

CERTIFICATE FOR RESOLUTION

010015

I, the undersigned Director of Board Support for the Board of Directors (the "Board") of Dallas Area Rapid Transit ("DART"), hereby certify as follows:

1. The Board convened in Regular Session on January 23, 2001, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of said Board, to-wit:

Officers

Jesse Oliver, Chair
Robert W. Pope, Vice Chair
Huelon A. Harrison, Secretary
Mark C. Enoch, Assistant Secretary

Members

Appointing Authority

City of Dallas

City of Garland

City of Irving

City of Plano

Cities of Addison, Highland Park, Richardson
and University Park

Cities of Carrollton and Irving

Cities of Dallas, Plano, Glenn Heights and
Cockrell Hill

Cities of Farmers Branch, Garland and Rowlett

Appointees

Terri Adkisson
Roberto Alonzo
Huelon A. Harrison
Evelyn Connor Hicks
Linda Koop
Jesse Oliver
Brenda Reyes
W. Richard Watkins

Dan Monaghan

Norma Stanton

Robert W. Pope

Raymond Noah

William T. Criswell

Faye Wilkins

Mark C. Enoch

010015

and all of said persons were present except Faye Wilkins, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written Resolution, bearing the following caption, to wit:

**FIRST SUPPLEMENTAL DEBT RESOLUTION AUTHORIZING DALLAS
AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX
REVENUE COMMERCIAL PAPER NOTES FOR LAWFUL PURPOSES;
PROVIDING THE SECURITY THEREFOR; PROVIDING FOR THE SALE,
EXECUTION AND DELIVERY THEREOF; AND PROVIDING OTHER
TERMS, PROVISIONS AND COVENANTS WITH RESPECT THERETO.**

was introduced. The Resolution was reviewed by the Board and after due discussion, it was then duly moved and seconded that said Resolution be passed and said motion, carrying with it the passage of said Resolution, prevailed and carried by the following vote:

AYES: 14

NOES: 0

ABSTENTIONS: 0

2. A true, full and correct copy of the aforesaid Resolution passed at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in the official minutes of said Board; the above and foregoing paragraph is a true and correct excerpt from said minutes of said meeting pertaining to the passage of said Resolution; the persons named in the above and foregoing paragraph, at the time of said meeting and the passage of said Resolution, were the duly chosen, qualified and acting officers and members of said Board as indicated therein; each of said officers and members was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting and that said Resolution would be introduced and considered for passage at said meeting; and said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

010015

SIGNED AND SEALED this January 23, 2001.

[SEAL]



Director of Board Support

Signature Page for Certificate of Board Resolution Authorizing First Supplemental Resolution

DALLAS AREA RAPID TRANSIT

FIRST SUPPLEMENTAL DEBT RESOLUTION

authorizing

\$650,000,000

maximum principal amount outstanding

of

**DALLAS AREA RAPID TRANSIT
SENIOR SUBORDINATE LIEN SALES TAX REVENUE
COMMERCIAL PAPER NOTES,
SERIES 2001**

Adopted January 23, 2001

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RESOLUTION NO. 010015

FIRST SUPPLEMENTAL DEBT RESOLUTION AUTHORIZING DALLAS AREA RAPID TRANSIT SENIOR SUBORDINATE LIEN SALES TAX REVENUE COMMERCIAL PAPER NOTES FOR LAWFUL PURPOSES; PROVIDING THE SECURITY THEREFOR; PROVIDING FOR THE SALE, EXECUTION AND DELIVERY THEREOF; AND PROVIDING OTHER TERMS, PROVISIONS AND COVENANTS WITH RESPECT THERETO.

WHEREAS, concurrently with or prior to the adoption of this resolution (herein defined and cited as the "First Supplemental Debt Resolution" or as the or this "Resolution"), the Subregional Board of Directors (the "Board of Directors" or the "Board") of Dallas Area Rapid Transit ("DART") is adopting or has adopted the Master Debt Resolution (defined and cited herein as the "Master Debt Resolution"); and

WHEREAS, the Master Debt Resolution establishes the provisions, terms, and conditions of, and the security for, DART's bonds, notes, and other obligations that will 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 Chapter 1371, Government Code, as amended, hereby determines that DART should authorize and issue commercial paper notes for the purpose of refunding certain outstanding indebtedness of DART and in order to provide interim financing for Eligible Projects; and

WHEREAS, this Resolution is adopted for the purpose of prescribing the specific terms and provisions of the commercial paper notes described in and authorized as the Senior Subordinate Lien Obligations permitted by Section 3.3(a) of the Master Debt Resolution; and

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;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DART:

ARTICLE I
DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.1. Short Title. This Resolution may hereafter be cited in other documents and without further description as the "First Supplemental Debt Resolution."

Section 1.2. Definitions. The capitalized terms used herein, including the capitalized terms used in the preambles hereto, that are not otherwise defined herein, shall have the same meanings and definitions as are applied to such terms, respectively, in, or incorporated into, the Master Debt Resolution, and the Revolving Credit Agreement. Additionally, unless otherwise expressly provided or unless the context clearly requires otherwise, the following additional terms shall have the respective meanings specified below:

Bond Counsel - means Vinson & Elkins, L.L.P., and Robinson, West & Gooden, P. C., both of Dallas, Texas, or one or more additional firms of nationally recognized attorneys selected by the Board that are experienced in financings through the issuance of tax-exempt obligations under Section 103 of the Code.

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, or (iii) a day on which commercial banks are authorized or obligated by law or executive order to be closed in the city or cities in which each Lender's office designated by each Lender pursuant to the Revolving Credit Agreement is located; and the definition of such term in the Master Debt Resolution shall not apply for purposes of the matters described in this First Supplemental Resolution.

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

- (i) this Resolution has been adopted by the Board of Directors;
- (ii) the Revolving Credit Agreement has been fully and properly executed by DART, the Administrative Agent and all Lenders, and has been delivered to DART, accompanied by a Certificate to the effect that all conditions to a Closing Date under the Revolving Credit Agreement have been satisfied and accomplished;
- (iii) the Issuing and Paying Agent Agreement has been fully and properly executed and delivered to DART;

(iv) the Dealer Agreements have been fully and properly executed and delivered to DART;

(v) the Attorney General of Texas has issued an opinion that the Master Debt Resolution, this Resolution and the Revolving Credit Agreement were lawfully adopted, executed, and approved pursuant to the provisions of Chapter 1371, Government Code, as amended;

(vi) 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 Notes by DART; and

(vii) This Resolution shall have become effective in accordance with Section 10.2.

Current Revolving Credit Agreement Expiration Date - means the Revolving Credit Maturity Date, as initially established in, and as it may be extended from time to time in accordance with the terms and provisions of, the Revolving Credit Agreement.

Dealers - mean Goldman, Sachs & Co., Dallas, Texas, and Ramirez & Co., Inc., New York, New York, and any other nationally recognized commercial paper dealer or co-dealer selected by DART.

Dealer Agreements - mean the Dealer Agreements by and between DART and the Dealers, approved and authorized to be executed pursuant to Section 8.3, as they may be amended, supplemented or otherwise modified from time to time in accordance with their terms, or any similar agreements with a substitute or successor Dealer or Dealers.

Depository - means (i) DTC, and (ii) any other qualified securities depository acting as Depository pursuant to Section 3.8.

Depository System Participant - means any participant in the Depository's book-entry system.

Designated Payment/Transfer Office - means (i) with respect to the initial Issuing and Paying Agent named herein, its office in Chicago, Illinois, or such other location as may be designated by the Issuing and Paying Agent by written notice to DART and each Lender, and (ii) with respect to any successor Paying Agent and Registrar, the office of such successor designated and located as may be agreed upon by DART and such successor and specified in a written notice from such Paying Agent and Registrar to the Lenders.

DTC - means The Depository Trust Company, New York, New York, and its successor and assigns.

Eligible Project - means the acquisition, purchase, construction, improvement, enlargement, and/or equipping of any property, program, or improvement authorized by Applicable Law for, on behalf of, or as a part of the System.

Federal Tax Certificate - means a certificate regarding federal income tax matters, approved by Bond Counsel, and delivered, amended or supplemented by DART, from time to time, including at the time of the first delivery of any of the Tax-Exempt Notes.

Fitch - means Fitch, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then such term shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board, and approved in writing by the Lenders, which approval shall not be unreasonably withheld.

Initial Issuance of Notes - means the initial issuance, sale and delivery of Notes by the Dealers on the Closing Date.

Issuing and Paying Agent - means Bank One, National Association, Chicago, Illinois, 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 to be dated as of February 1, 2001, approved and authorized to be executed pursuant to Section 8.2, 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 and approved in writing by the Lenders which approval shall not be unreasonably withheld.

Issuing and Paying Agent Fund - means the fund by that name established in and to be administered pursuant to Sections 5.1 and 5.2.

Lenders - mean Westdeutsche Landesbank Girozentrale, acting through its New York Branch, as "administrative agent and lender," Bayerische Landesbank Girozentrale, acting through its New York Branch, as "lender," State Street Bank and Trust Company, as "lender," Landesbank Baden-Württemberg, acting through its New York Branch, as "lender" being the parties that have executed and delivered the Revolving Credit Agreement to and with DART and the Board.

Light Rail Escrow Agent - means The Bank of New York, acting through its agent, The Bank of New York Trust Company of Florida, N.A., its successors and assigns.

Light Rail Escrow Agreement - means that certain Light Rail Escrow Agreement to be executed between DART and the Light Rail Escrow Agent, approved and authorized to be executed pursuant to Section 9.2.

Light Rail Escrow Fund - means the special fund designated "Escrow Fund" established in the Light Rail Escrow Agreement.

Light Rail Notes - means those notes identified in Section 3.1(b)(vii)(D).

Light Rail Letter of Credit - shall have the meaning assigned to such term in Section 9.4(f).

Light Rail Paying Agent - means the Bank of New York acting through its agent, The Bank of New York Trust Company of Florida, N.A.

Light Rail Reimbursement Agreement - shall have the meaning assigned to such term in Section 9.4(f).

Loans - means the monies loaned, and to be loaned, to DART, pursuant to Article II of the Revolving Credit Agreement, other than Term Loans.

Loan Proceeds Account(s) - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.1.

Master Debt Resolution - means the Master Debt Resolution adopted prior to or concurrently with this Resolution by the Board.

Master Notes - means the form of the Notes issued to and registered in the name of Cede & Co., as nominee of DTC, or in the name of another Depository, which evidence DART's aggregate obligations under the Notes.

Maximum Interest Rate - means, (i) with respect to the 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 and approved by the Required Lenders, which initially shall be 12%, and (ii) with respect to the Loans, Term Loans and other amounts owed under the Revolving Credit Agreement, the maximum net effective interest rate allowable under Chapter 1204, Government Code, as amended.

Maximum Maturity Date - means the date that is the earlier of (i) one Business Day prior to the Current Revolving Credit Agreement Expiration Date in effect at the time of issuance of an installment of Notes, or (ii) January 1, 2006.

