Bay Area Toll Authority
Oversight Committee

October 13, 2021 **Agenda Item 5b - 21-1018**

BATA Resolution No. 147 - Authorizing the 2022 Plan of Finance; and Good Faith Estimate

Subject A request that the Committee refer BATA Resolution No. 147 to the Authority for approval, authorizing the FY2022 Plan of Finance, including the following:

- Refunding of $277 million in bonds maturing in FY 2022
- Refunding of $285 million in bonds maturing in FY 2023
- Replacement of $400 million in Letters of Credit (LOC)
- Issuance of up to $700 Million in new Toll Bridge Project funding bonds; and

A request that the Committee approve the receipt of the Good Faith Estimate of Costs.

Resolution 147 also approves certain documents to be utilized in connection with the issuance of bonds. The authority granted under Resolution No.147 will be valid through January 2023.

The toll bridge project debt portfolio is approximately $9.0 billion. The portfolio consists of $2.7 billion variable and $6.3 billion fixed rate bonds. BATA Resolution 147 replaces BATA Resolution 142 that was approved in January 2021.

Portfolio Maintenance

FY 2022 – FY 2023 Refunding Bonds
BATA plans to refund the $277 million bonds maturing in FY 2022 as well as $285 million maturing in FY 2023. The market conditions are excellent for the refunding. We expect a continuation of favorable rates.

BATA maintains a $2.7 billion variable rate debt portfolio, the lowest cost and most flexible component of the BATA debt portfolio. For example, BATA was able to prepay and retire approximately $146 million maturing in FY 2021 and approximately $79 million maturing in FY 2022. The debt prepayments allowed BATA to maintain toll revenue bond coverage while traffic recovered from the regional pandemic crisis.

$400 Million Letters-of-Credit (LOC) agreements
BATA has approximately $692 million in LOC agreements with $400 million expiring in FY 2022. The LOCs provide credit support to our variable rate demand bonds (VRDB) by guaranteeing payment to investors if they "put" the bonds back to the broker for resale on any given week. We do not contemplate significant changes to our current documents or rates as both are quite favorable to BATA.

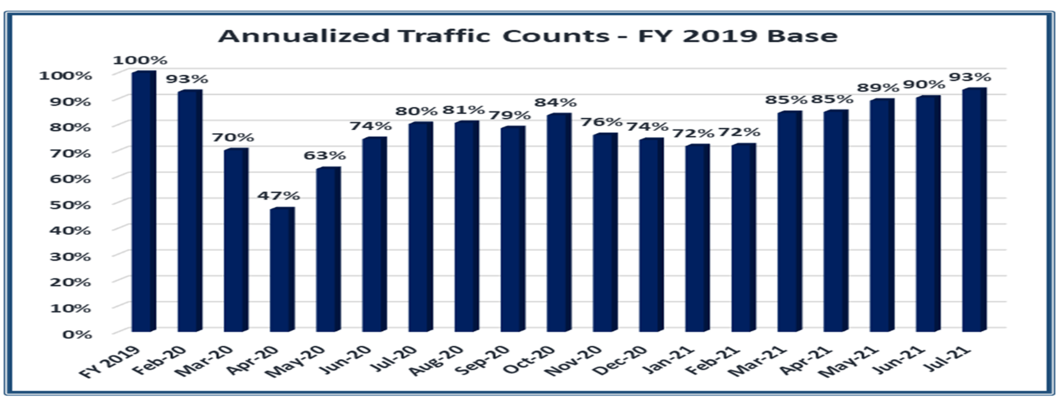
Refunding
The resolution authorizes the refunding of existing fixed rate bonds provided that the net present value savings are at least 3.0% or the refunding achieves other important business purposes in the opinion of the Chief Financial Officer, Executive Director and the Authority's Financial Advisor, PFM. Currently BATA has no immediate bonds targeted for refunding, but our finance team constantly evaluates the market for savings that exceed the minimum threshold of 3%. Refunding opportunities are an important part of keeping debt costs low. In fact, since FY 2014 refunding transactions have generated a combined present value savings exceeding $711 million.

New Money Bonds

$700 Million Bridge Project Reimbursement Funding
Staff is requesting authority to issue up to $700 million in new money bonds for the purpose of refunding project expenditures since our last new money financing in FY 2017. There are two distinct elements we recommend supporting.

Project Program Cash Reimbursement. The BATA model for project funding has been to utilize cash on-hand for "pay-as you-go" funding until cash balances are drawn down and are subsequently replenished with long-term financing. The last reimbursement financing was during FY 2017 for $300 million. Since FY 2017, BATA has spent over $1.1 billion on approved projects. As of the end of FY 2021, the remaining cash available for project funding was approximately $111 million with $590 million in approved but unfunded projects on the books.

The most significant factor contributing to the decline of the project reserve has been the pandemic. Through FY 2021 the estimated toll revenue loss was approximately $340 million.



FY 2019 – FY 2021	Estimate	Actual	Deficit
	$2,490 million	$2,150 million	$340 million

In addition, BATA made principal prepayments of $225 million in order to protect annual debt coverage requirements. The total pandemic-related impact on BATA cash reserves since March 2020 is $565 million. These pandemic-related events are the reason BATA has a current unfunded project balance of $590 million, carried into the 2021-22 Fiscal Year.

BATA has built a level of liquidity that provides for operational security as well as allowing projects to proceed on a project "readiness" basis rather than matching annual cashflow. However, the combination of traffic and revenue loss and existing project expenses have pushed available project revenue to a critical level. Our net available project revenue has declined by over $1.0 billion since FY 2018 as detailed below (in millions).

	FY 2018	FY 2019	FY 2020	FY 2021
Total Cash & Investments	**$2,678**	**$2,649**	**$2,014**	**$1,922**
Debt Svc Reserve	**(545)**	**(545)**	**(545)**	**(545)**
RM3 Res	**--**	**(60)**	**(175)**	**(266)**
Balance	**$2,133**	**$2,044**	**$1,294**	**$1,111**
Op Reserves	**(1,000)**	**(1,000)**	**(1,000)**	**(1,000)**
Net Available	**$1,133**	**$1,044**	**$294**	**$111**

As noted, BATA has a current project funding deficit of $590 million in approved projects. The balance increases to $728 million when the $138 million approved bridge rehabilitation project budget for FY 2022 is included.

10 Year Capital Program Financing. Authority adoption of the FY 2021-22 BATA budget in June 2021 (BATA Resolution No. 144) explicitly included approval of a $1.2 billion 10-year rehabilitation capital program; including a specific list of rehab capital projects totaling $138M anticipated to be funded in the fiscal year itself.

While the list of projects and their attendant priorities are subject to change—including a portfolio of analytical and management actions recommended by the BATA Ad Hoc Recovery Working group also adopted by BATA in June—staff believes our fiduciary responsibilities demand a funding strategy that positions BATA to underwrite a rehabilitation need of this overall magnitude. This is particularly pressing given our financial analysis presented at multiple points in May and June that clearly indicate that past "pay-as-you-go" practice cannot keep up with the rehabilitation project need and "readiness" delivery schedule anticipated by BATA and Caltrans in the 10-year window.

The pandemic induced traffic decline caused a significant, unplanned, draw on BATA project reserves. A reimbursement financing of approximately $700 million will correct the existing funding deficit and contribute to partial replenishment of the project reserve. Our plan is to reimburse all eligible toll project expenses since FY 2018, plus the expected bridge rehabilitation project expenses for FY 2021/22 up to the total principal of 700 million. The planned reimbursement financing will have the following benefits:

- Eliminate the current funding deficit of $590 million
- Correct the immediate cashflow shortfall

- Allow current projects to continue on a "project readiness" basis rather than face future restrictions for cashflow purposes
- Take advantage of all-time lows in market interest rates as well as market access improving our project funding capacity

Most of all, current interest rates are at or near all-time lows which, potentially allows BATA to finance these necessary projects for less cost. For example, our debt service rate for modeling and investor purposes is 5.0% while the current market rate is closer to 3.00% - 3.50%.

The proposed financing plan does not cover the complete list of projects planned over the next 10 years. The proposed financing, combined with our estimate of surplus funds will carry the project funding through approximately FY 2026 before we begin to draw on reserves again. There are distinct reasons for selecting FY 2026 as the funding target, including:

- Traffic: Toll traffic will have more time to "normalize"
- RM3: BATA is collecting the first RM3 dollar and in January 2022 will begin collecting the second of three RM3 dollars, however the funds are currently being maintained in an escrow account as a result of the current litigation. We should have more information about the likely course of the litigation in the near future.
- Planned FY 2027 maintenance toll: Our current financial model indicates we may need to supplement the bridge rehabilitation funding in approximately FY 2027.

The basic financing plan proposed will fully fund the existing schedule of projects up through FY 2027. Funding through FY 2027 will provide more time to evaluate traffic recovery as well as the status of the need for future toll increases.

There are also potential risks associated with the recommended funding plan. These risks include:

- Market Risk: Financing is dependent on market access which was severely limited following the recessions in 2008 and again in 2020.
- Interest rate changes: Interest rates are at all-time low levels, especially with municipal bonds. Any spike in rates would only add to BATA costs or reduce project capacity.
- Project delay: A delay in project delivery, to match cashflow, could impact future project costs

Since BATA has never been able to guarantee future funding, these risks are not unusual for any project financing where the issuance occurs over a period of time. In fact, these were common risks associated with all of the past Seismic, RM1 and RM2 projects.

As is the case with all project reimbursement financings, financing does not provide a permanent source of new revenue. The current financing model used by BATA assumes the annual rehabilitation program will require in excess of $200 million per annum. The current cashflow, including our assumption of full traffic recovery by FY 2025, generates an average of approximately $100 million per annum. The future funding shortfall will have to be met by some combination of future financing and revenue increases. The alternative will be to curtail the bridge rehabilitation program to match annual funding availability— a direction staff does not support now or in the foreseeable future.

Mention has been made of the recommendations of the BATA Ad Hoc Recovery Task Force. Included in the recommendations adopted by BATA in June was a portfolio of administrative actions including a move toward a more refined asset management analysis; and a series of project delivery and management reforms attached to BATA's partnership with Caltrans, including enhanced financing commitments from the State to support the region's bridges' indisputable role in the State highway network. It has been my recommendation as Executive Director that these recommendations can and should move in parallel with necessary financial management strategies proposed here. Importantly, however, we need to be clear that the necessary rehabilitation investments currently identified and reflected in the 10-year rehabilitation plan are not expected to change by an order of magnitude that would preclude these proposed financing actions, nor meaningfully downsize the future mitigating financing or enhanced revenue measures discussed above. If implemented, however, the BATA Ad Hoc recovery recommendations may measurably improve our collective management of the bridges' critical rehabilitation portfolio and maximize the revenue investments attached to it.

Toll Coverage

Our BATA financial model shows that the current level of toll revenue generated during FY 2022 combined with the projected continued growth of toll revenue is adequate to meet the additional bonds and coverage covenants required to issue the $700 million in additional bonds.

	Senior	Aggregate
• New coverage ratio	3.08x	1.54x
• Required coverage	1.50x	1.20x

As discussed above, our model indicates that BATA has the capacity to meet the annual debt service payments and to maintain a small but growing annual surplus, including the new $700 million debt.

RM3 Toll

Nothing in this recommendation will negatively impact the current or future RM3 escrow, annual RM 3 revenue, or the ability to deliver the $4.5 billion RM3 program. Currently, RM 3 is booked as revenue and then transferred to an escrow created in response to the litigation challenge to the program. This process will not change. RM3 funds will not be required for debt service coverage or to pay any portion of the debt service associated with the new $700 million rehabilitation project bonds.

Staff will return to the Authority with an amended Plan of Finance if there are clear opportunities for new projects with the final release of the funds in the RM3 escrow.

Timing

The current financial markets are quite favorable for credit support as well as issuing both tax-exempt and taxable municipal bonds. As such, our current planning is to execute the bulk of the 2022 plan by the end of the calendar year:

- Plan-of-Finance Resolution 147 October 2021
- Renew $400 million LOC agreements November 2021
- Credit Rating / investor outreach November 2021
- Refund $277 million maturities December 2021
- Issue $700 million financing December 2021
- Price and close December 2021

The market may ultimately dictate the speed of the financing, However, current conditions would favor completion prior to year-end.

Resolution 147

The following is a summary of the terms and conditions authorized in the FY2022 Plan of Finance

Preliminary Official Statement

The Preliminary Official Statement (POS) represents the form of the principal document used to communicate with investors and disclose material information necessary for an investor to make an investment decision. The document provides investors with a description of BATA and the purpose of the financing as well as a complete history of BATA and our projects, toll collection information and a detailed financial picture. The POS includes an Appendix A. The Appendix A provides recent operating and financial information on the BATA enterprise and an updated disclosure regarding the Covid-19 Pandemic.

Issuance Parameters

BATA Resolution No. 147 includes specific issuance parameters that must be followed for all financing transactions over the next two years, including the following:

New Money	None
Term Limit	
Tax Exempt	40 years
Taxable	50 years
Interest Rate Cap	
Tax Exempt:	
Senior Lien	5.00%
Subordinate Lien	5.25%
Taxable	6.25%
Underwriters' Discount/Fee	
Tax Exempt	1.0%
Taxable	2.0%
Other Costs	1.0%
Refunding Savings	3.0% PV (percent value)

Refunding parameters are the minimum savings requirement for an economic refunding. However, a refunding may be possible for other purposes with the concurrence of the Chief Financial Officer and Executive Director as well as the Authority's Financial Advisor. All financing parameters are confirmed by our financial advisor, PFM, as part of the closing process with each financing transaction.

Additional Bonds Test (ABT)
The BATA financial advisor, PFM, is responsible for certifying that BATA meets one of the two indenture coverage tests in order to issue any new money bonds. There is a historical test where "net revenue" from the most recently completed audited financial report must exceed maximum debt service, including the new debt by a minimum l.50x. The second test involves revenue projections for three consecutive years following the current fiscal year where "net revenue" in all three years must exceed maximum debt service, including the new debt, by the minimum 1.50x. The results of both tests are summarized below:

- FY 2020 Audit – historical ABT 1.79x
- FY 2021 "Unaudited" information 1.55x
- FY 2022 "Projected" information 1.84x
- FY 2023 "Projected" ABT 2.03x
- FY 2024 "Projected" ABT 2.07x
- FY 2025 "Projected" ABT 2.11x

BATA satisfies the coverage requirement test using the FY 2020 audit which is the last completed audit available. However, the FY 2021 audit will be the final basis for the historical ABT test at the time of closing. On a projection basis, FY 2021 will have the lowest traffic and revenue level for ABT test purposes with projected traffic improvement generating sufficient coverage to exceed the minimum ABT requirement in FYs 2023, 2024 and 2025. The results are presented in more detail as Attachment A and Attachment B to the Resolution 147.

Good Faith Estimate
In accordance with state law, BATA has received a Good Faith Estimate (GFE) from the Authority financial advisor, PFM. The GFE covers the potential financings over the next two years. The GFE includes the planned remarketing maturities, the planned bridge rehabilitation project funding bonds and potential refunding opportunities currently evaluated for both cash flow and economic benefits. The GFE details true interest costs, fees and charges paid to third parties, total proceeds received and the total principal and interest payments. In addition, PFM certifies that all transactions are conducted in accordance with the parameters of Resolution 147 and BATA's authorized debt policy. The GFE is attached to this memorandum.

Recommendation: Staff recommends that the Committee refer BATA Resolution No. 147 to the Authority for approval and approve the receipt of the Good Faith Estimate of Costs prepared by PFM. All funds necessary to carry out the proposed financing plan are included in the approved FY 2021-22 budget.

Attachments: Presentation
BATA Resolution No. 147
Good Faith Estimate
POS/Appendix A

Therese W. McMillan

Plan of Finance Overview

October 2021

BAY AREA TOLL AUTHORITY

Agenda

We are here for approval of Resolution No. 147. We will discuss:

1. Results since the last bond resolution
2. Overview of current BATA debt portfolio
3. Discussion of the Plan of Finance
4. Contents of Resolution No. 147

Introductory Comments

Actions Completed Under Resolution 142

Resolution 142 was passed prior to the pandemic, and authorized staff to…

- Issue refunding bonds for savings
- Refund Senior Lien bonds onto the Subordinate Lien
- Renew letters of credit – $400 million expiring June 2022

Used authorization provided by Resolution 142 to issue refunding bonds that...

- Generated $213 million of cashflow savings for the Authority
- Refunded $362 million of variable rate bonds when they came due
- Locked in a very attractive cost of funds of 2.23%
- Continued to manage debt service peaks and maintain additional bonding capacity

Introductory Comments

BATA Debt Portfolio – Current Status

BATA has developed a diverse and flexible debt profile

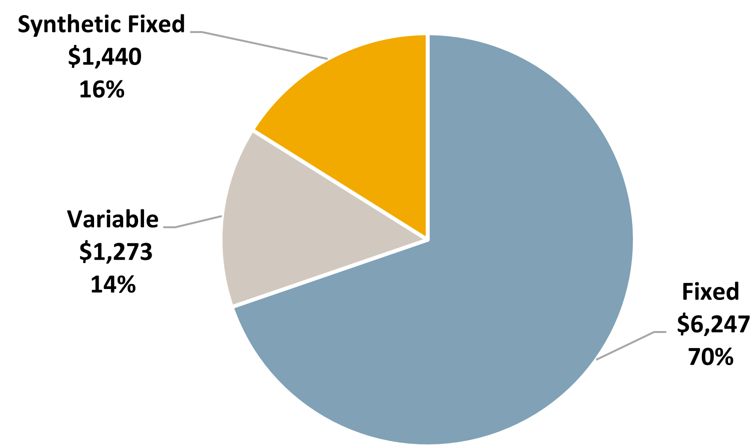
- Funded $14.1 billion of bridge projects and $1.2 billion of regional transportation projects
- Generated $711 million of refunding savings since 2014
- Highest rated toll entity in the US
- Created significant depth and breadth of investors

BATA continues to maintain strong credit ratings

Ratings	Senior	Sub.
Moody's:	Aa3	A1
S&P:	AA	AA-
Fitch:	AA	AA-

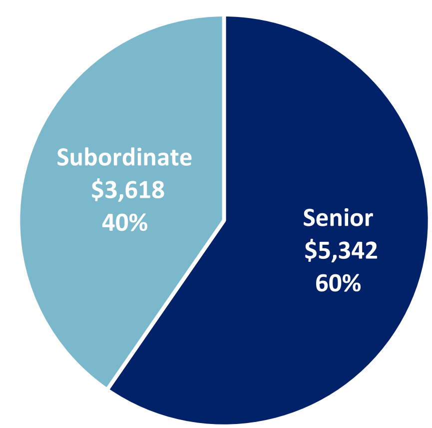
Fixed vs. Variable

Outstanding Debt by Par ($Millions)



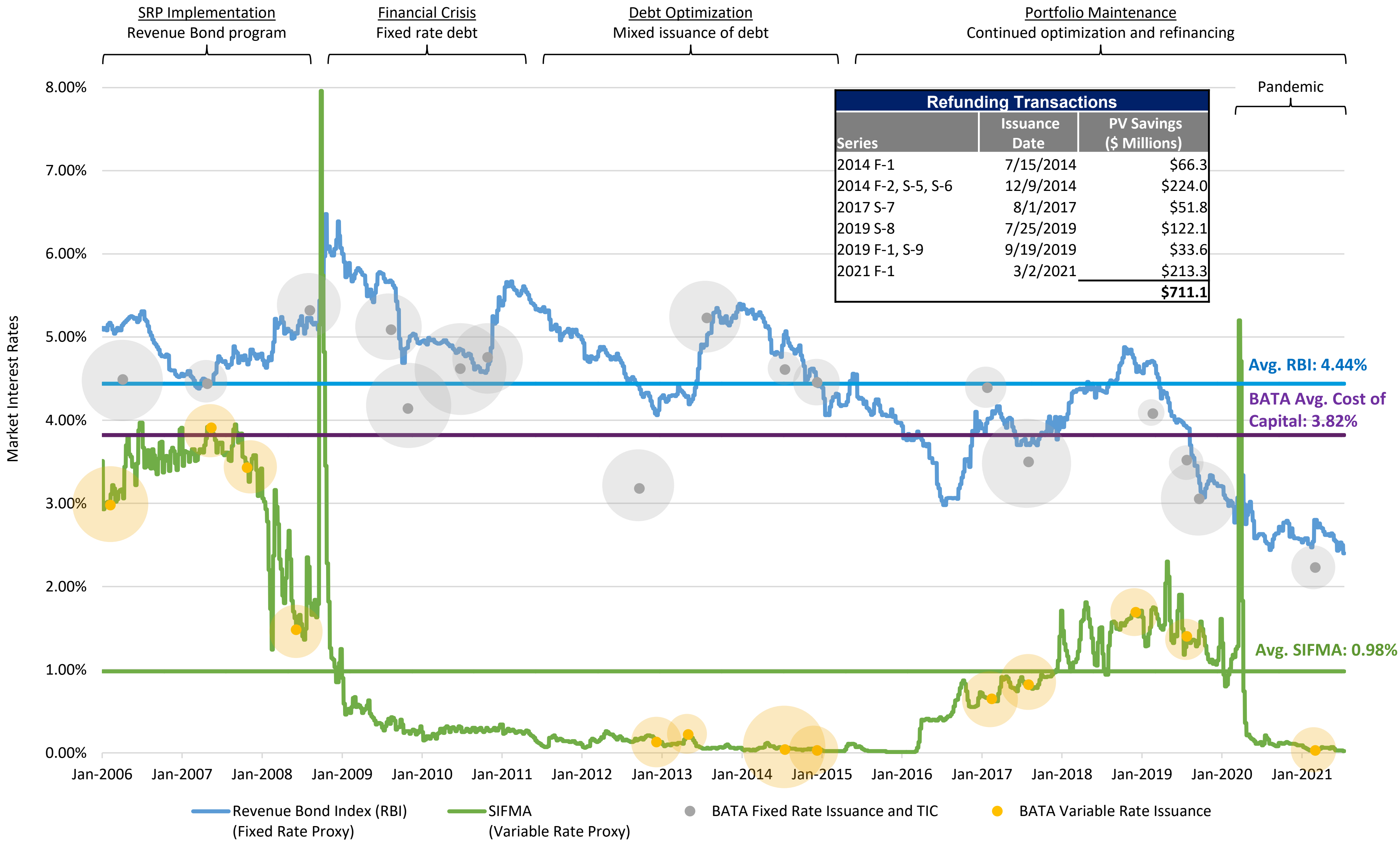
Senior vs. Subordinate

Outstanding Debt by Par ($Millions)



Introductory Comments

Long History of Capturing Market Opportunities



Refunding Transactions

Series	Issuance Date	PV Savings ($ Millions)
2014 F-1	7/15/2014	$66.3
2014 F-2, S-5, S-6	12/9/2014	$224.0
2017 S-7	8/1/2017	$51.8
2019 S-8	7/25/2019	$122.1
2019 F-1, S-9	9/19/2019	$33.6
2021 F-1	3/2/2021	$213.3
		$711.1

Introductory Comments

BATA's Financial Model Projects Revenue and Spending

Essential forecasting tool used to communicate BATA's financial health

- Central to BATA's financial planning and Commission communications
- Developed and reviewed by BATA's staff, financial advisor and investment bankers
- Provides forecasts to rating agencies and bond investors
- Demonstrates BATA's commitment to maintain $1 billion liquidity

