



**RESOLUTION**

of the

**180087**

**DALLAS AREA RAPID TRANSIT BOARD**

**(Executive Committee)**

**RESOLUTION**

**Approval of Second Amendment to the Tenth Supplemental Debt Resolution to Decrease DART's Commercial Paper Self-Liquidity Program from \$200 Million to \$125 Million and Approval of Certain Other Documents to Effect this Change**

WHEREAS, on January 23, 2001, the Board approved the Master Debt Resolution (Resolution No. 010014) and the First Supplemental Debt Resolution authorizing \$500 million in DART Commercial Paper Notes, Series 2001 (Resolution No. 010015). The Master Debt Resolution is the controlling document for all debt transactions for 30 years from the approval date; and

WHEREAS, on April 9, 2013 (Resolution No. 130030), the Board approved the Tenth Supplemental Debt Resolution to establish a Commercial Paper Self-Liquidity Program in an amount not to exceed \$150 million; and

WHEREAS, on June 24, 2014 (Resolution No. 140060), the Board amended the Tenth Supplemental Debt Resolution to increase the self-liquidity backed commercial paper program from \$150 million to \$200 million for the timely payment of bus acquisitions to reduce the amount of cash used from agency accounts; and

WHEREAS, a commercial paper program requires that DART demonstrate the ability to repay all outstanding commercial paper debt with a revolving credit agreement or by maintaining sufficient investments to more than offset its outstanding commercial paper debt (self-liquidity); and

WHEREAS, a self-liquidity commercial paper program can have a lower borrowing cost than a bank-backed program; and

WHEREAS, the Board desires to authorize the establishment and execution of all required documents to decrease the current self-liquidity backed commercial paper program from \$200 million to \$125 million for the purpose of reducing the coverage requirement; and

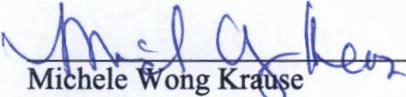
WHEREAS, funding for the costs associated with issuing the commercial paper is within proposed FY 2019 Budget and approved FY 2018 Twenty-Year Financial Plan allocations.

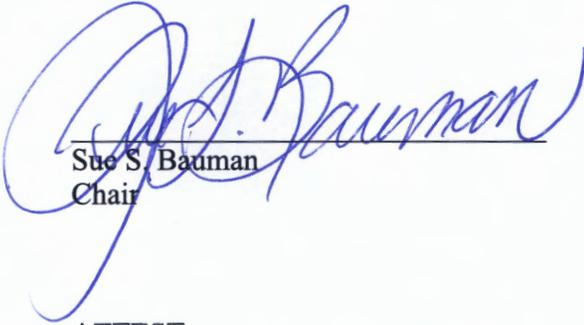
NOW, THEREFORE, BE IT RESOLVED, by the Dallas Area Rapid Transit Board of Directors that the President/Executive Director or his designee is authorized to execute:

Section 1: An amendment to the Tenth Supplemental Debt Resolution, in substantially the form shown in Exhibit 1 to the Resolution, to decrease DART's Commercial Paper Self-Liquidity Program from \$200 million to \$125 million

Section 2: All agreements and documents to effect this change.

**Approval of Second Amendment to the Tenth Supplemental Debt Resolution to Decrease  
DART's Commercial Paper Self-Liquidity Program from \$200 Million to \$125 Million and  
Approval of Certain Other Documents to Effect this Change**

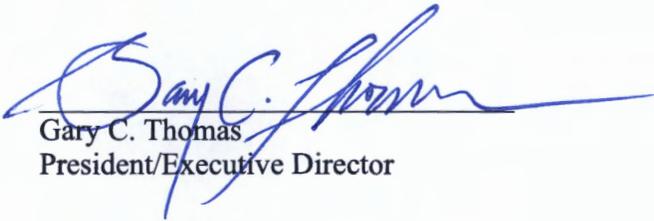
  
\_\_\_\_\_  
Michele Wong Krause  
Secretary

  
\_\_\_\_\_  
Sue S. Bauman  
Chair

APPROVED AS TO FORM:

ATTEST

  
\_\_\_\_\_  
Gene Gamez  
Interim General Counsel

  
\_\_\_\_\_  
Gary C. Thomas  
President/Executive Director

September 11, 2018  
\_\_\_\_\_  
Date

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**DALLAS AREA RAPID TRANSIT**

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**SECOND AMENDMENT TO TENTH  
SUPPLEMENTAL DEBT RESOLUTION**

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**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN SALES TAX REVENUE  
COMMERCIAL PAPER NOTES, SERIES I (SELF-LIQUIDITY)**

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\_\_\_\_\_, 2018

**SECOND AMENDMENT TO TENTH SUPPLEMENTAL DEBT RESOLUTION AUTHORIZING DALLAS AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX REVENUE COMMERCIAL PAPER NOTES, SERIES I (SELF-LIQUIDITY); DECREASING THE AUTHORIZED PRINCIPAL OF THE SERIES I NOTES; MAKING CERTAIN CHANGES TO THE SELF-LIQUIDITY COVERAGE; CONFIRMING THE OTHER PROVISIONS OF THE TENTH SUPPLEMENTAL DEBT RESOLUTION AS AMENDED; APPROVING AN OFFERING MEMORANDUM; PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, Dallas Area Rapid Transit (“DART”) is a regional transportation authority, public body corporate and politic, whose creation was confirmed at an election held on August 13, 1983, pursuant to the provisions and requirements of Chapter 452, Transportation Code, as amended (the “Act”); and

**WHEREAS**, the Subregional Board of Directors (the “Board of Directors” or the “Board”) of DART heretofore adopted a certain “Master Debt Resolution” that establishes the provisions, terms, and conditions and security for DART’s bonds, notes, and other obligations that may be issued from time to time for its lawful purposes by (i) prescribing the terms and conditions upon the basis of which the Initial Senior Lien Obligations, Additional Senior Lien Obligations and Subordinate Lien Obligations, including Credit Agreement Obligations, may be issued and executed, and (ii) providing, establishing, and confirming the pledge, security, and liens securing DART’s obligations to pay all of such Obligations when due; and

**WHEREAS**, the Board, pursuant to the Act and Chapter 1371, Government Code, as amended, heretofore adopted Resolution No. 13039 on April 9, 2013, referred to therein as the “Tenth Supplemental Debt Resolution” or “Tenth Supplement,” for the purpose of prescribing the specific terms and provisions of commercial paper notes authorized as Senior Subordinate Lien Obligations permitted by Section 3.3(c) of the Master Debt Resolution;

**WHEREAS**, the Board, adopted Resolution No. 140060 on June 24, 2014, referred to therein as the “First Amendment to Tenth Supplemental Debt Resolution” or the “First Amendment,” for the purpose of making certain amendments to the Tenth Supplement;

**WHEREAS**, the Board hereby finds and determines that it is in the best interests of DART and in furtherance of its public purpose of providing transportation facilities within its service area to amend the Tenth Supplement, as amended by the First Supplement, by adopting this “Second Amendment to Tenth Supplemental Debt Resolution” (the or this “Second Amendment”) decreasing the authorized principal amount of commercial paper notes authorized from \$200 million to \$125 million, making certain changes to the Self-Liquidity coverage and confirming the other provisions thereof;

**WHEREAS**, the Board finds and determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

Section 1. Definitions. The capitalized terms used herein, that are not otherwise defined herein, shall have the same meanings and definitions as are applied to such terms, respectively, in the Master Debt Resolution, the Tenth Supplemental Debt Resolution and the First Amendment.

Section 2. Decrease in Authorized Principal Amount. Section 3.01 of the Tenth Supplement, as amended by the First Amendment is hereby amended to decrease the principal amount of Series I Notes that may be outstanding under the Tenth Supplement from \$200,000,000 to \$125,000,000;

Section 3. Self-Liquidity Coverage. Section 6.02 of the Tenth Supplement, as amended by the First Amendment is hereby amended as follows:

“Section 6.02. Maintenance of Self-Liquidity Coverage. (a) DART covenants to provide self-liquidity for its Series I Notes in an amount at least equal to 2.00 times: (i) the principal amount of Series I Notes outstanding from time-to-time, plus (ii) 90 days interest on such outstanding Series I Notes calculated at a rate of 12% per annum (together, the “CP Commitment Amount”).

(b) DART covenants to maintain from all of the sources identified in the CPSL Plan an amount equal to the CP Commitment Amount after giving effect to the assumed discounts (“Assumed Discounts”) for price volatility and trading variances, all as set forth in CPSL Plan.

(c) DART covenants to restrict the total amount of Series I Notes maturing within (5) days for all Dealers to no more than \$35,000,000.”

Section 4. Forms of Series I Notes. The forms of the Series I Notes approved in Section 3.03 of the Tenth Supplement as amended by the First Amendment, are hereby amended by Exhibits A-1, A-2 and A-3 hereto, respectively.

Section 5. Approval of Documents; Authority of Officers. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents and to make any revisions or amendments thereto that are consistent with and necessary or advisable in order to carry out and perform the duties of this Resolution, including specifically any approvals or changes to the Issuing and Paying Agent Agreement or the Dealer Agreement.

Section 6. Approval of Offering Memorandum. The Offering Memorandum of DART relating to the Series I Notes, in substantially the form set forth in Exhibit B hereto, is hereby approved, and the same may be used in the offering and sale of the Series I Notes, subject to such changes therein as the Authorized Officers may approve.

Section 7. Confirmation of Tenth Supplement. Except as set forth herein, all of the provisions of the Tenth Supplement, as amended by the First Amendment, relating to the Series I Notes and the payment and security thereof are hereby in all things confirmed by this Board.

Section 8. Effective Date of Increase in Principal Amount. By the purchase of any Series I Notes after the Effective Date hereof, the purchasers thereof shall be deemed to have approved the provisions of this Second Amendment.

Section 9. Effective Date. This Second Amendment shall be in full force and effect as of the later of the approval hereof by the Board of Directors and the date as of which none of the Series I Notes remain outstanding which were issued prior to the date of adoption of this Second Amendment.

ADOPTED THIS \_\_\_\_\_, 2018.