Moody's - means Moody's Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then such term shall be deemed to refer to any other nationally recognized securities rating agency selected by the Board, and approved in writing by the Lenders, which approval shall not be unreasonably withheld.

Nominee - means (i) initially, Cede & Co., as nominee of DTC, and (ii) any other nominee of a successor Depository.

Note Date - means the date of actual issuance of each Note as determined in accordance with Section 3.2(b).

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

Note Proceeds Account(s) - means any of the special accounts by that name in the Issuing and Paying Agent Fund created pursuant to Section 5.1.

Notes - mean the commercial paper notes, to be issued as Senior Subordinate Lien Obligations under the Master Debt Resolution and authorized by this Resolution and described in Section 3.1.

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 a special fund by that name of a type contemplated by the Master Debt Resolution and established by pursuant to Section 5.1.

Revolving Credit Agreement - means the instrument, and each replacement, renewal, or extension thereof, to be dated initially as of February 1, 2001, approved and authorized to be executed pursuant to Section 8.1, including all amendments, modifications and supplements permitted pursuant to the terms thereof.

S&P - means Standard & Poor's Rating's Services, a division of The McGraw-Hill Companies, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then such term shall be deemed to refer to any

other nationally recognized securities rating agency selected by the Board, and approved in writing by the Lenders, which approval shall not be unreasonably withheld.

Series B Notes - means those notes identified in Section 3.1(b)(vii)(A).

Series C Notes - means those notes identified in Section 3.1(b)(vii)(B).

Series D Notes - means those notes identified in Section 3.1(b)(vii)(C).

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 3.2(a), which date shall not in any event be later than the applicable Maximum Maturity Date.

Subordinate Bank - shall have the meaning assigned to such term in Section 9.4.

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

Taxable Note - means any Note, the interest on which is not 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.

Term Loans - means the unpaid principal amount of the Loans that are converted to "term loans" pursuant to Section 2.02(d) of the Revolving Credit Agreement.

Section 1.3. **Table of Contents, Titles and Headings.** The table of contents, titles and headings of the Articles and Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Resolution or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. **Interpretation.** (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders

and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Article and Section references shall mean references to Articles and Sections of this Resolution unless designated otherwise.

(c) If any one or more of the covenants, provisions or agreements contained herein should be contrary to Applicable Law, then such covenants, provisions or agreements shall be deemed separable from the remaining covenants, provisions, and agreements hereof, and shall in no way affect the validity of the remaining covenants, provisions, and agreements contained in this Resolution.

Section 1.5. Declarations and Additional Rights and Limitations Under Master Debt Resolution. (a) For all purposes of Master Debt Resolution, DART declares and provides as follows:

(i) The Notes are Bond Obligations that are Senior Subordinate Lien Obligations authorized by Section 3.3(a) of the Master Debt Resolution. The Notes are Interim Obligations under the Master Debt Resolution.

(ii) The Revolving Credit Agreement is and will be a Credit Agreement executed in relation to the Notes; the Lenders are Credit Providers in relation to the Notes; and the obligations of DART to pay the principal of and the interest on all Loans, Term Loans, and Loan Notes, are Credit Agreement Obligations that are Senior Subordinate Lien Obligations; and each of the Lenders is a Holder of such Credit Agreement Obligations for purposes of the Commercial Paper Documents, the Master Debt Resolution, this Resolution, and the Revolving Credit Agreement.

(iii) The Administrative Agent, acting on behalf of the Lenders as Credit Providers, acting through the Required Lenders, is authorized to give and withdraw notices of default under the provisions of Section 7.1(iii) of the Master Debt Resolution under the circumstances described, declared, and provided in Section 6.04(c) of the Revolving Credit Agreement.

(iv) Administrative Expenses relating to the Notes shall include (A) the fees and reasonable expenses owed to the Issuing and Paying Agent, (B) the amounts payable to the Administrative Agent and the Lenders as reimbursement of their reasonable expenses, if any, and to the Lenders in payment of the Commitment Fee, and the other fees and reasonable expenses, and indemnity payments, if any, in each case owed by DART under and pursuant to the Revolving Credit Agreement, (C) the fees and reasonable expenses payable to the Dealers under the Dealer Agreements, and (D) the amounts, if any, required by Applicable Law to be paid to the United States Internal Revenue Service as rebate of investment earnings on any fund or account subject to rebate under the Code.

(v) The Issuing and Paying Agent is a Paying Agent and Registrar required by the Master Debt Resolution with respect to the Notes and the Credit Agreement Obligations created by the Revolving Credit Agreement.

(vi) Each Noteholder is a Holder under the Master Debt Resolution.

(vii) This Resolution is a Supplemental Resolution.

(viii) Each of the Authorized Officers is designated and appointed as an "officer" of DART for the purposes of administering this Resolution, the Revolving Credit Agreement, the Dealer Agreements, and the Issuing and Paying Agent Agreement in accordance with Chapter 1371, Government Code, as amended.

(ix) The Notes are issued pursuant to the Act and, having maturities shorter than five (5) years, may be issued without the necessity of an election, and, therefore, are not subject to the Voted Tax and Debt Limits.

(x) The rate referred to in subparagraph (c)(iii)(C) of Section 5.3 of the Master Debt Resolution shall be the prime rate published in The Wall Street Journal on the date of determination or, if such rate is not so published on such date, the prime rate most recently published in The Wall Street Journal, plus any increase during the applicable Debt Service Accrual Period in the rate payable by DART, as specified in the definition of "Borrowing Rate" in the Revolving Credit Agreement.

(xi) The Notes, Loan Notes, and amounts payable by DART under the Revolving Credit Agreement and the Administrative Expenses described in subparagraph (iv) in this Section 1.5(a) are secured solely by the lien on and pledge of Pledged Revenues as Senior subordinate Lien Obligations, but, DART may, but is not required to, pay the same from any other legally available funds held by DART, including, without limitation, the proceeds of Obligations and amounts held in the General Operating Fund.

(b) For all purposes of the Outstanding Resolutions, the following additional rights and limitations are granted and imposed:

(i) No amendment to any Outstanding Resolution shall be proposed, approved, or adopted pursuant to any of Section 9.3 and 9.4 of the Master Debt Resolution, whether with or without the consent of the other Holders, unless and until the same is approved by the Lenders, as Credit Providers under this Resolution. DART may amend any Outstanding Resolution and/or adopt Supplemental Resolutions pursuant to Section 9.2 of the Master Debt Resolution without the consent of the Lenders, but only if such amendment does not materially adversely affect the Lenders. DART shall deliver to the Lenders a copy of any amendment to any Outstanding Resolution or any Supplemental Resolution proposed to be adopted

pursuant to Section 9.2 of the Master Debt Resolution without the Lenders' consent, at least three Business Days prior to its adoption.

(ii) DART shall have the right to amend the Outstanding Resolutions without the consent of or notice to the Holders of Bond Obligations, under Section 9.3 of the Master Debt Resolution, if such amendment is approved by a number of Lenders equal to the Required Lenders and by such other Credit Providers, if any, and each Bondholder Representative, if any, whose consent is required by a Supplemental Resolution.

(iii) In the event of the occurrence of an Event of Default, the right of acceleration of the Stated Maturity Dates and the Maximum Maturity Date of the Notes, and the payment dates of all Credit Agreement Obligations relating thereto, is not granted as a remedy, and the right of acceleration is expressly denied.

ARTICLE II PURPOSES, PLEDGE AND SECURITY

Section 2.1. Purposes of Resolution. The purposes of this Resolution are to prescribe the specific terms and provisions of the Notes, to extend expressly the pledge, lien and security of Master Debt Resolution to and for the benefit of the Holders of the Notes, as Senior Subordinate Lien Obligations, and the Lenders, as Credit Providers holding Credit Agreement Obligations that are Senior Subordinate Lien Obligations, as described and declared in Section 1.5(a)(ii), and to authorize the sale and resale of the Notes pursuant to the Dealer Agreements.

Section 2.2. Pledge, Security for and Sources of Payment of Notes, Loans and Term Loans.
(a) The pledge, the security and the filing provisions of Sections 2.3, 2.4, and 2.5, respectively, of the Master Debt Resolution are hereby expressly restated, fixed, brought forward and granted to the Holders of the Notes and the Lenders, subject to the terms of said Sections.

(b) The Holders of the Notes shall have the right to receive payment of the principal of or the interest on the Notes then due from money on deposit in the Senior Subordinate Lien Debt Service Fund or any account therein only if and 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 4.2 and 5.2.

(c) The Lenders shall have the right to receive payment of the principal of or the interest on the Loans and Term Loans from money in the Senior Subordinate Lien Debt Service Fund or any account therein only if and 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 4.2 and 5.2.

Section 2.3. Additional Purposes of Resolution. The additional purposes of this Resolution are to provide for the refunding, redemption and defeasance of the Light Rail Notes in

the manner and with the effect provided in Article IX of this Resolution. To the extent that Junior Subordinate Lien Obligations are created as described in Article IX of this Resolution, the pledge, the security and the filing provisions of Section 2.3, 2.4 and 2.5, respectively, of the Master Debt Resolution are hereby expressly restated, fixed, brought forward and granted to the Holders of the Light Rail Notes and the Subordinate Bank, subject to the terms of said Sections.

ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS RELATING TO THE NOTES

Section 3.1. Authorization of the Notes. (a) Pursuant to the authority granted by Applicable Law, the commercial paper notes of DART, to be entitled "Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001," shall be issued in any aggregate principal amount, provided that (i) the principal amount of the Notes that may be Outstanding under this Resolution, plus (ii) the unpaid principal amount of any Loans and Term Loans, exclusive of any portion of such principal that is borrowed for the purpose of paying interest on any Notes or prior Loans, shall never at any time, in the aggregate, exceed the Aggregate Principal Commitment.

(b) The Notes may be issued and delivered for the general purposes of (i) financing Costs of Acquisition and Construction for Eligible Projects, (ii) paying the interest on previously issued 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 Notes that have been previously issued, including the interest thereon, (v) paying the costs of issuance and reissuance of the Notes, including all applicable Administrative Expenses, (vi) repaying the Loans, if any, payable to the Lenders in the amounts and to the extent required by the terms of the Revolving Credit Agreement, and (vii) refunding, paying, retiring, and/or providing for the defeasance of, the outstanding indebtedness of DART entitled as follows:

(A) Dallas Area Rapid Transit Sales Tax Revenue Tax-Exempt Commercial Paper Notes, Series B, in the amount Outstanding at the time of payment;

(B) Dallas Area Rapid Transit Sales Tax Revenue Tax-Exempt Commercial Paper Notes, Series C, in the amount Outstanding at the time of payment;

(C) Dallas Area Rapid Transit Sales Tax Revenue Tax-Exempt Commercial Paper Notes, Series D, in the amount Outstanding at the time of payment;

(D) Dallas Area Rapid Transit North Central Light Rail Project Notes, Series 2000, in the amount Outstanding at the time of refunding and defeasance; and

(E) "Credit Agreement Obligations" as defined in the resolutions authorizing the issuance of the Series B Notes, the Series C Notes, the Series D Notes and the Light Rail Notes and "Administrative Expenses," as defined in the resolution authorizing the issuance of the Light Rail Notes, owed prior to the termination of the Light Rail Letter of Credit.