S&P Global Ratings

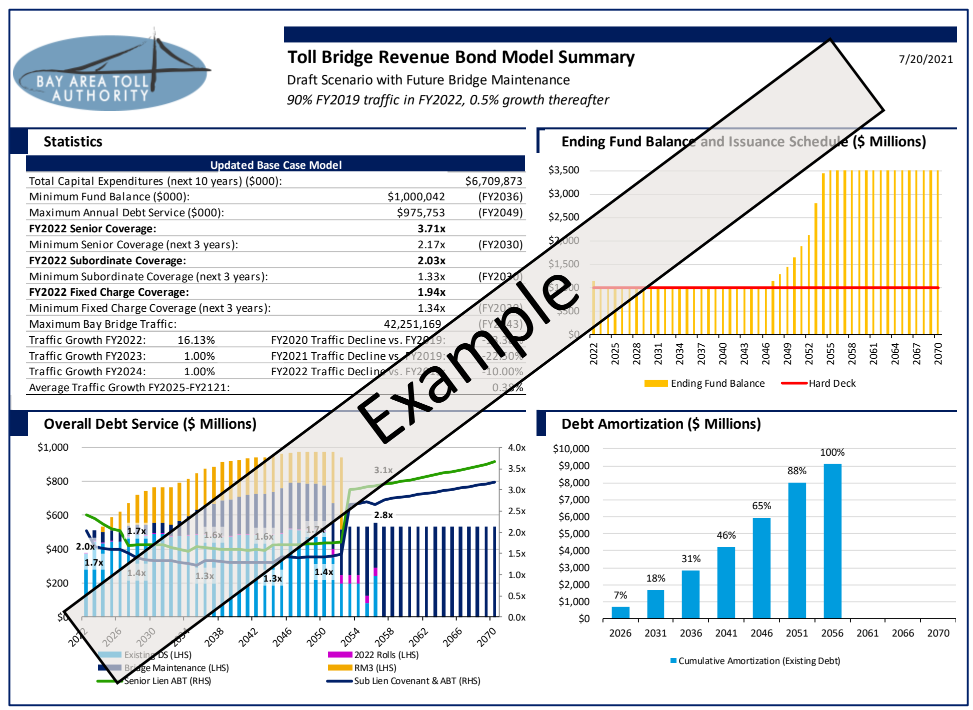
*"BATA has strong financial practices and policies, and an experienced and sophisticated management team. Management maintains a long-term strategic plan, which is updated once every five years. The plan includes modeling repair and replacement of the bridge system over a 100-year span. **A 100-year financial model is updated annually**. Management has a DSC target of 1.25x (based on rate covenant) and a formal target of a **\$1 billion restricted but uncommitted cash and investment balance**. BATA maintains fully funded cash reserves of 2x operating costs (\$150 million) and 2x bridge rehabilitation budget (\$120 million) as well as contingencies for variable-rate fluctuations and self-insurance." – S&P Report dated February 18, 2021*

Ties BATA's assets, operations and capital plans together

100-Year Model — *Matches the useful life of bridges and their improvements*

Historical Financials — *Continuously updated and reconciled against actual BATA results and future budgets*

CapEx Projections — *Utilizes 10-year capital plan together with KPMG's rehab reports*

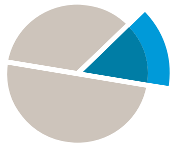


Plan of Finance
Overview

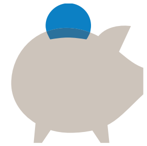
BATA has a number of important financing initiatives

1. Portfolio Maintenance *$962 million*

- Term rate and floating rate bond remarketings
  - $277 million callable October 2021 with a mandatory tender date by April 2022
  - $285 million callable November 2022 with a mandatory tender date by May 2023
- Letter of credit renewals – $400 million expiring June 2022



Remarketings



LOC Bank Renewals

2. Bridge Project Reimbursement Funding *$700 million*

- Replenish BATA's project coffers and eliminate current funding deficit
- Allow current projects to continue on a "project readiness" basis
- Combined with projected annual surplus revenue, provide funding for Bridge Rehabilitation Plan through FY 2027

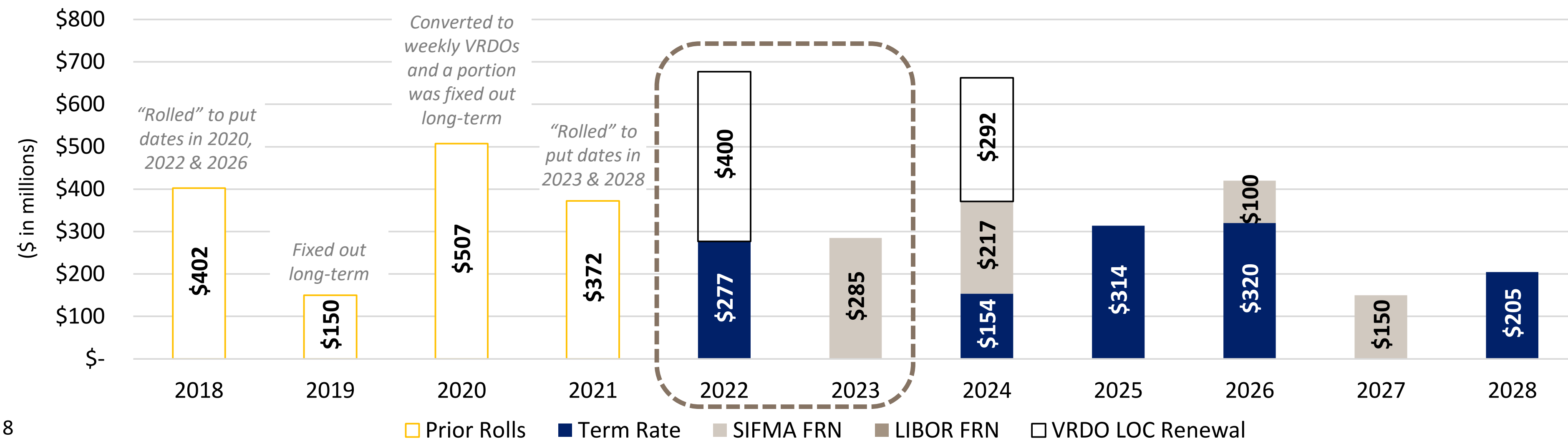
Secure Project Funding

Portfolio Maintenance

Addressing Term Rate Bond Rollovers & Expiring LOCs

- BATA remarkets approximately $300 million of bonds annually
  - BATA has $277 million of term rate bonds that must be remarketed in FY2022
  - BATA has $285 million of floating rate bonds that must be remarketed in FY2023
- BATA has a sizable portfolio of variable rate demand bonds backed by bank Letters of Credit ("LOCs")
  - BATA has $400 million of LOCs expiring in June 2022
  - Remaining $292 million of LOCs expire in 2024
  - Currently exploring extension with existing banks
  - BATA's LOC documents are in excellent shape with terms favorable to BATA, so only significant negotiating points should be price and term of LOC
- Portfolio diversity provides flexibility and ability to call debt early, restructure debt if needed, target different investors and secure low cost funding

Annual Portfolio Maintenance



Existing Toll Funding Capacity - $5.00 Base Toll

Annual Operating Surplus Insufficient to Fund $1.2 billion Bridge Rehab Plan

Existing toll structure was designed to fund RM1, RM2, SRP and other capital programs – not the ongoing maintenance & rehabilitation of the bridges

Goal is to establish sustainable funding for Rehab program, alternatives evaluated include:

1. Funding on a paygo basis
   - Insufficient to fully fund existing approved capital program and approved 10-year Rehab Expenditure Plan
   - Results in $611 million cashflow deficit, requiring postponing or underfunding projects
2. Issuing bonds combined with projected annual surplus fully funds
   - All current project balances
   - Bridge Rehab Expenditure plan through FY 2027

Financing is not permanent funding solution
Generates positive cashflow through FY 2027, but negative cashflow thereafter

Bridge Project Reimbursement Funding

COVID Related Traffic Decline Has A Major Impact On BATA Cash Reserves

- The COVID 19 pandemic had an impact of over $565 million on BATA cash reserves
- Since start of COVID 19 pandemic BATA has lost approximately $340 million in toll revenue – this number will grow until traffic fully recovers
- Additional debt retired - $225 million
- The pandemic is largely responsible for the current unfunded project status

Drawdown of Cash Reserves Since FY2018*	
Seismic	$ (189)
RM2	(199)
Bridge Rehabilitation	(370)
AB 1171	(18)
Electronic Lanes Network	(225)
Core Capacity	(120)
Total Project Funding	**$(1,121)**
Debt Retirement	(225)
Total Expense	**$(1,346)**
Surplus Revenue (FY2018 & 2019)	572
Revenue Loss (FY2020 & 2021)	(340)
Impact on Project Reserves	**$(1,114)**

* Dollars in millions

Bridge Project Reimbursement Funding

BATA Has a Long History of Financing Projects On a Reimbursement Basis

- Since BATA's last reimbursement financing in FY2017, BATA has funded over $1.1 billion in project costs on a pay-go basis
- Combination of project expenses and COVID-19 related traffic/revenue loss has pushed available project revenue to a critical level
- Available project funding has gone from $1.1 billion to $111 million in four years
- Planned $700 million financing will reimburse prior project expenses

Available Project Revenue*				
	FY2018	FY2019	FY2020	FY2021
Total Cash & Investments*	$2,678	$2,649	$2,014	$1,922
Debt Service Reserve	(545)	(545)	(545)	(545)
RM3 Reserve	-	(60)	(175)	(266)
Balance	$2,133	$2,044	$1,294	$1,111
Operating Reserve	(1,000)	(1,000)	(1,000)	(1,000)
Net Available for Projects	**$1,133**	**$1,044**	**$294**	**$111**

**Dollars in millions –FY 2021 unaudited*

Since FY2019 net available project revenue has declined by more than $1 billion

Bridge Project Reimbursement Funding

BATA has an Existing Unfunded Project Balance of $590 million

10-Year Project Plan*	
Existing Projects	**Unfunded Balance**
Bridge Rehab	$308
RM2	69
AB 1171	78
Core Capacity	135
Total Existing Projects	***$590***
FY2022 Rehab Budget	138
FY2022 Funding Need	***$728***
Balance of 10-Year Plan	***$1,093***

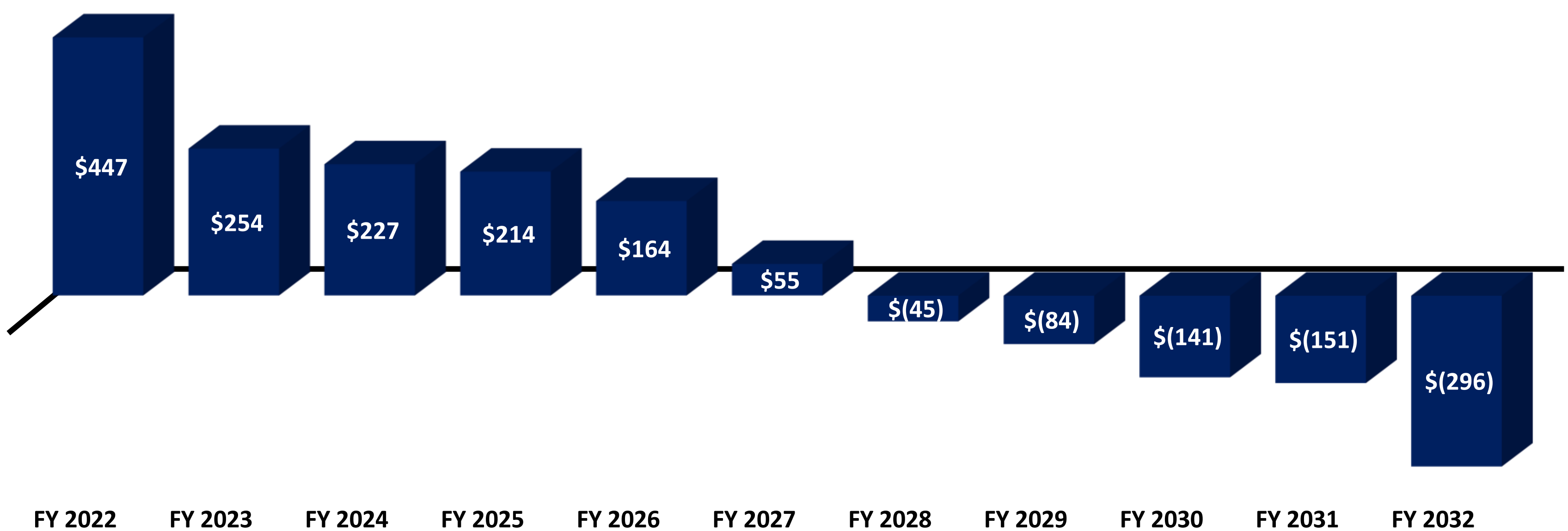
* Dollars in millions

Reimbursement Financing

$700 Million Financing Stabilizes Funding of BATA's Capital Projects in the Short-Term But is Not a Permanent Solution

- Financing $700 million in project reimbursement stabilizes project funding for the next 6 years
  - Addresses the current mismatch of project timing and cashflow
- Bond financing is not a permanent solution
  - BATA projects are funded through FY 2027
  - BATA will start to draw on reserves in FY 2028
  - BATA will need to address the future shortfall with a combination of additional financing and new revenue sources

Cumulative Surplus less CapEx & Rehab ($ Millions)



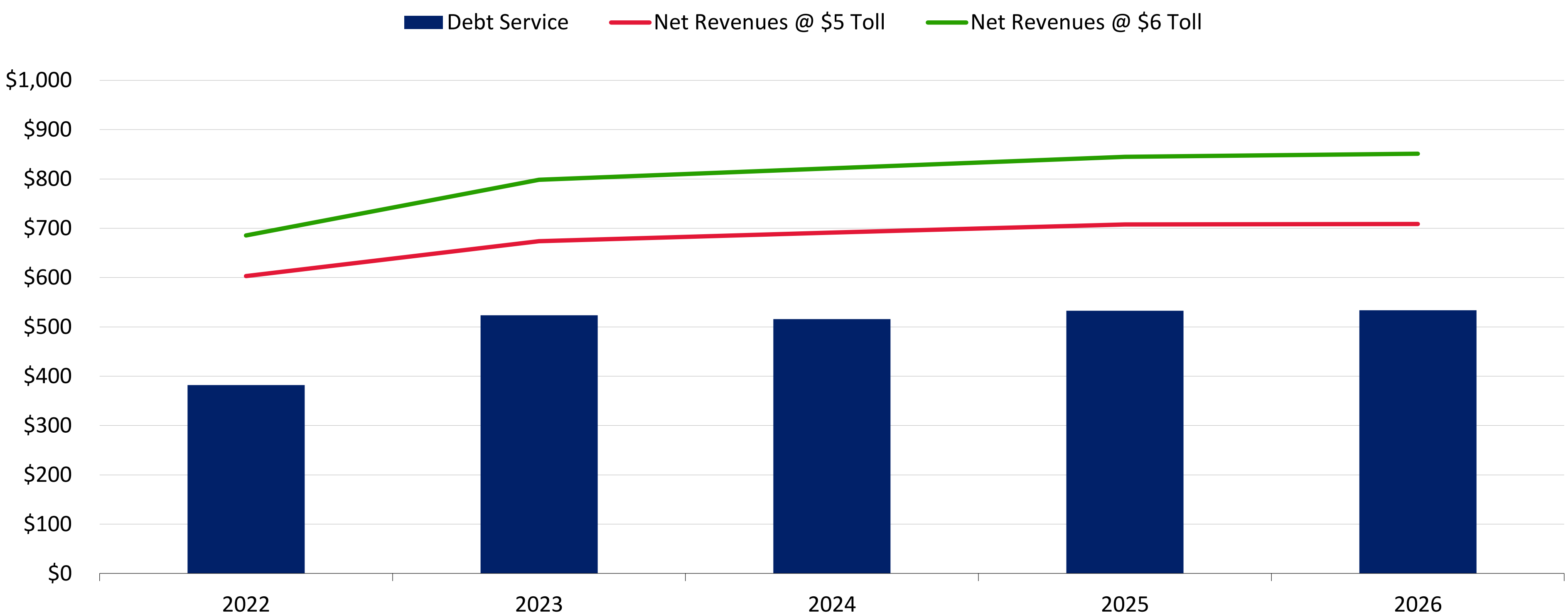
Reimbursement Financing

There are Risks and Benefits related to the $700 Million Financing Plan

- Benefits
  - Immediately funds the current project deficit
  - Takes advantage of current low market rates
  - Financing proceeds and surplus revenue fund planned projects through FY 2027
    - Traffic will have more time to “normalize”
    - RM3 status will be known
    - Potential maintenance toll planned for FY 2027, if necessary
- Risks
  - No guarantee of future market access
  - Market interest rates could increase
  - $700 million bond financing is not a permanent solution
    - BATA will start to draw on reserves in FY 2028
    - Projected negative cashflow for FY 2028 – FY 2031 $421 million
  - BATA will need to address the future shortfall with a combination of additional financing and additional revenue sources

Bridge Project Reimbursement Funding

BATA has Sufficient Net Revenues to Support Financing Without RM3 Dollars



RM3 toll revenues are untouched by new debt service and the projects are funded through FY 2027

Summary of Plan of Finance

$277 million (Portfolio Maintenance)	Remarket $277 million of variable rate bonds with mandatory tender in April 2022
$400 million (Portfolio Maintenance)	Negotiate extensions (or find new) letters of credit for weekly bonds with LOCs expiring in 2022

$700 million (Bridge Project Financing)	■ Reimburse BATA for cash spent on toll projects from FY 2018 through FY 2021
	■ Reimbursement proceeds and surplus cashflow replenishes project reserve account for future pay-go funding
	    ■ Eliminate current funding deficit
	    ■ Fully funds planned project plan through FY 2027
	■ Cushions Bridge Repair and Replacement plan from unexpected traffic shocks

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$285 million (Portfolio Maintenance)	Remarket $285 million of variable rate bonds with mandatory tender in May 2023

Resolution 147
Financing Parameters

Resolution 147 authorizes staff to administer BATA's debt portfolio and issue up to $700 million of new money bonds within certain parameters

- Final debt maturity
  - Tax-exempt: 40 years
  - Taxable: 50 years
  - New money principal: up to $700 million
- Maximum interest rate (True Interest Cost)
  - Tax-exempt senior lien: 5.00%
  - Tax-exempt subordinate lien: 5.25%
  - Taxable: 6.25%
- Financing Fees
  - Underwriters' discount: Tax-exempt: 1.00% / Taxable: 2.00%
  - Other costs of issuance: 1.00%
- Fixed Rate Refundings
  - NPV savings threshold: 3.00%, or the refunding achieves other important business purposes

Resolution 147
Assumptions for BATA's Financial Projections

BATA staff produces financial projections annually, assumptions below are included in current projections:

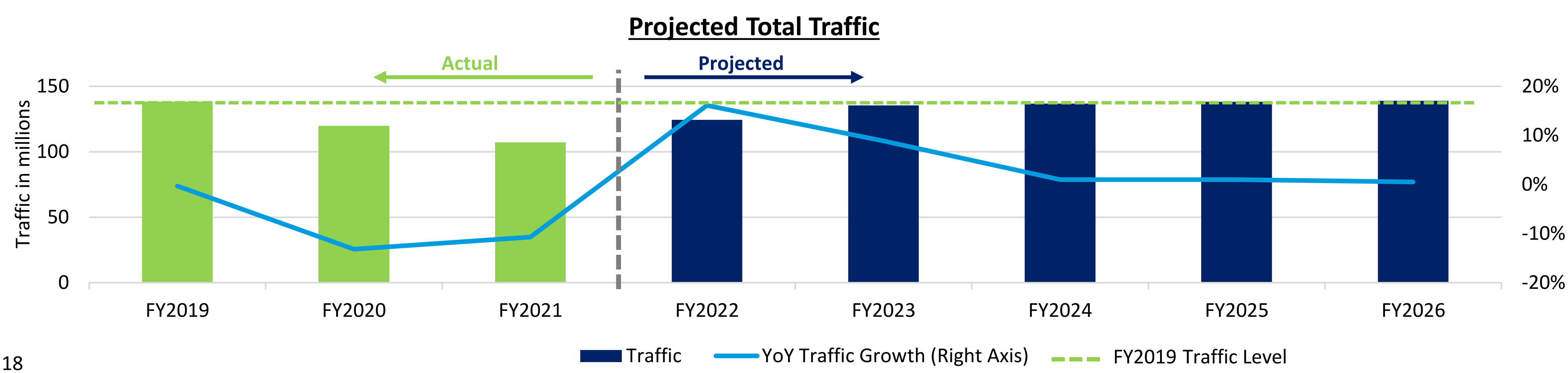
- Traffic Assumptions:

	YoY Change	% of FY2019
FY2022	16.1%	90.0%
FY2023	8.9%	98.0%
FY2024	1.0%	99.0%
FY2025	1.0%	100.0%
FY2026	0.5%	100.5%

- Other Assumptions:
  - Violation revenue down 40% to $15 million
  - Bridges fully AET – no cash collections
  - No use of RM3 funds

- New money project bonds:
  - $700 million
  - Term 40/50 years for tax-exempt/taxable
  - Approximately $41 million annual debt service

- FY2022 Coverage
  - Senior Lien: 3.08x
  - Total: 1.54x



Resolution 147
BATA's Additional Bonds Test

ADDITIONAL SENIOR BONDS CERTIFICATE PURSUANT TO SECTION 3.01(B)(1) OF THE MASTER INDENTURE*

Additional Bonds Test calculation for proposed $700 million of Additional Senior Bonds

		Audited ABT	Unaudited[6]
Fiscal Year Ending		**6/30/2020**	**6/30/2021**
A	Bridge Toll Revenues [1]	$633,932	$542,659
B	Interest Earnings [1]	$38,281	8,300
C	Other Operating Revenues [1]	$29,841	30,000
D	Less: Operating & Maintenance Expenses [1][2][3]	31,835	1,980
E	**NET REVENUE (A + B + C) - D**	**$670,219**	**$578,979**
F	**Maximum Annual Debt Service after December 2021 [4] [5]**	**$373,381**	**$373,381**
G	**Maximum Annual Debt Service Coverage (E / F)**	**1.79**	**1.55**

[*]This table has been prepared in accordance with the requirements of the Master Indenture, dated as of May 1, 2001, as amended and supplemented (the "Senior Indenture").

[1] FY20 Audit and BATA Financial Model Projections for FY21, excluding SB 595/RM3 Toll Revenues

[2] Includes payments to CalTrans for operations and maintenance expenses of the toll facilities, defined as Category B Expenses. Also includes salaries and benefits, professional fees, and miscellaneous expenses

[3] Reduction of associated costs due to suspension by Caltrans of toll collectors and subsequent conversion to all-electronic toll collection

[4] Interest Rates as of September 16, 2021 calculated according to the Master Indenture; Interest rates adjusted upward by 50 basis points for new money transaction

[5] Maximum Annual Debt Service occurs in Fiscal Year ending June 30, 2048

[6] Unaudited Figures are presented solely for information of the Authority and are not incorporated in the additional bonds test calculation. FY2021 financial results remain subject to review and update and year-end adjustments.

Resolution 147

BATA's Additional Bonds Test

ADDITIONAL SENIOR BONDS CERTIFICATE PURSUANT TO SECTION 3.01(B)(1) OF THE MASTER INDENTURE*

Additional Bonds Test calculation for proposed $700 million of Additional Senior Bonds

		Projected	Projected ABT		
Fiscal Year Ending		**6/30/2022**	**6/30/2023**	**6/30/2024**	**6/30/2025**
A	Bridge Toll Revenues [1]	$656,955	$714,994	$722,143	$729,365
B	Interest Earnings [1]	15,761	28,596	38,080	47,026
C	Other Operating Revenues [1]	15,000	15,000	15,000	15,000
D	Less: Operating & Maintenance Expenses [1][2][3]	2,000	2,060	2,122	2,185
E	**NET REVENUE (A + B + C) - D**	**$685,716**	**$756,530**	**$778,911**	**$789,206**
F	**Maximum Annual Debt Service after December 2021 [4] [5]**	**$373,381**	**$373,381**	**$373,381**	**$373,381**
G	**Maximum Annual Debt Service Coverage (E / F)**	**1.84**	**2.03**	**2.07**	**2.11**

[*]This table has been prepared in accordance with the requirements of the Master Indenture, dated as of May 1, 2001, as amended and supplemented (the "Senior Indenture").