\_\_\_\_\_  
Chairman, Board of Directors

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
General Counsel

\_\_\_\_\_  
Secretary, Board of Directors

[SEAL]

**EXHIBIT A**  
**Forms of Series I Notes**

**EXHIBIT A-1**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAX-EXEMPT AMT)**

No.: **	Series I Note Date: _____
Principal Amount:	Stated Maturity Date: _____
Interest Rate:	Number of Days: _____
Interest Amount: _____	

Registered Owner: CEDE & CO.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Tax-Exempt Series I Note (AMT)”) of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Master Debt Resolution adopted by DART on January 23, 2001, as amended (the “Master Debt Resolution”), a certain Tenth Supplemental Debt Resolution, dated April 9, 2013 (the “Tenth Supplement”), as amended by the First Amendment to Tenth Supplemental Debt Resolution, dated June 14, 2014 (the “First Amendment”) and as further amended by the Second Amendment to Tenth Supplemental Debt Resolution, dated \_\_\_\_\_, 2018 (the “Second Amendment”) (the “Master Debt Resolution,” the “Tenth Supplement,” the “First Amendment” and the “Second Amendment,” being herein defined collectively as the “Resolutions”).

The Tax-Exempt Series I Notes (AMT) are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt Series I Notes (AMT) and Tax-Exempt Series II Notes (AMT) and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Tax-Exempt Series I Note (AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt Series I Note (AMT) and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on

deposit in the Senior Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that are junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Tax-Exempt Series I Note (AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt Series I Notes (AMT) do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Tax-Exempt Series I Note (AMT), do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Tax-Exempt Series I Note (AMT), together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Tax-Exempt Series I Note (AMT) has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt Series I Note (AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Series I Note to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)

\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President/Executive Director  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Series I Note is one of the Series I Notes delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A-2**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAX-EXEMPT NON-AMT)**

No.: **	Series I Note Date: _____
Principal Amount:	Stated Maturity Date: _____
Interest Rate:	Number of Days: _____
Interest Amount: _____	

Registered Owner: CEDE & CO.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Tax-Exempt Series I Note (Non-AMT)”) of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Master Debt Resolution adopted by DART on January 23, 2001, as amended (the “Master Debt Resolution”), a certain Tenth Supplemental Debt Resolution, dated April 9, 2013 (the “Tenth Supplement”), as amended by the First Amendment to Tenth Supplemental Debt Resolution, dated June 14, 2014 (the “First Amendment”) and as further amended by the Second Amendment to Tenth Supplemental Debt Resolution, dated \_\_\_\_\_, 2018 (the “Second Amendment”) (the “Master Debt Resolution,” the “Tenth Supplement,” the “First Amendment” and the “Second Amendment,” being herein defined collectively as the “Resolutions”).

The Tax-Exempt Series I Notes (Non-AMT) are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt Series I Notes (Non-AMT) and Tax-Exempt Series II Notes (Non-AMT) and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Tax-Exempt Series I Note (Non-AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt Series I Note (Non-AMT) and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on deposit in the Senior Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that is junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Tax-Exempt Series I Note (Non-AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt Series I Notes (Non-AMT) do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Tax-Exempt Series I Note (Non-AMT), do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Tax-Exempt Series I Note (Non-AMT), together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Tax-Exempt Series I Note (Non-AMT) has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt Series I Note (Non-AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Tax-Exempt Series I Note (Non-AMT) to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)

\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President/Executive Director  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Tax-Exempt Series I Note (Non-AMT) is one of the Tax-Exempt Series I Notes (Non-AMT) delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A-3**

**DALLAS AREA RAPID TRANSIT  
SENIOR SUBORDINATE LIEN  
SALES TAX REVENUE COMMERCIAL PAPER NOTE  
SERIES I (SELF-LIQUIDITY) (TAXABLE)**

No.: **	Series I Note Date: _____
Principal Amount:	Stated Maturity Date: _____
Interest Rate:	Number of Days: _____
Interest Amount: _____	

Registered Owner: CEDE & Co.

Dallas Area Rapid Transit (“DART”), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the registered owner of this Series I Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Series I Note, together with interest thereon, at the Interest Rate computed on the actual number of days elapsed over a 365 day year (or a 366-day year for those years that include February 29), from the Series I Note Date to the Stated Maturity Date, said principal and interest being payable in lawful money of the United States of America at the corporate trust office of the Issuing and Paying Agent executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor at the corporate trust office of such successor. The Series I Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, as used in this paragraph, shall be as set forth above.

This Series I Note is one of an issue of commercial paper notes (the “Taxable Series I Note”) of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain Master Debt Resolution adopted by DART on January 23, 2001, as amended (the “Master Debt Resolution”), a certain Tenth Supplemental Debt Resolution, dated April 9, 2013 (the “Tenth Supplement”), as amended by the First Amendment to Tenth Supplemental Debt Resolution, dated June 14, 2014 (the “First Amendment”) and as further amended by the Second Amendment to Tenth Supplemental Debt Resolution, dated \_\_\_\_\_, 2018 (the “Second Amendment”) (the “Master Debt Resolution,” the “Tenth Supplement,” the “First Amendment” and the “Second Amendment,” being herein defined collectively as the “Resolutions”).

The Taxable Series I Notes are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Taxable Series I Notes and Taxable Series II Notes and for other purposes, all pursuant to and in accordance with the provisions of the Resolutions. Defined terms in the Resolutions are incorporated and used herein and have the meanings assigned to them in the Resolutions. The Holder takes and accepts this Taxable Series I Note subject to the terms, provisions and conditions of the Resolutions.

This Taxable Series I Note and certain other Senior Subordinate Lien Obligations are payable from and are equally secured by a lien on and pledge of (i) money on deposit in the Senior

Subordinate Lien Debt Service Fund, (ii) the Pledged Revenues that is junior and subordinate to a prior lien on and pledge thereof in favor of Senior Lien Obligations to be issued and executed by DART, and (iii) from amounts held in the Issuing and Paying Agent Fund.

This Taxable Series I Note is payable from the sources herein above identified securing the payment thereof and the Taxable Series I Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of DART, and the holder hereof shall never have the right to demand payment of this obligation from any sources or properties of DART except as so identified.

It is hereby certified and recited that all acts, conditions and things required by law and the Resolutions to exist, to have happened and to have been performed precedent to and in conjunction with the issuance of this Taxable Series I Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the principal amount of this Taxable Series I Note, together with the principal amount of all other previously issued Series I Notes that are now outstanding, do not exceed the maximum principal amount of Series I Notes permitted to be issued and outstanding under the Resolutions.

This Taxable Series I Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Taxable Series I Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Taxable Series I Note (AMT) shall have been authenticated by the execution by the Issuing and Paying Agent of the Certificate of Authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of DART has caused the facsimile seal of DART to be placed hereon and this Taxable Series I Note to be signed by the facsimile signature of its Chairman and countersigned by the facsimile signatures of its President and Secretary.

(Execution and Authentication Pages Follow)

\_\_\_\_\_  
Secretary,  
Dallas Area Rapid Transit

\_\_\_\_\_  
Chairman, Board of Directors  
Dallas Area Rapid Transit

**COUNTERSIGNED:**

\_\_\_\_\_  
President/Executive Director  
Dallas Area Rapid Transit

**ISSUING AND PAYING AGENT'S  
CERTIFICATION OF AUTHENTICATION**

This Taxable Series I Note is one of the Taxable Series I Notes delivered pursuant to the Resolutions.

\_\_\_\_\_  
\_\_\_\_\_  
**As Issuing and Paying Agent**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT B**  
**OFFERING MEMORANDUM**

## Offering Memorandum

Dated Date:

Ratings

Moody's: \_\_\_\_\_

S&amp;P: \_\_\_\_\_

See "Ratings of Series I Notes" herein



*This Offering Memorandum replaces the Offering Memorandum dated July 21, 2014 with respect to the Series I Notes (defined below) and supplements our Annual Disclosure Statement, dated March 13, 2018 (the "2018 Annual Disclosure Statement"), as updated by our Quarterly Disclosure Updates, for the three-month period ended December 31, 2017 and the six-month period ended March 31, 2018, respectively. The Annual Disclosure Statement, the Quarterly Disclosure Updates and this Offering Memorandum have been filed as public records with the Municipal Securities Rulemaking Board and are posted on the Internet at our website at <http://www.dart.org>.*

**This Offering Memorandum relates to the following securities:**

**Dallas Area Rapid Transit Senior Subordinate  
Lien Sales Tax Revenue Commercial Paper  
Notes, Series I (Self-Liquidity)**

**The Series I Notes**

We previously authorized, as of April 9, 2013, the issuance from time to time of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity) (the "Series I Notes") as described herein. Pursuant to a Resolution, dated June 24, 2014 (hereinafter described and referred to as the "First Amendment to Tenth Supplemental Debt Resolution" or the "First Amendment"), beginning on the date set forth in the First Amendment, the principal of Series I Notes that may be at any time outstanding was increased from \$150 million to \$200 million. Pursuant to a Resolution dated August \_\_, 2018 (hereinafter described and referred to as the "Second Amendment to Tenth Supplemental Debt Resolution" or the "Second Amendment"), beginning on the date set forth in the Second Amendment the principal amount of Series I Notes that may be at any time outstanding will be reduced from \$200 million to \$125 million and the required liquidity with respect to the Series I Notes is being reduced. See "THE COMMERCIAL PAPER NOTES-Changes Made by the Second Amendment." The Series I Notes may be issued and will be designated as (i) "Tax-Exempt Series I Notes (Non-AMT)," (ii) "Tax-Exempt Series I Notes (AMT)" or (iii) "Taxable Series I Notes." See, "TAX MATTERS-Types of Series I Notes Permitted." The Series I Notes are issued in minimum denominations of \$100,000 and in integral multiples of \$1,000 in excess of \$100,000.

**Security for Series I Notes—Lien Ranking**

The Series I Notes are Senior Subordinate Lien Obligations under the provisions of the Master Debt Resolution, as amended. The Series I Notes are periodically sold, retired, and reissued in installments having maturities of no more than 270 days. Prior to each maturity, we expect to sell additional Series I Notes in the public markets to provide the funds needed to pay the principal due on the maturing Series I Notes. We may also retire Series I Notes at maturity using available monies. We intend to pay the interest on the Series I Notes from the Senior Subordinate Lien Debt Service Fund, but we reserve the right to pay the interest from the proceeds of future installment issues of Series I Notes.