(c) The designations of the Notes shall be made in accordance with the requirements of Section 4.1 and the "Form of Instructions to the Issuing and Paying Agent" attached hereto as Exhibit D.

(d) If at any time after the Initial Issuance of Notes, (i) DART issues Notes that are not being issued to refinance, renew or refund Outstanding Notes and (ii) the Stated Maturity Date(s) of such Notes occurs during the Debt Service Accrual Period during which the Notes are issued, DART shall deposit in the Interest Account of the Senior Subordinate Lien Debt Service Fund on the date of such issuance an amount equal to the interest which will be payable on such Notes on their Stated Maturity Date(s).

(e) The authorizations contained in this Section are all in accordance with and subject to the terms, conditions and limitations contained in this Resolution.

Section 3.2. Terms of the Notes. (a) Subject to Section 3.1 and 3.3, the Notes may be issued, sold and delivered by Authorized Officers from time to time and in installments in such principal amounts as are determined and instructed by an Authorized Officer, but in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof, numbered as the Issuing and Paying Agent shall determine and maturing and becoming due and payable on the respective Stated Maturity Dates designated by the Authorized Officer at the time of sale; provided, however, that 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, and no Note shall bear interest at a rate greater than the Maximum Interest Rate.

(b) Subject to compliance with the applicable terms, limitations and procedures contained herein, the Notes shall be dated as of the date of their issuance (the "Note Date"), and shall bear interest (or shall be issued at a discount without interest) at such rate per annum, computed on the basis of actual days elapsed and on a 365-day year (or a 366-day year for those years that include February 29), as may be approved by the Authorized Officer at the time of the sale thereof.

(c) The Notes shall be initially issued only in book-entry form, without interest coupons. The Notes may be issued in certificate form only if issued pursuant to Section 3.8(e). Both principal of and interest on the Notes shall be payable in lawful money of the United States of America in same day funds, without exchange or collection charges to the Holders of the Notes upon presentation and surrender of the Notes at the corporate trust office of the Issuing and Paying Agent.

(d) DART, the Issuing and Paying Agent, and the Trustee may treat the registered payee of a Note as the absolute owner of any such Note for the purpose of receiving payment thereof and for all purposes, and DART and the Issuing and Paying Agent shall not be affected by any notice or knowledge to the contrary.

(e) Subject to the applicable terms, limitations and procedures contained herein, the Notes may be sold in such manner at public or private sale as an Authorized Officer shall approve at the time of the sale thereof.

Section 3.3. Form of the Notes. (a) The Notes and the Certificate of Authentication to appear on each of the Notes shall be substantially in the forms set forth as parts of Exhibit A, with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Resolution, and having such letters, numbers or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements thereon as may, consistently herewith, be approved by an Authorized Officer.

(b) The Notes shall be printed, lithographed or engraved or produced in any other similar manner, or typewritten, all as determined and approved by an Authorized Officer.

Section 3.4. Execution and Authentication. (a) The Notes shall be executed on behalf of DART by the Chairman and Secretary of its Board of Directors, and countersigned by its President. The signatures of said officers may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officers of DART on the date of execution thereof shall be deemed to be duly executed on behalf of DART, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of the initial sale and delivery or any subsequent sale, exchange and transfer of Notes authorized to be issued hereunder, all as authorized and provided in Applicable Law.

(b) No Note shall be entitled to any right or benefit under this Resolution, or be valid or obligatory, unless and until the Certificate of Authentication appearing thereon is executed by the Issuing and Paying Agent by manual signature, and such certificate upon a Note shall be conclusive evidence that such Note has been duly certified and delivered.

(c) The Loan Notes shall be in the forms set forth as parts of Exhibit A to the Revolving Credit Agreement and shall be manually executed by the Chairman and Secretary of DART and countersigned by the President of DART. The Loan Notes need not be authenticated by the Issuing and Paying Agent. Upon being executed by the Chairman and Secretary of DART, countersigned by the President of DART and delivered to the Lenders, the Loan Notes shall be entitled to the benefits conferred on Holders of Credit Agreement Obligations constituting Senior Subordinate Lien Obligations under this Resolution and the Master Debt Resolution and the Lenders shall be the Holders of those Credit Agreement Obligations.

Section 3.5. Mutilated, Lost, Destroyed or Notes. If any Note shall become mutilated, DART, at the expense of the Holder thereof, shall execute and the Issuing and Paying Agent shall

authenticate and deliver a new Note of like tenor in exchange and in substitution for the Note so mutilated, but only upon surrender to DART of the Note so mutilated. If any Note is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to DART and the Issuing and Paying Agent and, if such evidence is satisfactory to the DART and the Issuing and Paying Agent and indemnity satisfactory to DART and the Issuing and Paying Agent shall be given, then, at the expense of the Holder, DART shall execute and the Issuing and Paying Agent shall authenticate and deliver a new Note of like tenor in lieu of and in substitution for the Note so lost, destroyed or stolen. Neither DART nor the Issuing and Paying Agent shall be required to treat both the original Note and any substitute Note as being Outstanding for the purpose of determining the principal amount of Notes which may be issued and Outstanding hereunder, but both the original and the substitute Note shall be treated as one and the same.

Section 3.6. Registration and Exchange. (a) The Issuing and Paying Agent shall keep a Note Register for the Notes at its principal trust office in which, subject to such reasonable regulations as it may prescribe, the Issuing and Paying Agent shall provide for the registration and transfer of the Notes in accordance with the terms of this Resolution.

(b) The Issuing and Paying Agent shall also maintain books of registration for the Notes at the offices DART, which books of registration may be a copy of the Register and which shall be kept current by the Issuing and Paying Agent.

(c) Notes may be exchanged by the registered owners (or bearer for Notes registered to bearer) for other Notes of like tenor and character and of authorized denominations and having the same issue date, maturity and interest rate and of like aggregate principal amount as the Notes surrendered for exchange, upon surrender of the Notes to be exchanged at the principal corporate trust office of the Issuing and Paying Agent. Whenever any Notes are so surrendered for exchanged, the Issuing and Paying Agent shall deliver new Notes of like tenor and character as the Notes exchanged, registered to the original registered owner or any successor registered owner, or to bearer, executed on behalf of, and furnished by, DART to the registered owner or bearer thereof requesting the exchange.

(d) DART and the Issuing and Paying Agent may charge the registered owner or bearer of a Note a sum sufficient to reimburse them for any expenses incurred in making any exchange. The Issuing and Paying Agent or DART may also require payment from the owner of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Note shall be delivered.

(e) New Notes delivered upon any exchange shall evidence the same debt as the Notes surrendered, shall be secured by this Resolution and shall be entitled to all of the security and benefits hereof to the same extent as the Notes surrendered.

(f) DART reserves the right to change the exchange provisions at any time on or prior to the delivery of the Notes in order to comply with applicable laws and regulations of the State or of the United States of America in effect at the time of issuance thereof. The Issuing and Paying Agent shall be promptly notified of any change in the exchange provisions of the Notes.

Section 3.7. Cancellation. All Notes which are surrendered to the Issuing and Paying Agent for the collection of the principal of and the interest thereon shall, upon payment, be canceled by the Issuing and Paying Agent, and the Issuing and Paying Agent forthwith shall transmit to DART a certificate identifying such Notes and stating that such Notes have been duly canceled pursuant to the Securities Exchange Act of 1934.

Section 3.8. Book-Entry System. (a) The Authorized Officer shall direct that the Notes be delivered in book-entry form through the facilities of DTC in the manner provided in this Section, unless otherwise directed pursuant to Section 3.8(e) herein. In the event that the Notes are directed to be issued in book-entry form, unless otherwise provided in the Representation Letter, the Notes shall be issued, respectively, in the form of a "Municipal Commercial Paper - TECP Master Note," to be further designated either as "(AMT)," "(Non-AMT)" or "(Taxable)" (collectively, the "Master Notes"). Upon delivery, the ownership of such Note shall be registered on the Master Note Register (the "Note Register") to be kept by the Issuing and Paying Agent in the name of the payee of the Master Notes.

(b) With respect to the Master Notes, the Issuing and Paying Agent shall have no responsibility or obligation to any DTC Participant or to any person on behalf of which the participant holds an interest in the Master Notes. Without limiting the generality of the immediately preceding sentence, the Issuing and Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any DTC Participant with respect to any ownership interest in the Master Notes, (ii) the delivery to any DTC Participant or any other person, other than the Holder of the Master Notes, of any notice with respect to the Master Notes, (iii) the payment to any DTC Participant or any other person, other than the Holder of the Master Notes, as shown in the Note Register, of any amount with respect to principal, premium, if any, or interest on the Master Notes, or (iv) any consent given or other action taken by the Depository as Holder of the Master Notes. The Issuing and Paying Agent may treat and consider the person in whose name the Master Notes are registered as the absolute owner thereof for the purpose of payment of principal and interest thereon, for the purpose of giving notices with respect to the Master Notes, for the purpose of registering transfers of ownership of the Master Notes, and for all other purposes whatsoever. The Issuing and Paying Agent shall pay the principal of and the interest on the Master Notes only to the Holder of the Master Notes or its respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest on the Master Notes to the extent of the sum or sums so paid. No person other than the Holder of the Master Notes shall receive a Note evidencing the obligation of DART to make payments of principal and interest pursuant to this Resolution. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, such new Nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Nominee shall promptly, but in no event later than two (2) Business Days after receipt thereof, deliver a copy of the same to the Issuing and Paying Agent.

(c) In order to qualify the Notes for the Depository's Book-Entry System, the Authorized Officers are authorized to execute and deliver to the Depository a "Representation Letter" in form and substance requested by such Depository and approved by an Authorized Officer. The execution

and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a), above, or in any other way impose upon DART or the Issuing and Paying Agent any obligation whatsoever with respect to persons having interests in the Notes other than the Holders of the Notes. In addition to the execution and delivery of the Representation Letter, DART may take any other actions, not inconsistent with this Resolution, to qualify the Notes for the Depository's book-entry program.

(d) In the event either (i) the Depository determines not to continue to act as Depository for the Notes, or (ii) DART determines to terminate the Depository as such, then DART shall thereupon discontinue the Book-Entry System with such Depository. In such event, the Depository shall cooperate with DART and the Issuing and Paying Agent in the issuance of replacement Notes by providing the Issuing and Paying Agent with a list showing the interests of the DTC Participants in the Notes, and by surrendering the Notes registered in the name of the Nominee, to the Issuing and Paying Agent on or before the date such replacement Notes are to be issued. The Depository, by accepting delivery of the Notes, agrees to be bound by the provisions of this subsection. If, prior to the termination of the Depository acting as such, DART fails to identify another qualified securities depository to replace the Depository, then the Notes shall no longer be required to be registered in the Note Register in the name of the Nominee, but shall be registered in whatever name or names the Holders of the Notes shall designate, in accordance with the provisions of this Section.

