonds for which it is the Remarketing Agent to investors effective October 16, 2014 pursuant to Remarketing Agreements between the Authority and each Remarketing Agent. The Remarketing Agents will receive remarketing fees quarterly based on the aggregate principal amount of their Series that is outstanding, plus reimbursement of certain expenses. The Remarketing Agents will also receive an aggregate fee of \$300,000 for the October 16, 2014 remarketing.

The Remarketing Agents currently serve as Remarketing Agents with respect to certain Series of the Remarketed Bonds and may hold Remarketed Bonds in their inventories at the time of the mandatory tender for purchase of the Remarketed Bonds.

FINANCIAL ADVISOR

The Authority has retained Public Financial Management Inc., San Francisco, California, as financial advisor (the "Financial Advisor") in connection with the remarketing of the Remarketed Bonds. The Financial Advisor is an Independent Registered Municipal Advisor under section 15B of the Securities Exchange Act of 1934 and the rules promulgated thereunder by the Securities and Exchange Commission. The Financial Advisor has not undertaken to make an independent verification or to

assume responsibility for the accuracy, completeness, or fairness of the information contained in the Reoffering Circular.

RELATIONSHIP OF CERTAIN PARTIES

MUFG Union Bank, N.A. is the trustee under the Indenture pursuant to which the Remarketed Bonds are issued and outstanding. The Bank of Tokyo-Mitsubishi UFJ, Ltd., acting through its New York Branch is a Letter of Credit Provider and a party to the Reimbursement Agreement. MUFG Americas Holding Corporation, is the bank holding company that is the parent of MUFG Union Bank, N.A. and The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Bank of New York Mellon Trust Company, N.A. is the Trustee for the Subordinate Bonds. The Bank of New York Mellon has entered into Qualified Swap Agreements with the Authority. The Bank of New York Mellon Trust Company, N.A. and The Bank of New York Mellon are affiliated and are subsidiaries of The Bank of New York Mellon Corporation. Bank of America, N.A. is a Letter of Credit Provider and a party to the Reimbursement Agreement and is also serving as Bank Agent under the Reimbursement Agreement. Bank of America, N.A. has also entered into Qualified Swap Agreements with the Authority. Merrill Lynch, Pierce, Fenner & Smith Incorporated is a remarketing agent with respect to Remarketed Bonds. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Bank of America, N.A. are affiliated and are subsidiaries of Bank of America Corporation. Citibank, N.A. has entered into Qualified Swap Agreements with the Authority. Citigroup Global Markets Inc. is a remarketing agent with respect to Remarketed Bonds. Citigroup Global Markets Inc. and Citibank, N.A. are affiliated and are subsidiaries of Citigroup Inc. JPMorgan Chase Bank, National Association has entered into Qualified Swap Agreements with the Authority. J.P. Morgan Securities LLC is a remarketing agent with respect to Remarketed Bonds. J.P. Morgan Securities LLC and JPMorgan Chase Bank, National Association are affiliated and are subsidiaries of JPMorgan Chase & Co. Morgan Stanley Capital Services Inc. has entered into a Qualified Swap Agreement with the Authority. Morgan Stanley & Co. LLC is a remarketing agent with respect to Remarketed Bonds. Morgan Stanley Capital Services Inc. and Morgan Stanley & Co. LLC are affiliated and are subsidiaries of Morgan Stanley. See the information presented in the table titled “LETTER OF CREDIT PROVIDERS AND BOND PRINCIPAL AMOUNTS” under the heading “LETTERS OF CREDIT AND REIMBURSEMENT AGREEMENT” and information under the heading “SUMMARY OF FINANCING PLAN – Outstanding Senior Bonds and Senior Obligations” and “—Qualified Swap Agreements” herein.

The Authority’s capital improvement projects and related activities, including the sale of the Remarketed Bonds, have been made possible, in part, by hiring underwriters, remarketing agents, bond insurers, reserve surety providers, liquidity providers, letter of credit providers, trustees and interest rate swap counterparties to assist the Authority. Certain of these entities or their affiliates have and continue to participate in more than one capacity in financings for, and contractual relationships with, the Authority.

CONTINUING DISCLOSURE

Pursuant to paragraph (d)(5) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission, the Authority is not currently required by the Rule to undertake to provide certain information for the benefit of the Owners and Beneficial Owners of the Remarketed Bonds while the Remarketed Bonds are in a Daily Mode or a Weekly Mode. See “CONTINUING DISCLOSURE” in the Information Statement for information regarding the Authority’s compliance with its outstanding undertakings required pursuant to the Rule.