The Series I Notes are payable from and are secured by a pledge of and lien on Pledged Revenues (as defined herein) consisting of (i) the Gross Sales Tax Revenues that we receive from the levy and collection of a 1% sales and use tax (the "Sales Tax") and the investment earnings thereon while held by the Trustee in the Gross Sales Tax Revenue Fund, (ii) Pledged Farebox Revenues (as defined herein) and (iii) additional revenues of DART which by a Supplemental Resolution are expressly and specifically pledged to Obligations. The lien securing the Series I Notes is subordinate to Senior Lien Obligations, but is senior to Junior Subordinate Lien Obligations, that we may issue or execute from time to time under the Master Debt Resolution. The lien securing the Series I Notes is on parity with other senior subordinate lien obligations, including additional commercial paper notes, we may issue in the future. **There is no credit agreement or other third party agreement that provides credit support or liquidity for the Series I Notes. The failure to pay the principal and interest on the Series I Notes when due is an Event of Default under the Master Debt Resolution.** See the "Annual Disclosure Statement - "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds," and "Summary of Certain Terms of the Master Debt Resolution- Defaults and Remedies.

**This Offering Memorandum may be used to offer and sell the Series I Notes only if it is accompanied by our Annual Disclosure Statement and our Quarterly Disclosure Updates.**

**J.P. Morgan**

**Loop Capital Markets**

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## IMPORTANT NOTICES

We are providing information to you about the Series I Notes in four separate documents: (1) the 2018 Annual Disclosure Statement, dated March 13, 2018, (2) the Quarterly Disclosure Update for the three-month period ended December 31, 2017, (3) the Quarterly Disclosure Update for the six-month period ended March 31, 2018, and (4) this Offering Memorandum, which describes the specific terms of the Series I Notes. All references herein to the “Disclosure Statement” mean the Annual Disclosure Statement, as updated by the Quarterly Disclosure Updates and this Offering Memorandum.

Our Disclosure Statement includes a detailed discussion of the Pledged Revenues that we have pledged as security for the Series I Notes, the previously issued Senior Lien Bonds and other Obligations that we may issue or enter into in the future, of our rights to issue additional Bond Obligations and related Credit Agreement Obligations, of the financial tests that are imposed as preconditions to their issuance and of other matters relating to our organization and our public transportation system. We refer you to specific captions within the Disclosure Statement where additional information may be found regarding specific subjects.

Our most recently audited financial statements, for the Fiscal Year ended September 30, 2017, are included with the Independent Auditors’ Report that is attached to the Annual Disclosure Statement as Appendix A thereto. When we issue Series I Notes, you should rely only on the information contained or incorporated by reference in this Offering Memorandum and the Annual Disclosure Statement. We have not authorized anyone to provide you with other information. If information varies between this Offering Memorandum and the Annual Disclosure Statement, you should rely on the information in this Offering Memorandum.

We will not offer the Series I Notes in any state where their offer is not permitted. We do not claim that the information contained in the Annual Disclosure Statement, the Quarterly Disclosure Updates and in this Offering Memorandum is accurate as of any date other than the Dated Date stated on their respective cover pages.

The Dealers may use this Offering Memorandum, the Annual Disclosure Statement and the Quarterly Disclosure Updates in connection with the sale of Series I Notes from time to time. For that reason, this document may be amended from time to time to update certain information.

The summaries of the Tenth Supplemental Debt Resolution, as amended by the First Amendment and the Second Supplement, contained herein in Appendix A hereto are not intended to be comprehensive and are qualified in their entirety by reference to the entire document. You may obtain a copy of the Master Debt Resolution, the Tenth Supplemental Debt Resolution, the First Amendment and the Second Amendment on the Internet at our website, [www.dart.org](http://www.dart.org), or by contacting our Chief Financial Officer, DART, 1401 Pacific Avenue, Dallas, Texas 75202, (214) 749-3148.

In this Offering Memorandum, “we,” “our,” “us,” and “DART” refer to Dallas Area Rapid Transit. If we use a capitalized term in this Offering Memorandum and do not define the term in this document, its definition is given or summarized in Appendix A to this Offering Memorandum and/or in Appendix B to the 2014 Annual Disclosure Statement.

The Dealers have provided the following sentence for inclusion in this Offering Memorandum. The Dealers have reviewed the information in this Offering Memorandum 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 Dealers do not guarantee the accuracy or completeness of such information.

## FORWARD-LOOKING STATEMENTS

*We make “forward-looking statements” in this document by using forward-looking words such as “may,” “will,” “should,” “intends,” “expects,” “believes,” “anticipates,” “estimates,” or others. You are cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, conditions in the financial markets, our financial condition, receipt of federal grants, and various other factors which may be beyond our control.*

*Because we cannot predict all factors that may affect future decisions, actions, events, or financial circumstances, what actually happens may be different from what we include in forward-looking statements.*

### GENERAL INFORMATION ABOUT DART

The following general information about DART is a summary only and is not intended to be comprehensive. This information should be read together with the information in the Annual Disclosure Statement under the heading “INFORMATION ABOUT DART.”

DART is a subregional transportation authority of the State of Texas. We were created and confirmed by passage of a referendum on August 13, 1983, pursuant to Article 1118y of Vernon’s Annotated Civil Statutes, as amended and recodified as Chapter 452, Texas Transportation Code. Our current boundaries include the territory lying within the corporate limits of the following Participating Municipalities: the Cities of Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Irving, Plano, Richardson, Rowlett and University Park and the Towns of Addison and Highland Park. We are governed by a 15-member Subregional Board of Directors.

Our administrative office is located in Dallas, Texas, and our boundaries include approximately 700 square miles and a population of approximately 2.4 million persons, according to the most recent estimate available from the North Central Texas Council of Governments.

The Participating Municipalities have certain limited rights to withdraw from DART, subject to the continuing collection of the Sales Tax within the withdrawing municipality until its share of all obligations of DART are collected and paid to DART. See, the Annual Disclosure Statement, “INFORMATION ABOUT DART—DART’s Boundaries, Additions, Withdrawal Rights.”

Mr. David Leininger, DART’s Executive Vice President/Chief Financial Officer, retired in May 2018. His duties are currently being assumed by Joseph Costello, Senior Vice President, Finance, pending the appointment of his successor.

### Sources of Revenue

For additional information regarding the Sales Tax, farebox revenues and other sources of revenue and funds, see the 2018 Annual Disclosure Statement, “DART’S FINANCIAL PRACTICES AND RESOURCES.” In addition, see information herein under the heading “THE COMMERCIAL PAPER NOTES – Pledge and Security for Series I Notes” regarding the pledge of Pledged Farebox Revenues to Obligations, including the Series I Notes.

### Outstanding Debt

On the date hereof, we currently have outstanding approximately \$3.21 billion in principal amount of Senior Lien Bonds, all of which bear interest at fixed rates to maturity. There are no Senior Subordinate Lien Obligations outstanding or authorized other than the Series I Notes, of which \$125.0 million are currently outstanding.

### Future Debt

[TO COME]

### THE COMMERCIAL PAPER NOTES

*The following description of the Series I Notes is a summary only and is not intended to be comprehensive. The description should be read together with the description of the terms and provisions of the Tenth Supplemental Debt Resolution set forth in Appendix A hereto, “SUMMARY OF CERTAIN TERMS OF THE TENTH SUPPLEMENTAL DEBT RESOLUTION, AS AMENDED BY THE FIRST AMENDMENT AND SECOND AMENDMENT” and with the description of the terms and provisions of the Master Debt Resolution provided in Appendix B to the 2014 Annual Disclosure Statement, “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION.”*

## General Description

The Series I Notes are the Senior Subordinate Lien Obligations authorized by Section 3.3(c) of the Master Debt Resolution. That Section authorizes us to issue the Series I Notes upon meeting certain financial tests. See “Summary of Certain Terms of the Master Debt Resolution” in Appendix B to the Annual Disclosure Statement.

## Pledge and Security for Series I Notes

The Series I Notes are payable from and are secured by a pledge of and lien on Pledged Revenues (as defined herein) consisting of (i) the Gross Sales Tax Revenues that we receive from the levy and collection of a 1% sales and use tax (the “Sales Tax”) and investment earnings thereon while held by the Trustee in the Gross Sales Tax Revenue Fund, (ii) Pledged Farebox Revenues (as defined herein) and (iii) any additional revenues of DART which by a Supplemental Resolution are expressly and specifically pledged to Obligations. The lien securing the Series I Notes is subordinate to Senior Lien Obligations, but is senior to Junior Subordinate Lien Obligations, that we may issue or execute from time to time under the Master Debt Resolution. The lien securing the Series I Notes is on a parity with other senior subordinate lien obligations, including additional commercial paper notes, we may issue in the future. **There is no credit agreement or other third party agreement that provides credit support or liquidity for the Series I Notes.** For additional information regarding the Sales Tax and Gross Sales Tax Revenues, see the 2018 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

Pursuant to the provisions of the Seventh Supplemental Debt Resolution authorizing the issuance of DART’s Senior Lien Sales Tax Revenue Bonds, Taxable Series 2010B (Build America Bonds – Direct Payment to Issuer) (the “Series 2010B Bonds”), DART pledged the Pledged Farebox Revenues as security for all of the Obligations, including the Series I Notes. The Pledged Farebox Revenues include all fares collected by or on behalf of DART for its bus, rail and paratransit services in an amount equal to 97.3% of the debt service accruing on the Series 2010B Bonds after deducting the 35% federal subsidy applicable to such Bonds.

## Installment Issues

The Series I Notes are sold, retired, and reissued periodically in installments. See, “TAX MATTERS—Types of Series I Notes Permitted.” The Series I Notes mature on a Business Day fixed by one of our Authorized Officers, but not more than 270 days after their issuance and never later than September 1, 2052.

Although we may retire Series I Notes with funds available to us, it is generally expected that prior to each maturity of Series I Notes, we will sell additional Series I Notes in the public markets to provide the funds needed to pay the principal amount due on the maturing Series I Notes. We have adopted a Commercial Paper Self-Liquidity Plan (the “CPSL Plan”) as a means to retire any unremarketed Series I Notes. See “Commercial Paper Self-Liquidity Plan.” If we are unable to sell additional Series I Notes in an amount that is sufficient to pay the amounts due on the Series I Notes, we intend to use our available funds to purchase and retire any unremarketed Series I Notes.

The Series I Notes will be issued in minimum denominations of \$100,000 and in integral multiples of \$1,000 in excess of \$100,000.