(e) In the event DART determines that it is in the best interests of the beneficial owners of the Notes that they be able to obtain certificated Notes, DART may notify the DTC Participants of the availability of certificated Notes through the Depository. In such event, the Issuing and Paying Agent will issue, transfer and exchange Notes as required by the Depository and others in appropriate amounts; and whenever the Depository in taking appropriate action (i) to make available one or more separate certificates evidencing the Notes to any Depository System Participant having Notes credited to its account with the Depository, or (ii) to arrange for another qualified securities depository to maintain custody of a single certificate evidencing Notes, all at DART's expense.

(f) Notwithstanding any other provision of this Resolution to the contrary, so long as any Note is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Notes and all notices with respect to such Notes shall be made and given, respectively, as provided in the Representation Letter described in subsection (c) of this Section or as otherwise instructed in writing by the Depositor.

Section 3.9. Issuing and Paying Agent. (a) DART agrees to maintain and provide an Issuing and Paying Agent at all times while the Notes or any Loans or Term Loans are Outstanding. The Issuing and Paying Agent shall be a national or state banking association or corporation organized and doing business under the laws of the United States of America or of any state and authorized under such laws to exercise trust powers. Should a change in the Issuing and Paying Agent for the Notes occur, DART agrees to promptly cause a written notice thereof to be published in a financial newspaper or journal of general circulation in the City of New York, New York, once during each calendar week for at least two calendar weeks. Such notice shall give the address of the successor Issuing and Paying Agent. A successor Issuing and Paying Agent may be appointed without the consent of the Holders.

(b) The Issuing and Paying Agent, upon request from DART, will provide a list of all Outstanding Notes setting forth the Principal Amount, the issue date, the Note number, the maturity date, and the rate and amount of interest for each Outstanding Note.

(c) Amounts held by the Issuing and Paying Agent which represent principal of and interest on the Notes remaining unclaimed after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Issuing and Paying Agent in accordance with the provisions of Applicable Law.

Section 3.10. Termination of Revolving Credit Agreement. No termination by DART of the Revolving Credit Agreement shall be effective as to as Outstanding Notes issued prior to the effectiveness of such termination. If DART enters into a substitute Revolving Credit Agreement, such substitute Revolving Credit Agreement shall only be applicable to Notes issued after the effective date of such substitute Revolving Credit Agreement. DART will give the Issuing and Paying Agent at least 15 days written notice of any proposed termination by DART of the Revolving Credit Agreement and, if applicable, the identity of the provider of any substitute Revolving Credit Agreement.

ARTICLE IV ISSUANCE, SALE, USES OF PROCEEDS, AND PAYMENT OF NOTES

Section 4.1. Issuance and Sale of the Notes. (a) At any time after the Closing Date, but subject to the provisions of subsection (c) of this Section, the Issuing and Paying Agent shall authenticate and deliver Notes in the applicable form attached hereto as Exhibit A-1, A-2, and A-3 in accordance with telephonic, facsimile, computer or written instructions of an Authorized Officer delivered to the Issuing and Paying Agent in the manner specified herein. To the extent such instructions are not written, they shall be confirmed in writing by an Authorized Officer within 24 hours. Said instructions shall be in the "Form of the Instructions to the Issuing and Paying Agent," attached hereto as Exhibit D, and shall specify the principal amounts, the Note Dates, the Stated Maturity Dates, the rates of interest (or discount), the purchase price of the Notes being issued, and such other terms and conditions as may be fixed by an Authorized Officer at the time of sale of the Notes (including whether such Notes are being issued as Taxable Notes, Tax-Exempt Notes (Non-AMT) or Tax-Exempt Notes (AMT)), and without the necessity of further action by DART. The instructions shall request the Issuing and Paying Agent to authenticate such Notes by the countersignature of its authorized officer or employee and deliver them upon receipt of payment in immediately available funds.

(b) The representations, warranties and certifications made in such instructions shall be made for the benefit of and may be relied upon by the Issuing and Paying Agent, the Dealers, the Holders, and the Lenders.

(c) Notwithstanding the provisions of subsection (a) of this Section, Notes shall not be authenticated and issued under this Resolution unless, as certified by an Authorized Officer in the Form of Instructions to the Issuing and Paying Agent, the Revolving Credit Agreement is and

remains in full force and effect, and, according to its terms, will provide Loans to DART in amounts sufficient to pay the principal of, and the interest on, the Notes being issued on their Stated Maturity Date.

(d) If, on any date on which DART seeks to sell Notes in order to obtain funds for the purpose of paying the principal of and/or the interest on previously issued and Outstanding Notes, the Dealers are unable to sell the same on terms acceptable to the President of DART on the Stated Maturity Date of the Outstanding Notes, an Authorized Officer shall by 1:00 p.m., New York time on such date, give a Notice of Loan to the Administrative Agent and obtain Loans from the Lenders in the required aggregate amount necessary to pay the Notes at maturity, subject to and in accordance with the Revolving Credit Agreement.

Section 4.2. Proceeds of Sale of Notes. The proceeds of the sale of the Notes (net of all expenses and costs of sale and issuance) shall be applied in the following priority and for the following purposes:

(a) The Initial Issuance of Notes (all of which shall be Tax-Exempt Notes (Non-AMT)) shall be issued in an amount which is not less than the amount which will be sufficient to:

(i) with respect to the Series B Notes, the Series C Notes and the Series D Notes, pay all "Reimbursement Agreement Obligations" (as defined in the resolutions authorizing such Series B Notes, Series C Notes and Series D Notes); and

(ii) with respect to the Light Rail Notes, deposit to the Light Rail Escrow Fund the amount required by the Light Rail Escrow Agreement to effect the purposes stated therein.

Pursuant to a letter of instructions signed by an Authorized Officer, on the date of Initial Issuance of Notes:

(i) proceeds from the Initial Issuance of Notes shall be applied to the payment in full of the "Reimbursement Agreement Obligations" (as defined in the resolutions authorizing the Series B Notes, the Series C Notes and the Series D Notes); and

(ii) proceeds from the Initial Issuance of Notes shall be deposited to the Light Rail Escrow Fund and shall be applied as required under the Light Rail Escrow Agreement.

(b) After application of the amounts specified in subsection (a) of Section 4.2, the proceeds of Notes, whenever issued, shall be deposited to a Note Proceeds Account and used and applied as follows:

(i) first, to the payment of the principal of any Outstanding 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 Notes maturing on or before such date, to the payment of interest on such Outstanding Notes;

(ii) second, to the payment of the principal of any Loans Outstanding on 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 Loans, to the payment of interest on such Outstanding Loans; and

(iii) third, 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, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes specified in Section 3.1(b) 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, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes described in Section 3.1(b) 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.

(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, applied and expended in accordance with the provisions of this Resolution and the Master Debt Resolution as directed by an Authorized Officer for any of the purposes specified in Section 3.1(b).

Section 4.3. Excess Proceeds in the System Expansion and Acquisition Fund. Any amounts constituting proceeds of the Notes remaining in the System Expansion and Acquisition Fund and not necessary for the purposes described in Section 4.2(b)(iii), shall be paid to the appropriate account of the Issuing and Paying Agent Fund for the Notes from which the proceeds were derived and used for the payment of such maturities of the Notes coming due at such times as may be selected by DART. In the event no Notes are outstanding, any such proceeds in the System Expansion and Acquisition Fund, first, shall be used to repay any Outstanding Loans or Term Loans, and, second, 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 Notes, in which case, the DART will use such proceeds in another manner permitted by Applicable Law.

ARTICLE V CREATION OF SPECIAL FUNDS; APPLICATION OF MONEYS

Section 5.1. Creation of Special Funds and Accounts. DART hereby creates the following funds and accounts:

- (i) Issuing and Paying Agent Fund,
 - (A) Note Proceeds Accounts, each designated as "AMT," "Non-AMT" or "Taxable," as appropriate;
 - (B) Loan Proceeds Accounts;
 - (C) Note Payment Account;
 - (D) Loan Payment Account; and
 - (E) and other accounts as required as separate accounts within the Issuing and Paying Agent Fund; and
- (ii) Rebate Fund.

Section 5.2. Issuing and Paying Agent Fund. (a) The Issuing and Paying Agent Fund and the accounts created therein shall be held by the Issuing and Paying Agent and shall be administered pursuant to the terms of this Section and of the Issuing and Paying Agent Agreement.

(b) The Issuing and Paying Agent shall deposit all proceeds from the sale of Notes to a Note Proceeds Account. Amounts deposited in a Note Proceeds Account shall be applied as provided in Section 4.2(b).

(c) The Issuing and Paying Agent shall deposit all amounts received from the Trustee pursuant to Section 5.3(a) of the Master Debt Resolution that relate to the payment of principal of or interest on Notes to the Note Payment Account. Amounts deposited in the Note Payment Account shall be used solely for the purpose of paying the principal of and interest on the Notes on their Stated Maturity Date.

(d) The Issuing and Paying Agent shall deposit all amounts received from the Trustee pursuant to Section 5.3(a) of the Master Debt Resolution that relate to the payment of principal of or interest on Loans and Term Loans to the Loan Payment Account. Amounts deposited in the Loan Payment Account shall be used solely for the purpose of paying the principal of and interest on Loans and Term Loans.

(e) The Issuing and Paying Agent shall deposit all proceeds from the Loans, if any, to a Loan Proceeds Account. Amounts deposited in a Loan Proceeds Account shall be used solely for the purpose of paying the principal of and interest on Notes on their Stated Maturity Dates. If any Loans advanced are not needed to pay the principal of and interest on the Notes on their Stated Maturity Date, such amounts shall be returned to the Administrative Agent under the Revolving Credit Agreement.

Section 5.3. Rebate Fund. All money at any time deposited in the Rebate Fund in accordance with the provisions of the Federal Tax Certificate shall be held by DART as a separate special account or fund 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. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Resolution and by the Federal Tax Certificate. Money shall not be transferred from the Rebate Fund except in accordance with the Federal Tax Certificate. Any amounts remaining in the Rebate Fund and not necessary for the payment of amounts to the United States of America in accordance with the Federal Tax Certificate shall be transferred, in accordance with instructions from an Authorized Officer, to the System Expansion and Acquisition Fund, to the Note Proceeds Account, and/or to the Senior Subordinate Lien Debt Service Fund.

Section 5.4. Investment Limitations. (a) Except as hereinafter provided, amounts on deposit in the funds and accounts hereunder shall be invested in Investment Securities as directed by an Authorized Officer, subject to the restrictions imposed by this Section and by Article VI hereof. All such investments shall be made in accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code, or any successor statute and approved by the Lenders.

(b) Amounts on deposit in any Note Proceeds Account, any Loan Proceeds Account, the Note Payment Account and the Loan Payment Account shall be held by the Issuing and Paying Agent uninvested and in trust for the exclusive benefit of the Persons entitled to be paid from such accounts as provided in Section 5.2 separate and apart from all other funds of DART or the Issuing and Paying Agent.