[1] BATA Financial Model Projections, excluding SB 595/RM3 Toll Revenues

[2] Includes payments to CalTrans for operations and maintenance expenses of the toll facilities, defined as Category B Expenses. Also includes salaries and benefits, professional fees, and miscellaneous expenses

[3] Reduction of associated costs due to suspension by Caltrans of toll collectors and subsequent conversion to all-electronic toll collection

[4] Interest Rates as of September 16, 2021 calculated according to the Master Indenture; Interest rates adjusted upward by 50 basis points for new money transaction

[5] Maximum Annual Debt Service occurs in Fiscal Year ending June 30, 2048

Resolution 147

BATA's Financial Projections

BAY AREA TOLL AUTHORITY

Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage[1][2]

	Fiscal Year Ending June 30	**2022**	**2023**	**2024**	**2025**	**2026**
	Senior Obligation Debt Service					
A	Bridge Toll Revenues[3]	656,955	714,994	722,143	729,365	733,012
B	Interest Earnings	15,761	28,596	38,080	47,026	46,239
C	Other Earnings[4]	31,200	32,638	32,814	32,992	33,082
D	Total Revenue	703,915	776,228	793,037	809,383	812,333
E	Existing Senior Bonds and Parity Obligations[5]	219,094	251,835	253,860	267,331	266,467
F	Additional Senior Bonds	9,625	35,000	35,000	35,000	35,000
G	Total Senior Bonds and Parity Obligations	228,719	286,835	288,860	302,331	301,467
H	Senior Debt Service Coverage (D/G)	3.08	2.71	2.75	2.68	2.69
	Projected Subordinate Bond Debt Service					
I	Total Revenue	703,915	776,228	793,037	809,383	812,333
J	Debt Service on Senior Bonds and Parity Obligations	228,719	286,835	288,860	302,331	301,467
K	Existing Subordinate Bond Debt Service[6]	158,613	211,273	192,865	191,527	189,960
L	Additional Subordinate Bond Debt Service	-	-	-	-	-
M	Aggregate Debt Service	387,332	498,108	481,725	493,858	491,427
N	Gross Aggregate Debt Service Coverage (I/M)	1.82	1.56	1.65	1.64	1.65
O	Revenue after Subordinate Debt Service	703,915	776,228	793,037	809,383	812,333
P	Less: Maintenance and Operations Expenses[7]	(108,156)	(114,775)	(116,968)	(119,214)	(121,196)
Q	Remaining Revenue for Subordinate Debt Service	595,760	661,453	676,070	690,169	691,137
	Net Aggregate Debt Service Coverage (Q/M)	1.54	1.33	1.40	1.40	1.41

(1) The projections in this table were prepared as of September 22, 2021 using data available at that time. FYE 2021 audited financial data was not available at the time of preparation of these projections, and, therefore, certain unaudited data was used to formulate some of the projections and may change when audited data becomes available. This table does not calculate coverage ratio covenants or additional bonds tests. Debt payments are shown on a cash payment basis and will differ slightly from the GAAP based accrual costs recorded by the Authority. Projected annual debt service requirements for all of the Authority's outstanding Senior Bonds (including the [____] Series Bonds) and Subordinate Bonds are set forth in APPENDIX F – "PROJECTED DEBT SERVICE SCHEDULE."

(2) The projections in this table exclude any Bridge Toll Revenues resulting from the SB 595 Toll Increases. See LITIGATION – Challenges to SB 595 and RM3."

(3) The projected Bridge Toll Revenues assume FYE 2022 paid traffic is down 10% when compared to FYE 2019 paid traffic, and FYE 2023 paid traffic is down 2% when compared to FYE 2019 paid traffic as a result of the ongoing effects of the COVID-19 pandemic. Paid traffic is then assumed to grow at a rate of 1.00% for each of FYE's 2024 and 2025 and at a rate of 0.50% thereafter. See "THE BRIDGE SYSTEM – Motor Vehicle Traffic" herein. In accounting for peak traffic tolling, instead of actual revenues, it is assumed that the average 2-axle toll rate on the San Francisco-Oakland Bay Bridge is $5.00.

(4) Other Revenues include revenues from toll violations and reimbursements for costs related to CSC operations and FasTrak from other agencies. Violation revenues are assumed to stay constant over the life of these projections while reimbursements are expected to increase at the same growth rate as Bridge Toll Revenues. See "THE BRIDGE SYSTEM – Bridge Toll Collection – *Toll Violations*," "THE BRIDGE SYSTEM – Bridge Toll Collections – *FasTrak Regional Customer Service Center*" and "THE BRIDGE SYSTEM – Motor Vehicle Traffic" herein.

(5) Reflects actual interest rates for outstanding fixed rate Senior Bonds. Assumes an interest rate per annum for hedged variable rate and term rate Senior Bonds equal to the fixed rate payable under related interest rate swap arrangements plus any fixed spread on relevant bonds while in an Index Mode. Assumes interest rates on unhedged variable rate bonds based on the Authority's forecasts, which range from 0.66% to 2.00% plus any fixed spread, if applicable. Interest on unhedged term rate bonds is calculated at the term rate through the term period and then at the unhedged variable rate assumptions from the mandatory tender date through maturity. Except for FYE 2022 and FYE 2023, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% in federal fiscal year 2022 and federal fiscal year 2023, this decrease is reflected in debt service shown above. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement.

(6) Assumes the issuance of $[___] million of additional Senior Bonds (including [_____] Series Bonds), as described under "SUMMARY OF FINANCING PLAN" in the forepart of this Official Statement.

(7) Reflects the actual interest rates for outstanding fixed rate Subordinate Bonds. Except for FYE 2022 and FYE 2023, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% in federal fiscal year 2022 and federal fiscal year 2023, this decrease is reflected in debt service shown above. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement.

(8) The projected maintenance and operating expenses shown reflect the net operating and maintenance expenses incurred by the Authority. See "THE BRIDGE SYSTEM – Bridge System Operations and Maintenance."

Source: The Authority.

Board Action
Seeking Approval for Resolution 147

Staff requests that the Committee refer BATA Resolution No. 147 to the Authority for approval, authorizing the Plan of Finance

- Refunding of $277 million in bonds with mandatory tender dates during FY2022
- Issuance of up to $700 million in new money project reimbursement bonds
- Extension or replacement of $400 million in Letters of Credit expiring in FY2022
- Refunding of $285 million in bonds with mandatory tender dates during FY2023
- Refunding of existing fixed rate bonds provided at least 3% of net present value savings are generated, or the refunding achieves other important business purposes
- Approval of the form of financing documents
  - Preliminary Official Statement
  - Appendix A
  - Bond Documents
- Additional Documents
  - Good Faith Estimate

Next Steps
Key Dates/Tasks

October

- Obtain commission approval of plan of finance
- Finalize audit
- Finalize bond documents
- Plan of finance meeting with rating agencies

November

- Finalize plan of finance
- Receive ratings
- Mail POS (disclosure document)
- Investor outreach and marketing
- Negotiate LOC renewals

December

- Bond pricing
- Bond closing
- Finalize LOC renewals

Date:	October 27, 2021
W.I.:	1254
Referred by:	BATA Oversight

ABSTRACT

BATA Resolution No. 147

This resolution authorizes the issuance of up to seven hundred million dollars ($700,000,000) in additional bonds, in one or more series, to finance Authority projects and purposes, the issuance of refunding bonds, the development, update and publication from time-to-time of an official statement relating to the Authority and its bonds, the taking of various actions in connection with the Authority's outstanding bonds, swaps and reimbursement agreements, the execution and delivery of related bond, swap, credit, liquidity and disclosure documents, and all necessary actions in connection therewith.

Discussion of this action is contained in the Executive Director's accompanying Memorandum, dated October 13, 2021.

Date: October 27, 2021
W.I.: 1254
Referred by: BATA Oversight

BAY AREA TOLL AUTHORITY
RESOLUTION NO. 147

WHEREAS, pursuant to a Master Indenture, dated as of May 1, 2001, as amended and supplemented (the “Master Indenture”), the Bay Area Toll Authority (the “Authority”) has outstanding $5,342,545,000 principal amount of toll bridge revenue bonds (together with any bonds subsequently issued pursuant to the Master Indenture as authorized under this Resolution, the “Senior Bonds”) and, pursuant to its Subordinate Indenture, dated as of June 1, 2010, as amended and supplemented (the “Subordinate Indenture”), the Authority has outstanding $3,617,715,000 principal amount of subordinate toll bridge revenue bonds (together with any bonds subsequently issued pursuant to the Subordinate Indenture as authorized under this Resolution, the “Subordinate Bonds”); and

WHEREAS, the Authority has determined to authorize the issuance of up to an additional seven hundred million dollars ($700,000,000) principal amount of toll bridge revenue bonds, as additional Senior Bonds, additional Subordinate Bonds or any combination thereof (collectively, the “Additional Bonds”), bearing either taxable or tax-exempt, fixed or variable interest rates, or any combination thereof; and

WHEREAS, the Authority desires now to authorize the issuance, sale, execution and delivery of such Additional Bonds in one or more series from time-to-time on a current delivery or on a forward delivery or delayed delivery basis as set forth herein to (i) provide funding for the Authority’s authorized projects and purposes, including as authorized pursuant to Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code and the provisions of the Revenue Bond Law of 1941 applicable to the Authority, and (ii) refund any outstanding Subordinate Bonds as Senior Bonds; and

WHEREAS, the Authority has entered into a Reimbursement Agreement dated as of October 16, 2014, as amended by the First Amendment to Reimbursement Agreement, dated June 15, 2017 and as further amended by the Second Amendment to the Reimbursement Agreement, dated August 1, 2019 (collectively, the "Reimbursement Agreement") under which certain banks provide credit and/or liquidity support for a portion of the Authority's variable rate demand Senior Bonds, and it may be in the best interests of the Authority to amend, restructure, replace or terminate the Reimbursement Agreement; and

WHEREAS, it may be in the best interests of the Authority from time to time to issue (i) refunding Senior Bonds (the "Senior Refunding Bonds") from time to time to refund outstanding Senior Bonds and related obligations, or (ii) refunding Subordinate Bonds (the "Subordinate Refunding Bonds" and together with the Senior Refunding Bonds, the "Refunding Bonds") to refund from time to time outstanding Senior Bonds or Subordinate Bonds and related obligations, in each case pursuant to Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable; and

WHEREAS, the Authority desires now to authorize the issuance, sale, execution and delivery, on a current delivery or forward delivery or delayed delivery basis, of Refunding Bonds in one or more series from time to time as set forth herein; and

WHEREAS, it may be in the best interests of the Authority to convert outstanding Senior Bonds that are variable rate demand bonds to another interest rate mode or modes; and

WHEREAS, the Authority has outstanding interest rate swaps in the aggregate notional amount of $1,440,000,000 (the "Outstanding Notional Amount"), and it may be in the best interests of the Authority to amend, novate, restructure, replace or terminate any or all of the related interest rate swap agreements, in whole or in part, including for purposes of transitioning to alternative reference rates and making related adjustments and conforming changes in connection with the anticipated phase out of the London Interbank Offered Rate ("LIBOR"); and

WHEREAS, it may be in the best interests of the Authority to enter into additional reimbursement agreements, credit or liquidity support agreements or interest, and asset or other swap agreements; and

WHEREAS, the Authority expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with Regional Measure 2 Projects, Seismic Retrofit Program Capital Projects, and the Bridge Rehabilitation Program, (collectively, the “Projects”) prior to the issuance from time to time of bonds and other obligations for the purpose of financing such expenditures associated with the Projects on a long-term basis; and

WHEREAS, the Authority reasonably expects that bonds or other obligations will be issued after the date of this resolution in an aggregate principal amount not expected to exceed seven hundred million dollars ($700,000,000) for the Projects and that proceeds of such bonds and other obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations requires the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing; and

WHEREAS, to facilitate the offering and sale of Additional Bonds and Refunding Bonds (which are hereinafter referred to collectively as the “Bonds”) and the remarketing of Senior Bonds that are variable rate bonds, there has been prepared and presented to the Authority a proposed form of official statement or reoffering circular together with a proposed form of Appendix A to the official statement or reoffering circular relating to the Authority (collectively, the “Official Statement”), and, in compliance with federal securities laws, the Authority expects to update the Official Statement in connection with, and to reflect the terms and conditions of, the issuance of the Bonds, or the remarketing of Senior Bonds, including any Bonds, that are variable rate bonds being converted to a new interest rate period, mode or modes, or due to a change in credit or liquidity facility; and

WHEREAS, in compliance with California Government Code Section 5852.1, the Authority has obtained from its financial advisor good faith estimates with respect to the Bonds which are attached as part of the staff report provided in connection with this Resolution and available to the public at this meeting; now therefore be it

RESOLVED, that the Authority finds that the foregoing recitals are true and correct and that capitalized terms defined in the Master Indenture or the Subordinate Indenture that are used but not otherwise defined in this Resolution shall have the meanings assigned to such terms therein, as applicable; and be it further

RESOLVED, that the Authority hereby authorizes the issuance, sale, execution and delivery (including by bond exchange), from time-to-time, of Additional Bonds in one or more series and in one or more public offerings or private placements in accordance with the terms of the Master Indenture, the Subordinate Indenture and Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code, and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable, bearing either taxable or tax-exempt variable interest rates, fixed interest rates, or fixed interest rates, including interest rates that change over the life of such bonds according to a schedule or the tax status of the bonds, or any combination thereof, to:

(1) to fund Authority projects, including without limitation, constructing, improving or equipping any of the bridges, or any of the purposes authorized by Chapters 4, 4.3 or 4.5 of Division 17 of the California Streets and Highways Code, and to reimburse the Authority for its prior payment of such costs and to refund any outstanding Subordinate Bonds as Senior Bonds;
(2) increase the amount on deposit in the reserve fund under the Master Indenture as necessary to meet the requirements of the Master Indenture or fund any reserve fund contribution under the Subordinate Indenture;
(3) pay the costs of issuance of the Additional Bonds, provided that the underwriters' discount (excluding any original issue discount) shall not exceed 1.00% of the aggregate principal amount of tax-exempt Additional Bonds issued and 2.00% of the aggregate principal amount of taxable Additional Bonds issued and other costs of

issuance shall not exceed 1.00% of the aggregate principal amount of the Additional Bonds issued; and

(4) pay any swap-related costs, legal or financial advisor fees, credit or liquidity support costs or other costs or payments as are determined to be necessary or desirable by the Executive Director or the Chief Financial Officer in carrying out the purposes of this Resolution;

provided, however, that

(A) the aggregate principal amount of Additional Bonds issued pursuant to the foregoing authorization shall not exceed seven hundred million dollars ($700,000,000); and

(B) the Additional Bonds authorized hereby shall not be issued after January 31, 2023 without further authorization by the Authority; provided that, Additional Bonds issued on a forward delivery or delayed delivery basis are permitted to be issued and delivered after January 31, 2023 so long as the forward delivery or delayed delivery purchase contract or other sale agreement is executed prior to January 31, 2023; and be it further

<u>RESOLVED</u>, that the Authority hereby authorizes the issuance, sale, execution and delivery (including by bond exchange), from time-to-time, of Refunding Bonds to refund from time to time outstanding Senior Bonds, outstanding Subordinate Bonds and related obligations, as applicable, in one or more series and in one or more public offerings or private placements in accordance with the terms of the Master Indenture, the Subordinate Indenture, Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code, and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable, bearing either taxable or tax-exempt variable interest rates, fixed interest rates, or fixed interest rates, including interest rates that change over the life of such bonds according to a schedule or the tax status of the bonds, or any combination thereof, to pay (collectively, the "Bond Refunding Costs"):

(1) the principal or redemption price of outstanding Senior Bonds, Subordinate Bonds and related obligations to be refunded, as applicable;

(2) all expenses incident to the calling, retiring or paying of such Senior Bonds, Subordinate Bonds and related obligations, as applicable, and the Costs of Issuance of such Refunding Bonds (including, without limitation, surety, insurance, liquidity and credit enhancements costs, such as reserve fund deposits, and swap-related payments), provided that the underwriters' discount (excluding any original issue discount) or underwriting fee shall not exceed 1.00% of the aggregate principal amount of tax-exempt Refunding Bonds issued and 2.00% of the aggregate principal amount of taxable Refunding Bonds issued, and other Costs of Issuance (excluding surety, insurance, liquidity and credit enhancements costs, such as reserve fund deposits, and any costs relating to swaps) shall not exceed 1.00% of the aggregate principal amount of Refunding Bonds issued; and

(3) interest on all outstanding Senior Bonds, Subordinate Bonds and related obligations, as applicable, to be refunded to the date such Senior Bonds, Subordinate Bonds and related obligations will be called for redemption or paid at maturity; and

(4) interest on the Refunding Bonds from the date thereof to the date of payment or redemption of the Senior Bonds, Subordinate Bonds and related obligations, as applicable, to be refunded;

provided, however, that:

(A) the net present value economic benefit threshold of 3% set forth in MTC Resolution No. 4265 (as it may be amended, supplemented or replaced from time to time, the "Debt Policy") shall apply to such refundings unless the Chief Financial Officer and the Executive Director (or, should the Executive Director not be available, a Deputy Executive Director designated by the Executive Director) determine (with the advice of the Authority's financial advisor) that it is in the best interests of the Authority to proceed with one or more refundings with a lower threshold to achieve other Authority objectives, including, without limitation, improving the Authority's debt service profile in light of the Authority's overall portfolio of debt and invested assets, reducing exposure to liquidity costs or other variable rate risks, or making changes in covenants, redemption or conversion provisions applicable to such bonds or related credit or liquidity support agreements or swaps, such as the refunding of outstanding Senior Bonds or Subordinate Bonds becoming subject to mandatory or optional redemption or tender in connection with the expiration of any interest rate period; and

(B) the maximum principal amount of Refunding Bonds authorized in this Resolution shall not exceed the amount necessary to pay the Bond Refunding Costs; and

(C) the Refunding Bonds authorized hereby shall not be issued after January 31, 2023 without further authorization by the Authority; provided that, Refunding Bonds issued on a forward delivery or delayed delivery basis are permitted to be issued and delivered after January 31, 2023 so long as the forward delivery or delayed delivery purchase contract or other sale agreement is executed prior to January 31, 2023; and be it further

RESOLVED, that subject to the foregoing, the series designations, dates, maturity date or dates (not to exceed 40 years from their date of issuance in the case of tax-exempt Bonds and 50 years from their date of issuance in the case of taxable Bonds), interest rate or rates, denominations, terms of redemption, and other terms of each series of Bonds shall be as provided in one or more supplemental indentures to the Master Indenture or the Subordinate Indenture providing for the issuance of such series of Bonds as executed and delivered by the Executive Director or the Chief Financial Officer, provided that the true interest cost for fixed interest rate Bonds may not exceed 5.00% per annum for additional tax-exempt Senior Bonds, 5.25% per annum for additional tax-exempt Subordinate Bonds, and 6.25% per annum for additional taxable bonds, and the interest rate for variable interest rate Bonds may not exceed 12% per annum except with respect to any variable interest rate Bonds that are held pursuant to a letter of credit, line of credit, standby purchase agreement, revolving credit agreement or other credit arrangement pursuant to which credit or liquidity support is provided for Bonds, pursuant to which the interest rate or rates shall not exceed 15% per annum; and be it further

RESOLVED, that the method of determining the interest rate or rates on variable interest rate Bonds, the terms of tender and purchase of Bonds, and the other terms of variable interest rate Bonds shall be as specified in a supplemental indenture to the Authority's Master Indenture or Subordinate Indenture, in substantially the form of a supplemental indenture executed by the Authority in the past pursuant to the Master Indenture or the Subordinate Indenture, in each case with such additions thereto and changes therein (including, without limitation, additions or changes necessary or desirable to accommodate private placements of such Bonds on parity with the Senior Bonds or the Subordinate Bonds or to establish terms and conditions relating to the issuance of fixed interest rate Bonds having interest rates that change over the life of the bonds according to a schedule or the tax status of the bonds, or additional put or index bond or other structures, with or without liquidity or credit support) as the Executive Director or Chief Financial Officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may approve (such approval to be conclusively evidenced by the execution and delivery of the supplemental indenture); and be it further

RESOLVED, that with respect to the issuance of Additional Bonds the Authority hereby determines: (i) pursuant to Section 3.01(B)(1) of the Master Indenture, based on the calculations in Attachment A to this Resolution, that the ratio of (A) Net Revenue for the most recent Fiscal Year for which audited financial statements are available to (B) Maximum Annual Debt Service on the Senior Bonds (and Parity Obligations), including such Additional Bonds that are authorized to be issued pursuant to this Resolution as Senior Bonds (or Parity Obligations) in the aggregate principal amount of seven hundred million dollars ($700,000,000), will not be less than 1.50:1, and (ii) pursuant to Section 3.01(B)(2) of the Master Indenture, based on the calculations in Attachment B to this Resolution, that the ratio of (A) projected Net Revenue for each of the next three Fiscal Years, commencing with the Fiscal Year ending June 30, 2023, to (B) Maximum Annual Debt Service on the Senior Bonds (and Parity Obligations), including such Additional Bonds that are authorized to be issued pursuant to this Resolution as Senior Bonds (or Parity Obligations), in the aggregate principal amount of seven hundred million dollars ($700,000,000) will not be less than 1.50:1, and the Authority hereby directs an Authorized Representative (as defined in the Master Indenture) to update either such calculation as of the actual date of sale of each series of the Additional Bonds that are issued as Senior Bonds to reflect the actual amount of Additional Bonds being sold, and to proceed with the issuance pursuant to the Master Indenture only if the ratio of (A) Net Revenue for the most recent Fiscal Year for which audited financial statements are available or projected Net Revenue for each of the next three Fiscal Years, as applicable, to (B) Maximum Annual Debt Service on the Senior Bonds (and Parity Obligations), including the actual amount of Additional Bonds (or Parity Obligations) being sold as Senior Bonds (or Parity Obligations), is not less than 1.50:1 as of said date of sale; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director or the Chief Financial Officer to purchase from time-to-time, for and on behalf of the Authority, any of the Authority's variable interest rate bonds at a price equal to the principal amount of such bonds (plus accrued interest) on a date or dates selected by the Authority if such officer determines that it is in the best interests of the Authority to so purchase such bonds; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director or the Chief Financial Officer to purchase, from time-to-time, for and on behalf of the Authority, any of the Authority's outstanding fixed interest rate bonds, including without limitation in connection with an offer to tender or exchange bonds undertaken by the Authority, on a date or dates selected by the Authority, provided that the Chief Financial Officer determines (with the advice of the Authority's financial advisor) that it is in the best interests of the Authority to proceed with such purchase to achieve Authority objectives, including, without limitation, improving the Authority's debt service profile in light of the Authority's overall portfolio of debt and invested assets, reducing exposure to liquidity costs or other variable rate risks, or making changes in covenants, redemption or conversion provisions applicable to such bonds or related credit or liquidity support agreements or swaps, in each case if such officer determines that it is in the best interests of the Authority to so purchase such bonds; and be it further

RESOLVED, that the Authority hereby authorizes the execution of one or more additional reimbursement agreements, credit or liquidity support agreements (collectively, the "Credit Support Agreements"), in substantially the form of the Authority's existing Reimbursement Agreement, with such additions thereto or changes therein as the Executive Director or the Chief

Financial Officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may require or approve (the approval of such additions or changes to be conclusively evidenced by the execution and delivery of each Credit Support Agreement); and be it further

RESOLVED, that the Authority hereby authorizes each of the Executive Director and the Chief Financial Officer to amend, restructure, replace, or terminate the Authority's Reimbursement Agreement, including, but not limited to, replacing one or more of the banks that issue letters of credit pursuant thereto or converting one or more series of bonds to interest rates that do not require credit or liquidity support; and be it further