## Commercial Paper Self-Liquidity

We have approved and have agreed to maintain a CPSL Plan for as long the Series I Notes program is active and until all Series I Notes have been retired. In the CPSL Plan, we have identified specific funds to be used to purchase unremarketed CP when necessary and to meet our commitment of an amount at least equal to 2.00 times (i) the principal amount of Series I Notes outstanding from time to time, plus (ii) 90 days interest on such Outstanding Series I Notes at a rate of 12% per annum. The CPSL Plan also documents procedures that we have developed with our Dealers and Issuing and Payment Agent to ensure that liquid funds are available when Series I Notes mature and that unremarketed CP can be purchased timely if necessary. We reserve the right to amend the CPSL Plan and will provide the Dealers and the Issuing and Paying Agent any revisions. The CPSL Plan is posted on our website at [www.dart.org](http://www.dart.org).

### **Payments of Interest on Series I Notes, Interest Rate**

Unless we instruct the Issuing and Paying Agent that other available funds will be used for the purpose, the Trustee will deposit Gross Sales Tax Revenues to the Senior Subordinate Lien Debt Service Fund, as such revenues are received from the Comptroller, in amounts equal to the Accrued Aggregate Interest on the Outstanding Series I Notes during each Debt Service Accrual Period and will transfer to the Issuing and Paying Agent on the maturity dates of Outstanding Series I Notes funds sufficient in amount to pay the interest on the Outstanding Series I Notes on their respective maturity dates. See, 2018 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

If amounts on deposit in the Senior Subordinate Lien Debt Service Fund are not sufficient for such purpose, we intend to pay such interest from the proceeds of subsequent installment issues of Series I Notes or from our unencumbered funds.

We will pay interest on each installment issue of the Series I Notes at the market rate. We may also issue taxable Series I Notes without interest at a discount fixed by the Dealers at the time of issuance and approved by one of our Authorized Officers. The annual net effective rate of interest cannot exceed 12% per annum.

Interest on the Series I Notes will be calculated on the basis of the actual number of days elapsed and a 365 day year.

### **The Issuing and Paying Agent**

Ameigy Bank National Association, Houston, Texas, is the Issuing and Paying Agent for the Series I Notes. The Issuing and Paying Agent will authenticate Series I Notes in the principal amounts, with the Note Dates, Stated Maturity Dates, and rates of interest or discount, and for the purchase prices specified by an Authorized Officer.

The Series I Notes will be available for countersignature and issuance and will be payable at the offices of the Issuing and Paying Agent. An investor is required to pay the purchase price for the Series I Notes to be purchased in immediately available funds, and the amount payable by us at maturity will be paid in same day funds. Series I Notes must be presented to the Issuing and Paying Agent by 12:00 noon, New York time, to ensure same day payment.

The Series I Notes are not subject to redemption prior to their stated maturity.

### **Uses of Proceeds of Series I Notes**

The Tenth Supplemental Debt Resolution creates various accounts within the Issuing and Paying Agent Fund to be held by the Issuing and Paying Agent. The proceeds of each installment issue of Series I Notes are deposited to special accounts within the Issuing and Paying Agent Fund and used for the purposes set forth in the Tenth Supplemental Debt Resolution. See Appendix A, “SUMMARY OF CERTAIN TERMS OF THE TENTH SUPPLEMENTAL DEBT RESOLUTION, AS AMENDED BY THE FIRST AMENDMENT AND THE SECOND AMENDMENT—Issuance, Sale, Uses of Proceeds, and Payment of Series I Notes (*Article IV*).”

In general, the proceeds of Series I Notes are used to:

- Refinance, renew, replace, or refund Series I Notes that have been previously issued, including the interest thereon if sufficient money is not available for that purpose in the Senior Subordinate Lien Debt Service Fund, see, “Payments of Interest on Series I Notes, Interest Rate,” above;
- Pay the costs of Reissuance of the Series I Notes, including all applicable Administrative Expenses; and
- Provide additional funds for our System Expansion and Acquisition.

Money deposited to the Note Proceeds Account and to the other accounts within the Issuing and Paying Agent Fund is the first source of payment for the principal amount of the Series I Notes at their maturity, and the Issuing and Paying Agent will not request the Trustee to make deposits to the Senior Subordinate Lien Debt Service Fund for the purpose of paying the principal amounts due on the Series I Notes, at their maturity so long as money is provided to the Issuing and Paying Agent for that purpose from the proceeds of future installment issues of Series I Notes, and/or from our unencumbered funds.

If, for any cause or reason, (1) money is not available in the Issuing and Paying Agent Fund from the proceeds of future installment issues of Series I Notes or from money deposited to the Senior Subordinate Lien Debt Service Fund in amounts needed to pay in full all amounts due on the Series I Notes as they mature, and (2) we do not otherwise make such payments from unencumbered funds, and/or (3) payment is not otherwise made from the proceeds of timely refinancing of the amounts due, an Event of Default will occur under the Master Debt Resolution. In such an event, the Issuing and Paying Agent will notify the Trustee of such fact, after which the Trustee is required to make deposits, from the next available Gross Sales Tax Revenues that are received from the Comptroller, to the Senior Subordinate Lien Debt Service Fund in accordance with the default provisions of the Master Debt Resolution. See Appendix B to the 2014 Annual Disclosure Statement, "SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION-Defaults and Remedies-Remedies for Default." Such deposits will be required to the extent funds are available in the full amount of the Debt Service and Administrative Expenses that are due, owing, and unpaid on the matured Series I Notes and will be delivered, when available, to the Issuing and Paying Agent for payment first to the payment of Administrative Expenses related to the Senior Subordinate Lien Obligations, including the Series I Notes, and then to the payment of the matured and unpaid Notes. Until the matured and unpaid Notes are paid in full, all further deposits to the Junior Subordinate Lien Debt Service Fund and all further distributions of Gross Sales Tax Revenues to us will be suspended until the default is cured and the matured and unpaid Series I Notes are paid in full.

#### **Periodic Refunding of Outstanding Series I Notes with Other Obligations**

We may periodically pay or refund the Series I Notes with Bond Obligations issued (1) as long-term Obligations or Interim Obligations and/or as Obligations bearing variable rates of interest, and (2) as Senior Lien Obligations, Senior Subordinate Lien Obligations and/or Junior Subordinate Lien Obligations. In issuing these Obligations, we must meet the applicable financial tests and limitations specified in the Master Debt Resolution, in Supplemental Resolutions, and in any Credit Agreements. See the 2018 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Preconditions to Issuance of Bond Obligations—Financial Coverage Tests."

#### **Changes Made by the First Amendment**

Pursuant to a Resolution, adopted June 24, 2014, we approved the First Amendment to the Tenth Supplemental Debt Resolution, the Effective Date thereof being the date of the approving opinion of Attorney General of Texas. The First Amendment increased the principal amount of Series I Notes permitted to be outstanding at any time from \$150 million to \$200 million. It increased the Self-Liquidity Coverage by increasing the CP Commitment Amount from \$150 million to \$200 million, plus 90 days of interest calculated at a rate of 12%. Except for the specific amendments set forth therein, the First Amendment confirmed the provisions of the Tenth Supplement relating to the Series I Notes and the payment and security thereof.

#### **Changes Made by the Second Amendment**

Pursuant to a Resolution, adopted August \_\_, 2018, we approved the Second Amendment to the Tenth Supplemental Debt Resolution (the "Second Amendment"). The Second Amendment reduced the principal amount of Series I Notes permitted to be outstanding at any time to \$125 million and reduced the required Self-Liquidity Coverage to an amount at least equal to 2.0 times (i) the principal Series I Notes outstanding from time to time, plus (ii) an amount equal to the annual interest thereon at the rate of 12% per annum. Except for the amendments set forth therein, the Second Amendment confirmed the provisions of the Tenth Supplement.

## BOOK-ENTRY SYSTEM

The information in this Section concerning DTC and DTC's Book-Entry system has been obtained from the Depository Trust Company. DART and the Board take no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, acts as securities depository for the Series I Notes. The Series I Notes are 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 Note certificate has been and will be issued for each series of the Series I Notes, each in the aggregate principal amount of such issue and has been deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Series I Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series I Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 Series I Notes 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 Series I Notes, except in the event that use of the book-entry system for the Series I Notes is discontinued.

To facilitate subsequent transfers, all Series I Notes 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 Series I Notes 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 Series I Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series I Notes 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series I Notes unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC

mails an Omnibus Proxy to DART 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 Series I Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series I Notes 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 DART or the Issuing and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series I Notes 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, Issuing and Paying Agent, or DART, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DART or the Issuing and Paying Agent; disbursement of such payments to Direct Participants will be the responsibility of DTC; and reimbursement 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 Series I Notes at any time by giving reasonable notice to DART or the Issuing and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

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

### INVESTMENT CONSIDERATIONS

The following information, which you should carefully consider, identifies certain investment considerations associated with the purchase of Series I Notes. You should also carefully consider the information set forth under "INVESTMENT CONSIDERATIONS" in the 2018 Annual Disclosure Statement.

The lien on Pledged Revenues that secures the Series I Notes is subordinate to the lien securing Senior Lien Obligations. We currently have outstanding approximately \$3.21 billion in principal amount of Senior Lien Obligations. See the 2018 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS."

The Master Debt Resolution permits us to issue Additional Senior Lien Obligations only if we can satisfy the financial tests and limitations contained in the Master Debt Resolution, in Supplemental Resolutions, and in Credit Agreements. The subordination of the Series I Notes to Senior Lien Obligations increases the likelihood that Holders of Senior Lien Obligations will regularly receive the full amount of scheduled payments of principal and interest due them, and it protects the Holders of Senior Lien Obligations against potential losses. Under the Master Debt Resolution, if our Gross Sales Tax Revenues are not sufficient to pay the principal of and/or interest on both the Senior Lien Obligations and on the Series I Notes, we will use such revenues first to pay the Holders of Senior Lien Obligations. **There is no credit agreement or other third party agreement that provides credit support or liquidity for the Series I Notes.** See in the 2014 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds."