MISCELLANEOUS

This Reoffering Circular is not to be construed as a contract or agreement between the Authority and holders of any of the Remarketed Bonds. All quotations from and summaries and explanations of the Indenture, and of other statutes and documents contained herein, do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

Any statements in this Reoffering Circular involving matters of opinion are intended as such and not as representations of fact.

The execution and delivery of this Reoffering Circular by an authorized officer of the Authority has been duly authorized by the Authority.

BAY AREA TOLL AUTHORITY

By: /s/ Steve Heminger
Executive Director

APPENDIX I

BOOK-ENTRY ONLY SYSTEM

The following information concerning The Depository Trust Company (“DTC”) and DTC’s book-entry system has been obtained from sources that the Authority and the Remarketing Agents believe to be reliable, but neither the Authority nor the Remarketing Agents take responsibility for the accuracy thereof. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Reoffering Circular and in APPENDIX B – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE” in the Information Statement.

DTC will act as securities depository for the Remarketed Bonds. The Remarketed 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 2014 Series Bond certificate will be issued for each maturity of the Remarketed Bonds, in the aggregate principal amount of such maturity of the Remarketed Bonds, and will be deposited with DTC.

DTC 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. 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 Standard & Poor’s highest rating: AAA. 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.

Purchases of the Remarketed Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Remarketed Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2014 Series Bond (“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 Remarketed 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 Remarketed Bonds, except in the event that use of the book-entry system for the Remarketed Bonds is discontinued.

To facilitate subsequent transfers, all Remarketed 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 Remarketed 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 Remarketed Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Remarketed 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. The Authority and the Trustee will not have any responsibility or obligation to such DTC Participants or the persons for whom they act as nominees with respect to the Remarketed Bonds.

Redemption notices shall be sent to DTC. If less than all of the Remarketed Bonds 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 the Remarketed Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 the Remarketed Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal, premium, if any, and interest payments on the Remarketed 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 Authority or the Trustee, on each payment 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 Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any and interest to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the Authority 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 Remarketed Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Remarketed Bonds are required to be printed and delivered as described in the Subordinate Indenture.

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

No Assurance Regarding DTC Practices

AS LONG AS CEDE & CO. OR ITS SUCCESSOR IS THE REGISTERED HOLDER OF THE REMARKETED BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE REGISTERED HOLDERS OF THE REMARKETED BONDS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE REMARKETED BONDS. ANY FAILURE OF DTC TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS

CONTEXT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE REMARKETED BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE. Each person for whom a Participant acquires an interest in the Remarketed Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such person, forwarded in writing by such Participant and to receive notification of all interest payments.

NONE OF THE AUTHORITY, THE TRUSTEE OR THE REMARKETING AGENTS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION WITH RESPECT TO THE PAYMENTS TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS, THE SELECTION OF THE BENEFICIAL INTERESTS IN THE REMARKETED BONDS TO BE REDEEMED IN THE EVENT OF REDEMPTION OF LESS THAN ALL REMARKETED BONDS OF A PARTICULAR MATURITY OR THE PROVISION OF NOTICE TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE REMARKETED BONDS. NO ASSURANCE CAN BE GIVEN BY THE AUTHORITY, THE TRUSTEE OR THE REMARKETING AGENTS THAT DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR OTHER NOMINEES OF THE BENEFICIAL OWNERS WILL MAKE PROMPT TRANSFER OF PAYMENTS TO THE BENEFICIAL OWNERS, THAT THEY WILL DISTRIBUTE NOTICES, INCLUDING REDEMPTION NOTICES (REFERRED TO ABOVE), RECEIVED AS THE REGISTERED OWNER OF THE REMARKETED BONDS TO THE BENEFICIAL OWNERS, THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THE REOFFERING CIRCULAR.

In the event the Authority or the Trustee determines not to continue the book-entry system or DTC determines to discontinue its services with respect to the Remarketed Bonds, and the Authority does not select another qualified securities depository, the Authority shall deliver one or more Remarketed Bonds in such principal amount or amounts, in authorized denominations, and registered in whatever name or names, as DTC shall designate. In such event, transfer and exchanges of Remarketed Bonds will be governed by the provisions of the Subordinate Indenture.