RESOLVED, that the Authority hereby authorizes each Authorized Representative (as defined in the Master Indenture) to cause any variable rate Senior Bonds to be remarketed or converted to a new interest rate period or another interest rate mode or mode, including new interest rate modes not currently found in the Master Indenture and to pay related costs, including with respect to credit or liquidity support or swaps, remarketing costs, or other costs, fees or payments as are determined to be necessary or desirable by the Executive Director or the Chief Financial Officer, with the advice of the Authority's financial advisor and bond counsel, in carrying out the purposes of this Resolution; and be it further

RESOLVED, that, because the Authority's cost of funds to pay interest on Senior Bonds and Subordinate Bonds will be affected by changes in interest rates, each of the Executive Director and the Chief Financial Officer is hereby authorized, for and on behalf of the Authority, to select counterparties for and prepare, enter into, and perform contracts and arrangements permitted by California Government Code Sections 5920 through 5923 in connection with or incidental to the issuance or carrying of Senior Bonds or Subordinate Bonds, including without limitation for purposes of transitioning to alternative reference rates and making related adjustments and conforming changes and, as applicable, making amendments on a multilateral basis using industry standard methods, and the Authority hereby finds and determines that such contracts and arrangements are designed to reduce the amount or duration of payment, currency, rate, spread, or similar risk or result in a lower cost of borrowing when used in combination with the issuance or remarketing of the Senior Bonds or the Subordinate Bonds or to enhance the relationship between risk and return with respect to the investment or program of investment in connection with, or incidental to, the contract or arrangement which is to be entered into, and each of the Executive Director and the Chief Financial Officer is hereby authorized:

(1) to amend, restructure or terminate, in whole or in part, including to replace or enter into one or more novations with respect to, existing swap agreements related to Senior Bonds and any Bonds;

(2) to hedge the Authority's exposure to interest rate risk on all or any portion of the Bonds issued bearing fixed interest rates or the outstanding fixed interest rate Senior Bonds or Subordinate Bonds by means of new interest rate swap agreements that obligate the Authority to make variable payments to swap counterparties, provided that (i) any new interest rate swap agreements shall not cause the aggregate notional amount of the Authority's interest rate swaps to exceed the Outstanding Notional Amount, and (ii) the resulting variable payment obligations of the Authority shall not exceed a contractual ceiling (which may be based on an index) approved by such officer;

(3) to hedge the Authority's exposure to interest rate risk on all or any portion of any Senior Bonds or Subordinate Bonds issued bearing variable interest rates by means of new interest rate swap agreements that obligate the Authority to make fixed payments to swap counterparties, provided that (i) any new interest rate swap agreements shall not cause the aggregate notional amount of the Authority's interest rate swaps to exceed the Outstanding Notional Amount, and (ii) the resulting fixed payment obligations of the Authority shall not exceed 4.00% per annum if the related Senior Bonds, including any Bonds, bear tax-exempt interest rates, 4.25% per annum if the related Bonds are Subordinate Bonds and bear tax-exempt interest rates, and 5.50% per annum if the related Senior Bonds or Subordinate Bonds bear taxable interest rates;

(4) provided, that all such contracts and arrangements referred to in (1) through (3) above shall be entered into in accordance with the Authority's Debt Policy, as amended

from time-to-time, after giving due consideration to the creditworthiness of the counterparties, and in accordance with previously-utilized forms of swap documentation as guidelines for documentation, with such changes in swap documentation as shall be approved by such officer (and the amendments described in the parenthetical phrase in (1) and (2) above is hereby determined to be in accordance with the Authority's Debt Policy);

(5) provided further, that each such contract or arrangement with respect to a Senior Bond heretofore or hereafter issued shall be a Qualified Swap Agreement if the Authority has received a Rating Confirmation from each Rating Agency with respect thereto and if such officer determines, for and on behalf of the Authority, that (a) the notional amount of the contract or arrangement does not exceed the principal amount of the related series of Senior Bonds or portion thereof as applicable (and in making such a determination, such officer is hereby directed to calculate notional amounts as net amounts by taking into account and giving effect to all contracts and arrangements referred to above and rounding amounts as necessary to establish that each such agreement is a Qualified Swap Agreement) and (b) the contract or arrangement is intended to place the Senior Bonds on the interest rate basis desired by the Authority, that payments (other than payments of fees and expenses and termination payments, which shall be paid as set forth in the Master Indenture) thereunder shall be payable from Revenue on parity with the payment of Senior Bonds, and that the contract or arrangement is designed to reduce the amount or duration of payment, rate, spread, or similar risk or result in a lower cost of borrowing when used in combination with the issuance or conversion of Senior Bonds of the Authority;

(6) provided further, that each such contract or arrangement with respect to a Subordinate Bond heretofore or hereafter issued shall be a Parity Obligation (under and as defined in the Subordinate Indenture) if such contract or arrangement is designated as a Parity Obligation in the certificate of the Authority required by Section 3.02(b) of the Subordinate Indenture; and be it further

RESOLVED, that the Authority hereby approves development and use of the Official Statement, relating to the Authority and the Senior Bonds and Subordinate Bonds that are publicly offered or remarketed, and authorizes the Executive Director and the Chief Financial Officer, and each of them, to publish, post or disseminate (and deem final for purposes of Securities and Exchange Commission Role 15c2-12) the Official Statement; and be it further

RESOLVED, that through the period ending January 31, 2023, the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Maser Indenture) to update, as required from time-to-time, the Official Statement, including without limitation Appendix A thereto, with such changes, amendments and supplements therein as are required by federal securities laws and approved by either of them, including changes to reflect the Authority's audited financial statements for Fiscal Years ending June 30, 2021 and June 30, 2022, respectively, once they have been finalized, delivered to and accepted by the Authority, as the Authority's Official Statement and to authorize the distribution of each such Official Statement by underwriters, broker dealers and placement agents, as applicable, through January 31, 2023; and be it further

RESOLVED, that the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Master Indenture) to update the Official Statement for any Bonds issued on a forward delivery or delayed delivery basis, including updates after January 31, 2023 if such an update is are required by federal securities laws or is a requirement under the applicable forward delivery or delayed delivery purchase contract or other sale agreement and such agreement is executed prior to January 31, 2023; and be it further

RESOLVED, that solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the U.S. Treasury Regulations, the Authority hereby declares its official intent to use proceeds of bonds and other obligations issued after the date of this resolution to reimburse itself for Reimbursement Expenditures; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director and the Chief Financial Officer, and each of them, to select the parties to and execute and deliver (and the

Secretary is authorized to countersign, if necessary) each of the documents that is necessary or appropriate to effect each of the transactions contemplated hereby, including, without limitation, supplemental indentures, official statements, reoffering circulars, remarketing agreements, pricing notices, offers to tender or exchange bonds, offers to purchase bonds, tender agent agreements, dealer manager agreements, purchase/repurchase agreements, exchange agreements, credit or liquidity support agreements, reimbursement agreements, swap agreements, escrow agreements, continuing disclosure agreements and purchase contracts, including purchase contracts on a standard delivery basis or on a forward or delayed delivery basis (all such documents are collectively the “Bond Documents”) in substantially the forms approved hereby or executed by the Authority in the past, as applicable, with such additions thereto or changes therein, including, without limitation, additions or changes necessary or desirable to accommodate the anticipated phase out of LIBOR by, among other things, transitioning to alternative reference rates and making related adjustments and conforming changes in connection with new or existing swaps, or to accommodate forward delivery or delayed delivery bonds or the tender or exchange of bonds or private placements of bonds, or to establish terms and conditions related to the issuance of fixed interest rate Bonds having interest rates that change over the life of the bonds according to a schedule or by tax status of such Bonds, or in such other form as the officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may require or approve, the approval of such additions or changes or the approval of such other form to be conclusively evidenced by the execution and delivery of each Bond Document; and be it further

RESOLVED, that the Chair of the Authority, the Vice Chair of the Authority, the Executive Director, the Chief Financial Officer and other appropriate officers of the Authority, be and they are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all certificates, documents (including, without limitation, fee agreements), amendments, instructions, orders, representations and requests and to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that the Authority has approved in this Resolution and to carry out, consummate and perform the duties of the Authority set forth in the Bond Documents and all other documents executed in connection with the Bonds; and be it further

RESOLVED, that this Resolution shall take effect from and after its adoption.

BAY AREA TOLL AUTHORITY

____

Alfredo Pedroza, Chair

The above resolution was entered into by the Bay Area Toll Authority at a regular meeting of the Authority held in San Francisco, California and at other remote locations, on October 27, 2021.

ATTACHMENT A

ADDITIONAL SENIOR BONDS CERTIFICATE PURSUANT TO SECTION 3.01(B)(1) OF THE MASTER INDENTURE*

Additional Bonds Test calculation for proposed $700 million of Additional Senior Bonds

		Audited ABT ($ in 000)	Unaudited[6] ($ in 000)
Fiscal Year Ending		**6/30/2020**	**6/30/2021**
A	Bridge Toll Revenues [1]	$633,932	$542,659
B	Interest Earnings [1]	38,281	8,300
C	Other Operating Revenues [1]	29,841	30,000[7]
D	Less: Operating & Maintenance Expenses [1][2][3]	31,835	1,980
E	**NET REVENUE (A + B + C)-D**	**$670,219**	**$578,979**
F	**Maximum Annual Debt Service after $700 million of additional Senior Bonds issued [4][5]**	**$373,381**	**$373,381**
G	**Maximum Annual Debt Service Coverage (E / F)**	**1.79**	**1.55**

[*]This table has been prepared in accordance with the requirements of the Master Indenture, dated as of May 1, 2001, as amended and supplemented (the "Senior Indenture").

[1] FY20 Audit and BATA Financial Model Projections for FY21, excluding SB 595/RM3 Toll Revenues

[2] Includes payments to CalTrans for operations and maintenance expenses of the toll facilities, defined as Category B Expenses. Also includes salaries and benefits, professional fees, and miscellaneous expenses

[3] Reduction of associated costs due to suspension by Caltrans of toll collectors and subsequent conversion to all-electronic toll collection

[4] Interest Rates as of October 4, 2021 calculated according to the Master Indenture; Interest rates adjusted upward by 50 basis points for new money transaction

[5] Maximum Annual Debt Service occurs in Fiscal Year ending June 30, 2048

[6] Unaudited figures presented for information of the Authority. Fiscal Year 2020-21 financial results remain subject to review and update and year-end adjustments. It is anticipated that the Metropolitan Transportation (MTC) Commission Comprehensive Annual Financial Report and associated reports for the fiscal year ending June 30, 2021 will be submitted to MTC's Audit Committee for acceptance on October 27, 2021.

[7] The Authority has and continues to evaluate the amount of toll violations charged to individual violators in connection with unpaid tolls. The Authority has in the past and may in the future take action to change the amount of violations assessed, and such action could include forgiveness of prior violations as well as forward looking changes. Any such forgiveness of prior violations, if undertaken, would be paid in the then current fiscal year or in future fiscal years

ATTACHMENT B
ADDITIONAL SENIOR BONDS CERTIFICATE PURSUANT TO SECTION 3.01(B)(2) OF THE MASTER INDENTURE*
Additional Bonds Test calculation for proposed $700 million of Additional Senior Bonds

		Projected ($ in 000)	Projected ABT ($ in 000)		
Fiscal Year Ending		**6/30/2022**	**6/30/2023**	**6/30/2024**	**6/30/2025**
A	Bridge Toll Revenues [1]	$656,955	$714,994	$722,143	$729,365
B	Interest Earnings [1]	15,761	28,596	38,080	47,026
C	Other Operating Revenues [1][2]	15,000	15,000	15,000	15,000
D	Less: Operating & Maintenance Expenses [1][3][4]	2,000	2,060	2,122	2,185
E	**NET REVENUE (A + B + C)-D**	**$685,716**	**$756,530**	**$773,101**	**$789,206**
F	**Maximum Annual Debt Service after $700 million of additional Senior Bonds issued [4][6]**	**$373,381**	**$373,381**	**$373,381**	**$373,381**
G	**Maximum Annual Debt Service Coverage (F / G)**	**1.84**	**2.03**	**2.07**	**2.11**

[*]This table has been prepared in accordance with the requirements of the Master Indenture, dated as of May 1, 2001, as amended and supplemented (the "Senior Indenture").

[1] BATA Financial Model Projections, excluding SB 595/RM3 Toll Revenues

[2] The Authority has and continues to evaluate the amount of toll violations charged to individual violators in connection with unpaid tolls. The Authority has in the past and may in the future take action to change the amount of violations assessed, and such action could include forgiveness of prior violations as well as forward looking changes. Any such changes to toll violations may result in changes to Other Operating Revenues, including the projected amounts set forth in the table above

[3] Includes payments to CalTrans for operations and maintenance expenses of the toll facilities, defined as Category B Expenses. Also includes salaries and benefits, professional fees, and miscellaneous expenses

[4] Reduction of associated costs due to suspension by Caltrans of toll collectors and subsequent conversion to all-electronic toll collection

[5] Interest Rates as of October 4, 2021 calculated according to the Master Indenture; Interest rates adjusted upward by 50 basis points for new money transaction

[6] Maximum Annual Debt Service occurs in Fiscal Year ending June 30, 2048

Memorandum

October 4, 2021

To: Brian Mayhew, Chief Financial Officer
Susan Woo, Deputy Treasurer
Bay Area Toll Authority

From: PFM Financial Advisors LLC

Re: Good Faith Estimate of Bond Offerings under Resolution 147

On October 13, 2021 the Bay Area Toll Authority ("BATA") plans to introduce revisions to Resolution 147, which will authorize BATA's 2021-2022 Plan of Finance, including the issuance of remarketing bonds and refunding bonds from time to time. BATA has two potential additional financings contemplated in 2021 and 2022 for which PFM Financial Advisors LLC ("PFMFA"), as financial advisor to BATA, has been asked to provide certain Good Faith Estimates related to these financings pursuant to California Government Code Section 5852.1. Section 5852.1 requires that the public body obtain and disclose the following information:

1. The True Interest Cost of the bonds
2. The finance charge of the bonds (all fees and charges paid to third parties)
3. The amount of proceeds received by the public body for the sale of the bonds less the finance charge of the bonds and any reserves and capitalized interest funded with bond proceeds
4. The total payment amount to the final maturity of the bonds, including debt service and any fees and charges not paid with bond proceeds

The two transactions are a tax-exempt new money transaction to fund replacement of monies spent on eligible projects (Transaction One) and a tax-exempt refunding/remarketing of floating rate bonds in late 2022 (Transaction Two). PFMFA's good faith estimates assume that Transactions One and Two are issued as fixed rate senior lien bonds consistent with amortization schedules developed by BATA's finance team. Interest rates are estimated based on the market as of October 4, 2021, plus 50 basis points. A portion of the proceeds, approximately $35 million, is estimated to be used to fund the balance of the Senior Lien Debt Service Reserve requirement. Transaction Two is almost entirely hedged with fixed interest rate swaps and the expectation is that the remarketing transaction remains so with no change in amortization.

Fees and charges are within the parameters contained in BATA's Debt Policy, which establishes a maximum amount of 1% of par for cost of issuance are estimated to be .4% of par for the fixed rate transactions and .35% of par for the remarketing transaction. The gross underwriters' spread is estimated at $7.26 per bond for the fixed rate issues and $3.50 per bond for the remarketing, within the maximum of $10.00 per bond.

Transaction One – $700 million tax-exempt funding of replacement of monies spent on eligible projects with Senior Lien Toll Bridge Revenue Bonds with final maturity in 2062

The table below provides the information requested by 5852.1:

True Interest Cost Estimate	4.09%
Fees and Charges	$7.9 million
Net Proceeds Estimate	$822 million
Total Debt Service Estimate	$2.09 billion

Transaction Two – $285 million tax-exempt refunding/remarketing of Senior Lien Toll Bridge Revenue Bonds due May 1, 2023

The table below provides the information requested by 5852.1:

True Interest Cost Estimate	3.26%
Fees and Charges	$2.0 million
Net Proceeds Estimate	$285 million
Total Debt Service Estimate	$439 million

Should you have any questions, please contact Robert Rich at 609-452-0263 or Sarah Hollenbeck at 415-982-5544.

NEW ISSUE—BOOK-ENTRY ONLY **RATINGS: See "RATINGS"**

[In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 202__ Series ___ Bonds [OTHERS TBD] (together, the "Tax-Exempt Bonds") is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel observes that interest on the Series F-1 Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the _____Series ___Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other federal or state tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the _____Series ___Bonds. See "TAX MATTERS."]

$________________
BAY AREA TOLL AUTHORITY
SAN FRANCISCO BAY AREA
[SUBORDINATE] TOLL BRIDGE REVENUE BONDS

$________	**[$______**	**[$______**
202__ Series _	**202__ Series _**	**202_ Series __**
(______)	**(_______)**	**(Federally Taxable)]]**

Dated: Date of Delivery **Due: As shown in SUMMARY OF OFFERING**

This cover page contains general information only. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bay Area Toll Authority (the "Authority") will issue its San Francisco Bay Area [Subordinate] Toll Bridge Revenue Bonds, 202__ Series __ (_____), [202__ Series __ and 202__ Series F-1 (Federally Taxable)] (the "202__ Series ___ Bonds" and, together with the 202__ ___ Bonds, the "202_ Series Bonds") pursuant to the [Master Indenture, dated as of May 1, 2001, as supplemented and amended, including as supplemented by the ______ Supplemental Indenture, dated as of ___ 1, 202_, and the ________ Supplemental Indenture, dated as of March __, 202__ (collectively, the "Senior Indenture"), between the Authority and U.S. Bank National Association, and any successor thereof as described herein, as trustee (the "Senior Indenture Trustee")] [Subordinate Indenture, dated as of June 1, 2010, as supplemented and amended, including as supplemented by the ______ Supplemental Indenture, dated as of ______ 1, 20__ (collectively, the "Subordinate Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Subordinate Indenture Trustee")]. The 202_ Series Bonds will be dated their date of delivery. The principal amounts, interest rates or interest determination methods, maturity dates, and other information relating to each series of the 202_ Series Bonds are summarized in the SUMMARY OF OFFERING following this cover page. Investors may purchase the 202_ Series Bonds in book-entry form only. The Depository Trust Company ("DTC") will act as securities depository for the 202_ Series Bonds.

The Authority administers the toll revenues from the seven state-owned toll bridges in the San Francisco Bay Area. The Authority will use the proceeds from the sale of the 202_ Series Bonds, together with other available funds, to ____________.

The 202_ Series Bonds are subject to optional redemption by the Authority prior to maturity as described in this Official Statement.

[ADD VARIABLE RATE RELATED REFUNDING AND LETTER OF CREDIT LANGUAGE IF APPLICABLE]

The Authority is not obligated to pay any 202_ Series Bonds except from Revenue as defined and provided in the Senior Indenture. The 202_ Series Bonds are special obligations of the Authority and do not constitute an obligation of the State of California (the "State"), the Metropolitan Transportation Commission or of any other political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any other political subdivision of the State or of any other entity, including the Authority.

The 202_ Series Bonds are offered when, as and if issued by the Authority and received by the Underwriters, subject to the approval of validity by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, and other conditions. Certain legal matters will be passed upon for the Authority by its general counsel, and by Kutak Rock LLP, as Disclosure Counsel to the Authority, and for the Underwriters by their counsel, Nixon Peabody LLP. The Authority expects that the 202_ Series Bonds will be available for delivery through DTC on or about _____, 202__.

[BofA Securities **Citigroup**

Goldman Sachs & Co. LLC **J.P. Morgan]**

_____, 202_

SUMMARY OF OFFERING

$_____*
BAY AREA TOLL AUTHORITY
SAN FRANCISCO BAY AREA [SUBORDINATE] TOLL BRIDGE REVENUE BONDS
202_ SERIES __ [(FEDERALLY TAXABLE]]

Maturity Date (April 1)	Principal Amount	Interest Rate	Price	CUSIP Number†
	$	%	%	

[$_____ 202_ Series ___Term Bond due April 1, 20__ — Interest Rate: __%;
Price: __% — CUSIP†:
$_____ 202_ Series ___Term Bond due April 1, 20__ — Interest Rate: __%;
Price: __% — CUSIP†:]

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* Preliminary, subject to change.
† CUSIP information herein is provided by CUSIP Global Services, managed by Standard and Poor's Financial Services LLC. CUSIP numbers are provided for convenience of reference only. Neither the Authority nor the Underwriters assume any responsibility for the accuracy of such numbers.

[INSERT MAP OF BATA BRIDGES]

BAY AREA TOLL AUTHORITY
MTC COMMISSIONERS AND AUTHORITY MEMBERS

Voting Members

[ALFREDO PEDROZA, Chair	Napa County and Cities
NICK JOSEFOWITZ, Vice Chair	San Francisco Mayor's Appointee
MARGARET ABE-KOGA	Cities of Santa Clara County
EDDIE H. AHN	San Francisco Bay Conservation and Development Commission
DAVID CANEPA	San Mateo County
CINDY CHAVEZ	Santa Clara County
DAMON CONNOLLY	Marin County and Cities
CAROL DUTRA-VERNACI	Cities of Alameda County
FEDERAL D. GLOVER	Contra Costa County
SAM LICCARDO	San Jose Mayor's Appointee
JAKE MACKENZIE	Sonoma County and Cities
NATE MILEY	Alameda County
GINA PAPAN	Cities of San Mateo County
DAVID RABBITT	Association of Bay Area Governments
HILLARY RONEN	City and County of San Francisco
LIBBY SCHAAF	Oakland Mayor's Appointee
JAMES P. SPERING	Solano County and Cities
AMY R. WORTH	Cities of Contra Costa County

Non-Voting Members

DINA EL-TAWANSY	California State Transportation Agency
DORENE M. GIACOPINI	U.S. Department of Transportation
VACANT	U.S. Department of Housing and Urban Development

****

THERESE W. MCMILLAN, Executive Director
ALIX BOCKELMAN, Deputy Executive Director, Policy
ANDREW B. FREMIER, Deputy Executive Director, Operations
BRADFORD PAUL, Deputy Executive Director, Local Government Services
BRIAN MAYHEW, Chief Financial Officer
KATHLEEN KANE, General Counsel

[SENIOR][SUBORDINATE] INDENTURE TRUSTEE

[U.S. Bank National Association]
San Francisco, California

SUBORDINATE INDENTURE TRUSTEE

The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

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

FINANCIAL ADVISOR
PFM Financial Advisors, LLC
San Francisco, California

DISCLOSURE COUNSEL
Kutak Rock LLP
Denver, Colorado]

[PAGE TO BE UPDATED AS NECESSARY]

IMPORTANT NOTICES

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 202_ Series Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information set forth herein has been provided by the Authority and other sources that are believed by the Authority to be reliable. The Underwriters have provided the following sentence for inclusion in the Official Statement. The Underwriters have reviewed the information in the Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

Audited financial information relating to the Authority for the Fiscal Year ended June 30, [2020] is posted on the Municipal Security Rulemaking Board's Electronic Municipal Market Access ("EMMA") website and is explicitly incorporated into this Official Statement. See APPENDIX A — "AUTHORITY FINANCIAL AND OPERATING INFORMATION – Financial Statements." Excepting only the incorporation by reference of the audited financial information for the Fiscal Year ended June 30, 2020 posted to EMMA as set forth in APPENDIX A – "AUTHORITY FINANCIAL AND OPERATING INFORMATION – Financial Statements," any references to internet websites contained in this Official Statement are shown for reference and convenience only; the information contained in such websites is not incorporated herein by reference and does not constitute a part of this Official Statement.

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

This Official Statement is not to be construed as a contract with the purchasers of the 202_ Series Bonds.

This Official Statement speaks only as of its date. The information and expressions of opinion herein are subject to change without notice and neither delivery of the Official Statement nor any sale made in conjunction herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or other matters described herein since the respective dates hereof. The Official Statement is submitted with respect to the sale of the 202_ Series Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the Authority. Preparation of the Official Statement and its distribution have been duly authorized and approved by the Authority.