Deposits of Gross Sales Tax Revenues to the Senior Subordinate Lien Debt Service Fund are made and accumulated as such revenues are received from the Comptroller. The principal of the Series I Notes is payable first from the proceeds of the sale of additional installments of Series I Notes. Such proceeds are deposited to the Issuing and Paying Agent Fund and are used to pay the principal of the Series I Notes. While that procedure is in effect, deposits to the Senior Subordinate Lien Debt Service Fund on account of the principal of the Series I Notes are not required. If (1) we cannot market additional installments of Series I Notes, and (2) we do not otherwise make payment from unencumbered funds, and/or (3) we have not arranged for a timely refinancing of the amounts due, an Event of Default will occur under the Master Debt Resolution. In this circumstance, payment of the Series I Notes will be delayed until the Trustee accumulates in the Senior Subordinate Lien Debt Service Fund, from future distributions of Gross Sales Tax Revenues from the Comptroller, amounts of Gross Sales Tax Revenues that are

sufficient to make full payment of the matured and unpaid Series I Notes. Such accumulation must be made in accordance with the lien priorities established in the Master Debt Resolution. See, “THE COMMERCIAL PAPER NOTES—Uses of Proceeds of Series I Notes.”

DART expects the Budget Control Act of 2011 to have a minor impact on the cash flow from federal funds. With the sequestration reductions that went into effect as of March 1, 2013, DART lost 8.7 percent of the Build America Bond subsidy in Fiscal Year 2013 relating to certain outstanding Bonds and will lose 7.2% in Fiscal Year 2014, resulting in a reduction of approximately \$1.3 million and \$2.2 million, respectively. DART’s annual formula funds of approximately \$48 million in 2014 are exempt from sequestration. Overall DART does not anticipate that sequestration will have a material adverse impact on its cash flow and will not materially impact on its ability to provide service to our customers.

### **Ratings**

The Series I Notes are currently rated by nationally recognized rating agencies, as shown below. A rating reflects the rating agency’s assessment of how likely it is that holders of a class of securities will receive the payments to which they are entitled. A rating may not remain in effect for any given period of time, and a rating agency may lower or withdraw a rating entirely. A rating is not a recommendation to purchase, hold, or sell securities because it does not address the market price of the securities or the suitability of the securities for any particular investor.

#### **RATINGS**

Moody’s Investors Service	P-1 (short-term rating of Series I Notes)
Standard & Poor’s Ratings Services	A-1+ (short-term rating of Series I Notes)

An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations. We make no representation as to the appropriateness of the ratings. We can provide no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by any or all rating companies, if in the judgment of any or all companies, circumstances so warrant. Any downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of such the Series I Notes.

#### **CONTINUING DISCLOSURE AND ACCESS TO INFORMATION**

The Series I Notes are exempt from the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. However, we intend to replace our Annual Disclosure Statement annually, to update it after the first, second and third quarters of our fiscal year with unaudited financial information, and to prepare a Supplemental Official Statement or Supplemental Disclosure Statement and Offering Memorandum in connection with each issue of Bond Obligations. These disclosure documents and each Supplemental Debt Resolution will be filed with the Municipal Securities Rulemaking Board (the “MSRB”). All of these documents will also be posted on the Internet at our website, [www.dart.org](http://www.dart.org). We reserve the right to stop postings on the Internet of annual and quarterly updates at any time. See the “2014 Annual Disclosure Statement-Continuing Disclosure of Information.”

#### **TAX MATTERS**

##### **Types of Series I Notes Permitted**

The Tenth Supplemental Debt Resolution authorizes us to issue the Series I Notes as (1) Tax-Exempt, Non-AMT (that is, the interest paid on that installment of Series I Notes is exempt from federal income taxes and is not subject to the alternative minimum tax under the Code, except insofar as it is includable in certain corporate taxpayer’s “adjusted current earnings” for the purposes computing their alternate minimum tax), (2) Tax-Exempt, AMT (that is, the Series I Notes of that installment issue are “private activity bonds,” and the interest is generally exempt from

federal income taxes but is subject to the alternative minimum tax under the Code), or (3) Taxable (that is, the interest paid, or if sold at a discount, the discount, is subject to federal income taxes under the Code).

In connection with the Series I Notes, our Co-Bond Counsel will deliver their opinions in the forms attached hereto as Appendices B-1, B-2 and B-3.

#### APPROVALS AND LEGAL OPINIONS

In connection with the issuance of the Series I Notes we received an opinion of the Attorney General of Texas approving the proceedings authorizing the Series I Notes pursuant to the Master Debt Resolution and the Tenth Supplemental Debt Resolution, as amended by the First Amendment and the Second Amendment.

All legal matters incident to the legality and enforceability of the Series I Notes are subject to the approval of Bracewell LLP, Dallas, Texas, and West & Associates, L.L.P., Dallas, Texas, our Co-Finance Counsel and Co-Bond Counsel.

Our Co-Bond Counsel have reviewed the information describing the Obligations in the Annual Disclosure Statement and the information describing the Series I Notes contained in this Offering Memorandum to verify that such information conforms to the provisions of the Master Debt Resolution and the Tenth Supplemental Debt Resolution, as amended by the First Amendment.

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

\_\_\_\_\_  
Chair, Board of Directors

/s/ Gary C. Thomas  
\_\_\_\_\_  
President/Executive Director, Dallas Area Rapid Transit

## APPENDIX A

SUMMARY OF CERTAIN TERMS OF THE  
TENTH SUPPLEMENTAL DEBT RESOLUTION  
AS AMENDED BY THE FIRST AMENDMENT AND THE SECOND AMENDMENT

A Table of Contents and brief descriptions of certain provisions of the Tenth Supplemental Debt Resolution, as amended by the First Amendment and the Second Amendment, are included in the following pages of this Appendix A. The descriptions are not intended to be comprehensive or complete but are to be used as a guide to the full provisions of the Tenth Supplemental Debt Resolution, as amended by the First Amendment and the Second Amendment. The full and complete text of the Tenth Supplemental Debt Resolution, as amended by the First Amendment and the Second Amendment, may be obtained directly from us without cost at the address given in the text of this document, and it may be viewed on the Internet at our website, [www.dart.org](http://www.dart.org). See, "IMPORTANT NOTICES." Specific Article and Section numbers are identified in "italics" throughout this Summary.

## APPENDIX A

SUMMARY OF CERTAIN TERMS OF THE  
TENTH SUPPLEMENTAL DEBT RESOLUTION  
AS AMENDED BY THE FIRST AMENDMENT AND THE SECOND AMENDMENT

## DEFINITIONS AND OTHER PRELIMINARY MATTERS

*{Article I}***Definitions {Section 1.02}**

The following are definitions of certain terms used in this Summary. Unless otherwise noted Section references are to the Tenth Supplemental Debt Resolution. Capitalized terms used in this Summary that are not defined herein have the meanings given to such terms in the Master Debt Resolution. See Appendix B to the 2018 Annual Disclosure Statement—“SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—Definitions.”

**Business Day** - means any day other than (i) a Saturday, Sunday or a day on which banking institutions in the State of Texas, the State of New York, or the state which the Designated Payment/Transfer Office of the Issuing and Paying Agent are authorized or obligated by law or executive order to be closed, (ii) a day on which the New York Stock Exchange is closed; and the definition of such term in the Master Debt Resolution shall not apply for purposes of the matters described in the Tenth Supplemental Resolution.

**Closing Date** - means the date on which all of the following events have occurred, to-wit:

- (i) the Tenth Resolution has been adopted by the Board of Directors;
- (ii) the Issuing and Paying Agent Agreement has been fully and properly executed and delivered to DART;
- (iii) the Dealer Agreements have been fully and properly executed and delivered to DART;
- (iv) the Attorney General of Texas has issued an opinion that the Master Debt Resolution and the Tenth Supplemental Debt Resolution were lawfully adopted, executed, and approved pursuant to the provisions of Chapter 1371, Government Code, as amended;
- (v) Co-Bond Counsel have rendered and delivered their opinion to DART that, under the Constitution and laws of the State of Texas, the transcript of proceedings evidences lawful authority for the issuance, reissuance, and sale of the Series I Notes by DART; and
- (vi) the Tenth Supplemental Debt Resolution shall have become effective in accordance with Section 10.02.

**Dealer Agreement** – means each Dealer Agreement by and between DART and a Dealer, approved and authorized to be executed pursuant to Section 9.02, as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms, or any similar agreement with a substitute or successor Dealer.

**Dealer** - means each dealer that is a party to a Dealer Agreement and any successor thereto.

**Designated Payment/Transfer Office** - means (i) with respect to the initial Issuing and Paying Agent named herein, the office designated by the Issuing and Paying Agent, and (ii) with respect to any

successor Issuer and Paying Agent, the office of such successor designated and located as may be agreed upon by DART.

**Initial Issuance of Series I Notes** - means the initial issuance, sale and delivery of the Series I Notes.

**Issuing and Paying Agent** - means Amegy Bank National Association, or any Person acting as its agent, or its successor in interest acting under the Issuing and Paying Agent Agreement.

**Issuing and Paying Agent Agreement** - means the Commercial Paper Issuing and Paying Agent Agreement between DART and the Issuing and Paying Agent, dated as of April 15, 2013, as it may be amended, supplemented or otherwise modified from time to time in accordance with its terms, or any similar agreement with a substitute or successor issuing and paying agent selected by DART.

**Issuing and Paying Agent Fund** - means the fund by that name established in and administered pursuant to Sections 5.01 and 5.02.

**Master Debt Resolution** - means the Master Debt Resolution adopted by the Board on January 23, 2001, as amended.

**Maximum Interest Rate** - means, (i) with respect to the Series I Notes, the lesser of (A) the maximum "net effective interest rate" allowable under Chapter 1204, Government Code, as amended, currently 15%, or (B) such lesser rate as shall from time to time be fixed by the Board, which initially shall be 12%.

**Maximum Maturity Date** - means September 1, 2052.

**Outstanding Resolutions** - means the Master Debt Resolution and any Supplemental Resolutions, under and pursuant to which Obligations have been issued and some or all of which remain Outstanding from time to time.

**Rebate Fund** - means the special fund described in the Master Debt Resolution and established pursuant to Section 5.01.

**Series I Note Date** - means the date of actual issuance of each Note as determined in accordance with Section 3.02(b).

**Series I Note Proceeds Account(s)** - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.01.

**Series I Noteholder** - means in each case, any Person who is in possession of any Outstanding Series I Note.

**Series I Notes** - mean the commercial paper notes, to be issued as Senior Subordinate Lien Obligations under the Master Debt Resolution and authorized and described in Section 3.01.

**Stated Maturity Date** - means the date on which all amounts of principal and interest on each respective Note are due and payable, as designated pursuant to Section 3.02(a), which date shall not in any event be later than the applicable Maximum Maturity Date.