(c) 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 thirty (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.

ARTICLE VI SPECIAL COVENANTS RELATING TO THE NOTES

Section 6.1. Tax-Exempt Notes to Remain Exempt from Federal Income Tax. (a) In order to maintain the exclusion from gross income of the interest on the Tax-Exempt Notes for federal income tax purposes, DART shall make all calculations required by section 148 of the Code, including, but not limited to, the calculation of rebate, in a reasonable and prudent fashion and to segregate and set aside the lawfully available amounts that such calculations indicate may be required to be paid to the United States of America. DART further agrees to do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code. DART agrees to periodically execute or cause to be executed a Federal Tax Certificate as may be required by the Code, in the opinion of Bond Counsel, and the Forms 8038 or 8038-G, or any other forms designated by the Internal Revenue Service in substitution thereof. In furtherance of the foregoing, DART shall execute annually, or at any other time necessary in the opinion of Bond Counsel, a Federal Tax Certificate and Forms 8038 or 8038-G necessary to assure the tax-exempt status of the Tax-Exempt Notes.

(b) DART covenants to refrain from any action which would adversely affect, and to take such action (including the providing and enforcement of certain covenants in any document granting a leasehold interest in, or contract for management of the project) as is necessary to assure, the treatment of the Tax-Exempt Notes (AMT) as obligations described in section 103(a) of the Code, the interest on which is not includable in the "gross income" of the owner thereof for purposes of federal income taxation (other than, in the case of Tax-Exempt Notes (AMT), the gross income of a "substantial user" of the project or a "related person" to such a "substantial user," within the meaning of the Code). In particular, but not by way of limitation thereof, DART covenants as follows:

(i) to take such action to assure that the Tax-Exempt Notes (AMT) are "exempt facility bonds," as defined in section 142(a) of the Code;

(ii) to ensure that at all times during the term of the Tax-Exempt Notes (AMT) that the property provided with the proceeds thereof be treated as governmentally owned within the meaning of section 142(b) of the Code;

(iii) to refrain from taking any action that would result in the Tax-Exempt Notes (AMT) being "federally guaranteed" within the meaning of section 149(b) of the Code;

(iv) to refrain from using any portion of the proceeds of the Tax-Exempt Notes (AMT), directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Notes (AMT), other than investment property acquired with -

(A) the proceeds of the Tax-Exempt Notes (AMT) invested for a reasonable temporary period or, until such proceeds are needed for the purpose for which the Tax-Exempt Notes (AMT) are issued;

(B) proceeds of amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Regulations; and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Tax-Exempt Notes (AMT) (as defined in section 148(d)(3)(D) of the Code);

(v) to otherwise restrict the investment of the proceeds of the Bonds or amounts treated as proceeds of the Tax-Exempt Notes (AMT), as may be necessary, to satisfy the requirements of section 148 of the Code (relating to arbitrage);

(vi) to use no more than two percent of the proceeds of the Tax-Exempt Notes (AMT) for the payment of costs of issuance of the Tax-Exempt Notes (AMT);

(vii) to use no portion of the proceeds of the Tax-Exempt Notes (AMT) to provide any airplane, sky-box or other private luxury box, facility primarily used for gambling or store the principal business of which is the sale of alcoholic beverages for consumption off-premises;

(viii) to comply with the limitations imposed by section 147(c) of the Code (relating to the limitation of the use of proceeds to acquire land) and section 147(d) of the Code (relating to restrictions on the use of bond proceeds to acquire existing buildings, structures or other property); and

(viii) to comply with the provisions of section 146 of the Code by obtaining, to the extent it is required to do so, an allocation of the State volume cap imposed by that section with respect to the Tax-Exempt Notes (AMT).

(c) DART covenants to refrain from any action which would adversely affect, or to take such action to assure, the treatment of the Tax-Exempt Notes (Non-AMT) as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, DART covenants as follows:

(i) to take all action necessary to assure that no more than 10 percent of the proceeds of the Tax-Exempt Notes (Non-AMT) (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, to assure that payment of the principal of, or interest on, more than 10 percent of the Tax-Exempt Notes (Non-AMT) is (under the terms of this Resolution or any underlying arrangement) directly or indirectly, in contravention of section 141(b)(2) of the Code, (A) secured by any interest in property used or to be used for a private business use or by payments in respect of such property, or (B) to be derived from payments (whether or not to DART) in respect of property, or borrowed money, used or to be used for a private business use;

(ii) to take all action necessary to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Notes (Non-AMT) less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iii) to take all action necessary to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Tax-Exempt Notes (Non-AMT) (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(iv) to take all action necessary to assure that no more than 5 percent of the proceeds of the Tax-Exempt Notes (Non-AMT) are used to provide any output facility (other than a facility for furnishing water) with respect to which there is any "private business use" as more fully set forth in section 141(b)(3) of the Code;

(v) to refrain from taking any action which would otherwise result in the Tax-Exempt Notes (Non-AMT) being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(vi) to refrain from taking any action that would result in the Tax-Exempt Notes (Non-AMT) being "federally guaranteed" within the meaning of section 149(b) of the Code:

(vii) to refrain from using any portion of the proceeds of the Tax-Exempt Notes (Non-AMT), directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with -

(A) proceeds of the Tax-Exempt Notes (Non-AMT) invested for a reasonable temporary period of 3 years or less until such proceeds are needed for the purpose for which the bonds are issued;

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations; and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Bonds; and

(viii) to otherwise restrict the use of the proceeds of the Tax-Exempt Notes (Non-AMT) or amounts treated as proceeds of the Tax-Exempt Notes (Non-AMT), as may be necessary, so that the Bonds do not contravene the requirements of section 148 of the Code (relating to arbitrage), section 149(g) of the Code (relating to hedge bonds), and, to the extent applicable, section 149(d) of the Code (relating to advance refundings).

(d) DART represents and covenants that it will not expend, or permit to be expended, the proceeds of Notes in any manner inconsistent with its reasonable expectations as certified in the Federal Tax Certificates to be executed from time to time with respect to the Tax-Exempt Notes; provided, however, that DART may expend proceeds of the Tax-Exempt Notes in any manner if DART first obtain an unqualified opinion of Bond Counsel that such expenditure will not impair the exemption from federal income taxation of interest paid on the Notes. DART hereby elects to treat those Tax-Exempt Notes (AMT) redeemed during each eighteen-month period as one "issue" and to treat those Tax-Exempt Notes (Non-AMT) redeemed during each eighteen-month period as one "issue" in accordance with the provisions of section 148(f)(3) of the Code, unless otherwise provided in the Federal Tax Certificate.

Section 6.2. Taxable Notes Reporting Requirement. Subject to certain exceptions, DART shall assure that the Issuing and Paying Agent agrees to comply with any requirements of the Code that the interest payments made to the Holders with respect to the Taxable Notes will be reported to

such Holders and/or to the Internal Revenue Service and that, to the extent required by the Code, the Taxable Notes will comply with the requirements for the withholding of taxes.

Section 6.3. Notices to Rating Agencies. DART agrees to give immediate written notice to Fitch, Moody's and S&P of the occurrence of any of the following events:

- (i) the resignation or removal of a Dealer;
- (ii) the resignation or removal of the Issuing and Paying Agent;
- (iii) any material modification or amendment to this Resolution, the Revolving Credit Agreement, the Issuing and Paying Agent Agreement or any Dealer Agreement;
- (iv) the resignation or removal of any Lender and the replacement thereof under the Revolving Credit Agreement or the termination thereof; or
- (v) the occurrence of any "Event of Default" under Section 7.1 of the Master Debt Resolution or under Section 6.01 of the Revolving Credit Agreement.

ARTICLE VII THE ISSUING AND PAYING AGENT

Section 7.1. Duties, Immunities, and Liabilities of Issuing and Paying Agent. (a) DART appoints Bank One, National Association, Chicago, Illinois, as Issuing and Paying Agent. The Issuing and Paying Agent shall perform such duties and only such duties as are specifically set forth in the Issuing and Paying Agent Agreement, and, except to the extent required by law, no implied covenants or obligations shall be read into this Resolution against the 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 Master Debt Resolution.

(b) DART may remove the Issuing and Paying Agent at any time, and DART shall remove the Issuing and Paying Agent if at any time the Issuing and Paying Agent shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Issuing and Paying Agent or its property shall be appointed, or any public officer shall take control or charge of the Issuing and Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Issuing and Paying Agent, and thereupon shall appoint a successor Issuing and Paying Agent by an instrument in writing.

(c) The Issuing and Paying Agent may at any time resign by giving written notice of such resignation to DART and the Lenders. Upon receiving such notice of resignation, DART shall promptly appoint a successor Issuing and Paying Agent, approved in writing by the Lenders, by an instrument in writing, a copy of which shall be promptly delivered to the Lenders.

(d) The Issuing and Paying Agent shall not be relieved of its duties hereunder until a successor Issuing and Paying Agent has accepted appointment as and has assumed the duties of Issuing and Paying Agent hereunder. Any removal or resignation of the Issuing and Paying Agent and appointment of a successor Issuing and Paying Agent shall become effective upon acceptance of appointment by the successor Issuing and Paying Agent. Any successor Issuing and Paying Agent shall signify its acceptance of such appointment by executing and delivering to its predecessor Issuing and Paying Agent a written acceptance thereof, and thereupon such successor Issuing and Paying Agent, without any further act, deed or conveyance, shall become vested with all duties and obligations of such predecessor Issuing and Paying Agent, with like effect as if originally named Issuing and Paying Agent herein; but, nevertheless, at the request of the successor Issuing and Paying Agent, such predecessor Issuing and Paying Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Issuing and Paying Agent all the powers of such predecessor Issuing and Paying Agent and shall pay over, transfer, assign and deliver to the successor Issuing and Paying Agent any money or other property subject to the conditions herein set forth. Upon request of the successor Issuing and Paying Agent, DART shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Issuing and Paying Agent all such moneys, properties, rights, powers, duties and obligations.

(e) The Issuing and Paying Agent and any successor Issuing and Paying Agent shall be a trust company or bank having the powers of a trust company authorized to perform corporate trust services in New York, New York, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Issuing and Paying Agent shall cease to be eligible in accordance with the provisions of this subsection 7.1(e), the Issuing and Paying Agent shall resign immediately in the manner and with the effect specified in this section.

Section 7.2. Merger or Consolidation. Any company into which the Issuing and Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Issuing and Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 7.1, shall be the successor to such Issuing and Paying Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 7.3. Right of Issuing and Paying Agent to Rely Upon Documents. (a) The Issuing and Paying Agent shall have the right to rely and to act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Issuing and Paying Agent may consult with counsel, who may be counsel of or to DART, with regard to legal questions, and the

opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. The Issuing and Paying Agent shall not be liable hereunder except for its negligence or intentional misconduct.