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

The Underwriters may offer and sell the 202_ Series Bonds to dealers, institutional investors and others at prices lower or yields higher than the public offering prices or yields stated in the SUMMARY OF OFFERING and such public offering prices may be changed from time to time by the Underwriters.

202_ SERIES BONDS NOT REGISTERED

The 202_ Series Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such laws. The 202_ Series Bonds will not have been recommended by the Securities and Exchange Commission or any other federal or state securities commission or regulatory authority, and no such commission or regulatory authority will have reviewed or passed upon the accuracy or adequacy of this Official Statement. The registration or qualification of the 202_ Series Bonds in accordance with the applicable provisions of securities laws of any jurisdiction in which the 202_ Series Bonds may have been registered or qualified and the exemption therefrom in other jurisdictions cannot be regarded as a recommendation thereof by any such jurisdiction. Any representation to the contrary may be a criminal offense.

No action has been taken by the Authority that would permit a public offering of the 202_ Series Bonds or possession or distribution of the Official Statement or any other offering material in any foreign jurisdiction where action for that purpose is required. Accordingly, each of the Underwriters has agreed that it will comply with all applicable laws and regulations in force in any foreign jurisdiction in which it purchases, offers or sells the 202_ Series Bonds or possesses or distributes this Official Statement or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the 202_ Series Bonds under the laws and regulations in force in any foreign jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Authority shall have no responsibility therefor.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THE OFFICIAL STATEMENT

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

The achievement of results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or do not occur.

[INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS

[INCLUDE RELEVANT INTERNATIONAL SALES LANGUAGE IF TAXABLE AND IF TO BE SOLD OVERSEAS]

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SAN FRANCISCO BAY AREA
[SUBORDINATE] TOLL BRIDGE REVENUE BONDS

$________	**[$______**	**[$______**
202__ Series _	**202__ Series _**	**202_ Series __**
(______)	**(_______)**	**(Federally Taxable)]]**

INTRODUCTION AND PURPOSE OF THE 202_ SERIES BONDS

This Official Statement provides information concerning the issuance and sale by the Bay Area Toll Authority (the "Authority") of its San Francisco Bay Area [Subordinate] Toll Bridge Revenue Bonds, 202__ Series __ (_____), [202__ Series __ and 202__ Series F-1 (Federally Taxable)] (the "202__ Series ___ Bonds" and, together with the 202__ ___ Bonds, the "202_ Series Bonds")Investors must review the entire Official Statement to make an informed investment decision concerning the 202_ Series Bonds.

The Authority will apply the proceeds from the sale of the 202_ Series Bonds, together with other available funds, to ____________. See "SUMMARY OF FINANCING PLAN."

THE BAY AREA TOLL AUTHORITY

The Authority administers toll revenue collections and finances improvements for seven state-owned toll bridges in the San Francisco Bay Area: the Antioch Bridge, the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Richmond-San Rafael Bridge, the San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge (each, a "Bridge" and collectively, the "Bridge System"). Principal of and interest and mandatory sinking fund payments on the 202_ Series Bonds are payable from Revenue (as defined and provided in the Senior Indenture (defined below)) pursuant to the Senior Indenture, as summarized herein.

[The COVID-19 pandemic and resulting economic shutdown and recession have negatively impacted California (the "State") and national economies and are having a material adverse effect on the financial condition of the State and governments in the San Francisco Bay Area, including the Authority. The COVID-19 pandemic has significantly reduced traffic on the Bridge System and has caused a corresponding reduction in Bridge Toll Revenues (as defined in the Senior Indenture). The Authority expects that this reduction will continue in the near term but cannot predict the duration or magnitude of that impact. See "RISK FACTORS - Impact of COVID-19 Pandemic" and APPENDIX A – "COVID-19 PANDEMIC."]

Historic information about the Authority's finances and operations presented in this Official Statement (including Appendix A) should be considered in light of the ongoing effects of the COVID-19 pandemic and the known and unknown effects of the pandemic on the current and future finances and operations of the Authority. See "RISK FACTORS – Impact of the COVID-19 Pandemic" in the front part of the Official Statement and "COVID-19 PANDEMIC" in Appendix A for current information and expectations about the effects of COVID-19 on the finances and operations of the Authority, including projected revenues shown in Table 17 in Appendix A, which projections are based on current expectations and information and is not intended as a representation of facts or guarantee of results.

Further information about the Authority, its finances, its projects, the Bridge System and its other obligations appears in APPENDIX A – "BAY AREA TOLL AUTHORITY." For the financial statements covering the Authority, see APPENDIX A – "AUTHORITY FINANCIAL AND OPERATING INFORMATION – Financial Statements."

DESCRIPTION OF THE 202_ SERIES BONDS

General

Chapters 4, 4.3 and 4.5 of Division 17 of the California Streets and Highways Code and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code (collectively, as amended from time to time, the "Act") authorize the Authority to issue toll bridge revenue bonds, including the 202_ Series Bonds, to finance and refinance the construction, improvement and equipping of the Bridge System and other transportation projects authorized by the Act, and the Authority is additionally authorized to issue refunding bonds pursuant to Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.) (the "Refunding Bond Law").

The Authority will issue the 202_ Series Bonds in book-entry form only. The 202_ Series Bonds will be registered in the name of a nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the 202_ Series Bonds. Beneficial Owners of the 202_ Series Bonds will not receive certificates representing their ownership interests in the 202_ Series Bonds purchased. The Authority will make payments of principal of and interest on the 202_ Series Bonds to DTC, and DTC is to distribute such payments to its Direct Participants. Disbursement of such payments to Beneficial Owners of the 202_ Series Bonds is the responsibility of DTC's Direct and Indirect Participants and not the Authority. See APPENDIX D – "BOOK-ENTRY ONLY SYSTEM" and APPENDIX H – "GLOBAL CLEARANCE PROCEDURES."

The 202_ Series Bonds are special obligations of the Authority and do not constitute an obligation of the State of California (the "State"), the Metropolitan Transportation Commission or of any other political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any other political subdivision of the State or of any other entity, including the Authority.

The Authority will issue the 202_ Series ___ Bonds pursuant to the [Master Indenture, dated as of May 1, 2001, as supplemented by the ________ Supplemental Indenture, dated as of [_________] 1, 202_ (the "Supplemental Indenture" and, together with the Master Indenture, as previously supplemented and amended, the "Senior Indenture"), between the Authority and [U.S. Bank National Association], as trustee (the "Senior Indenture Trustee")][[Subordinate Indenture, dated as of June 1, 2010, as supplemented and amended, including as supplemented by the ______ Supplemental Indenture, dated as of ______ 1, 20__ (collectively, the "Subordinate Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee the "Subordinate Indenture Trustee")].

The 202_ Series Bonds and any other bonds issued under the Senior Indenture are referred to in this Official Statement as the "Senior Bonds." The Authority's Senior Bonds, together with other obligations payable on a parity with the Senior Bonds, are referred to herein as the "Senior Obligations." See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE" for a summary of certain terms of the Senior Bonds.

For a description of the Authority's Outstanding Senior Bonds and Senior Obligations, see APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Senior Bonds and Senior Obligations" and APPENDIX F – "PROJECTED DEBT SERVICE SCHEDULE."

The Authority also has Outstanding Subordinate Bonds and Subordinate Obligations. For a description of the Outstanding Subordinate Bonds and Subordinate Obligations, see APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Subordinate Bonds" and APPENDIX F – "PROJECTED DEBT SERVICE SCHEDULE."

The 202_ Series ___ Bonds will be dated their date of delivery, will mature on the dates and will bear interest on the basis of a 360-day year comprised of twelve 30-day months at the rates per annum shown in the SUMMARY OF OFFERING. Interest on the 202_ Series ___ Bonds will be payable on [________] commencing on [________1, 202_] (each a "202_ Series ___Interest Payment Date") and at maturity or upon the prior redemption thereof. The 202_ Series ___ Bonds will bear interest payable to the registered owner thereof from the latest of: (i) its Issue Date, (ii) the most recent 202_ Series ___ Bonds Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such 202_ Series ___Bond is after a record date but prior to the immediately succeeding 202_ Series ___ Bonds Interest Payment Date, the 202_ Series ___Interest Payment Date immediately succeeding such date of authentication. The record date for 202_ Series ___ Bonds will be the fifteenth day (whether or not a Business Day) of the month preceding the month in which the 202_ Series ___ Bonds Interest Payment Date occurs. The 202_ Series ___ Bonds will be issued in fully registered form in the denominations of $1,000 and any integral multiple thereof.

For a description of the Authority's Outstanding Senior Bonds and Senior Obligations, see APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Senior Bonds and Senior Obligations" and APPENDIX F – "PROJECTED DEBT SERVICE SCHEDULE."

[**ADDITIONAL LANGUAGE AS NECESSARY IF VARIABLE RATE]**

Redemption Terms of the 202_ Series ___ Bonds*

[TO BE UPDATED TO INDENTURE]Optional Redemption. The 202_ Series ___ Bonds maturing on or after April 1, 20__ shall be subject to redemption prior to their respective stated maturities, at the option of the Authority, from any source of available funds, as a whole or in part, in Authorized Denominations, on any date on or after April 1, 20__, at a redemption price equal to the principal amount of 202_ Series ___ Bonds called for redemption plus accrued and unpaid interest to the date fixed for redemption, without premium.

[TO BE UPDATED TO INDENTURE][Optional Redemption with 202_ Series ___Make-Whole Premium. The 202_ Series ___ Bonds shall be subject to redemption prior to their respective stated maturities, at the option of the Authority, from any source of available funds, as a whole or in part on any date prior to [FIRST OPTIONAL REDEMPTION DATE], at a redemption price equal to 100% of the principal amount of the 202_ Series ___ Bonds called for redemption plus the 202_ Series ___Make-Whole Premium, if any, together with accrued interest to the date fixed for redemption.

"202_ Series ___Make-Whole Premium" means, with respect to any 202_ Series ___ Bonds to be redeemed, an amount calculated by the 202_ Series ___Calculation Agent equal to the positive difference, if any, between:

(a) The sum of the present values, calculated as of the date fixed for redemption of:

(1) Each interest payment that, but for the redemption, would have been payable on the 202_ Series ___ Bonds or portion thereof being redeemed on each regularly scheduled 202_ Series ___ Bonds

* Preliminary, subject to change.

Interest Payment Date occurring after the date fixed for redemption through [FIRST OPTIONAL REDEMPTION DATE] (excluding any accrued interest for the period prior to the date fixed for redemption); provided, that if the date fixed for redemption is not a regularly scheduled 202_ Series ___ Bonds Interest Payment Date with respect to such 202_ Series ___ Bonds, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such 202_ Series ___ Bonds to the date fixed for redemption; plus

(2) The principal amount that, but for such redemption, would have been payable on the [FIRST OPTIONAL REDEMPTION DATE]; minus

(b) The principal amount of the 202_ Series ___ Bonds or portion thereof being redeemed.

The present values of the interest and principal payments referred to in (a) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semiannual basis (assuming a 360-day year consisting of twelve (12) 30-day months) at a discount rate equal to the 202_ Series ___Comparable Treasury Yield, plus the 202_ Series ___Spread.

For purposes of calculating the 202_ Series ___Make-Whole Premium with respect to the 202_ Series ___ Bonds:

"202_ Series ___Calculation Agent" means a commercial bank or an investment banking institution of national standing that is a primary dealer of United States government securities (which may be one of the institutions that served as underwriters for the 202_ Series ___ Bonds) designated by the Authority.

"202_ Series ___Comparable Treasury Issue" means the United States Treasury security selected by the 202_ Series ___Calculation Agent as having a maturity comparable to the remaining term to [FIRST OPTIONAL REDEMPTION DATE] that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to [FIRST OPTIONAL REDEMPTION DATE].

"202_ Series ___Comparable Treasury Price" means, with respect to any date on which a 202_ Series ___Bond or portion thereof is being redeemed, either (a) the average of five 202_ Series ___Reference Treasury Dealer quotations for the date fixed for redemption, after excluding the highest and lowest such quotations, and (b) if the 202_ Series ___Calculation Agent is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the 202_ Series ___Calculation Agent, of the bid and asked prices for the 202_ Series ___Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the 202_ Series ___Calculation Agent, at 5:00 p.m. New York City time, at least three (3) Business Days but not more than forty-five (45) calendar days preceding the date fixed for redemption.

"202_ Series ___Comparable Treasury Yield" means the yield that represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the 202_ Series ___Calculation Agent that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to [FIRST OPTIONAL REDEMPTION DATE] of the 202_ Series ___ Bonds being redeemed. The 202_ Series ___Comparable Treasury Yield will be determined at least three (3) Business Days but not more than forty-five (45) calendar days preceding the date fixed for redemption. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to [FIRST OPTIONAL REDEMPTION DATE], then the 202_ Series ___Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the 202_ Series ___Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to [FIRST OPTIONAL REDEMPTION DATE]; and (ii) closest to and less than the remaining term to [FIRST OPTIONAL REDEMPTION DATE]. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward. If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the 202_ Series ___Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the 202_ Series ___Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the 202_ Series ___Comparable Treasury Price (each as defined herein) as of the date fixed for redemption.]

"202_ Series ___Reference Treasury Dealer" means a primary dealer of United States Government securities (which may be one of the institutions that served as underwriters for the 202_ Series ___ Bonds) appointed by the Authority and reasonably acceptable to the 202_ Series ___Calculation Agent.

"202_ Series ___Spread" means for optional redemptions with 202_ Series ___Make-Whole Premium [__]%.

In connection with any optional redemption of the 202_ Series ___ Bonds, the Authority shall give the [Senior][Subordinate] Indenture Trustee written notice at least twenty (20) days (or such lesser time period acceptable to the [Senior][Subordinate] Indenture Trustee) before any date fixed for the redemption of the 202_ Series ___ Bonds called for redemption, designating the maturity or maturities of the 202_ Series ___ Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption. Any optional redemption of the 202_ Series ___ Bonds and notice thereof may be rescinded and cancelled as described further under "Conditional Notice of Redemption; Rescission."

[TO BE UPDATED TO INDENTURE]Mandatory Redemption. The 202_ Series ___Term Bonds maturing on April 1, 20__* shall be subject to mandatory redemption prior to their stated maturity, in part, from Sinking Fund Installments on each date a Sinking Fund Installment is due, in the principal amount equal to the Sinking Fund Installment due on such date and at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium. Sinking Fund Installments for the 202_ Series ___Term Bond maturing on April 1, 20__* shall be due in such amounts and on such dates as follows:

202_ Series ___ Bonds Term Bond
Maturing April 1, 20__†

Redemption Date (April 1)	*Sinking Fund Installment ($)*
†	

† Final Maturity

* Preliminary, subject to change.

Purchase In Lieu of Redemption. In lieu of mandatory redemption, the Authority may surrender to the [Senior][Subordinate] Indenture Trustee for cancellation 202_ Series ___ Bonds purchased by the Authority and such 202_ Series ___Term Bonds shall be cancelled by the [Senior][Subordinate] Indenture Trustee. If any 202_ Series ___Term Bonds are so cancelled, the Authority may designate the Sinking Fund Installments or portions thereof that are to be reduced as allocated to such cancellation.

Selection of 202_ Series ___ Bonds for Redemption. The Authority will designate which maturities of the 202_ Series ___ Bonds are to be redeemed. In the event of an optional redemption of any 202_ Series ___ Bonds that are Term Bonds, the Authority may designate the Sinking Fund Installments, or portions thereof, that are to be reduced as allocated to such redemption. If the 202_ Series ___ Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the 202_ Series ___ Bonds shall be effected by the [Senior][Subordinate] Indenture Trustee among owners on a pro-rata basis subject to minimum Authorized Denominations. The particular 202_ Series ___ Bonds to be redeemed shall be determined by the [Senior][Subordinate] Indenture Trustee using such method as it shall deem fair and appropriate. If the 202_ Series ___ Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the 202_ Series ___ Bonds, if less than all of the 202_ Series ___ Bonds of a maturity are called for prior redemption, the particular 202_ Series ___ Bonds or portions thereof to be redeemed shall be selected on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided that, so long as the 202_ Series ___ Bonds are held in book-entry form, the selection for redemption of such 202_ Series ___ Bonds shall be made in accordance with the operational arrangements of DTC then in effect that at issuance provided for adjustment of the principal by a factor provided pursuant to DTC operational arrangements. If the [Senior][Subordinate] Indenture Trustee does not provide the necessary information and identify the redemption as on a Pro Rata Pass-Through Distribution of Principal basis, the 202_ Series ___ Bonds shall be selected for redemption by lot in accordance with DTC procedures. Redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between the Authority and the beneficial owners are to be made on a "Pro Rata Pass-Through Distribution of Principal" basis as described above. If the DTC operational arrangements do not allow for the redemption of the 202_ Series ___ Bonds on a Pro Rata Pass-Through Distribution of Principal basis as described above, then the 202_ Series ___ Bonds shall be selected for redemption by lot in accordance with DTC procedures.

Notice of Redemption

Each notice of redemption is to be mailed by the [Senior][Subordinate] Indenture Trustee not less than twenty (20) nor more than sixty (60) days prior to the redemption date to DTC. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners of 202_ Series Bonds will be governed by arrangements among them, and the Authority and the [Senior][Subordinate] Indenture Trustee will not have any responsibility or obligation to send a notice of redemption except to DTC. Failure of DTC or Beneficial Owners to receive any notice of redemption or any defect therein will not affect the sufficiency of any proceedings for redemption.

Conditional Notice of Redemption; Rescission

Any notice of optional redemption of the 202_ Series Bonds delivered in accordance with the Senior Indenture may be conditional and if any condition stated in the notice of redemption is not satisfied on or prior to the redemption date, said notice will be of no force and effect and the Authority will not be required to redeem such 202_ Series Bonds and the redemption will be cancelled and the

[Senior][Subordinate] Indenture Trustee will within a reasonable time thereafter give notice to the persons and in the manner in which the notice of redemption was given that such condition or conditions were not met and that the redemption was cancelled.

In addition, the Authority may, at its option, on or prior to the date fixed for optional redemption in any notice of redemption of the 202_ Series Bonds, rescind and cancel such notice of redemption by Written Request of the Authority to the [Senior][Subordinate] Indenture Trustee, and any optional redemption of the 202_ Series Bonds and notice thereof will be rescinded and cancelled and the [Senior][Subordinate] Indenture Trustee is to mail notice of such cancellation to the recipients of the notice of redemption being cancelled pursuant to the provisions of the Senior Indenture.

Any optional redemption of the 202_ Series Bonds and notice thereof will be rescinded and cancelled if for any reason on the date fixed for optional redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 202_ Series Bonds called for optional redemption and such failure to optionally redeem the 202_ Series Bonds called for redemption is not a default under the Senior Indenture.

Effect of Redemption

Notice of redemption having been duly given pursuant to the Senior Indenture and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the 202_ Series Bonds (or portions thereof) so called for redemption being held by the [Senior][Subordinate] Indenture Trustee, on the redemption date designated in such notice, the 202_ Series Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in such notice, together with interest accrued thereon to the date fixed for redemption. Thereafter, interest on such 202_ Series Bonds shall cease to accrue, and said 202_ Series Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Senior Indenture.

[Global Clearance Procedures

See APPENDIX H hereto, entitled "GLOBAL CLEARANCE PROCEDURES," for a description of global clearance procedures with respect to the 202_ Series Bonds.

THE AUTHORITY AND THE [SENIOR][SUBORDINATE] INDENTURE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR OR EUROCLEAR PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE 202_ Series Bonds (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE 202_ Series Bonds; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE 202_ Series Bonds; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE 202_ Series Bonds, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS, CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR OR EUROCLEAR PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE AUTHORITY AND THE [SENIOR][SUBORDINATE] INDENTURE TRUSTEE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR, EUROCLEAR PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT

TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR OR EUROCLEAR PARTICIPANTS; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR OR EUROCLEAR PARTICIPANTS OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PRICE ON THE 202_ Series Bonds; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, CLEARSTREAM, CLEARSTREAM CUSTOMERS, EUROCLEAR OR EUROCLEAR PARTICIPANTS OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER THE TERMS OF THE CERTIFICATE; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE 202_ SERIES BONDS.

THE INFORMATION CONTAINED HEREIN, IN APPENDIX D AND IN APPENDIX H CONCERNING DTC, CLEARSTREAM AND EUROCLEAR AND THEIR BOOK-ENTRY SYSTEMS HAS BEEN OBTAINED FROM DTC, CLEARSTREAM AND EUROCLEAR, RESPECTIVELY, AND NEITHER THE AUTHORITY NOR THE UNDERWRITERS MAKES ANY REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION.]

[VARIABLE RATE DETERMINATION AND LANGUAGE REGARDING REMARKETING AGENTS TO BE ADDED IF NECESSARY AND IN LINE WITH PAST DISCLOSURE DOCUMENTS]

SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS

Statutory Lien on Bridge Toll Revenues

Bridge Toll Revenues include all tolls and all other income, including penalties for violations, allocated to the Authority pursuant to the Act derived from the Bridge System and not limited or restricted to a specific purpose. The Act imposes a statutory lien upon all Bridge Toll Revenues in favor of the holders of the Authority's toll bridge revenue bonds and in favor of any provider of credit enhancement for those bonds. The statutory lien is subject to expenditures for operation and maintenance of the Bridges, including toll collection, unless those expenditures are otherwise provided for by statute. See "RISK FACTORS – Impact of COVID-19 Pandemic," APPENDIX A – "BAY AREA TOLL AUTHORITY – Toll Bridge Revenue Bond Program – *Bridge Toll Revenues*," "— THE BRIDGE SYSTEM – Bridge Toll Rates," "— THE BRIDGE SYSTEM – Bridge System Operations and Maintenance," "— AUTHORITY FINANCIAL AND OPERATING INFORMATION – Operations and Maintenance Fund," and "— LITIGATION – Challenges to SB 595 and RM3," APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE" and APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE."

Pledge by the State

Pursuant to Section 30963 of the Act, the State has pledged and agreed with the holders of toll bridge revenue bonds and those parties who may enter into contracts with the Authority pursuant to the Act, that the State will not limit, alter, or restrict the rights vested by the Act in the Authority to finance the toll bridge improvements authorized by the Act. The State has further agreed not to impair the terms of any agreements made with the holders of the toll bridge revenue bonds and with parties who may enter into contracts with the Authority pursuant to the Act and has pledged and agreed not to impair the rights or remedies of the holders of any toll bridge revenue bonds or any such parties until the toll bridge revenue bonds, together with interest, are fully paid and discharged and any contracts are fully performed on the part of the Authority.

Toll Bridge Revenue Bonds

Additional toll bridge revenue bonds may be issued in the future as either Senior Obligations or Subordinate Obligations (subject to the requirements of and limitations in the Senior Indenture or the Subordinate Indenture).

The Authority's Senior Bonds (which includes the 202_ Series Bonds), together with other obligations payable on a parity with the Senior Bonds, are referred to herein as the "Senior Obligations." Senior Obligations consist of the Senior Bonds and amounts due as regularly scheduled payments under the Authority's Qualified Swap Agreements described in APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreements." Senior Obligations also include any amounts due as reimbursement obligations pursuant to the Reimbursement Agreement, dated October 16, 2014, as amended on June 15, 2017 and as further amended on August 1, 2019 (as amended, the "Reimbursement Agreement"), between the Authority and with certain banks and with Bank of America, N.A., as agent for such banks, relating to the issuance of letters of credit securing variable rate demand bonds that are Senior Bonds and for Reserve Facility Costs, which are amounts to repay draws under surety bonds or insurance policies held in the reserve fund for Senior Bonds. See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE" for a summary of certain terms of the Senior Bonds.

The Authority's Subordinate Bonds, together with other obligations payable on a parity with the Subordinate Bonds, are referred to herein as the "Subordinate Obligations." In addition, if the Authority were to become obligated to make termination payments under the Authority's Qualified Swap Agreements described above, those obligations would be Subordinate Obligations. See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE" for a summary of certain terms of the Subordinate Bonds.