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APPENDIX II

**PROPOSED FORM OF OPINION OF BOND COUNSEL AND PRIOR
OPINIONS OF BOND COUNSEL REGARDING THE REMARKETED BONDS**

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[Substitution Date]

Bay Area Toll Authority
Oakland, California

MUFG Union Bank, N.A.
San Francisco, California
as Trustee for the Bonds

Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds,
2007 Series G-1, 2007 Series A-2, 2007 Series B-2, 2007 Series C-2,
2007 Series D-2, 2008 Series C-1, and 2008 Series E-1

(2014 Substitution)

Ladies and Gentlemen:

The Bay Area Toll Authority (the “Issuer”) issued on May 15, 2007 and has currently outstanding the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series G-1, in the aggregate principal amount of \$50,000,000 (the “2007 G-1 Bonds”); issued on October 25, 2007 and has currently outstanding the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series A-2, in the aggregate principal amount of \$75,000,000 (the “2007 A-2 Bonds”); the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series B-2, in the aggregate principal amount of \$75,000,000 (the “2007 B-2 Bonds”); Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series C-2, in the aggregate principal amount of \$25,000,000 (the “2007 C-2 Bonds”); and the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series D-2, in the aggregate principal amount of \$100,000,000 (the “2007 D-2 Bonds”); issued on June 5, 2008 and has currently outstanding the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2008 Series C-1, in the aggregate principal amount of \$25,000,000 (the “2008 C-1 Bonds”) and the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2008 Series E-1, in the aggregate principal amount of \$50,000,000 (the “2008 E-1 Bonds” and, together with the 2007 G-1 Bonds, the 2007 A-2 Bonds, the 2007 B-2 Bonds, the 2007 C-2 Bonds, the 2007 D-2 Bonds, and the 2008 C-1 Bonds, the “Bonds”), pursuant to a Master Indenture, dated as of May 1, 2001 (as supplemented and amended, the “Indenture”) between the Issuer and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A. and prior thereto Union Bank of California, N.A., as trustee (the “Trustee”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

Pursuant to Sections 54.14, 61.14, and 70.14 of the Indenture, and a Reimbursement Agreement, dated as of October 16, 2014 (the “Reimbursement Agreement”), by and among the Issuer, Bank of America, N.A., as bank agent, and the banks listed therein (the “Credit Providers”), Letters of Credit, each dated the date hereof (the “Substitute Liquidity Instruments”), by the respective Credit Provider executing the same, are being delivered as substitute liquidity for the Bonds and, in connection therewith, the Bonds are being remarketed following mandatory tender on the date hereof.

In connection with the liquidity substitution in each case as described above, as bond counsel to the Issuer, we have reviewed the Indenture, the Reimbursement Agreement, the Substitute Liquidity Instruments, the tax certificates of the Issuer (the “Tax Certificates”), opinions of counsel to the Issuer, the Credit Providers and the Trustee, certificates of the Issuer, the Trustee, the Credit Providers, and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinion set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and covers certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any party other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificates (including any supplements or amendments thereto), including (without limitation) covenants and agreements compliance with which is necessary to assure that actions, omissions or events on and after the date of issuance of the Bonds have not caused and will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We have not undertaken to determine compliance with any of such covenants and agreements or any other requirements of law, and, except as expressly set forth below, we have not otherwise reviewed any actions, omissions or events occurring after the date of issuance of the Bonds or the exclusion of interest on the Bonds from gross income for federal income tax purposes. Accordingly, no opinion is expressed herein as to whether interest on the Bonds is excludable from gross income for federal income tax purposes or as to any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. Nothing in this letter should imply that we have considered or in any manner reaffirm any of the matters covered in any prior opinion we rendered with respect to the Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of any offering material relating to the Bonds in connection with the delivery of the Substitute Liquidity Instruments or otherwise and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The delivery of the Substitute Liquidity Instruments to the Trustee is authorized under the Indenture and complies with the terms thereof.

2. The delivery of the Substitute Liquidity Instruments to the Trustee in accordance with the provisions of the Indenture will not, in and of itself, adversely affect any exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

This opinion is furnished by us as bond counsel to the Issuer solely for purposes of Sections 54.14, 61.14, and 70.14 of the Indenture. No attorney-client relationship has existed or exists between our firm and the Trustee or our firm and the Remarketing Agents in connection with the Bonds or by virtue of this opinion, and we disclaim any obligation to update this opinion.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP



ORRICK, HERRINGTON & SUTCLIFFE LLP
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May 15, 2007