(b) The Issuing and Paying Agent shall not be bound to recognize any person as the Holder of a Note unless and until such Note is submitted for inspection, if required, and his or her title thereto is satisfactorily established, if disputed.

(c) Whenever in the administration of the duties imposed upon it by this Resolution the Issuing and Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate, and such Certificate shall be full warrant to the Issuing and Paying Agent for any action taken or suffered in good faith under the provisions of this Resolution in reliance upon such Certificate, but in its discretion the Issuing and Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 7.4. Preservation and Inspection of Documents. The Issuing and Paying Agent shall at all times keep, or cause to be kept, proper books of record and account prepared in accordance with trust accounting standards, in which complete and accurate entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Notes and the Loans and Term Loans, and any amounts received from the Trustee. Such books of record and account shall be available for inspection by DART, the Lenders, and any Holder, or an agent or representative duly authorized in writing, at reasonable hours, and under reasonable circumstances.

Section 7.5. Duty of Issuing and Paying Agent with Respect to Senior Subordinate Lien Debt Service Fund. The Issuing and Paying Agent shall calculate and furnish calculations of Accrued Aggregate Debt Service for the Notes and the Loans and Term Loans upon request of the Trustee as provided in Section 5.3(c) of the Master Debt Resolution. The Issuing and Paying Agent shall deposit any amounts received from the Trustee pursuant to Section 5.3 of the Master Debt Resolution as directed in Section 5.2 of this First Supplemental Debt Resolution.

ARTICLE VIII APPROVAL OF DOCUMENTS

Section 8.1. Approval of Revolving Credit Agreement. (a) The Revolving Credit Agreement, in substantially the form attached hereto as Exhibit B (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), is hereby approved and accepted.

(b) The respective officials of DART whose names appear thereon are authorized to execute and deliver the Revolving Credit Agreement and the Loan Notes to the Administrative Agent

and the Lenders on and as of the Closing Date, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by their execution thereof.

(c) The Authorized Officers are authorized to exercise any rights reserved by or granted to DART under the Revolving Credit Agreement.

Section 8.2. Approval of Issuing and Paying Agent Agreement. (a) The Issuing and Paying Agent Agreement, in substantially the form attached hereto as Exhibit E (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), is hereby approved and accepted.

(b) The respective officials of DART whose names appear thereon are authorized to execute and deliver the Issuing and Paying Agent Agreement to the Issuing and Paying Agent on and as of the Closing Date, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by their execution thereof.

(c) The Authorized Officers are authorized to exercise any rights reserved by or granted to DART under the Issuing and Paying Agent Agreement.

Section 8.3. Approval of Dealer Agreements. (a) The Dealer Agreements, in substantially the forms attached hereto as Exhibit C-1 and Exhibit C-2 (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), are hereby approved and accepted.

(b) The respective officials of DART whose names appear thereon are authorized to execute and deliver the Dealer Agreements to the Dealers on and as of the Closing Date, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by their execution thereof.

(c) The Authorized Officers are authorized to exercise any rights reserved by or granted to DART under the Dealer Agreements.

Section 8.4. Approval of Master Disclosure Statement and Supplemental Disclosure Statement and Offering Memorandum. The Master Disclosure Statement of DART, and the Supplemental Disclosure Statement and Offering Memorandum of DART relating to the Notes, as presented to the Board at this meeting are approved, and the same may be used in the offering and sale of the Notes, subject to the terms and provisions of the Dealer Agreements, and subject to such changes therein as the Authorized Officers may approve.

Section 8.5. Further Action. The Authorized Officers and each of them are authorized, empowered and directed to execute such other documents in addition to those enumerated herein and to take such other actions as they deem necessary or advisable in order to carry out and perform the purposes of this Resolution, including, without limitation, the execution, when required or

appropriate in fulfilling the terms of this Resolution, of the form of Instructions to the Issuing and Paying Agent attached hereto as Exhibit D.

Section 8.6. Opinion of Bond Counsel. DART shall cause the legal opinion of Bond Counsel, as to validity of the Notes and as to the interest on any Tax-Exempt Notes to be furnished to any Holder of Notes without cost.

ARTICLE IX

PURCHASE OF FEDERAL SECURITIES; APPROVAL OF LIGHT RAIL ESCROW AGREEMENT; NOTICES OF PAYMENT AND REDEMPTION AND RELATED MATTERS

Section 9.1. Subscription of Federal Securities. Any Authorized Officer is hereby authorized to make necessary arrangements for the purchase of the Federal Securities referenced in the Light Rail Escrow Agreement, as may be necessary for the Light Rail Escrow Fund, and the application for the acquisition of the Federal Securities is hereby approved and ratified. Money in the Light Rail Escrow Fund shall be invested as provided in the Light Rail Escrow Agreement.

Section 9.2. Approval of Escrow Agreement. The Light Rail Escrow Agreement, in substantially the form attached hereto as Exhibit F (but with such modifications as may be approved by any Authorized Officer to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes of this Resolution), is approved, and the Authorized Officers are authorized, empowered and directed to complete, execute, and deliver the same, with such changes therein as such officers shall deem appropriate and in the best interests of DART, as conclusively evidenced by the execution thereof.

Section 9.3. Transfers of Funds for Series D Notes. Any moneys on deposit in the Project Fund (the "Project Fund") created under the resolution pursuant to which the Series D Notes were issued (the "Series D Resolution") shall be transferred to the Series D Account of the System Expansion and Acquisition Fund, which account is hereby created, and used for the purposes authorized in the Series D Resolution for use of moneys in the Project Fund. Any moneys on deposit in the Excess Earnings Fund created under the Series D Resolution (the "Series D Excess Earnings Fund") shall be transferred to the Series D Account of the Excess Earnings Fund, which account is hereby created, and used for the purposes authorized in the Series D Resolution for use of moneys in the Series D Excess Earnings Fund. Amounts on deposit, if any, in the project funds or excess earnings funds for the Series B Notes or the Series C Notes shall be transferred into accounts created in the System Expansion and Acquisition Fund and Excess Earnings Funds for the Series B Notes and the Series C Notes, respectively, and used for the purposes authorized for those funds in the resolutions authorizing the issuance of the Series B Notes and the Series C Notes, respectively.

Section 9.4. Redemption of Light Rail Notes. (a) Following the satisfaction of the conditions of Sections 9.2(a) and 9.2(b) of Resolution No. 000011, adopted by the Board of Directors of DART on January 25, 2000 (the "Light Rail Master Resolution"), DART authorizes any Authorized Officer to call for redemption, prior to their maturity, the Light Rail Notes, in the principal amount, on the date, and at the price set forth in the Light Rail Escrow Agreement.

(b) Any Authorized Officer is hereby authorized and directed to cause to be filed with the appropriate paying agent or escrow agent with respect to the Light Rail Notes a notice of the defeasance and redemption, in the manner authorized by the Light Rail Master Resolution and Resolution No. 000012 authorizing the issuance of the Light Rail Notes (the "Light Rail First Supplemental Resolution").

(c) The Light Rail Escrow Agent, as paying agent for the Light Rail Notes, is hereby authorized and directed to mail a notice of defeasance and redemption of the Light Rail Notes in the manner required by the Light Rail First Supplemental Resolution.

(d) The sources of funds for payment of the principal of and interest on the Light Rail Notes called for redemption by this Resolution shall be from the funds held by the Light Rail Escrow Agent pursuant to the Light Rail Escrow Agreement; provided that funds held by the Light Rail Escrow Agent pursuant to the Light Rail Escrow Agreement shall be used to pay Credit Agreement Obligations, as defined in the Light Rail Master Resolution, relating to the Light Rail Notes to the extent that funds for payment of the purchase price or principal of or interest on the Light Rail Notes to be called for redemption pursuant to this Resolution are provided by Dexia Public Finance Bank (formerly known as Dexia Credit Local de France) (the "Subordinate Bank"). Light Rail Notes tendered for purchase after the defeasance of the Light Rail Notes shall be remarketed in accordance with the terms of the Light Rail First Supplemental Resolution unless an Authorized Officer directs the Tender Agent to purchase those tendered Light Rail Notes from moneys and investments in the Light Rail Escrow Fund, as provided in the Light Rail Escrow Agreement, and from other available moneys, which other available moneys shall be deposited into the DART Account of the Dallas Area Rapid Transit North Central Light Rail Series 2000 Purchase Fund (the "Purchase Fund") created in the Light Rail First Supplemental Resolution, and used as provided therein; provided that (i) tendered Light Rail Notes so purchased shall be canceled and of no further force and effect and (ii) following such purchase of tendered Light Rail Notes, amounts remaining in the Light Rail Escrow Fund shall be sufficient to pay the principal and interest due on all Light Rail Notes not so purchased, on each Interest Payment Date for those Light Rail Notes, and on the redemption date.

(e) Upon satisfaction of the conditions of Sections 9.2(a) and 9.2(b) of the Light Rail Master Resolution, the pledges and liens of the Light Rail Master Resolution and the Light Rail First Supplemental Resolution as to the Light Rail Notes and the related Credit Agreement Obligations and Administrative Expenses shall be released. Notwithstanding the defeasance of the Light Rail Notes and the provision in Section 9.2(c) of the Light Rail Master Resolution for automatic release of the terms, provisions, pledges and liens of the Light Rail Master Resolution as to the Light Rail Notes after compliance with Sections 9.2(a) and 9.2(b) of the Light Rail Master Resolution, the terms and provisions of the Light Rail Master Resolution and the Light Rail First Supplemental Resolution not in conflict with this Resolution pertaining to the determination of interest rates on

the Light Rail Notes, the tender, purchase and remarketing of Light Rail Notes, the remarketing agent and the tender agent for the Light Rail Notes, and the Purchase Fund to be held by that tender agent, shall remain in full force and effect until all Light Rail Notes are purchased by DART or are redeemed as provided in this Resolution and the Light Rail Escrow Agreement.