Certain Provisions of the Senior Indenture

The Senior Indenture provides that Senior Obligations are payable from and secured by "Revenue," which consists of tolls paid by vehicles using the seven Bridges in the Bridge System (including income from penalties for toll violations), interest earnings on the Bay Area Toll Account and all other funds held by the Authority, interest earnings on fund balances held under the Senior Indenture, payments received under interest rate swap agreements, and interest subsidy payments received from the federal government on account of the issuance of Senior Bonds as Build America Bonds. Senior Obligations are also secured by and payable from all amounts (including the proceeds of Senior Bonds) held by the [Senior][Subordinate] Indenture Trustee (except amounts on deposit to be used to make rebate payments to the federal government and amounts on deposit to be used to provide liquidity support for variable rate demand Senior Bonds). The pledge securing Senior Obligations is irrevocable until all Senior Obligations are no longer outstanding.

Authority for Issuance of Senior Bonds. The Senior Indenture permits Senior Bonds to be issued pursuant to the Act for the purpose of toll bridge program capital improvements and for the purpose of refunding Senior Bonds and other Senior Obligations, including in accordance with the Refunding Bond Law.

Transfers of Revenue. Under the Act, all Bridge Toll Revenues are required to be deposited into the Bay Area Toll Account held by the Authority. The Senior Indenture requires the Authority to transfer to the [Senior][Subordinate] Indenture Trustee, from the Bay Area Toll Account, Revenue sufficient to make payments on all Senior Obligations not later than three Business Days prior to their due dates.

Revenue so received from the Authority by the [Senior][Subordinate] Indenture Trustee is required by the Senior Indenture to be deposited in trust in the Bond Fund under the Senior Indenture. All Revenue held in that Bond Fund is to be held, applied, used and withdrawn only as provided in the Senior Indenture.

The Trustee under the Subordinate Indenture (the "Subordinate Indenture Trustee") has been instructed by the Authority to transfer to the [Senior][Subordinate] Indenture Trustee any Revenue (as defined and provided in the Senior Indenture) on deposit in the Bond Fund held by the Subordinate Indenture Trustee to the extent that there is any shortfall in amounts needed to make timely payments of principal, interest, and premium, if any, on Senior Obligations or to replenish the reserve fund for the Senior Bonds. Any such transfer to the [Senior][Subordinate] Indenture Trustee will not include proceeds of Subordinate Bonds, amounts attributable to interest subsidy payments received from the federal government on account of the issuance of Subordinate Bonds as Build America Bonds or any amounts attributable to a reserve account for Subordinate Bonds. The [Senior][Subordinate] Indenture Trustee has been instructed by the Authority to transfer to the Subordinate Indenture Trustee any amounts on deposit in the Fees and Expenses Fund under the Senior Indenture to the extent that there is any shortfall in the Bond Fund under the Subordinate Indenture of amounts needed to make timely payments of principal, interest, and premium, if any, on Subordinate Obligations and to replenish the reserve fund for the Subordinate Bonds, provided that no such transfer is to be made to the extent there is also a concurrent shortfall in the Bond Fund or reserve fund under the Senior Indenture. The Authority has instructed each trustee to notify the other trustee on the third Business Day preceding each principal or interest payment date of the need for such a transfer and to request such transfer on the second Business Day preceding each such payment date.

Toll Rate Covenants. The Authority covenants in the Senior Indenture that it will at all times establish and maintain tolls on the Bridge System at rates sufficient to pay debt service on all Senior Obligations, to pay certain toll operations expenditures (defined in the Senior Indenture as "Category B" maintenance expenditures) and to otherwise comply with the Act.

The Authority also has covenanted in the Senior Indenture to compute coverage ratios specified in the Senior Indenture within ten Business Days after the beginning of each Fiscal Year and to increase tolls if any of the ratios, based on budgeted amounts for such Fiscal Year, is less than the required level. See APPENDIX A – "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE" and APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Covenants of the Authority – Toll Rate Covenants."

Additional Bonds Test. Additional Senior Obligations may be issued under the Senior Indenture only if at least one of the following is true immediately following the issuance of such additional Senior Obligations:

(a) the additional Senior Obligations are issued for refunding purposes to provide funds for the payment of any or all of the following: (1) the principal or redemption price of the Senior Obligations to be refunded; (2) all expenses incident to the calling, retiring or paying of such Senior Obligations and the Costs of Issuance of such refunding Senior Obligations; (3) interest on all Senior Obligations to be refunded to the date such Senior Obligations will be called for redemption or paid at maturity; and (4) interest on the refunding Senior Obligations from the date thereof to the date of payment or redemption of the Senior Obligations to be refunded; or

(b) the governing board of the Authority determines that one of the following is true: (1) the ratio of (A) Net Revenue for the most recent Fiscal Year for which audited financial statements are available to (B) Maximum Annual Debt Service on the Senior Obligations, calculated as of the date of sale of, and including such additional Senior Obligations, will not be less than 1.50:1; or (2) the ratio of (A) Net Revenue projected by the Authority for each of the next three Fiscal Years, including in such projections amounts projected to be received from any adopted toll increase or planned openings of an additional Bridge, to (B) Maximum Annual Debt Service on the Senior Obligations, calculated as of the date of sale of, and including such additional Senior Obligations, will not be less than 1.50:1.

The Senior Indenture includes definitions of Net Revenue and Maximum Annual Debt Service and other requirements for the issuance of additional Senior Obligations. See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Additional Senior Bonds; Subordinate Obligations."

Pursuant to the Senior Indenture, at such time as the Authority determines to issue additional Senior Bonds, the Authority shall, in addition to fulfilling the requirements of the Senior Indenture described above, file with the [Senior][Subordinate] Indenture Trustee (a) a certificate of the Authority stating that no Event of Default specified in the Senior Indenture has occurred and is then continuing; (b) a certificate of the Authority stating that the requirements described in the first paragraph of this subsection titled "Additional Bonds Test" have been satisfied; (c) if such additional Senior Bonds are being issued based upon compliance with (b)(1) above, a Certificate of the Authority stating that nothing has come to the attention of the Authority that would lead the Authority to believe that there has been a material adverse change in the operation of the Bay Area Bridges such that Net Revenue for the then current Fiscal Year would be insufficient to meet the debt service coverage requirement set forth in (b)(1) above; (d) the balance in the Reserve Fund will be increased upon receipt of the proceeds of the sale of such additional Senior Bonds, if necessary to an amount at least equal to the Reserve Requirement for all Senior Bonds Outstanding upon issuance of the new Senior Bonds; and (e) an Opinion of Bond Counsel to the effect that the Senior Supplemental Indenture creating such Series of Senior Bonds has been duly authorized by the Authority in accordance with the Senior Indenture and that such Series of Senior Bonds, when duly executed by the Authority and authenticated and delivered by the [Senior][Subordinate] Indenture Trustee, will be valid and binding obligations of the Authority.

Reserve Fund. The Reserve Fund established pursuant to the Senior Indenture is solely for the purpose of paying principal of and interest on the Senior Bonds when due when insufficient moneys for such payment are on deposit in the Principal Account and the Interest Account under the Senior Indenture. See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Funds and Accounts – Establishment and Application of the Reserve Fund."

The balance in the Reserve Fund is required by the Senior Indenture to equal or exceed the "Reserve Requirement" (defined in the Senior Indenture as an amount equal to the lesser of Maximum Annual Debt Service on all Senior Bonds and 125% of average Annual Debt Service on all Senior Bonds). The Reserve Requirement for all outstanding Senior Bonds will be $325,238,005 upon the issuance of the 202_ Series Bonds. Cash and investments aggregating the amount of the Reserve Requirement are held in the Reserve Fund in satisfaction of the Reserve Requirement. See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – DEFINITIONS."

The [Senior][Subordinate] Indenture Trustee is to draw on the Reserve Fund to the extent necessary to fund any shortfall in the Interest Account or the Principal Account. The Senior Indenture requires the Authority is to replenish amounts drawn from the Reserve Fund by making monthly transfers to the

[Senior][Subordinate] Indenture Trustee equal to one-twelfth (1/12th) of the initial aggregate amount of the deficiency in the Reserve Fund. See APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Funds and Accounts – Establishment and Application of the Reserve Fund" and "— Funding of the Reserve Fund."

Build America Bonds Federal Interest Subsidy Payments. The Authority has issued Senior Bonds and Subordinate Bonds as taxable Build America Bonds under, and as defined in, the federal American Recovery and Reinvestment Act of 2009 (the "Recovery Act"). Under the Recovery Act, issuers of qualified Build America Bonds may elect to receive from the federal government interest subsidy payments equal to 35% of the amount of interest paid by the issuer on the Build America Bonds. Such payments to the Authority on account of Senior Bonds constitute Revenue under the Senior Indenture. Pursuant to the Senior Indenture, the Authority further treats such Subsidy Payments as an offset against interest paid on the Build America Bonds for purposes of the rate covenants and additional bonds tests described above under "Toll Rate Covenants" and "Additional Bonds Test," and such Subsidy Payments are excluded from Net Revenue for purposes of such covenants and tests. These payments have been reduced as a result of the congressionally-mandated sequestration process, and may continue to be reduced or delayed if federal spending reductions continue as a result of the sequestration or ongoing shutdowns of the federal government occur. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments."

Special Obligations. The Senior Bonds are special obligations of the Authority payable, as to interest thereon, principal and Purchase Price thereof and redemption premium, if any, upon the redemption of any thereof, solely from Revenue as provided in the Senior Indenture and the Authority is not obligated to pay them except from Revenue. The Senior Bonds do not constitute a debt or liability of the State or of any political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any political subdivision of the State.

SUMMARY OF FINANCING PLAN

The Authority will apply the proceeds from the sale of the 202_ Series ___ Bonds, together with other available funds, to **[TO COME BASED ON NEEDS AND POSSIBLE REFUNDING CANDIDATES]**

[The Refunded Bonds

The Refunded Bonds of the Series, tenor and maturities set forth below are to be redeemed on the redemption dates and in the amount shown below from amounts held in an escrow fund (the "202_ Refunded Bonds Escrow Fund") established pursuant to an Escrow Agreement by and between the Authority and the Senior Indenture Trustee, as escrow agent. Pursuant to the terms of the Escrow Agreement establishing the 202_ Refunded Bonds Escrow Fund, the amounts on deposit in the 202_ Refunded Bonds Escrow Fund shall be invested in Government Obligations, the principal and interest on which when due, together with the moneys, if any, remaining on deposit for such purpose, will be sufficient to pay when due the principal of and interest on the Refunded Bonds on the redemption date.

A verification report relating to the adequacy of the maturing principal of and interest on the investments in the 202_ Refunded Bonds Escrow Fund will be delivered upon the deposit of such funds. See "VERIFICATION REPORT" herein.

Refunded Bonds
Bay Area Toll Authority
San Francisco Bay Area Toll Bridge Revenue Bonds
201_ Series ___*

Maturity Date (April 1)	Redemption Date	Principal Amount	Interest Rate (%)	CUSIP† Number (072024)]

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Estimated Sources and Uses of Funds

The following are the estimated sources and uses of funds with respect to the 202_ Series ___ Bonds:

SOURCES:	
Bond Proceeds	$
Other Sources of Funds(1):	
[Authority Deposit]	
[Reserve Fund Release]	
TOTAL SOURCES	$
USES:	
[Refunded Bonds Escrow Fund]	$
Costs of Issuance(2)	
TOTAL USES	$

(1) Costs of issuance include rating agency, legal and financial advisory fees and printing costs and expenses; underwriters' discount; fees of the [Senior][Subordinate] Indenture Trustee for the Refunded Bonds and the 202_ Series Bonds and other miscellaneous expenses and are expected to be paid by the Authority.

Additional Bonds Test

The Authority is issuing the 202_ Series Bonds as refunding bonds. The issuance of refunding bonds does not require any certification as to debt service coverage.

Anticipated Additional Bond Issuances of the Authority

Currently, the Authority has authorized the issuance of refunding bonds and the termination of existing interest rate swaps and the execution of new interest rate swaps. Subsequent to the issuance of the

* Preliminary, subject to change.
† CUSIP information herein is provided by CUSIP Global Services, managed by Standard and Poor's Financial Services LLC. CUSIP numbers are provided for convenience of reference only. Neither the Authority nor the Underwriters assume any responsibility for the accuracy of such numbers.

202_ Series Bonds, additional toll revenue bonds may be issued as permitted under the Indenture and the Subordinate Indenture for refunding or restructuring purposes.

The Authority's governing board may, in the future, authorize the issuance of additional toll bridge revenue bonds for additional work on the Bridges or other purposes authorized by the Act. Toll bridge revenue bonds may be issued on a parity with the outstanding Senior Bonds under the Senior Indenture or as Subordinate Bonds on a parity with the outstanding Subordinate Bonds under the Subordinate Indenture.

The principal amount of additional toll bridge revenue bonds (and any Senior Obligations or Subordinate Obligations) to be issued by the Authority and the timing of any such issuance or issuances will be determined by the Authority based on the actual costs of its programs (which are subject to modification by the Authority and by State law) and the resources then available. The Act does not limit the principal amount of Authority obligations that may be issued. The Senior Indenture and the Subordinate Indenture limit the issuance of Senior Bonds, obligations of the Authority that are payable on a parity with the Senior Bonds, Subordinate Bonds, and obligations that are payable on a parity with the Subordinate Bonds. See the information herein and under the captions "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS – Certain Provisions of the Senior Indenture – *Toll Rate Covenants*" and "*—Additional Bonds Test*" and APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE—Additional Subordinate Bonds; Subordinate Parity Obligations; Subordinated Obligations."

[**ADD ANYTHING RE RM3?]**

Investment Policies and Portfolio

For information concerning the Authority's investment policies and the MTC investment portfolio, which includes funds of the Authority, see APPENDIX A – "AUTHORITY FINANCIAL AND OPERATING INFORMATION."

RISK FACTORS

The primary source of payment for the Authority's toll bridge revenue bonds is the Authority's Bridge Toll Revenues. The level of Bridge Toll Revenues collected at any time is dependent upon the level of traffic on the Bridge System, which, in turn, is related to several factors, including without limitation, the factors indicated below. The COVID-19 pandemic is a significant new development materially adversely affecting the Authority's finances and outlook. See APPENDIX A – "COVID-19 PANDEMIC" and "— Impact of COVID-19 Pandemic" below.

Impact of COVID-19 Pandemic

On February 11, 2020 the World Health Organization ("WHO") announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 has since spread across the globe. The spread of COVID-19 is having significant adverse health and financial impacts throughout the world, including the San Francisco Bay Area. See APPENDIX A – "COVID-19 PANDEMIC." The WHO has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the Mayor of the City of San Francisco, the Governor of the State and the President of the United States.

At the onset of the pandemic in March 2020, all counties in the Bay Area announced shelter-in-place ("Shelter-in-Place") emergency orders, which directed individuals to stay home, except for limited travel for the conduct of essential services. Most retail establishments (including restaurants, bars and nightclubs, entertainment venues and gyms) were closed in response to the Shelter-in-Place order. The

Governor of the State announced a similar Shelter-in-Place emergency order effective for the entire State. Since the initial Shelter-in-Place orders, the State and various counties have allowed limited reopening of retail establishments, at times under limitations such as only providing outdoor or curbside service, based on local performance against public health indicators. The outbreak has resulted in the imposition of restrictions on mass gatherings and widespread closings of businesses, universities and schools throughout the United States. As of January 1, 2021, due to a sharp increase in COVID-19 cases and ICU hospitalizations, several counties within the Bay Area require a mandatory 10-day quarantine for travelers entering the region. Although vaccines are in the early stages of distribution, restrictions remain in place. It is unknown when and whether restrictions will continue to be eased or will be reinstated or enhanced. The duration of these directives, even those with specified end dates, is not known.

The COVID-19 outbreak and resulting social and business restrictions have severely disrupted, and continue to disrupt, the economies of the region, the State and the United States as a whole. On June 8, 2020, the National Bureau of Economic Research announced that the U.S. officially entered into a recession in February 2020. The disruption caused by COVID-19 has led to volatility in the securities markets. Moreover, increased business failures, worker layoffs, and consumer and business bankruptcies have occurred and may continue to occur in the future. The adverse economic impacts of the COVID-19 outbreak, and the imposition of stay-at-home directives, have impacted travel and commuting patterns in the Bay Area, with material reductions in traffic.

[As a result of the COVID-19 outbreak, the State and Caltrans suspended cash toll collections on the Bridges, and starting in April 2020, the Authority converted from cash payment/electronic toll collection to cash invoice/electronic toll collection and suspended violation penalty assessments for unpaid tolls. On January 1, 2021, cash toll collections were permanently ended. See APPENDIX A – "COVID-19 PANDEMIC – Bridge Traffic" and " – Toll Collections." The Authority cannot predict the extent and duration of changes in traffic volume on the Bridge System as a result of the COVID-19 pandemic and its associated economic impacts or changes in toll collections as a result of the pandemic, its economic impacts and the elimination of cash toll collections. It is possible that driving behavior and traffic patterns in the nine counties that comprise the San Francisco Bay Area may be permanently altered, including once the COVID-19 pandemic and orders requiring or recommending that people stay home or refrain from certain activities have ended.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, and the economic and other of actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (http://www.gov.ca.gov) and the California Department of Public Health (https://covid19.ca.gov/). The information on such websites is not incorporated herein by reference, and neither the Authority nor the Underwriters assumes any responsibility for the accuracy of the information on such websites. See APPENDIX A – "COVID-19 PANDEMIC" for additional information regarding the impacts of COVID-19 on the Authority.

The Authority cannot predict (i) the ultimate duration or extent of the COVID-19 outbreak or any other outbreak or pandemic; (ii) the scope or duration of the stay at home orders or any other restrictions or warnings related to travel, gatherings or other activities, and the duration or extent to which such orders or restrictions will remain in effect in the counties of the San Francisco Bay Area or in the State; (iii) what effect any COVID-19 or other outbreak or pandemic-related restrictions or warnings may have in the future on travel, commerce, the collection and receipt of Bridge Toll Revenues by, and the operating expenses and capital costs of, the Authority; (iv) whether and to what extent COVID-19 or another outbreak or pandemic may disrupt local, State, national or global economies, construction, manufacturing or supply chains; (v) the extent to which the COVID-19 outbreak or another outbreak or pandemic, or the resultant disruption to the local, State, national or global economy, may result in changes in future traffic patterns and use of the Bridge System, generally; or (vi) whether any of the foregoing may in the future have a material adverse effect on the finances and operations of the Authority and Bridge Toll Revenues.][**TO BE UPDATED]**

Uncertainties of Projections, Forecast and Assumptions

The levels of traffic assumed and toll revenue projected as described in APPENDIX A – "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE –Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage" and elsewhere in this Official Statement are based solely upon estimates and assumptions made by the Authority. Actual levels of traffic and toll revenue will differ, and may differ materially, from the levels projected. Historic information about the Authority's finances and operations presented in this Official Statement (including Appendix A) should be considered in light of the ongoing effects of the COVID-19 pandemic and the known and unknown effects of the pandemic on the current and future finances and operations of the Authority. Actual interest earnings, debt service interest rates, swap revenues and operations and maintenance expenses could also differ from the forecast. Inevitably, some assumptions will not be realized, and unanticipated events and circumstances may occur. The actual financial results achieved will vary from those forecasts, and the variations may be material.

Risk of Earthquake

The San Francisco Bay Area's historical level of seismic activity and the proximity of the Bridge System to a number of significant known earthquake faults (including most notably the San Andreas Fault and the Hayward Fault) increases the likelihood that an earthquake originating in the region could destroy or render unusable for a period of time one or more of the Bridges, their highway approaches or connected traffic corridors, thereby interrupting the collection of Bridge Toll Revenues for an undetermined period of time.

An earthquake originating outside the immediate Bay Area could have an impact on Bridge System operations and Bridge Toll Revenues. On October 17, 1989, the San Francisco Bay Area experienced the effects of the Loma Prieta earthquake that registered 7.1 on the Richter Scale. The epicenter of the earthquake was located in Loma Prieta about 60 miles south of the City of San Francisco in the Santa Cruz Mountains. The Loma Prieta earthquake caused damage to the east span of the San Francisco-Oakland Bay Bridge and adjacent highways.

On August 24, 2014, a 6.0-magnitude earthquake occurred near Napa, California, the epicenter of which was located approximately 15 miles from the Carquinez and Benicia-Martinez Bridges. The State of California Department of Transportation ("Caltrans") conducted inspections of the seven bridges of the Bridge System and found no damage from this event.

In March 2015, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey (the "U.S.G.S"), the California Geological Society, and the Southern California Earthquake Center) reported that there is a 72% chance that one or more earthquakes of magnitude 6.7 or larger will occur in the San Francisco Bay Area before the year 2045. In addition, the U.S.G.S. released a report in April 2017 entitled the HayWired Earthquake Scenario, which estimates property damage and direct business disruption losses of $82 billion (in 2016 dollars) from a magnitude 7.0 earthquake on the Hayward Fault. Such earthquakes may be very destructive. Property within the San Francisco Bay Area could sustain extensive damage in a major earthquake, Bridges or their highway approach routes could be damaged, destroyed or rendered unusable for a period of time, and a major earthquake could adversely affect the area's economic activity.

The Seismic Retrofit Program was undertaken to mitigate the risk of major damage to the Bridges due to seismic activity by enhancing the structural integrity of the Bridges to accommodate ground motions along the various identified faults with return periods of between 1,000 and 2,000 years. With the completion of the Seismic Retrofit Program, the need for repairs of this magnitude is expected to be greatly reduced, especially on the San Francisco-Oakland Bay Bridge and the Benicia-Martinez Bridge, both of which have been strengthened to Lifeline Structure criteria. See APPENDIX A – "THE BRIDGE SYSTEM – General" and "CAPITAL PROJECTS AND FUNDING—Seismic Retrofit Program."

Other Force Majeure Events

Operation of the Bridge System and collection of bridge tolls is also at risk from other events of force majeure, such as damaging storms, winds and floods, fires and explosions, spills of hazardous substances, collisions involving maritime vessels, strikes and lockouts, sabotage, wars, blockades and riots or future outbreaks or pandemics, in addition to the impact of the COVID-19 pandemic as discussed further in "Impact of COVID-19 Pandemic" above. The Authority cannot predict the potential impact of such events on the financial condition of the Authority or on the Authority's ability to pay the principal of and interest on the Authority's toll bridge revenue bonds as and when due.

Climate Change Issues and Economic Impact of Possible New and Increased Regulation

In 2006, the California legislature passed Assembly Bill 32, the "California Global Warming Solutions Act of 2006," which requires the Statewide level of greenhouse gas ("GHG") emissions to be reduced to 1990 levels by 202_ and directs the California Air Resources Board ("ARB") to serve as the lead agency to implement the law. On October 20, 2011, the ARB made the final adjustments to its implementation plan for Assembly Bill 32 - the "California Cap-and-Trade Program" or the "Program" - which was implemented and became effective in January 2012. The Program covers regulated entities emitting 25,000 million metric tons of carbon dioxide equivalent per year or more and entities in certain listed industries, including major industrial sources, electricity generating facilities, fuel suppliers, and, since January 1, 2015, fuel distributors. While various studies anticipated that the Program would cause an immediate increase in the price of gasoline, its impacts are difficult to observe due to market fluctuations in the price of gasoline caused by other determinants.

The Program's effects on economic activity and transportation mode choices in the San Francisco Bay Area, both of which may impact Bridge Toll Revenues, are difficult to predict. Further, the Authority is unable to predict if any additional federal, State and local laws and regulations with respect to GHG emissions or other environmental issues will be adopted, or what effects such laws and regulations will have on the underlying factors that influence vehicle traffic volume on the Bridge System. The effects, while unknown, could be material.

Sea Level Rise

In September 2017, Adapting to Rising Tides ("ART") released a report on the Bay Area Sea Level Rise Analysis and Mapping Project (the "2017 ART Report"), led by the San Francisco Bay Conservation and Development Commission ("BCDC"), which provides guidance to agencies to help them understand and address complex climate change issues, including the effects of rising sea levels.