Bay Area Toll Authority
Oakland, California

Bay Area Toll Authority
San Francisco Bay Area Toll Bridge Revenue Bonds,
2007 Series A-1, 2007 Series B-1, 2007 Series C-1, 2007 Series D-1,
2007 Series E-1, 2007 Series E-2, 2007 Series F and 2007 Series G-1
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Bay Area Toll Authority (the "Issuer") in connection with issuance of \$810,950,000 aggregate principal amount of Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2007 Series A-1, 2007 Series B-1, 2007 Series C-1, 2007 Series D-1, 2007 Series E-1, 2007 Series E-2, 2007 Series F and 2007 Series G-1 (collectively, the "Bonds"), issued pursuant to the provisions of Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highway Code and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code, and a Master Indenture, dated as of May 1, 2001, as previously supplemented and as supplemented by a Seventh Supplemental Indenture, dated as of May 1, 2007 (hereinafter collectively referred to as the "Indenture"), between the Issuer and Union Bank of California, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate of the Issuer, dated the date hereof (the "Tax Certificate"), opinions of counsel to the Issuer and the Trustee, certificates of the Issuer, the Trustee, and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other



O R R I C K

matters come to our attention after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificate, including, without limitation, covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the real or personal property described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated April 26, 2007, or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding special obligations of the Issuer.
2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer.



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3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that interest on the Bonds is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE
LLP

per



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October 25, 2007

Bay Area Toll Authority
Oakland, California

Bay Area Toll Authority
San Francisco Bay Area Toll Bridge Revenue Bonds,
William P. Hansen, Jr. Issue,
2007 Series A-2, 2007 Series B-2, 2007 Series C-2,
2007 Series D-2, 2007 Series E-3, 2007 Series G-2 and 2007 Series G-3
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Bay Area Toll Authority (the "Issuer") in connection with issuance of \$500,000,000 aggregate principal amount of Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, William P. Hansen, Jr. Issue, 2007 Series A-2, 2007 Series B-2, 2007 Series C-2, 2007 Series D-2, 2007 Series E-3, 2007 Series G-2 and 2007 Series G-3 (collectively, the "Bonds"), issued pursuant to the provisions of Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highway Code and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code, and a Master Indenture, dated as of May 1, 2001, as previously supplemented and as supplemented by an Eighth Supplemental Indenture, dated as of October 1, 2007 (hereinafter collectively referred to as the "Indenture"), between the Issuer and Union Bank of California, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate of the Issuer, dated the date hereof (the "Tax Certificate"), opinions of counsel to the Issuer and the Trustee, certificates of the Issuer, the Trustee, and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Bonds has



concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificate, including, without limitation, covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated October 16, 2007, or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding special obligations of the Issuer.
2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer.



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3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that interest on the Bonds is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per *Maya Collins*



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June 5, 2008

Bay Area Toll Authority
Oakland, California

Bay Area Toll Authority
San Francisco Bay Area Toll Bridge Revenue Bonds,
2008 Series A-1, 2008 Series B-1, 2008 Series C-1,
2008 Series D-1, 2008 Series E-1 and 2008 Series G-1
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Bay Area Toll Authority (the "Issuer") in connection with issuance of \$507,760,000 aggregate principal amount of Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2008 Series A-1, 2008 Series B-1, 2008 Series C-1, 2008 Series D-1, 2008 Series E-1 and 2008 Series G-1 (collectively, the "Bonds"), issued pursuant to a Master Indenture, dated as of May 1, 2001, as previously supplemented and as supplemented by a Tenth Supplemental Indenture, dated as of June 1, 2008 (hereinafter collectively referred to as the "Indenture"), between the Issuer and Union Bank of California, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate of the Issuer, dated the date hereof (the "Tax Certificate"), opinions of counsel to the Issuer and the Trustee, certificates of the Issuer, the Trustee, and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this opinion speaks only as of its date and is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the second paragraph hereof.



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Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture and the Tax Certificate, including, without limitation, covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated May 29, 2008, or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding special obligations of the Issuer.
2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer.
3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that interest on the Bonds is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per *Mary A. Colborn*

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APPENDIX III

THE LETTER OF CREDIT PROVIDERS

The information contained in this Appendix has been provided by the Letter of Credit Providers. No representation as to the accuracy or completeness of such information is made by the Authority or the Remarketing Agents. The delivery of the Reoffering Circular shall not create any implication that there has been no change in the affairs of the Letter of Credit Providers since the date hereof, or that the information contained or referred to in this Appendix is correct as of any time subsequent to its date.

BANK OF AMERICA, N.A.