(f) Any Authorized Officer is authorized to determine either (i) that DART shall continue to maintain the letter of credit issued by the Subordinate Bank and securing the Light Rail Notes (the "Light Rail Letter of Credit") and shall not permit or cause the surrender the Light Rail Letter of Credit to the Subordinate Bank pursuant to its terms until the Light Rail Notes are purchased or redeemed as provided in this Resolution and the Light Rail Escrow Agreement or (ii) that DART shall cause the surrender of the Light Rail Letter of Credit to the Subordinate Bank upon defeasance of the Light Rail Notes pursuant to the Light Rail Escrow Agreement. In either case, all Administrative Expenses owed under the Light Rail Master Resolution and the Light Rail First Supplemental Resolution shall be paid or provided for contemporaneously with the defeasance of the Light Rail Notes unless an Authorized Officer determines that the Light Rail Notes can be defeased without such provision for payment. In the event that the Light Rail Letter of Credit remains in effect, the provisions of the Light Rail Master Resolution and the Light Rail First Supplemental Resolution not in conflict with this Resolution pertaining to the Light Rail Letter of Credit shall remain in full force and effect until all Light Rail Notes are purchased by DART or are redeemed as provided in this Resolution and the Light Rail Escrow Agreement, the Letter of Credit and Reimbursement Agreement, dated as of January 1, 2000, between DART and the Subordinate Bank, relating to the Light Rail Letter of Credit (the "Light Rail Reimbursement Agreement") shall remain in full force and effect until all obligations of DART thereunder are paid in full, except that all provisions of the Light Rail Reimbursement Agreement relating to the security and liens of the Subordinate Bank shall be deemed to conform to the provisions of this Resolution relating to the security and liens of the Subordinate Bank, there shall be deemed to be no conditions to Advances under as defined in the Light Rail Reimbursement Agreement, and the following sections of the Light Rail Reimbursement Agreement shall be deemed deleted: Section 6.01(g), 6.01(h), 6.02(g), 6.02(h), 6.02(i), 6.02(j), 6.02(l), 7.01, 7.02 and Schedule 2. DART's obligations to reimburse the Subordinate Bank for drawings under the Light Rail Letter of Credit and to pay interest thereon, as provided in Sections 2.03 and 2.04 of the Light Rail Reimbursement Agreement, shall be Junior Subordinate Lien Obligations under the Master Debt Resolution (payable from the Junior Subordinate Lien Debt Service Fund only if and to the extent not paid from the Light Rail Escrow Fund and payable, at DART's option, from any other legally available funds of DART), the Subordinate Bank shall be a Credit Provider with respect to Junior Subordinate Lien Obligations under the Master Debt Resolution and the Light Rail Notes shall be Junior Subordinate Lien Obligations under the Master Debt Resolution (payable from the Junior Subordinate Lien Debt Service Fund if and to the extent not paid from the Light Rail Letter of Credit or the Light Rail Escrow Fund). The Light Rail Reimbursement Agreement shall be a Credit Agreement executed in relation to the Light Rail Notes and the Subordinate Bank shall be a Holder of Credit Agreement Obligations that are Junior Subordinate Lien Obligations. The Subordinate Bank shall be authorized to give and withdraw notices of default under the provisions of Section 7.1(iii) of the Master Debt Resolution. No amendment to any Outstanding Resolution shall be proposed, approved, or adopted pursuant to Section 9.3 or 9.4 of the Master Debt Resolution, whether with or without the consent of the other Holders, unless and until the same is approved by the Subordinate Bank, as a Credit

Provider under this Resolution. DART may amend any Outstanding Resolution and/or adopt Supplemental Resolutions pursuant to Section 9.2 of the Master Debt Resolution without the consent of the Subordinate Bank, but only if such amendment does not materially adversely affect the Subordinate Bank. DART shall deliver to the Subordinate Bank a copy of any amendment to any Outstanding Resolution or any Supplemental Resolution proposed to be adopted pursuant to Section 9.2 of the Master Debt Resolution without the Subordinate Bank's consent, at least three Business Days prior to its adoption. Following the redemption of all of the Light Rail Notes, the terms and provisions of the Light Rail Master Resolution and the Light Rail First Supplemental Resolution not theretofore released shall be automatically released in accordance with the Light Rail Master Resolution and the Light Rail First Supplemental Resolution.

(g) Any moneys on deposit in the Construction Fund created under the Light Rail Master Resolution (the "Construction Fund") shall be transferred to the Light Rail Account of the System Expansion and Acquisition Fund, which account is hereby created, and used for the purposes authorized in the Light Rail Master Resolution for use of moneys in the Construction Fund. Any moneys on deposit in the Excess Earnings Fund created under the Light Rail Master Resolution (the "Light Rail Excess Earnings Fund") shall be transferred to the Light Rail Account of the Excess Earnings Fund, which account is hereby created, and used for the purposes authorized in the Light Rail Master Resolution for use of moneys in the Light Rail Excess Earnings Fund.

(h) The rights of the Subordinate Bank under this Resolution and the Master Debt Resolution shall terminate following the redemption of the Light Rail Notes, the payment in full of all Credit Agreement Obligations and all Administrative Expenses accrued and owing on or prior to the termination of the Light Rail Letter of Credit, and the surrender of the Light Rail Letter of Credit to the Subordinate Bank for cancellation.

Section 9.5. Termination of Third Amended and Restated Custody Agreement: Execution of Termination of Custody Agreement. The Third Amended and Restated Custody Agreement (the "Custody Agreement") among DART, the Senior Banks named therein, Westdeutsche Landesbank Girozentrale, as Senior Agent, the Subordinate Bank and The Bank of New York, as custodian bank (the "Custodian Bank") shall be terminated (i) in accordance with its terms upon defeasance of the Light Rail Notes and the payment of the Series B Notes, the Series C Notes and the Series D Notes, or (ii) on or prior to the defeasance date, by agreement of the parties, in accordance with a Termination of Custody Agreement, to be entered into by the parties to the Custody Agreement. The Chairman or President or either of their designees is each authorized, empowered and directed to execute and deliver a Termination of Custody Agreement, if a Termination of Custody Agreement is to be delivered pursuant to clause (ii) of this Section 9.5, in the form and with the terms as such officer shall deem appropriate and in the best interests of DART, as conclusively evidenced by the execution thereof. All funds held by Custodian Bank under the Custody Agreement shall be transferred to the Trustee.

Section 9.6. Light Rail Paying Agent. The Light Rail Paying Agent is a Paying Agent required by the Master Debt Resolution with respect to the Credit Agreement Obligations created by the Light Rail Reimbursement Agreement.

Section 9.7. Duty of Light Rail Paying Agent with Respect to Junior Subordinate Lien Debt Service Fund. The Light Rail Paying Agent shall calculate and furnish calculations of Accrued Aggregate Debt Service with respect to the Credit Agreement Obligations under the Light Rail Reimbursement Agreement upon request of the Trustee as provided in Section 5.3(c) of the Master Debt Resolution. The Trustee shall request such calculations of the Light Rail Paying Agent whenever it requests calculations from other Paying Agents pursuant to Section 5.3(c) of the Master Debt Resolution. The Light Rail Paying Agent shall pay any amounts received from the Trustee to the Subordinate Bank, as provided in the Light Rail Escrow Agreement.

ARTICLE X SEVERABILITY AND EFFECTIVE DATE

Section 10.1. Severability. If any Section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or lack of enforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 10.2. Effective Date and Modification of Resolution. The provisions of this Resolution may be modified by any Authorized Officer prior to the effective date to incorporate insubstantial and conforming changes that such officer finds and determines are necessary and appropriate to fulfill the purposes hereof. This Resolution shall be in full force and effect contemporaneously with the payment or defeasance of the outstanding indebtedness of DART described in Section 3.1(b)(vii).

(Verification Page Follows)

ADOPTED THIS JANUARY 23, 2001.


Secretary, Board of Directors


Chairman, Board of Directors.

APPROVED AS TO FORM

ATTEST:


DART Counsel


President/Executive Director

[SEAL]

EXHIBIT A-1

**DALLAS AREA RAPID TRANSIT
SENIOR SUBORDINATE LIEN
SALES TAX REVENUE TAX-EXEMPT COMMERCIAL PAPER NOTE
SERIES 2001 (AMT)**

No.: **

Principal Amount: _____

Interest Rate: _____

Interest Amount: _____

Note Date: _____

Stated Maturity Date: _____

Number of Days: _____

Dallas Area Rapid Transit ("DART"), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the bearer of this Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this 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 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 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 Note is one of an issue of commercial paper notes (the "Tax-Exempt Notes (AMT)") of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain First Supplemental Debt Resolution (the "Resolution"), and with the provisions of a certain Master Debt Resolution (the same being herein defined collectively as the "Resolutions").

The Tax-Exempt Notes (AMT) are being issued for the purposes of refunding certain outstanding commercial paper notes of DART, of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt 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 Note (AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt 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 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 Note (AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt 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 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 Note (AMT), together with the principal amount of all other previously issued Notes that are now outstanding, do not exceed the maximum principal amount of Notes permitted to be issued and outstanding under the Resolutions.

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

This Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt 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 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)

COUNTERSIGNED:

President.
Dallas Area Rapid Transit

Chairman, Board of Directors.
Dallas Area Rapid Transit

Secretary,
Dallas Area Rapid Transit

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

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

**Bank One, National Association
Chicago, Illinois
as Issuing and Paying Agent**

By: _____
Authorized Signatory

EXHIBIT A-2

**DALLAS AREA RAPID TRANSIT
SENIOR SUBORDINATE LIEN
SALES TAX REVENUE TAX-EXEMPT COMMERCIAL PAPER NOTE
SERIES 2001 (Non-AMT)**

No.: **

Note Date: _____

Principal Amount: _____

Stated Maturity Date: _____

Interest Rate: _____

Number of Days: _____

Interest Amount: _____

Dallas Area Rapid Transit ("DART"), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the bearer of this Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this 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 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 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 Note is one of an issue of commercial paper notes (the "Tax-Exempt Notes (Non-AMT)") of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain First Supplemental Debt Resolution (the "Resolution"), and with the provisions of a certain Master Debt Resolution (the same being herein defined collectively as the "Resolutions").

The Tax-Exempt Notes (Non-AMT) are being issued for the purposes of refunding certain outstanding commercial paper notes of DART, of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Tax-Exempt 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 Note (Non-AMT) subject to the terms, provisions and conditions of the Resolutions.

This Tax-Exempt 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 Note (Non-AMT) is payable from the sources herein above identified securing the payment thereof and the Tax-Exempt 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 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 Note (Non-AMT), together with the principal amount of all other previously issued Notes that are now outstanding, do not exceed the maximum principal amount of Notes permitted to be issued and outstanding under the Resolutions.

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

This Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Tax-Exempt 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 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)

010015

COUNTERSIGNED:

President.
Dallas Area Rapid Transit

Chairman, Board of Directors.
Dallas Area Rapid Transit

Secretary,
Dallas Area Rapid Transit

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

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

Bank One, National Association
Chicago, Illinois
as **Issuing and Paying Agent**

By: _____
Authorized Signatory

EXHIBIT A-3

**DALLAS AREA RAPID TRANSIT
SENIOR SUBORDINATE LIEN
SALES TAX REVENUE TAXABLE COMMERCIAL PAPER NOTE
SERIES 2001**

No.: **	Note Date: _____
Principal Amount: _____	Stated Maturity Date: _____
Interest Rate, if applicable: _____	Number of Days: _____
Interest Amount, if applicable: _____	

Dallas Area Rapid Transit ("DART"), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the bearer of this Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Note, together with interest thereon, if any, 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 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 Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, if any, as used in this paragraph, shall be as set forth above.

This Note is one of an issue of commercial paper notes (the "Taxable Notes") of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain First Supplemental Debt Resolution (the "Resolution"), and with the provisions of a certain Master Debt Resolution (the same being herein defined collectively as the "Resolutions").

The Taxable Notes are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Taxable 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 Note subject to the terms, provisions and conditions of the Resolutions.