The 2017 ART Report highlights areas within each county that may be exposed to sea level rise and flooding impacts in the near term, either due to daily high tides with low to moderate amounts of sea level rise or as a result of significant storm surge events. Two distinct impacts (permanent inundation and temporary flooding) can occur from sea level rise and storm surge or a combination of both. The 2017 ART Report notes that as sea levels rise, San Francisco Bay shoreline and flood protection infrastructure will become increasingly exposed to tide levels currently considered extreme, and over time existing shoreline protection infrastructure will no longer provide the same level of flood protection that it does today. Such shifts in the frequency of extreme tide levels will have important design implications for flood protection infrastructure and for the resilience of valuable shoreline habitats.

In March 2020, a consortium of State and local agencies, led by the Bay Area Conservation and Development Commission, released a detailed study entitled, "Adapting to Rising Tides Bay Area: Regional Sea Level Rise Vulnerability and Adaptation Study," on how sea level rise could alter the Bay Area. The study states that a 48-inch increase in the bay's water level in coming decades could cause more than 100,000 Bay Area jobs to be relocated, nearly 30,000 lower-income residents to be displaced, and 68,000 acres of ecologically valuable shoreline habitat to be lost. The study further argues that without a far-sighted, nine-county response, the region's economic and transportation systems could be undermined along with the environment.

Climate change may affect the frequency and intensity of coastal storms, El Niño cycles, and related processes. A clear consensus has not fully emerged on these changes, but a commonly identified trend is a tendency toward increased wind speed and wave height along northern California. This may increase both erosion rates along the ocean beach coast and extreme tide frequency within the Bay. El Niño, storm surge and waves, and for some portions of the San Francisco Bay, freshwater discharge from creeks and sloughs during rainfall-runoff events also elevate the waters of San Francisco Bay along the shoreline. When one or more of these factors combine to raise San Francisco Bay waters above predicted tide levels, the result is a temporarily higher water level, an extreme tide. Extreme tides can reach several feet higher than typical daily high tides and result in damaging coastal floods. Without action, a portion of San Francisco's current land could be permanently inundated by daily high tides by the end of the century.

Sea level rise is not expected to have an adverse effect on the Bridges themselves. However, the effect on motor vehicle traffic in the San Francisco Bay Area generally, and particularly on Bridge approaches and access routes, could have an adverse impact on Bridge Toll Revenues.

Threats and Acts of Terrorism

Caltrans and law enforcement authorities have undertaken security measures in an effort to reduce the probability that the Bridges could be attacked by terrorists. However, such measures are not guaranteed to prevent an attack on the Bridges. The Authority cannot predict the likelihood of a terrorist attack on any of the Bridges or the extent of damage or vehicle traffic disruption that might result from an attack. The Bridges are not insured against terrorist attack.

No Insurance Coverage

No business interruption insurance or any other commercially available insurance coverage is currently maintained by the Authority or Caltrans with respect to damage to or loss of use of any of the Bridges. However, pursuant to the Cooperative Agreement the Authority currently maintains a self-insurance fund. The Cooperative Agreement calls for a minimum balance of $50 million, which would be available for reconstruction, repair and operations in the event of damage due to a major emergency which would result in closure to traffic of a Bridge estimated to extend more than 30 days and to exceed $10 million in cost. Such reserve is maintained pursuant to the Cooperative Agreement and upon agreement of Caltrans and the Authority may be reduced or eliminated in its entirety. Pursuant to the Cooperative Agreement, replenishment of funds used for such repairs would be made by the Authority from Bridge Toll Revenues.

The Authority's fiscal year 2021 budget contemplates the continued maintenance of a $1 billion reserve, including $50 million in the Cooperative Agreement, $180 million in the Operations and Maintenance Fund for two years of operation and maintenance fund of toll facilities, $210 million for two years of bridge rehabilitation, $280 million in project contingency and self-insurance reserves and $280 million in variable interest rate risk reserves. See the MTC 2020 CAFR at pages 71-76 and APPENDIX A – "AUTHORITY FINANCIAL AND OPERATING INFORMATION – Cash Reserves" for more information on the reserve. Moreover, the Authority expects that emergency assistance and loans from the federal government would be made available to the State in the event of major damage to the Bridges caused by a major earthquake or other force majeure event.

Economic Factors; Increasing Tolls

A substantial deterioration in the level of economic activity within the San Francisco Bay Area could have an adverse impact upon the level of Bridge Toll Revenues collected. In addition, the occurrence of any natural catastrophe such as an earthquake may negatively affect the San Francisco Bay Area economy or traffic using the Bridge System or both. Traffic using the Bridge System and toll revenues collected have declined substantially as a result of the COVID-19 pandemic. See "— Impact of COVID-19 Pandemic" and "— Risk of Earthquake" above and APPENDIX A – "COVID-19 PANDEMIC". Bridge Toll Revenues may also decline due to traffic interruptions as a result of construction, greater carpooling or use of mass transit, increased costs of gasoline and of operating an automobile, more reliance on telecommuting in lieu of commuting to work (which has been and may further be increased due to COVID-19), relocation of businesses to suburban locations (which may be increased due to COVID-19) and similar activities. Recent and future toll increases could have an adverse effect on the level of traffic on the Bridge System and the level of Bridge Toll Revenues collected. Lower traffic levels could result in lower total revenues, even though toll rates might increase. See APPENDIX A – "THE BRIDGE SYSTEM – Toll Setting Authority."

Risk of Non-Payment of Direct Subsidy Payments

A portion of the payments of interest on certain of the Authority's toll bridge revenue bonds is expected to be paid with Build America Bond subsidy payments that the Authority expects to receive from the federal government. The U.S. Treasury may offset any subsidy payment to which the Authority is otherwise entitled against any other liability of the Authority payable to the United States of America, including without limitation withholding or payroll taxes, or other penalties or interest that may be owed at any time to the United States of America. The Code authorizes federal regulations and other guidance to carry out the Build America Bond program, which may reduce the certainty of receipt of subsidy payments by the Authority. Subsidy payments do not constitute full faith and credit obligations of or guarantees by the United States of America, but are to be paid as tax credits by the U.S. Treasury under the Recovery Act. Accordingly, no assurance can be given that the U.S. Treasury will make payment of the subsidy payments in the amounts which the Authority expects to receive, or that such payments will be made in a timely manner. No assurance can be given that Congress will not amend or repeal provisions of the program and thereby affect the payment of subsidy payments. Additionally, no assurance can be given as to the payment of subsidy payments in the event of any shutdown of federal government operations.

The Budget Control Act of 2011 (the "Budget Control Act") provided for increases in the federal debt limit and established procedures designed to reduce the federal budget deficit. The Budget Control Act provided that a failure by Congress to otherwise reduce the deficit would result in sequestration: automatic, generally across-the-board spending reductions. Sequestration became effective March 1, 2013, and resulted in a reduction of the subsidy payments received by the Authority in connection with its Build America Bonds by 8.7% or $6,161,348 through September 30, 2013. The Bipartisan Budget Act of 2013 extended and made certain modifications to sequestration, but generally did not affect the reduction of subsidy payments for Build America Bonds. The Federal Fiscal Year ("FFY") runs from October 1 through the succeeding September 30. Subsidy payments received by the Authority in connection with its Build America Bonds were reduced by 6.8% or $5,206,185 for FFY 2016, 6.9% or $5,282,746 for FFY 2017, 6.6% or $5,053,062 for FFY 2018, 6.2% or $4,746,815 for FFY 2019, and 5.9% for FFY 2020. The U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% for FFY 2021 and FFY 2022.

If the Authority fails to comply with the conditions to receiving the subsidy payments throughout the term of the toll bridge revenue bonds designated as Build America Bonds, it may no longer receive such payments and could be subject to a claim for the return of previously received payments. The Authority is obligated to make payments of principal of and interest on its toll bridge revenue bonds without regard to the receipt of subsidy payments.

Variable Rate Obligations and Credit Facilities

Currently, the Authority has Outstanding Senior Bonds that are variable rate demand bonds bearing interest at a Weekly Rate (the "VRDBs") that are supported by credit facilities (the "Weekly Rate Credit Facilities"), which are scheduled to expire as described in Appendix A. See APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – TABLE 10 – SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS OUTSTANDING SENIOR WEEKLY RATE BONDS." The Authority cannot predict the availability or cost of extending or replacing Weekly Rate Credit Facilities in the future or other refinancing strategies that will not require credit support.

Ratings Changes. Current ratings of the Authority's VRDBs are in part based on the ratings of the providers of the Weekly Rate Credit Facilities ("VRDB Credit Providers"). The rating agencies could in the future announce changes in outlook, reviews for downgrade, or downgrades, of the ratings of the VRDB Credit Providers and/or the VRDBs. Certain events specified in the Weekly Rate Credit Facilities, including adverse ratings developments with respect to the VRDB Credit Providers or the Authority, could lead to the need for purchases by the VRDB Credit Providers of VRDBs pursuant to the Reimbursement Agreement described in Appendix A, which could result in a substantial increase in the Authority's debt service-related costs. See APPENDIX A – "OTHER AUTHORITY OBLIGATIONS – Credit Facilities."

Acceleration. The Senior Bonds that are VRDBs are subject to tender at the option of the owners thereof and if not remarketed will be purchased by the applicable VRDB Credit Provider under the applicable Weekly Rate Credit Facility for such VRDBs. Under certain conditions, the reimbursement obligations related to such purchases may be due and payable immediately on a parity basis with the Senior Bonds. The Senior Bonds are not otherwise subject to acceleration.

Maximum Interest Rate. Additionally, the interest rate on the VRDBs fluctuates and could increase up to a maximum rate of 12% per annum or, if there is a failure to remarket, 15% per annum when purchased by a VRDB Credit Provider pursuant to a Weekly Rate Credit Facility.

Acceleration and Renewal. Prior to the scheduled expiration dates of any Weekly Rate Credit Facilities, the Authority will evaluate its outstanding debt obligations and determine whether to renew or replace such Weekly Rate Credit Facilities or to restructure its VRDB debt to reduce the need for credit and/or liquidity facilities. The Authority cannot predict the availability or cost of extending or replacing Weekly Rate Credit Facilities in the future or other refinancing strategies that would not require credit support.

Remarketing Risk

As of the date of sale and issuance of the 202_ Series ___ Bonds, the Authority has Senior Bonds outstanding bearing interest at a Term Rate or an Index Rate and that are not supported by a letter of credit or liquidity facility. These Senior Bonds are subject to mandatory tender on purchase dates ranging from [April 1, 20___ to April 1, 2027]. The Authority expects funds from remarketing these Senior Bonds to be applied to pay the purchase price of such Bonds upon mandatory tender. The Authority is not obligated to provide any other funds for the purchase of such Bonds other than remarketing proceeds and can give no assurance that sufficient remarketing proceeds will be available to pay such Bonds upon mandatory tender. If there are insufficient funds to purchase any Bonds at the end of any Term Rate Period or Index Rate Period, the owners of such Bonds will retain such Bonds and such Bonds will bear interest at a Weekly Rate which shall be the Stepped Rate. The Stepped Rate increases over time as the Bonds are unable to be remarketed and may reach 12%. See APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Senior Bonds and Senior Obligations – *Term Rate and Index Rate Bonds*."

Index Determination Risk

General Considerations. The Authority has a substantial amount of obligations and derivative contracts that are based on indices that are determined by third parties, including the SIFMA Swap Index and the LIBOR Index. See APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – TABLE 11 – SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS OUTSTANDING SENIOR TERM RATE AND INDEX RATE BONDS" and "– TABLE 13 – QUALIFIED SWAP AGREEMENTS" for a detailed listing. The Authority is not responsible or accountable in any way for the determination of these indices or the procedures used in making those determinations and is not a member of or affiliated in any way with the associations or organizations responsible for determining these indices. The procedures employed in determining these indices may be modified from time to time and the publication of these indices may be delayed or discontinued entirely without any Authority involvement. Also, external market forces may result in the volatility of these indices. Moreover, these indices may be the subject of manipulation, as has been alleged by the Authority in pending litigation. See APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreements – *LIBOR Litigation*."

The SIFMA Swap Index and the LIBOR Index are determined by third parties, and the Authority is not responsible or accountable for its determination, the securities used in its determination or the procedures used in its determination. The Authority, the Underwriters, and the Index Agent have no control over the determination, calculation or publication of the SIFMA Swap Index. There can be no guarantee that the SIFMA Swap Index will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the 2021 Series B Bonds and 2021 Series C Bonds. If the manner in which the SIFMA Swap Index is calculated is changed, that change may result in changes to the SIFMA Index Rate, which could result in a reduction in the amount of interest becoming due and payable on, or the market price of, the 2021 Series B Bonds and the 2021 Series C Bonds.

Swap Related Risks. The Authority has Qualified Swap Agreements of, as of [June 30, 2020, a notional amount of $1,440,000,000] outstanding with various counterparties pursuant to which the Authority pays a fixed rate and receives a variable rate based on an index (the "Fixed Rate Payer Swaps"). The variable rates received pursuant to such agreements, which are LIBOR-based, may differ, at times substantially, from the interest rates on the Senior Bonds corresponding to such swap agreements. In addition, if the counterparties to such Qualified Swap Agreements encounter financial difficulties, under certain circumstances payments may not be received from such counterparties. Additionally, the swap agreements may be terminated early due to the occurrence of a termination event or an event of default with respect to the Authority or with respect to a counterparty requiring, depending on market conditions at the time, termination payments to be made by the Authority. Such termination payments could be substantial and are payable as Subordinate Obligations, on a parity basis with the Subordinate Bonds. Based on the aggregate fair market value of the Fixed Rate Payer Swaps as of [June 30, 2020], had all of the Fixed Rate Payer Swaps terminated on such date, the payments due from the Authority would have aggregated approximately [$644,705,755]. For further discussion of the Authority's Qualified Swap Agreements, see APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreements."

LIBOR Considerations. U.S. dollar London Inter-bank Offered Rates for multiple borrowing periods (collectively referred to as "LIBOR" in this section) are calculated and published by the benchmark's administrator, ICE Benchmark Administration Limited ("IBA"), which is regulated for such purposes by the United Kingdom's Financial Conduct Authority ("FCA"). The FCA has statutory powers to compel panel banks to provide rate quotations for the purpose of calculating the LIBOR. Although the FCA had previously announced that it would not ask, or require, that panel banks continue to submit quotations upon which the LIBOR is based beyond the end of 2021, the FCA announced on November 30, 2020, that it welcomed and supported the prospective continuation of most settings of the LIBOR beyond the end of 2021, as recently announced by the IBA.

In December 2020, IBA published a market consultation on its intention to cease the publication of the one-week and two-month LIBOR settings immediately following LIBOR publication on December 31, 2021, and the remaining LIBOR settings (overnight and one, three, six and 12 months) immediately following the LIBOR publication on June 30, 2023. Cessation of the publication of LIBOR rates applicable to the Qualified Swap Agreements at the end of June 2023 would mean that many legacy contracts referencing LIBOR would mature or reach the end of their term before related LIBOR rates cease to be published, although none of the Qualified Swap Agreements are scheduled to mature or reach the end of their term before that date.

It is possible that the panel banks could continue to provide quotations for, and that the IBA could continue to publish, LIBOR after June 30, 2023. It is also possible that the FCA could deem LIBOR to be no longer representative of its underlying market prior to that date, which may trigger transition to a replacement rate. In addition, these developments may result in a sudden or prolonged increase or decrease in published LIBOR rates, with LIBOR being more volatile than it has been in the past and potentially fewer financial instruments utilizing LIBOR as an index for scheduled payments.

The Secured Overnight Financing Rate ("SOFR") is expected to be the replacement rate for U.S. dollar determinations of LIBOR. However, because SOFR is a secured, risk-free rate, whereas LIBOR is an unsecured rate reflecting counterparty risk, SOFR will not likely be equivalent to LIBOR, and would likely need to be adjusted. The market appears to have arrived at a general consensus on the required adjustments to be made to SOFR to more closely align it with LIBOR. It is possible that LIBOR and adjusted SOFR, or any other replacement rate applicable to the Qualified Swap Agreements, could both be published for a period of time, which may result in market confusion.

On October 23, 2020, the International Swaps and Derivatives Association, Inc. published a multilateral "protocol" through which existing legacy swap contracts may be amended to incorporate provisions addressing the trigger events leading to replacement of LIBOR, as well as the replacement of LIBOR with a rate based on adjusted SOFR. This protocol became effective on January 25, 2021. However, both the Authority and its Qualified Swap Agreement counterparties would have to adhere to this protocol for its amendments to be effective with respect to the Qualified Swap Agreements. In the event that the Authority and/or a Qualified Swap Agreement counterparty fail to adhere to this protocol, or the parties otherwise fail to amend a Qualified Swap Agreement to refer to an alternative rate, the existing fallbacks for LIBOR under that Qualified Swap Agreement, which are based on a bank polling process, may present significant implementation challenges in the case of a permanent discontinuance of LIBOR. Also, in the event that the Authority and a Qualified Swap Agreement counterparty amend, through the protocol or otherwise, a Qualified Swap Agreement to refer to adjusted SOFR or another alternative rate, that alternative rate may differ, perhaps significantly, from LIBOR and may differ, perhaps significantly, from the interest rate to be paid by the Authority on the debt financing relating to such Qualified Swap Agreement.

In addition, New York State legislation is under consideration in connection with the discontinuance of LIBOR. If enacted, and the Authority and a Qualified Swap Agreement counterparty fail to amend their Qualified Swap Agreements through the protocol or otherwise to address the discontinuance of LIBOR, fallback provisions relating to determination of LIBOR by means of bank polling could be nullified. In such event, under the proposed legislation, adjusted SOFR could, by operation of law, be the replacement for LIBOR. Federal legislation in the U.S. relating to the discontinuance of LIBOR is also reportedly under consideration. **[UPDATE AS NECESSARY]**

Cybersecurity

The Authority relies on large and complex technology networks, systems, information, and other assets ("Information and Operations Technology") for efficient operations, provision of services to the public, and collection of tolls and other revenue on its Bridge System. In connection with its delivery of critical services to the public, the Authority's Information and Operations Technology collects and stores sensitive customer data, including financial information, security information, proprietary business information, information regarding customers, suppliers and business partners, and personally identifiable information of customers and employees (collectively, "PII").

The Authority implements physical, technical, and administrative safeguards to protect the operations of its Information and Operations Technology and PII, including measures to comply with applicable requirements of federal and state law, including without limitation Streets and Highways Code Section 31490. Despite implementation of a security program and measures to protect its Information and Operations Technology and PII, the Authority's network, systems, information and other assets are vulnerable to cybersecurity risks and threats, including those that may result in the compromise of PII, theft or manipulation of information, and operational disruptions and outages, by employees through error or malfeasance, criminal or malicious hackers, terrorists, and hacktivists. Any such security incident, intrusion, or attack could result in unauthorized access to or acquisition of sensitive information or PII, disruptions to the Authority's operations, including toll collection and financial reporting or other activities, legal claims or proceedings, including but not limited to laws that protect the privacy of personal information, and regulatory inquiries and penalties.

State Legislation

State legislation is introduced from time to time that could affect the finances or operations of the Authority or MTC or both, including, the level and expenditure of tolls. The Authority cannot predict whether any such legislation will be introduced or enacted in future legislative sessions.

Voter Initiatives

In 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 added Articles XIIIC and XIIID to the California Constitution and contains a number of interrelated provisions affecting the ability of local governments to levy and collect both existing and future taxes, assessments, fees and charges. Proposition 218 requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government.

Proposition 218 also provides for broad initiative powers to reduce or repeal any local tax, assessment, fee or charge.

In 2010, the voters of the State approved Proposition 26, another constitutional initiative, entitled the "Supermajority Vote to Pass New Taxes and Fees Act" ("Proposition 26"). Proposition 26, among other things, codified a definition of "tax" as used in Article XIII A, which requires that any changes in State statute that result in a taxpayer paying a higher tax be approved by a two-thirds vote of each of the California State Senate and the California Assembly, and in Article XIII C of the California Constitution, which requires that any special tax imposed by a local agency be submitted to the electorate and approved by a two-thirds vote. The Authority does not believe that the levy and collection of bridge tolls are taxes subject to such approvals.

In 2017, Senate Bill 595 ("SB 595") was enacted, imposing a toll increase of up to $3.00 for the Bridge System, subject to approval of the increase by a majority of voters in the San Francisco Bay Area. A regional ballot measure, entitled Regional Measure 3 ("RM3"), was placed on the ballot in all nine counties in the San Francisco Bay Area and, on June 5, 2018, a majority of Bay Area voters approved RM3, including a toll increase of $3.00 phased in over time. Two suits have been filed asserting, among other claims, that SB 595 is a change in state statute resulting in a higher tax, which would require approval of two-thirds of all members of the State Legislature, and RM3 is a tax which requires two-thirds voter approval under Propositions 26 and 218.

The Authority disagrees with plaintiffs' allegations and characterizations of SB 595 and RM3 and intends to continue to vigorously defend its position. In a June 2020 decision, the California Court of Appeal, First Appellate District (the "Court of Appeal") agreed with the Authority's arguments that the toll increase imposed by SB 595 is excepted from the definition of tax under Article XIII A of the California Constitution because it is a charge imposed for the entrance to or use of State property, and that such exception is not subject to limitations relating to the reasonableness of the cost of the toll increase or the manner in which such cost is allocated to payors, as plaintiffs had argued. On August 10, 2020, plaintiffs petitioned the California Supreme Court for review of the Court of Appeal's decision and, on October 14, 2020, the California Supreme Court granted review and deferred further briefing pending resolution of a related case under review by the California Supreme Court in which the Court of Appeal had held that franchise fees, which the Court of Appeal stated are arguably subject to a similar exception for entrance to or use of local agency property under Article XIII C of the California Constitution, must be reasonably related to the value of such franchise. Were the California Supreme Court ultimately to hold that charges for entrance to or use of government property are taxes unless they meet certain reasonable cost and allocation requirements, the toll increase imposed by SB 595, and future toll increases, would be subject to such requirements in order to qualify for the applicable exception from the definition of "tax" under the California Constitution as amended by Proposition 26. In such event, litigation regarding the SB 595 toll increase would likely continue, and the Authority would expect to vigorously defend its position that the toll increase satisfies such reasonable cost and allocation requirements. See APPENDIX A – "LITIGATION – Challenges to SB 595 and RM3."

The Supreme Court of California, in the case of *Bighorn–Desert View Water Agency v. Verjil*, 39 Cal. 4th 205 (2006), also held that the initiative power described in Article XIII C applies to any local taxes, assessments, fees and charges as defined in Articles XIII C and XIII D. Article XIII D defines "fee" or "charge" to mean a levy (other than ad valorem or special taxes or assessments) imposed by a local government "upon a parcel or upon a person as an incident of property ownership", including a user fee for a "property related service." However, the Court also found that the terms "fee" and "charge" in section 3 of Article XIII C may not be subject to a "property related" qualification. The Authority also does not believe that the bridge toll is a "fee" or "charge" as defined in Articles XIII D or XIII C. If ultimately found to be applicable to the bridge tolls, the initiative power could be used to rescind or reduce the levy and collection of bridge tolls under Proposition 218. Any attempt by voters to use the initiative provisions under Proposition 218 in a manner which would prevent the payment of debt service on the Authority's toll bridge revenue bonds arguably violates the Contract Clause of the United States Constitution and accordingly should be precluded. The Authority cannot predict the potential impact on the financial condition of the Authority and the Authority's ability to pay the purchase price, principal of and interest on its toll bridge revenue bonds as and when due, as a result of the exercise of the initiative power under Proposition 218.