**Taxable Note** - means any Note, the interest on which is not excludable from gross income for federal income tax purposes.

**Tax-exempt Note** - means any Note, the interest on which is excludable from gross income for federal income tax purposes.

**Tax-exempt Note (AMT)** - means any Tax-exempt Note, the interest on which is subject to alternative minimum tax under Section 57(a)(5) of the Code.

**Tax-exempt Note (Non-AMT)** - means any Tax-exempt Note, the interest on which is not subject to alternative minimum tax under Section 57(a)(5) of the Code.

#### **Declarations and Additional Rights and Limitations Under Master Debt Resolution** {Section 1.05}

The Series I Notes are Bond Obligations that are Senior Subordinate Lien Obligations authorized by Section 3.03(c) of, and are Interim Obligations under, the Master Debt Resolution. The Series I Notes Senior Subordinate Lien Obligations, and, together with related Administrative Expenses, are secured solely by the lien on and pledge of the Pledged Revenues as Senior Subordinate Lien Obligations. DART may, but is not obligated, to pay such Obligations from other legally available funds, including the proceeds of Obligations and amounts held in the General Operating Fund.

### **PURPOSES, PLEDGE AND SECURITY**

{Article II}

#### **Purpose of the Tenth Supplemental Debt Resolution** {Section 2.01}

The purposes of the Tenth Supplemental Debt Resolution are to prescribe the specific terms of the Series I Notes, to extend expressly the pledge, lien and security of Master Debt Resolution to and for the benefit of the Holders of the Series I Notes, as Senior Subordinate Lien Obligations, and to authorize the sale and resale of the Series I Notes pursuant to the Dealer Agreements.

#### **Pledge, Security for and Sources of Payment of Series I Notes and Loans** {Section 2.02}

The pledge, the security and the filing provisions of Sections 2.03, 2.04, and 2.05, respectively, of the Master Debt Resolution are restated and granted to the Holders of the Series I Notes and the Lenders. The Noteholders have the right to receive payment of the principal of or the interest on the Series I Notes from money on deposit in the Senior Subordinate Lien Debt Service Fund only to the extent money is not available therefor in the Issuing and Paying Agent Fund, in either case in amounts sufficient to make such payments in accordance with the provisions of Sections 4.02 and 5.02.

### **AUTHORIZATION; GENERAL TERMS AND PROVISIONS RELATING TO THE NOTES**

{Article III}

#### **Authorization** {Section 3.01}

The Series I Notes, entitled "Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity)," are authorized to be issued in any aggregate principal amount, provided that the principal amount of the Series I Notes that may be Outstanding under the Tenth Supplemental Debt Resolution shall generally never exceed \$150,000,000. As of the Effective Date of the Second Amendment the authorized principal permitted to be outstanding at any time is \$125,000,000. The Effective Date of the Second Amendment is the date as of which none of the Series I Notes remain outstanding that were issued pursuant to the First Amendment. All Series I Notes issued on and after the date of the Second Amendment are subject to the Second Amendment.

The Notes may be issued for the purposes of: (i) financing Costs of Acquisition and Construction for Eligible Projects, (ii) paying the interest on previously issued Series I Notes during the period of acquisition or construction of Eligible Projects and for one year thereafter, (iii) paying expenses of operation and maintenance of Eligible Projects during the estimated period of such acquisition and construction and for one year thereafter, (iv) during the

period prior to the Maximum Maturity Date, refinancing, renewing or refunding obligations issued to finance Eligible Projects, including, but not limited to Series I Notes that have been previously issued, including the interest thereon, and (v) paying the costs of issuance and reissuance of the Series I Notes, including all applicable Administrative Expenses.

If DART issues Series I Notes that are not being issued to refinance or refund Outstanding Series I Notes, and the Stated Maturity Date of such Series I Notes occurs during the Debt Service Accrual Period during which the Series I Notes are issued, DART is required to deposit to the Senior Subordinate Lien Debt Service Fund on the date of such issuance an amount sufficient to pay interest on such Series I Notes on their Stated Maturity Date.

**Terms, Forms, Registration and Book Entry System; Issuing and Paying Agent** {Sections 3.02 through 3.09}

Subject to Sections 3.01 and 3.03, the Series I Notes may be issued in installments in such principal amounts and maturing on the dates as determined by DART. No Note shall have a Stated Maturity Date (i) that is not a Business Day, or (ii) that is later than the Maximum Maturity Date. Series I Notes shall bear interest (or shall be issued at a discount without interest) at such rate per annum, not to exceed the Maximum Interest Rate, computed on the basis of actual days elapsed and on a 365 day year, as approved by DART. Series I Notes shall be in registered form as provided in the Tenth Supplemental Debt Resolution. The Series I Notes shall be substantially in the forms set forth in Exhibit A to the Tenth Supplemental Debt Resolution. The Issuing and Paying Agent shall keep the Note Register providing for the registration and transfer of the Series I Notes. Series I Notes may be exchanged for other Series I Notes as provided in the Tenth Supplemental Debt Resolution, and may be issued in book entry only form through DTC. DART agrees to maintain an Issuing and Paying Agent at all times while the Series I Notes or any Loans are Outstanding.

**ISSUANCE, SALE, USES OF PROCEEDS, AND PAYMENT OF SERIES I NOTES**

{Article IV}

**Issuance and Sale of the Series I Notes** {Section 4.01}

At any time after the Closing Date, the Issuing and Paying Agent shall authenticate and deliver Series I Notes in the applicable form in accordance with instructions of DART.

**Proceeds of Sale of Series I Notes** {Section 4.02}

The proceeds from the sale of the Series I Notes (net of all expenses and costs of sale and issuance) shall be deposited to a Note Proceeds Account and shall be applied in the following priority and for the following purposes:

(a) first, to the payment of the principal of any Outstanding Series I Notes maturing on or before the date of the deposit of such proceeds and, only to the extent the Paying Agent has not received an amount sufficient to pay all interest on Outstanding Series I Notes maturing on or before such date, to the payment of interest on such Outstanding Series I Notes; and

(b) second, any amounts remaining in a Note Proceeds Account shall be transferred as follows: (A) the remaining proceeds of each Tax-exempt Note (AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the Tenth Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes specified in Section 3.01(b) of the Tenth Supplemental Debt Resolution that, in the opinion of Bond Counsel, may be paid with the proceeds of Bond Obligations, the interest on which is exempt from federal income taxation under the Code; (B) the remaining proceeds of each additional Tax-exempt Note (Non-AMT) shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the Tenth Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes described in Section 3.01(b) of the Tenth Supplemental Debt Resolution that, in the opinion of Bond Counsel, may be paid with the proceeds of Bond Obligations, the interest on which is exempt from federal income taxation under the Code, without causing the Bond Obligations to be "specified private activity bonds," the

interest on which is subject to the “alternative minimum tax” under the provisions of the Section 57(a)(5) of the Code; and (C) the remaining proceeds of each Taxable Note shall be transferred and deposited into appropriate accounts within the System Expansion and Acquisition Fund and used in accordance with the provisions of the Tenth Supplemental Debt Resolution and the Master Debt Resolution as directed by DART for any of the purposes specified in Section 3.01(b) of the Tenth Supplemental Debt Resolution.

#### **Excess Proceeds in the System Expansion and Acquisition Fund** {Section 4.03}

Any proceeds of the Series I Notes remaining in the System Expansion and Acquisition Fund and not necessary for the purposes described in Section 4.02(b)(iii), shall be paid to the appropriate account of the Issuing and Paying Agent Fund for the Series I Notes from which the proceeds were derived and used for the payment of such maturities of the Series I Notes coming due at such times as may be selected by DART. In the event no Series I Notes are outstanding, any such proceeds in the System Expansion and Acquisition Fund shall be transferred and deposited into DART’s General Operating Fund, unless in the opinion of Bond Counsel such use would adversely affect the tax status of such Series I Notes, in which case, the DART will use such proceeds in another manner permitted by Applicable Law.

### **CREATION OF SPECIAL FUNDS; APPLICATION OF MONEYS**

#### *{Article V}*

The following funds and accounts are hereby created (i) the Issuing and Paying Agent Fund consisting of Note Proceeds Accounts (each designated as “AMT,” “Non-AMT,” or “Taxable,” as appropriate), Note Payment Account and such other separate accounts as may be required, and (ii) the Rebate Fund. The Issuing and Paying Agent Fund shall be held by the Issuing and Paying Agent and shall be administered pursuant to Section 5.02 and the Issuing and Paying Agent Agreement.

*Issuing and Paying Agent Fund.* The Issuing and Paying Agent shall deposit: (i) all proceeds from the sale of Series I Notes to a Note Proceeds Account, which amounts shall be applied as provided in Section 4.02(b); and (ii) amounts received from the Trustee pursuant to Section 5.03(a) of the Master Debt Resolution that relate to the payment of principal of or interest on Series I Notes to the Note Payment Account, which amounts shall be used solely for the purpose of paying the principal of and interest on the Series I Notes on their Stated Maturity Date.

*Rebate Fund.* All amounts deposited in the Rebate Fund shall be held by DART in trust for payment to the United States of America, and neither DART, any Holder, nor the Lenders shall have any rights in or claim to such money.

*Investment Limitations.* Amounts on deposit in the Issuing and Paying Agent Fund and the Rebate Fund shall be invested in Investment Securities as directed by DART, subject to the restrictions imposed by this Article and by Article VI. Amounts on deposit in any Note Proceeds Account and the Note Payment Account and the Loan Payment Account shall be held by the Issuing and Paying Agent uninvested in trust for the exclusive benefit of the Persons entitled to be paid from such accounts separate and apart from all other funds of DART or the Issuing and Paying Agent. Any other amounts on deposit in the Issuing and Paying Agent Fund shall be invested in direct obligations of the United States of America maturing no later than the earlier of the date on which funds so invested are needed for the purposes specified herein and 30 days after the date on which such securities are purchased, or in money market mutual funds regulated by the Securities and Exchange Commission, consisting entirely of direct obligations of the United States of America or repurchases thereof, having a dollar weighted average stated maturity of 90 days or fewer, and an investment objective of maintaining a stable net asset value of \$1 for each share.