This Taxable 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 Note is payable from the sources herein above identified securing the payment thereof and the Taxable 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 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 Note, together with the principal amount of all other previously issued Notes that are now outstanding, do not exceed the maximum principal amount of Notes permitted to be issued and outstanding under the Resolutions.

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

This Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Taxable Note 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 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)

COUNTERSIGNED:

President,
Dallas Area Rapid Transit

Chairman, Board of Directors,
Dallas Area Rapid Transit

Secretary,
Dallas Area Rapid Transit

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

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

**Bank One, National Association
Chicago, Illinois
as Issuing and Paying Agent**

By: _____
Authorized Signatory

EXHIBIT B

FORM OF REVOLVING CREDIT AGREEMENT

(The form of Revolving Credit Agreement has been intentionally omitted. See Tab 4 for the Revolving Credit Agreement as executed and delivered.)

EXHIBITS C-1 and C-2

FORMS OF DEALER AGREEMENTS

(The forms of Dealer Agreements, including their exhibits have been intentionally omitted. See Tabs 7 and 8, respectively, for the Dealer Agreements as executed and delivered.)

EXHIBIT D

FORM OF INSTRUCTIONS TO THE ISSUING AND PAYING AGENT

_____, 200_

Chicago, Illinois _____

Attn: Commercial Paper Operations

Re: Instructions to the Issuing and Paying Agent to Authenticate and Deliver Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to the First Supplemental Debt Resolution adopted by the Board of Directors of DART on January 23, 2001 (the "Resolution").

Pursuant to Section 4.1 of the Resolution, you are hereby instructed to deliver an installment of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001 (the "Notes") under the terms set forth below:

Number:	[Terms to be established
Principal Amount:	from time to time pursuant
Note Date:	to procedures set forth in
Stated Maturity Date:	letter attached hereto]
Rate of Interest if applicable:	
Purchase Price:	
(Taxable)(Tax-Exempt AMT)(Tax-Exempt Non-AMT)(specify type)	
Other terms and conditions:	

You are hereby instructed to authenticate the described installment of Notes by countersignature of your authorized officer or employee and deliver the Notes upon receipt of payment in immediately available funds of the full purchase price of the Notes, stated above as a percentage of the principal amount of the Notes to be authenticated and delivered. The rules of the New York Clearinghouse shall apply thereto.

The undersigned hereby represents that all action on DART's part under the Resolution necessary for the valid issuance of said installment of Notes has been taken, that all provisions of Texas law necessary for the valid issuance of said Notes have been complied with, and that said Notes in the possession of the holders thereof will be the valid and enforceable obligations of DART

according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

The undersigned hereby certifies that:

(i) No Event of Default under the Master Debt Resolution, as defined in the Resolution, has occurred and is continuing as of the date hereof.

(ii) DART has full power and authority to perform its duties and obligations with respect to the described Notes, and the other Obligations (as defined in Master Debt Resolution).

(iii) DART is in compliance with the covenants set forth in the Master Debt Resolution, the Resolution, and the Revolving Credit Agreement as of the date hereof;

(iv) The interest rate on the Notes does not exceed the Maximum Interest Rate (as defined in the Master Debt Resolution).

(v) Money estimated to be on deposit from time to time in the Senior Subordinate Lien Debt Service Fund and the Loans are fully sufficient, based on projections of receipts of Pledged Revenues made by DART, to timely pay all outstanding Obligations and the Notes according to their terms on or before the dates due according to their terms.

(vi) The Revolving Credit Agreement is in full force and effect and has a remaining unexpired term of not less than 120 days, and the amount of available and unallocated Loans thereunder is at least equal to the principal of and the interest to accrue on the requested installment issue of Notes.

(vii) No "Event of Default," as defined in Section 7.1 of the Master Debt Resolution, and no "Event of Default," as defined in Section 6.01 of the Revolving Credit Agreement, has occurred and is continuing.

(viii) DART, in the case of Tax-Exempt Notes, has complied with all provisions of federal law necessary, including from time to time, as required by the Code, the delivery of the Federal Tax Certificate, in order for the interest on the Notes to be exempt from federal income taxation.

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(ix) DART has been advised by Bond Counsel that the project, if any, to be financed with the proceeds of the Notes will constitute an Eligible Project.

Very truly yours,

DALLAS AREA RAPID TRANSIT

By: _____
Authorized Officer

010015

EXHIBIT E

FORM OF ISSUING AND PAYING AGENT AGREEMENT

(The form of Issuing and Paying Agent Agreement has been intentionally omitted. See Tab 9 of the Transcript of Proceedings for the Issuing and Paying Agent Agreement as executed and delivered.)

EXHIBIT F**FORM OF LIGHT RAIL ESCROW AGREEMENT**

(The form of the Light Rail Escrow Agreement has been intentionally omitted. See Tab 20 for the Light Rail Escrow Agreement as executed and delivered.)

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EXHIBIT A-3

**DALLAS AREA RAPID TRANSIT
SENIOR SUBORDINATE LIEN
SALES TAX REVENUE TAXABLE COMMERCIAL PAPER NOTE
SERIES 2001**

No.: **

Note Date: _____

Principal Amount: _____

Stated Maturity Date: _____

Interest Rate, if applicable: _____

Number of Days: _____

Interest Amount, if applicable: _____

Dallas Area Rapid Transit ("DART"), FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter stated, to the order of the bearer of this Note (or the named payee) on the Stated Maturity Date, the Principal Amount of this Note, together with interest thereon, if any, 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 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 Note Date, the Stated Maturity Date, the Principal Amount, and the Interest Rate, if any, as used in this paragraph, shall be as set forth above.

This Note is one of an issue of commercial paper notes (the "Taxable Notes") of DART, which have been duly authorized and issued in accordance with Applicable Law and the provisions of a certain First Supplemental Debt Resolution (the "Resolution"), and with the provisions of a certain Master Debt Resolution (the same being herein defined collectively as the "Resolutions").

The Taxable Notes are being issued for the purposes of financing certain Costs of Acquisition and Construction, and of refinancing, renewing and refunding previously issued Taxable 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 Note subject to the terms, provisions and conditions of the Resolutions.

This Taxable 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.

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This Taxable Note is payable from the sources herein above identified securing the payment thereof and the Taxable 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 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 Note, together with the principal amount of all other previously issued Notes that are now outstanding, do not exceed the maximum principal amount of Notes permitted to be issued and outstanding under the Resolutions.

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

This Note shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Taxable Note 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 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)

COUNTERSIGNED:

President,
Dallas Area Rapid Transit

Chairman, Board of Directors,
Dallas Area Rapid Transit

Secretary,
Dallas Area Rapid Transit

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

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

**Bank One, National Association
Chicago, Illinois
as Issuing and Paying Agent**

By: _____
Authorized Signatory

010015

EXHIBIT B

FORM OF REVOLVING CREDIT AGREEMENT

(The form of Revolving Credit Agreement has been intentionally omitted. See Tab 4 for the Revolving Credit Agreement as executed and delivered.)

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EXHIBITS C-1 and C-2

FORMS OF DEALER AGREEMENTS

(The forms of Dealer Agreements, including their exhibits have been intentionally omitted. See Tabs 7 and 8, respectively, for the Dealer Agreements as executed and delivered.)

EXHIBIT D

FORM OF INSTRUCTIONS TO THE ISSUING AND PAYING AGENT

_____, 200_

Chicago, Illinois _____

Attn: Commercial Paper Operations

Re: Instructions to the Issuing and Paying Agent to Authenticate and Deliver Commercial Paper Notes

Ladies and Gentlemen:

Reference is hereby made to the First Supplemental Debt Resolution adopted by the Board of Directors of DART on January 23, 2001 (the "Resolution").

Pursuant to Section 4.1 of the Resolution, you are hereby instructed to deliver an installment of Dallas Area Rapid Transit Senior Subordinate Lien Sales Tax Revenue Commercial Paper Notes, Series 2001 (the "Notes") under the terms set forth below:

Number:	[Terms to be established
Principal Amount:	from time to time pursuant
Note Date:	to procedures set forth in
Stated Maturity Date:	letter attached hereto]
Rate of Interest if applicable:	
Purchase Price:	
(Taxable)(Tax-Exempt AMT)(Tax-Exempt Non-AMT)(specify type)	
Other terms and conditions:	

You are hereby instructed to authenticate the described installment of Notes by countersignature of your authorized officer or employee and deliver the Notes upon receipt of payment in immediately available funds of the full purchase price of the Notes, stated above as a percentage of the principal amount of the Notes to be authenticated and delivered. The rules of the New York Clearinghouse shall apply thereto.

The undersigned hereby represents that all action on DART's part under the Resolution necessary for the valid issuance of said installment of Notes has been taken, that all provisions of Texas law necessary for the valid issuance of said Notes have been complied with, and that said Notes in the possession of the holders thereof will be the valid and enforceable obligations of DART

according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

The undersigned hereby certifies that:

(i) No Event of Default under the Master Debt Resolution, as defined in the Resolution, has occurred and is continuing as of the date hereof.

(ii) DART has full power and authority to perform its duties and obligations with respect to the described Notes, and the other Obligations (as defined in Master Debt Resolution).

(iii) DART is in compliance with the covenants set forth in the Master Debt Resolution, the Resolution, and the Revolving Credit Agreement as of the date hereof;

(iv) The interest rate on the Notes does not exceed the Maximum Interest Rate (as defined in the Master Debt Resolution).

(v) Money estimated to be on deposit from time to time in the Senior Subordinate Lien Debt Service Fund and the Loans are fully sufficient, based on projections of receipts of Pledged Revenues made by DART, to timely pay all outstanding Obligations and the Notes according to their terms on or before the dates due according to their terms.

(vi) The Revolving Credit Agreement is in full force and effect and has a remaining unexpired term of not less than 120 days, and the amount of available and unallocated Loans thereunder is at least equal to the principal of and the interest to accrue on the requested installment issue of Notes.

(vii) No "Event of Default," as defined in Section 7.1 of the Master Debt Resolution, and no "Event of Default," as defined in Section 6.01 of the Revolving Credit Agreement, has occurred and is continuing.

(viii) DART, in the case of Tax-Exempt Notes, has complied with all provisions of federal law necessary, including from time to time, as required by the Code, the delivery of the Federal Tax Certificate, in order for the interest on the Notes to be exempt from federal income taxation.

(ix) DART has been advised by Bond Counsel that the project, if any, to be financed with the proceeds of the Notes will constitute an Eligible Project.

Very truly yours,

DALLAS AREA RAPID TRANSIT

By: _____
Authorized Officer

EXHIBIT E

FORM OF ISSUING AND PAYING AGENT AGREEMENT

(The form of Issuing and Paying Agent Agreement has been intentionally omitted. See Tab 9 of the Transcript of Proceedings for the Issuing and Paying Agent Agreement as executed and delivered.)

EXHIBIT F

FORM OF LIGHT RAIL ESCROW AGREEMENT

(The form of the Light Rail Escrow Agreement has been intentionally omitted. See Tab 20 for the Light Rail Escrow Agreement as executed and delivered.)