Bank of America, N.A. (the "Bank") is a national banking association organized under the laws of the United States, with its principal executive offices located in Charlotte, North Carolina. The Bank is a wholly-owned indirect subsidiary of Bank of America Corporation (the "Corporation") and is engaged in a general consumer banking, commercial banking and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services. As of March 30, 2014, the Bank had consolidated assets of \$1.46 trillion, consolidated deposits of \$1.13 trillion and stockholder's equity of \$180.12 billion based on regulatory accounting principles.

The Corporation is a bank holding company and a financial holding company, with its principal executive offices located in Charlotte, North Carolina. Additional information regarding the Corporation is set forth in its Annual Report on Form 10-K for the fiscal year ended December 31, 2013, together with its subsequent periodic and current reports filed with the Securities and Exchange Commission (the "SEC").

Filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, United States, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov> which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning the Corporation and the Bank is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the referenced documents and financial statements referenced therein.

The Letter of Credit has been issued by the Bank. Moody's Investors Service, Inc ("Moody's"), as of January 31, 2014, rates the Bank's long term debt as "A2" and short term debt as "P-1." The outlook is stable. Standard & Poor's ("S&P"), as of January 31, 2014, rates the Bank's long term debt as "A" and its short term debt as "A-1." The outlook is negative. Fitch Ratings, Inc ("Fitch"), as of March 26, 2014, rates long term debt of the Bank as "A" and short term debt as "F1." The outlook is negative. Further information with respect to such ratings may be obtained from Moody's, S&P, and Fitch respectively. No assurances can be given that the ratings of the Bank's instruments will be maintained.

The Bank will provide copies of the most recent Bank of America Corporation Annual Report on Form 10-K, any subsequent reports on Form 10-Q, and any required reports on Form 8-K (in each case as filed with the SEC pursuant to the Exchange Act), and the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

Bank of America Corporate Communications
100 North Tryon Street, 18th Floor
Charlotte, North Carolina 28255
Attention: Corporate Communication

PAYMENTS OF PRINCIPAL AND INTEREST ON THE BONDS WILL BE MADE FROM DRAWINGS UNDER THE LETTER OF CREDIT. PAYMENTS OF THE PURCHASE PRICE OF THE REMARKETED BONDS WILL BE MADE FROM DRAWINGS UNDER THE LETTER OF CREDIT IF REMARKETING PROCEEDS ARE NOT AVAILABLE. ALTHOUGH THE LETTER OF CREDIT IS A BINDING OBLIGATION OF THE BANK, THE REMARKETED BONDS ARE NOT DEPOSITS OR OBLIGATIONS OF THE CORPORATION OR ANY OF ITS AFFILIATED BANKS AND ARE NOT GUARANTEED BY ANY OF THESE ENTITIES. THE REMARKETED BONDS ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY AND ARE SUBJECT TO CERTAIN INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

The delivery of this information shall not create any implication that there has been no change in the affairs of the Corporation or the Bank since the date of the most recent filings referenced herein, or that the information contained or referred to in this Appendix III is correct as of any time subsequent to the referenced date.

BANK OF TOKYO-MITSUBISHI UFJ, LTD

The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“*BTMU*”), is a Japanese banking corporation with its head office in Tokyo, Japan. It is a wholly-owned subsidiary of Mitsubishi UFJ Financial Group Inc. (the “*Parent*”). With 37,527 employees and approximately 839 branches worldwide (as of March 31, 2014), BTMU is Japan’s largest bank. BTMU also provides a wide range of banking and financial services worldwide, and is one of the largest banks in the world by deposits and loan portfolio. Mitsubishi UFJ Financial Group is one of the top 10 banks in the world as measured by assets and market capitalization.

As of March 31, 2014, BTMU and subsidiaries had total assets of approximately ¥201,615 billion (U.S. \$1,959 billion) and deposits of approximately ¥132,732 billion (U.S. \$1,290 billion). Net income for BTMU and subsidiaries for the Fiscal Year ended March 31, 2014, was approximately ¥754 billion (U.S. \$7.3 billion). These figures are extracted from The Annual Securities Report (Excerpt) for the Fiscal Year ended March 31, 2014, for BTMU and subsidiaries (the “*Annual Securities Report*”). The Annual Securities Report can be found at www.bk.mufg.jp.