**SPECIAL COVENANTS RELATING TO THE NOTES***{Article VI}***Tax-exempt Series I Notes to Remain Exempt from Federal Income Tax** *{Section 6.01}*

DART covenants and agrees to do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of the Code in order to maintain the exclusion from gross income of the interest on the Tax-exempt Series I Notes for federal income tax purposes and to refrain from any action which would adversely affect the status of the Tax-exempt Series I Notes, as described in the First Supplemental Debt Resolution.

**THE ISSUING AND PAYING AGENT***{Article VII}*

The Issuing and Paying Agent is required to perform such duties as are set forth in the Issuing and Paying Agent Agreement. The Issuing and Paying Agent may resign or be replaced in accordance with and subject to the terms of the First Supplemental Debt Resolution, upon qualification and acceptance by a successor issuing and paying agent.

The Issuing and Paying Agent shall not have any power or be required to take any action during the existence of any event of default under the Master Debt Resolution.

The Issuing and Paying Agent is required to calculate and furnish calculations of Accrued Aggregate Debt Service for the Series I Notes upon request of the Trustee as provided in Section 5.03(c) of the Master Debt Resolution and to deposit any amounts received from the Trustee pursuant to such Section as directed in Section 5.02.

**APPENDIX B**

**OPINIONS OF CO-BOND COUNSEL**

The signed opinions of our Co-Bond Counsel, Bracewell LLP, Dallas, Texas, and West & Associates, L.L.P., Dallas, Texas, as set forth in this Appendix B, were delivered as of the Effective Date of the Second Amendment in substantially the form and substance included in the following pages of this Appendix B.

## APPENDIX B-1

[UPDATE]

\_\_\_\_\_, 2018

\$125,000,000

DALLAS AREA RAPID TRANSIT SENIOR  
SUBORDINATE LIEN SALES TAX REVENUE  
COMMERCIAL PAPER NOTES  
SERIES I (SELF-LIQUIDITY)  
(TAX-EXEMPT, NON-AMT)

We have represented Dallas Area Rapid Transit (“DART”) as its Co-Bond Counsel in connection with the authorization and issuance of its Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity) (the “Series I Notes”) in the maximum principal amount at any time outstanding of \$125,000,000 (the “Series I Notes”). The Series I Notes are being issued pursuant to the Master Debt Resolution (the “Master Debt Resolution”), adopted on January 23, 2001, as amended, and the Tenth Supplemental Debt Resolution (the “Tenth Supplement”), adopted on April 9, 2013, as amended by the First Amendment to Tenth Supplemental Debt Resolution (the “First Amendment”) adopted on June 24, 2014 and the Second Amendment to Tenth Supplemental Debt Resolution (the “Second Amendment”) adopted August \_\_, 2018. The Master Debt Resolution, the Tenth Supplement and the First Amendment are herein referred to collectively as the “Resolutions.” The Series I Notes may be issued and will be designated as (i) “Tax-Exempt, Non-AMT,” (ii) “Tax-Exempt, AMT” or (iii) “Taxable.” This opinion is being rendered with respect to those Series I Notes that have been designated as “Tax-Exempt, Non-AMT.” Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Resolutions.

As Co-Bond Counsel, we are rendering this opinion with respect to the legality and validity of the proceedings authorizing the Series I Notes (Non-AMT) under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Series I Notes (Non-AMT) from gross income of the owners thereof for federal income tax purposes.

We have examined the relevant provisions of the Constitution and laws of the State of Texas as we have deemed necessary, including Chapter 452, Texas Transportation Code (the “Act”), pursuant to which DART was created and functions as a subregional transportation authority and public body corporate and politic of the State of Texas. We have not investigated and do not assume any responsibility with respect to the financial condition or capabilities of DART, or the disclosure thereof, in connection with the offering and sale of the Series I Notes.

We have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the authorization of the Series I Notes (Non-AMT), including (i) the Resolutions; (ii) certificates of officers and representatives of DART, the Issuing and Paying Agent, the Dealers, and the Trustee; (iii) other pertinent instruments relating to the authorization and issuance of the Series I Notes (Non-AMT) and the security for the payment thereof; and (v) such other instruments and matters of law as we have deemed relevant, including the opinion of the Attorney General of Texas, relating to the Series I Notes (Non-AMT).

Based on the foregoing, it is our opinion that the transcript of certified proceedings evidences complete legal authority for and authorizes the issuance of the Series I Notes (Non-AMT) in accordance with the Resolutions in the maximum principal amount at any time outstanding of \$125,000,000, and that the Series I Notes (Non-AMT) when authenticated and delivered will constitute valid and binding special obligations of DART, secured by and payable from (i) the Pledged Revenues; and (ii) proceeds from the sale of other Series I Notes (Non-AMT) issued by DART for the purpose of paying the principal of maturing Series I Notes (Non-AMT).

The rights of the Holders of the Series I Notes (Non-AMT) are subject to applicable provisions of federal bankruptcy law and any other similar laws affecting the rights of creditors of political subdivisions, and may be

limited by general principles of equity which permit the exercise of judicial discretion. Holders of the Series I Notes (Non-AMT) shall never have the right to demand payment of principal or interest out of any funds raised or to be raised by taxation other than the Gross Sales Tax Revenues.

DART has previously issued and has outstanding "Senior Lien Obligations" that have a lien on Pledged Revenues that are superior to the lien on the Pledged Revenues pledged to the Series I Notes (Non-AMT). Additionally, DART has reserved the right to issue additional debt, subject to the restrictions contained in the Resolutions, that is secured by liens on the Pledged Revenues that are superior to, on a parity with or are junior and subordinate to the lien on Pledged Revenues securing the Series I Notes.

It is our further opinion that interest on the Series I Notes (Non-AMT) will be, upon the issuance and delivery thereof in accordance with the Resolutions, excludable from gross income of the owners thereof for federal income tax purposes under existing law and will not be an item of tax preference under the Code for purposes of determining the alternative minimum tax on individuals or corporations. However, in the case of a corporate taxpayer (other than an S corporation, a regulated investment company, a REIT or a REMIC), interest on the Series I Notes (Non-AMT) will be included in such corporation's "adjusted current earnings" for purposes of computing its alternative minimum tax.

In rendering such opinions, we have relied on representations of DART with respect to matters solely within the knowledge of DART which we have not independently verified, and we have assumed continuing compliance with the covenants in the Resolutions and the representations in the Federal Tax Certificate pertaining to those sections of the Code that affect the exclusion of interest on the Series I Notes (Non-AMT) from the gross income of the owners thereof for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or DART fails to comply with the foregoing covenants of the Resolutions, interest on the Series I Notes (Non-AMT) could become includable in the gross income of the owners thereof from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series I Notes (Non-AMT).

Owners of the Series I Notes (Non-AMT) should be aware that the ownership of tax exempt obligations, such as the Series I Notes (Non-AMT), may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax exempt obligations, low and middle income taxpayers qualifying for the health insurance premium assistance credit and individuals otherwise qualified for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax exempt interest such as interest on the Series I Notes (Non-AMT).

This opinion may be relied upon by the owners of the Series I Notes (Non-AMT), but only to the extent that: (i) there is no change in existing regulations, Internal Revenue Service ruling positions or procedures, or law that may adversely affect the validity of the Series I Notes (Non-AMT) or the exclusion of the interest thereon from the gross income of owners for federal tax purposes, (ii) the Resolutions, the Federal Tax Certificate, the Issuing and Paying Agent Agreement, and the Dealer Agreements, in their respective forms on the date hereof remain in full force and effect and the Series I Notes (Non-AMT) issued after the date hereof are issued in accordance with the provisions of the Resolutions, and the Issuing and Paying Agent Agreement, (iii) the representations, warranties, covenants and agreements of the parties contained in the Resolutions, the Federal Tax Certificate, the Issuing and Paying Agent Agreement, the Dealer Agreements, and certain certificates dated the date hereof and delivered by authorized officers of DART remain true and accurate and have been complied with in all material respects, (iv) there has not been delivered to DART an opinion of this firm of more recent date with respect to the matters referred to herein, and (v) this opinion has not been expressly withdrawn as evidenced by a letter to DART.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. Moreover, our opinions are not a guarantee of result and are not binding

on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representation and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Series I Notes (Non-AMT). If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat DART as the taxpayer. We observe that DART has covenanted in the Resolutions not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Series I Notes (Non-AMT) as includable in gross income for federal income tax purposes.

Nothing contained in this opinion shall be construed as any undertaking on our part to monitor any changes in applicable law or to monitor or confirm the accuracy of any such representations or warranties or compliance with any such agreements or covenants. In addition, we undertake no duty to expressly advise any Holder of any change or development of which we become aware that may adversely affect the opinions expressed herein.

## APPENDIX B-2

[UPDATE]

\_\_\_\_\_, 2018

\$125,000,000

DALLAS AREA RAPID TRANSIT SENIOR  
SUBORDINATE LIEN SALES TAX REVENUE  
COMMERCIAL PAPER NOTES  
SERIES I (SELF-LIQUIDITY)  
(TAX-EXEMPT, AMT)

We have represented Dallas Area Rapid Transit (“DART”) as its Co-Bond Counsel in connection with the authorization and issuance of its Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity) (the “Series I Notes”) in the maximum principal amount at any time outstanding of \$125,000,000 (the “Series I Notes”). The Series I Notes are being issued pursuant to the Master Debt Resolution (the “Master Debt Resolution”), adopted on January 23, 2001, as amended, and the Tenth Supplemental Debt Resolution (the “Tenth Supplement”), adopted on April 9, 2013, as amended by the First Amendment to Tenth Supplemental Debt Resolution (the “First Amendment”) adopted on June 24, 2014 and the Second Amendment to Tenth Supplemental Debt Resolution (the “Second Amendment”) adopted on August \_\_, 2018. The Master Debt Resolution, the Tenth Supplement and the First Amendment are herein referred to collectively as the “Resolutions.” The Series I Notes may be issued and will be designated as (i) “Tax-Exempt, Non-AMT,” (ii) “Tax-Exempt, AMT” or (iii) “Taxable.” This opinion is being rendered with respect to those Series I Notes that have been designated as “Tax-Exempt, AMT.” Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Resolutions.

As Co-Bond Counsel, we are rendering this opinion with respect to the legality and validity of the proceedings authorizing the Series I Notes (Tax-Exempt, AMT) under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Series I Notes (Tax-Exempt, AMT) from gross income of the owners thereof for federal income tax purposes.