The financial information presented above was translated into U.S. dollars from the Japanese yen amounts set forth in the audited financial statements in the Annual Securities Report, which were prepared in accordance with the auditing standards generally accepted in Japan (“*JGAAP*”), and not in accordance with U.S. GAAP. The translations of the Japanese yen amounts into U.S. dollar amounts were included solely for the convenience of readers outside Japan, and were made at the rate of ¥102.92 to U.S. \$1, the approximate rate of exchange at March 31, 2014. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

The Letter of Credit will be solely an obligation of BTMU, and will not be an obligation of, or otherwise guaranteed by, the Parent, and no assets of the Parent or any affiliate of BTMU or the Parent will be pledged to the payment thereof.

The information contained under this caption “BANK OF TOKYO-MITSUBISHI UFJ, LTD,” including financial information, relates to and has been obtained from BTMU, and is furnished solely to provide limited introductory information regarding BTMU, and does not purport to be comprehensive. Any financial information provided under this caption “BANK OF TOKYO-MITSUBISHI UFJ, LTD” is qualified in its entirety by the detailed information appearing in the Annual Securities Report referenced above. The delivery hereof shall not create any implication that there has been no change in the affairs of BTMU since March 31, 2014.

SUMITOMO MITSUI BANKING CORPORATION

Sumitomo Mitsui Banking Corporation (*Kabushiki Kaisha Mitsui Sumitomo Ginko*) (“**SMBC**”) is a joint stock corporation with limited liability (*Kabushiki Kaisha*) under the laws of Japan. The registered head office of SMBC is located at 1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan.

SMBC was established in April 2001 through the merger of two leading banks, The Sakura Bank, Limited and The Sumitomo Bank, Limited. In December 2002, Sumitomo Mitsui Financial Group, Inc. (“**SMFG**”) was established through a stock transfer as a holding company under which SMBC became a wholly owned subsidiary. **SMFG reported ¥ 162,438,236 million (USD 1,601,955 million) in consolidated total assets as of June 30, 2014.**

SMBC is one of the world’s leading commercial banks and provides an extensive range of banking services to its customers in Japan and overseas. In Japan, SMBC accepts deposits, makes loans and extends guarantees to corporations, individuals, governments and governmental entities. It also offers financing solutions such as syndicated lending, structured finance and project finance. SMBC also underwrites and deals in bonds issued by or under the guarantee of the Japanese government and local government authorities, and acts in various administrative and advisory capacities for certain types of corporate and government bonds. Internationally, SMBC operates through a network of branches, representative offices, subsidiaries and affiliates to provide many financing products including syndicated lending and project finance.

The New York Branch of SMBC is licensed by the State of New York Banking Department to conduct branch banking business at 277 Park Avenue, New York, New York, and is subject to examination by the State of New York Banking Department and the Federal Reserve Bank of New York.

Financial and Other Information

Audited consolidated financial statements for SMFG and its consolidated subsidiaries for the fiscal years ended March 31, 2014, as well as other corporate data, financial information and analyses are available in English on the website of the Parent at www.smfg.co.jp/english.

The information herein has been obtained from SMBC, which is solely responsible for its content. The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of SMBC since the date hereof, or that the information contained or referred herein is correct as of any time subsequent to its date.

U. S. BANK NATIONAL ASSOCIATION

U.S. Bank National Association (“**USBNA**”) is a national banking association organized under the laws of the United States and is the largest subsidiary of U.S. Bancorp. At June 30, 2014, USBNA reported total assets of \$384 billion, total deposits of \$286 billion and total shareholders’ equity of \$41 billion. The foregoing financial information regarding USBNA has been derived from and is qualified in its entirety by the unaudited financial information contained in the Federal Financial Institutions Examination Council report Form 031, Consolidated Report of Condition and

Income for a Bank with Domestic and Foreign Offices (“Call Report”), for the quarter ended June 30, 2014. The publicly available portions of the quarterly Call Reports with respect to USBNA are on file with, and available upon request from, the FDIC, 550 17th Street, NW, Washington, D.C. 20429 or by calling the FDIC at (877) 275-3342. The FDIC also maintains an Internet website at www.fdic.gov that contains reports and certain other information regarding depository institutions such as USBNA. Reports and other information about USBNA are available to the public at the offices of the Comptroller of the Currency at One Financial Place, Suite 2700, 440 South LaSalle Street, Chicago, IL 60605.

U.S. Bancorp is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports and other information with the Securities and Exchange Commission (the “SEC”). U.S. Bancorp is not guaranteeing the obligations of USBNA and is not otherwise liable for the obligations of USBNA.

Except for the contents of this section, USBNA and U.S. Bancorp assume no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Reoffering Circular.



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