We have examined the relevant provisions of the Constitution and laws of the State of Texas as we have deemed necessary, including Chapter 452, Texas Transportation Code (the “Act”), pursuant to which DART was created and functions as a subregional transportation authority and public body corporate and politic of the State of Texas. We have not investigated and do not assume any responsibility with respect to the financial condition or capabilities of DART, or the disclosure thereof, in connection with the offering and sale of the Series I Notes (Tax-Exempt, AMT).

We have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the authorization of the Series I Notes (Tax-Exempt, AMT), including (i) the Resolutions; (ii) certificates of officers and representatives of DART, the Issuing and Paying Agent, the Dealers, and the Trustee; (iii) other pertinent instruments relating to the authorization and issuance of the Series I Notes (Tax-Exempt, AMT) and the security for the payment thereof; and (v) such other instruments and matters of law as we have deemed relevant, including the opinion of the Attorney General of Texas, relating to the Series I Notes (Tax-Exempt, AMT).

Based on the foregoing, it is our opinion that the transcript of certified proceedings evidences complete legal authority for and authorizes the issuance of the Series I Notes (Tax-Exempt, AMT) in accordance with the Resolutions in the maximum principal amount at any time outstanding of \$125,000,000, and that the Series I Notes (Tax-Exempt, AMT) when authenticated and delivered will constitute valid and binding special obligations of DART, secured by and payable from (i) the Pledged Revenues; and (ii) proceeds from the sale of other Series I Notes issued by DART for the purpose of paying the principal of maturing Series I Notes (Tax-Exempt, AMT).

The rights of the Holders of the Series I Notes (Tax-Exempt, AMT) are subject to applicable provisions of federal bankruptcy law and any other similar laws affecting the rights of creditors of political subdivisions, and may be limited by general principles of equity which permit the exercise of judicial discretion. Holders of the Series I Notes (Tax-Exempt, AMT) shall never have the right to demand payment of principal or interest out of any funds raised or to be raised by taxation other than the Gross Sales Tax Revenues.

DART has previously issued and has outstanding "Senior Lien Obligations" that have a lien on Pledged Revenues that are superior to the lien on the Pledged Revenues pledged to the Series I Notes (Tax-Exempt, AMT). Additionally, DART has reserved the right to issue additional debt, subject to the restrictions contained in the Resolutions, that is secured by liens on the Pledged Revenues that are superior to, on a parity with or are junior and subordinate to the lien on Pledged Revenues securing the Series I Notes (Tax-Exempt, AMT).

It is our further opinion that interest on the Series I Notes (Tax-Exempt, AMT) will be, upon the issuance and delivery thereof in accordance with the Resolutions, excludable from gross income of the owners thereof for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of this opinion ("Existing Law"). The exceptions are as follows:

1. That interest on the Series I Notes (Tax-Exempt, AMT) will be includable in the gross income of the owner during any period that such Series I Notes are held by either a "substantial user" of the facilities financed with the proceeds of the Series I Notes or a "related person" of such user, as provided in section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"); and

2. That the interest on the Series I Notes will be included as an alternative minimum tax preference item under section 57(a)(5) of the Code for purposes of computing the alternative minimum tax on individuals and corporations.

In rendering such opinions, we have relied on representations of DART with respect to matters solely within the knowledge of DART which we have not independently verified, and we have assumed continuing compliance with the covenants in the Resolutions and the representations in the Federal Tax Certificate pertaining to those sections of the Code that affect the exclusion of interest on the Series I Notes (Tax-Exempt, AMT) from the gross income of the owners thereof for federal income tax purposes. If such representations are determined to be inaccurate or incomplete or DART fails to comply with the foregoing covenants of the Resolutions, interest on the Series I Notes (Tax-Exempt, AMT) could become includable in the gross income of the owners thereof from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series I Notes (Tax-Exempt, AMT). In particular, but not by way of limitation, we express no opinion with respect to the federal, state or local tax consequences arising from the enactment of any pending or future legislation.

This opinion may be relied upon by the owners of the Series I Notes (Tax-Exempt, AMT), but only to the extent that: (i) there is no change in existing regulations, Internal Revenue Service ruling positions or procedures, or law that may adversely affect the validity of the Series I Notes (Tax-Exempt, AMT) or the exclusion of the interest thereon from the gross income of owners for federal tax purposes, (ii) the Resolutions, the Federal Tax Certificate, the Issuing and Paying Agent Agreement, and the Dealer Agreements, in their respective forms on the date hereof remain in full force and effect and the Series I Notes (Tax-Exempt, AMT) issued after the date hereof are issued in accordance with the provisions of the Resolutions, and the Issuing and Paying Agent Agreement, (iii) the representations, warranties, covenants and agreements of the parties contained in the Resolutions, the Federal Tax Certificate, the Issuing and Paying Agent Agreement, the Dealer Agreements, and certain certificates dated the date hereof and delivered by authorized officers of DART remain true and accurate and have been complied with in all material respects, (iv) there has not been delivered to DART an opinion of this firm of more recent date with respect to the matters referred to herein, and (v) this opinion has not been expressly withdrawn as evidenced by a letter to DART.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. Moreover, our opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representation and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Notes. If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat DART as the taxpayer. We observe that DART has covenanted in the Resolutions not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Series I Notes (Tax-Exempt, AMT) as includable in gross income for federal income tax purposes.

WE CALL YOUR ATTENTION TO THE FACT that the interest on tax-exempt obligations, such as the Series I Notes (Tax-Exempt, AMT), is included in a corporation's alternative minimum taxable income for purposes of determining the alternative minimum tax imposed on corporations by section 55 of the Code.

Nothing contained in this opinion shall be construed as any undertaking on our part to monitor any changes in applicable law or to monitor or confirm the accuracy of any such representations or warranties or compliance with any such agreements or covenants. In addition, we undertake no duty to expressly advise any Holder of any change or development of which we become aware that may adversely affect the opinions expressed herein.

## APPENDIX B-3

[UPDATE]

\_\_\_\_\_, 2018

\$125,000,000

DALLAS AREA RAPID TRANSIT SENIOR  
SUBORDINATE LIEN SALES TAX REVENUE  
COMMERCIAL PAPER NOTES  
SERIES I (SELF-LIQUIDITY)  
(TAXABLE)

We have represented Dallas Area Rapid Transit (“DART”) as its Co Bond Counsel in connection with the authorization and issuance of its Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series I (Self-Liquidity) (the “Series I Notes”) in the maximum principal amount at any time outstanding of \$125,000,000 (the “Series I Notes”). The Series I Notes are being issued pursuant to the Master Debt Resolution (the “Master Debt Resolution”), adopted on January 23, 2001, as amended, and the Tenth Supplemental Debt Resolution (the “Tenth Supplement”), adopted on April 9, 2013, as amended by the First Amendment to Tenth Supplemental Debt Resolution (the “First Amendment”) adopted on June 24, 2014 and the Second Amendment to Tenth Supplemental Debt Resolution (the “Second Amendment”) adopted August \_\_, 2018. The Master Debt Resolution, the Tenth Supplement and the First Amendment are herein referred to collectively as the “Resolutions.” The Series I Notes (Taxable) may be issued and will be designated as (i) “Tax-Exempt, Non-AMT,” (ii) “Tax-Exempt, AMT” or (iii) “Taxable.” This opinion is being rendered with respect to those Series I Notes that have been designated as “Taxable.” Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Resolutions.

As Co-Bond Counsel, we are rendering this opinion with respect to the legality and validity of the proceedings authorizing the Series I Notes (Taxable) under the Constitution and laws of the State of Texas.

We have examined the relevant provisions of the Constitution and laws of the State of Texas as we have deemed necessary, including Chapter 452, Texas Transportation Code (the “Act”), pursuant to which DART was created and functions as a subregional transportation authority and public body corporate and politic of the State of Texas. We have not investigated and do not assume any responsibility with respect to the financial condition or capabilities of DART, or the disclosure thereof, in connection with the offering and sale of the Series I Notes.

We have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the authorization of the Series I Notes (Taxable), including (i) the Resolutions; (ii) certificates of officers and representatives of DART, the Issuing and Paying Agent, the Dealers, and the Trustee; (iii) other pertinent instruments relating to the authorization and issuance of the Series I Notes (Taxable) and the security for the payment thereof; and (v) such other instruments and matters of law as we have deemed relevant, including the opinion of the Attorney General of Texas, relating to the Series I Notes (Taxable).

Based on the foregoing, it is our opinion that the transcript of certified proceedings evidences complete legal authority for and authorizes the issuance of the Series I Notes (Taxable) in accordance with the Resolutions in the maximum principal amount at any time outstanding of \$125,000,000, and that the Series I Notes (Taxable) when authenticated and delivered will constitute valid and binding special obligations of DART, secured by and payable from (i) the Pledged Revenues; and (ii) proceeds from the sale of other Series I Notes (Taxable) issued by DART for the purpose of paying the principal of maturing Series I Notes (Taxable).

The rights of the Holders of the Series I Notes (Taxable) are subject to applicable provisions of federal bankruptcy law and any other similar laws affecting the rights of creditors of political subdivisions, and may be limited by general principles of equity which permit the exercise of judicial discretion. Holders of the Series I Notes

(Taxable) shall never have the right to demand payment of principal or interest out of any funds raised or to be raised by taxation other than the Gross Sales Tax Revenues.

DART has previously issued and has outstanding "Senior Lien Obligations" that have a lien on Pledged Revenues that are superior to the lien on the Pledged Revenues pledged to the Series I Notes (Taxable). Additionally, DART has reserved the right to issue additional debt, subject to the restrictions contained in the Resolutions, that is secured by liens on the Pledged Revenues that are superior to, on a parity with or are junior and subordinate to the lien on Pledged Revenues securing the Series I Notes (Taxable).

We observe that interest on the Series I Notes (Taxable) is generally includable in gross income for federal income tax purposes under existing law. We express no opinion as to any federal, state or local consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, such Bonds. Prospective purchasers should consult their tax advisors with respect to such matters.

**APPENDIX C**  
**ANNUAL DISCLOSURE STATEMENT**

**APPENDIX D**

**QUARTERLY DISCLOSURE UPDATE FOR THE  
THREE-MONTH PERIOD ENDED DECEMBER 31, 2017**

**APPENDIX E**

**QUARTERLY DISCLOSURE UPDATE FOR THE  
SIX-MONTH PERIOD ENDED MARCH 31, 2018**