ABSENCE OF MATERIAL LITIGATION

There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the knowledge of the Authority, threatened against the Authority in any way affecting the existence of the Authority or the titles of its officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the 202_ Series Bonds the application of the proceeds thereof in accordance with the Senior Indenture, the collection or application of the Bridge Toll Revenues (except as described in APPENDIX A – "LITIGATION – Challenges to SB 595 and RM3"), or the statutory lien thereon, in any way contesting or affecting the validity or enforceability of the 202_ Series Bonds or the Senior Indenture, in any way contesting the completeness or accuracy of the Official Statement or the powers of the Authority with respect to the 202_ Series Bonds or the Senior Indenture, or which could, if adversely decided, have a materially adverse impact on the Authority's financial position or the Authority's ability to collect Bridge Toll Revenues (except as described in APPENDIX A – "LITIGATION – Challenges to SB 595 and RM3"). For other litigation involving the Authority, see APPENDIX A – "LITIGATION." **[UPDATE AS NECESSARY]**

TAX MATTERS

202_ Tax-Exempt Bonds

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 20__ Series __ Bonds, [OTHERS TBD] (collectively, the "202_ Tax-Exempt Bonds") is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Bond Counsel, interest on the 202_ Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the 202_ Tax-Exempt Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on the 202_ Tax-Exempt Bonds. A complete copy of the proposed form of the opinion of Bond Counsel is set forth in Appendix E hereto.

To the extent the issue price of any maturity of the 202_ Tax-Exempt Bonds is less than the amount to be paid at maturity of such 202_ Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 202_ Tax-Exempt Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the 202_ Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the 202_ Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the 202_ Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the 202_ Tax-Exempt Bonds accrues daily over the term to maturity of such 202_ Tax-Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such 202_ Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such 202_ Tax-Exempt Bonds. Beneficial owners of the 202_ Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 202_ Tax-Exempt Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such 202_ Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such 202_ Tax-Exempt Bonds is sold to the public.

202_ Tax-Exempt Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such beneficial owner. Beneficial owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 202_ Tax-Exempt Bonds. The Authority has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 202_ Tax-Exempt Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 202_ Tax-Exempt Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 202_ Tax-Exempt Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the 202_ Tax-Exempt Bonds may adversely affect the value of, or the tax status of interest on, the 202_ Tax-Exempt Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the 202_ Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and that interest on the 202_ Tax-Exempt Bonds is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 202_ Tax-Exempt Bonds may otherwise affect a beneficial owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the beneficial owner or the beneficial owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 202_ Tax-Exempt Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 202_ Tax-Exempt Bonds. Prospective purchasers of the 202_ Tax-Exempt Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the 202_ Tax-Exempt Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the requirements of the Code.

The IRS has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. Bond Counsel is not obligated to defend the owners regarding the tax-exempt status of the 202_ Tax-Exempt Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority and their appointed counsel, including the beneficial owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the 202_ Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 202_ Tax-Exempt Bonds, and may cause the Authority or the beneficial owners to incur significant expense.

[202_ Series __ Bonds

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 202_ Series _ Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the 202_ Series _ Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on the 202_ Series _ Bonds. A complete copy of the proposed form of the opinion of Bond Counsel is set forth in Appendix E hereto.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to holders of the 202_ Series _ Bonds that acquire their 202_ Series _ Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their 202_ Series _ Bonds as part of a hedge, straddle or an integrated or conversion transaction, investors whose "functional currency" is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the 202_ Series _ Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their 202_ Series _ Bonds pursuant to this offering for the issue price that is applicable to such 202_ Series _ Bonds (i.e., the price at which a substantial amount of the 202_ Series _ Bonds are sold to the public) and who will hold their 202_ Series _ Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a 2021 Series F-1 Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a 2021 Series F-1 Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds 202_ Series _ Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding 202_ Series _ Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the 202_ Series _ Bonds (including their status as U.S. Holders or Non-U.S. Holders).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the 202_ Series _ Bonds in light of their particular circumstances.

U.S. Holders

Interest. Interest on the 202_ Series _ Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of any maturity of the 202_ Series _ Bonds is less than the amount to be paid at maturity of such 202_ Series _ Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 202_ Series _ Bonds) by more than a *de minimis* amount, the difference may constitute original issue discount ("OID"). U.S. Holders of 202_ Series _ Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

202_ Series _ Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a 2021 Series F-1 Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such 2021 Series F-1 Bond.

Sale or Other Taxable Disposition of the 202_ Series _ Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition of a 2021 Series F-1 Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a 2021 Series F-1 Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the 2021 Series F-1 Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the 2021

Series F-1 Bond (generally, the purchase price paid by the U.S. Holder for the 2021 Series F-1 Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such 2021 Series F-1 Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the 202_ Series _ Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the 202_ Series _ Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the 202_ Series _ Bonds. If the Authority defeases any 2021 Series F-1 Bond, the 2021 Series F-1 Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted U.S. federal income tax basis in the 2021 Series F-1 Bond.

Information Reporting and Backup Withholding. Payments on the 202_ Series _ Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the 202_ Series _ Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the 202_ Series _ Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 202_ Series _ Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," payments of principal of, and interest on, any 2021 Series F-1 Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation described in Section 881(c)(3)(C) of the Code, and (2) a bank which acquires such 2021 Series F-1 Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the 2021 Series F-1 Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the 202_ Series _ Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority or a deemed retirement due to defeasance of the 2021 Series F-1 Bond) or other disposition of a 2021 Series F-1 Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition and certain other conditions are met.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders," under current U.S. Treasury Regulations, payments of principal and interest on any 202_ Series _ Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the beneficial owner of the 2021 Series F-1 Bond or a financial institution holding the 2021 Series F-1 Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the 202_ Series _ Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of 202_ Series _ Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of 202_ Series _ Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

LEGAL MATTERS

The validity of the 202_ Series Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority. A complete copy of the proposed form of opinion of Bond Counsel is contained in Appendix E hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the Official Statement. Certain legal matters will be passed upon for the Authority by its general counsel and by Kutak Rock LLP, as Disclosure Counsel to the Authority, and for the Underwriters by their counsel, Nixon Peabody LLP.

RATINGS

202_ Series Bonds

Moody's Investors Service ("Moody's") has assigned a rating of _____ to the 202_ Series Bonds. S&P Global Ratings ("S&P") has assigned a rating of "_____" to the 202_ Series Bonds. Fitch Ratings ("Fitch") has assigned a rating of "___" to the 202_ Series Bonds.

Meaning of Ratings

The ratings described above reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch Ratings, 300 W. 57th Street, New York, New York 10019; Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007; and S&P Global Ratings, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. Such ratings could be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any of such ratings may have an adverse effect on the market price of the 202_ Series Bonds.

UNDERWRITING

The Authority has entered into a Purchase Contract (the "Purchase Contract") with respect to the 202_ Series Bonds with [BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC] (collectively, the "Underwriters"). Pursuant to the Purchase Contract, the Underwriters have agreed, subject to conditions, to purchase the 202_ Series Bonds at a purchase price of $_______, which represents the aggregate principal amount of the 202_ Series Bonds [plus an original premium] of $______ less an underwriters' discount of $_________.

The Underwriters will purchase all of the 202_ Series Bonds if any are purchased. The Underwriters have agreed to make a public offering of the 202_ Series Bonds at the prices or yields shown in the SUMMARY OF OFFERING.

BofA Securities, Inc., an underwriter of the 202_ Series Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 202_ Series Bonds.

Citigroup Global Markets Inc., an Underwriter of the 202_ Series Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "Fidelity"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts with respect to the 202_ Series Bonds.

J.P. Morgan Securities LLC ("JPMS"), an Underwriter of the 202_ Series Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 202_

Series Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 202_ Series Bonds that such firm sells.

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

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority (including the Refunded Bonds that are being refunded with the proceeds of the 202_ Series Bonds).

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

[VERIFICATION REPORT

Upon deposit of funds with, and purchase of securities by, the [Senior][Subordinate] Indenture Trustee, as escrow agent with respect to the Fixed Rate Refunded Bonds, _______, independent certified public accountants, will deliver a report stating that the firm has verified the mathematical accuracy of certain computations relating to the adequacy of the maturing principal of and interest on the investments in the [202__ Refunded Bonds Escrow Fund and the other moneys in such funds to pay when due the interest on and the maturing principal or redemption price of the _______ Bonds. See "SUMMARY OF FINANCING PLAN" herein.]

MUNICIPAL ADVISOR

The Authority has retained PFM Financial Advisors, LLC, San Francisco, California, as municipal advisor (the "Municipal Advisor") in connection with the issuance of the 202_ Series Bonds. The Municipal Advisor is an Independent Registered Municipal Advisor under section 15B of the Securities Exchange Act of 1934 and the rules promulgated thereunder by the Securities and Exchange Commission. The Municipal Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement.

RELATIONSHIP OF CERTAIN PARTIES

MUFG Union Bank, N.A. is the [Senior][Subordinate] Indenture Trustee under the Senior Indenture pursuant to which the Senior Bonds (which will include the 202_ Series Bonds), are issued and outstanding. MUFG Union Bank, N.A. is a party to the Reimbursement Agreement. As discussed further in "DESCRIPTION OF THE 202_ Series Bonds – General – *[Senior][Subordinate] Indenture Trustee – Possible Successor,*" MUFG Union Bank, N.A., has entered into a definitive agreement with U.S. Bank National Association to sell MUFG Union Bank, N.A.'s debt servicing and securities custody products businesses. The Bank of New York Mellon Trust Company, N.A. is the Subordinate Indenture Trustee under the Subordinate Indenture pursuant to which the Subordinate Bonds are issued and outstanding. The Bank of New York Mellon has entered into Qualified Swap Agreements with the Authority. The Bank of New York Mellon Trust Company, N.A. and The Bank of New York Mellon are affiliated and are subsidiaries of The Bank of New York Mellon Corporation. Bank of America, N.A. has entered into Qualified Swap Agreements with the Authority. Bank of America, N.A. is also a party to the Reimbursement Agreement. BofA Securities, Inc. is an underwriter with respect to the 202_ Series Bonds and is a remarketing agent for some of the Authority's outstanding Senior Bonds. BofA Securities, Inc. and Bank of America, N.A. are affiliated and are subsidiaries of Bank of America Corporation. Citibank, N.A. has entered into Qualified Swap Agreements with the Authority. Citigroup Global Markets Inc. is an underwriter with respect to 202_ Series Bonds and is a remarketing agent for some of the Authority's outstanding Senior Bonds. Citigroup Global Markets Inc. and Citibank, N.A. are affiliated and are subsidiaries of Citigroup Inc. JPMorgan Chase Bank, National Association has entered into Qualified Swap Agreements with the Authority. J.P. Morgan Securities LLC is an underwriter with respect to the 202_ Series Bonds and is a remarketing agent for some of the Authority's outstanding Senior Bonds. J.P. Morgan Securities LLC and JPMorgan Chase Bank, National Association are affiliated and are subsidiaries of JPMorgan Chase & Co. Goldman Sachs Mitsui Marine Derivative Products, L.P. has entered into Qualified Swap Agreements with the Authority. Goldman Sachs Mitsui Marine Derivative Products, L.P. and Goldman Sachs & Co. LLC are affiliated and are subsidiaries of The Goldman Sachs Group Inc. Goldman Sachs & Co. LLC is an underwriter with respect to the 202_ Series Bonds and is a remarketing agent for certain of the Authority's outstanding Senior Bonds. See APPENDIX A – "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreements" and "OTHER AUTHORITY OBLIGATIONS – Credit Facilities."

The Authority's capital improvement projects and related activities, including the sale of the 202_ Series Bonds, have been made possible, in part, by hiring underwriters, remarketing agents, bond insurers, reserve surety providers, liquidity providers, letter of credit providers, trustees and interest rate swap counterparties to assist the Authority. Certain of these entities or their affiliates have and continue to participate in more than one capacity in financings for, and contractual relationships with, the Authority.

CONTINUING DISCLOSURE

The Authority has covenanted for the benefit of the owners and beneficial owners of certain of its Bonds, including the 202_ Series Bonds, to cause to be provided annual reports to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website ("EMMA") for purposes of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), including its audited financial statements and operating and other information as described in the Continuing Disclosure Agreement. Pursuant to such undertakings, the Authority will provide an annual report through EMMA not later than nine months after the end of each Fiscal Year of the Authority (presently June 30). The form of Continuing Disclosure Agreement for the 202_ Series Bonds is attached as Appendix G hereto.

Fitch issued a new rating of "AA-" on the Subordinate Bonds on May 7, 2018, and the Authority filed notice of that new rating assignment on EMMA more than 10 business days after such date.

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MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the Authority and holders of any of the 202_ Series Bonds. All quotations from and summaries and explanations of the Senior Indenture, and of other statutes and documents contained herein, do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

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

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

BAY AREA TOLL AUTHORITY

By: _
Executive Director

APPENDIX A

BAY AREA TOLL AUTHORITY

APPENDIX B

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE

APPENDIX C

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE

APPENDIX D

BOOK-ENTRY ONLY SYSTEM

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

1. DTC will act as securities depository for the 202_ Series Bonds. The 202_ Series Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2021 Series Bond certificate will be issued for each maturity of each Series of the 202_ Series Bonds, in the aggregate principal amount of such maturity of the 202_ Series Bonds, and will be deposited with DTC.

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

3. Purchases of the 202_ Series Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 202_ Series Bonds on DTC's records. The ownership interest of each actual purchaser of each 2021 Series Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 202_ Series Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 202_ Series Bonds, except in the event that use of the book-entry system for the 202_ Series Bonds is discontinued.

4. To facilitate subsequent transfers, all 202_ Series Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorized representative of DTC. The deposit of 202_ Series Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 202_ Series Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 202_ Series Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. The Authority and the [Senior][Subordinate] Indenture Trustee will not have any responsibility or obligation to such DTC Participants or the persons for whom they act as nominees with respect to the 202_ Series Bonds.

6. Redemption notices shall be sent to DTC. If less than all of the 202_ Series Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 202_ Series Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 202_ Series Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, principal, premium, if any, and interest payments on the 202_ Series Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the [Senior][Subordinate] Indenture Trustee, on each payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the [Senior][Subordinate] Indenture Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the [Senior][Subordinate] Indenture Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the 202_ Series Bonds at any time by giving reasonable notice to the Authority or the [Senior][Subordinate] Indenture Trustee. Under such circumstances, in the event that a successor depository is not obtained, 202_ Series Bonds are required to be printed and delivered.

10. The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 202_ Series Bonds certificates will be printed and delivered to DTC.

No Assurance Regarding DTC Practices

AS LONG AS CEDE & CO. OR ITS SUCCESSOR IS THE REGISTERED HOLDER OF THE 202_ Series Bonds, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE REGISTERED HOLDERS OF THE 202_ Series Bonds SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE 202_ Series Bonds. ANY FAILURE OF DTC TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTEXT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 202_ Series Bonds CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE. Each person for whom a Participant acquires an interest in the 202_ Series Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such person, forwarded in writing by such Participant and to receive notification of all interest payments.

NONE OF THE AUTHORITY, THE [SENIOR][SUBORDINATE] INDENTURE TRUSTEE, THE SUBORDINATE INDENTURE TRUSTEE OR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION WITH RESPECT TO THE PAYMENTS TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS, THE SELECTION OF THE BENEFICIAL INTERESTS IN THE 202_ Series Bonds TO BE REDEEMED IN THE EVENT OF REDEMPTION OF LESS THAN ALL 202_ Series Bonds OF A PARTICULAR MATURITY OR THE PROVISION OF NOTICE TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE 202_ Series Bonds. NO ASSURANCE CAN BE GIVEN BY THE AUTHORITY, THE [SENIOR][SUBORDINATE] INDENTURE TRUSTEE, THE SUBORDINATE INDENTURE TRUSTEE OR THE UNDERWRITERS THAT DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR OTHER NOMINEES OF THE BENEFICIAL OWNERS WILL MAKE PROMPT TRANSFER OF PAYMENTS TO THE BENEFICIAL OWNERS, THAT THEY WILL DISTRIBUTE NOTICES, INCLUDING REDEMPTION NOTICES (REFERRED TO ABOVE), RECEIVED AS THE REGISTERED OWNER OF THE 202_ Series Bonds TO THE BENEFICIAL OWNERS, THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THE OFFICIAL STATEMENT.

In the event the Authority or the [Senior][Subordinate] Indenture Trustee determines not to continue the book-entry system or DTC determines to discontinue its services with respect to the 202_ Series Bonds, and the Authority does not select another qualified securities depository, the Authority shall deliver one or more 202_ Series Bonds in such principal amount or amounts, in authorized denominations, and registered in whatever name or names, as DTC shall designate. In such event, transfer and exchanges of 202_ Series Bonds will be governed by the provisions of the Senior Indenture.

APPENDIX E

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX F

PROJECTED DEBT SERVICE SCHEDULE[1]

The table below shows the projected annual debt service requirements for all of the Authority's outstanding Senior Bonds and Subordinate Bonds after the issuance of the 202_ Series Bonds and the refunding of the Refunded Bonds.

Fiscal Year Ending (June 30)	Outstanding Senior Debt Service[1]	Outstanding Subordinate Debt Service[1]	Outstanding Total Debt Service[1]

[1] Reflects actual interest rates for Fixed Rate Bonds. All variable interest rate bonds are assumed to be in the current rate mode until each series' respective mandatory tender date. Bonds bearing interest in Term mode are projected at actual fixed interest rates. Bonds bearing interest in Index mode, are projected using the Authority's interest rate

forecast, which ranges from [0.19% to 1.60%], plus each series' respective fixed spread. Bonds bearing interest in variable interest rate (Weekly Rate) mode, are projected using the Authority's interest rate forecast plus liquidity and remarketing fees estimated to be 1.00%. After the respective mandatory tender dates for each series of bonds bearing interest at Term or Index rates, each such bond is assumed to be in a variable interest rate (Weekly Rate) mode using the Authority's interest rate forecast as described above. All Qualified Swap Arrangements are assumed at the actual fixed interest rates, less a variable rate assumed to be equal to the Authority's interest rate forecast as described above. Except for fiscal year ending June 30, 2021, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% in federal fiscal year 2021 and federal fiscal year 2022, this decrease is reflected in debt service shown above. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement. This table is not a contract for future debt service, but rather a projection based on assumptions the Authority believes are reasonable. The debt service presented in this table has not been prepared in accordance with the additional bonds requirements of the Senior Indenture or the Subordinate Indenture.

APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT FOR 202_ SERIES BONDS

[APPENDIX H

GLOBAL CLEARANCE PROCEDURES

The following information concerning Euroclear and Clearstream Banking has been obtained from sources that the Authority and the Underwriters believe to be reliable, but neither the Authority nor the Underwriters take responsibility for the accuracy thereof.

Euroclear and Clearstream Banking

Euroclear and Clearstream Banking have advised the Authority as follows:

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

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

Clearing and Settlement Procedures

202_ Series Bonds sold in offshore transactions will be initially issued to investors through the book-entry facilities of DTC, or Clearstream Banking and Euroclear in Europe if the investors are participants in those systems, or indirectly through organizations that are participants in the systems. For any of such 202_ Series Bonds, the record holder will be DTC's nominee. Clearstream Banking and Euroclear will hold omnibus positions on behalf of their participants through customers' securities accounts in Clearstream Banking's and Euroclear's names on the books of their respective depositories.

The depositories, in turn, will hold positions in customers' securities accounts in the depositories' names on the books of DTC. Because of time zone differences, the securities account of a Clearstream Banking or Euroclear participant as a result of a transaction with a participant, other than a depository holding on behalf of Clearstream Banking or Euroclear, will be credited during the securities settlement processing day, which must be a business day for Clearstream Banking or Euroclear, as the case may be, immediately following the DTC settlement date. These credits or any transactions in the securities settled during the processing will be report to the relevant Euroclear participant or Clearstream Banking participant on that business day. Cash received in Clearstream Banking or Euroclear as a result of sales of securities by or through a Clearstream Banking participant or Euroclear participant to a DTC Participant, other than the depository for Clearstream Banking or Euroclear, will be received with value on the DTC settlement date but will be available in the relevant Clearstream Banking or Euroclear cash account only as of the business day following settlement in DTC.

Transfers between participants will occur in accordance with DTC rules. Transfers between Clearstream Banking participants or Euroclear participants will occur in accordance with their respective rules and operating procedures. Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Banking participants or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the relevant depositories; however, cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in the system in accordance with its rules and procedures and within its established deadlines in European time. The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Clearstream Banking participants or Euroclear participants may not deliver instructions directly to the depositories.

The Authority will not impose any fees in respect of holding the 202_ Series Bonds; however, holders of book-entry interests in the 202_ Series Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in the Clearing Systems.

Initial Settlement

Interests in the 202_ Series Bonds will be in uncertified book-entry form. Purchasers electing to hold book-entry interests in the 202_ Series Bonds through Euroclear and Clearstream Banking accounts will follow the settlement procedures applicable to conventional Eurobonds. Book-entry interests in the 202_ Series Bonds will be credited to Euroclear and Clearstream Banking participants' securities clearance accounts on the business day following the date of delivery of the 202_ Series Bonds against payment (value as on the date of delivery of the 202_ Series Bonds). DTC participants acting on behalf of purchasers electing to hold book-entry interests in the 202_ Series Bonds through DTC will follow the delivery practices applicable to securities eligible for DTC's Same Day Funds Settlement system. DTC participants' securities accounts will be credited with book-entry interests in the 202_ Series Bonds following confirmation of receipt of payment to the Authority on the date of delivery of the 202_ Series Bonds.

Secondary Market Trading

Secondary market trades in the 202_ Series Bonds will be settled by transfer of title to book-entry interests in the Clearing Systems. Title to such book-entry interests will pass by registration of the transfer within the records of Euroclear, Clearstream Banking or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the 202_ Series Bonds may be transferred within Euroclear and within Clearstream Banking and between Euroclear and Clearstream Banking in accordance with procedures established for these purposes by Euroclear and Clearstream Banking. Book-entry interests in the 202_ Series Bonds may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfer of book-entry interests in the 202_ Series Bonds between Euroclear or Clearstream Banking and DTC may be effected in accordance with procedures established for this purpose by Euroclear, Clearstream Banking and DTC.]

FORM OF APPENDIX A

BAY AREA TOLL AUTHORITY

(FOR BONDS TO BE ISSUED DURING FISCAL YEARS ENDING JUNE 30, 2022 AND 2023 AS AUTHORIZED BY RESOLUTION NO. 147 [1])

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS APPENDIX A

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

The achievement of results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or do not occur.

[1] The Authority has authorized updates to Appendix A necessary to provide material, accurate and complete disclosure to investors in connection with the issuance of Bonds under the terms of the Resolution, including updates to the financial and operating data of the Authority following the delivery of audited financial data for the Fiscal Years ending June 30, 2021 and 2022.

TABLE OF CONTENTS

INTRODUCTION

This Appendix A to the Official Statement contains information concerning the Bay Area Toll Authority (the "Authority" or "BATA"), and certain related entities, and includes descriptions of aspects of the Bridge System, capital projects for the Bridge System and other transit programs, and financial and operating information of the Authority and certain other investment considerations. References herein to "FYE" and "Fiscal Year" refer to, as the context requires, the fiscal year or years ended or ending June 30 for the Metropolitan Transportation Commission ("MTC") and the Authority. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used but not otherwise defined in this Appendix A shall have the meaning given in the forepart of this Official Statement.

Historic information about the Authority's finances and operations presented in this Official Statement (including this Appendix A) should be considered in light of the ongoing effects of the COVID-19 pandemic and the known and unknown effects of the pandemic on the current and future finances and operations of the Authority. See "RISK FACTORS – Impact of the COVID-19 Pandemic" in the forepart of the Official Statement and "COVID-19 PANDEMIC" below for current information and expectations about the effects of COVID-19 on the finances and operations of the Authority, including projected revenues shown in Table 17 in this Appendix A, which projections are based on current expectations and information and is not intended as a representation of facts or guarantee of results.

COVID-19 PANDEMIC

[SUBJECT TO REVIEW AND UPDATE]

General

As described in more detail under "RISK FACTORS – Impact of COVID-19 Pandemic" in the forepart of this Official Statement, the spread of COVID-19 is having significant adverse health and financial impacts throughout the world, including the San Francisco Bay Area. The World Health Organization declared the COVID-19 outbreak to be a pandemic, and states of emergency were declared by the Mayor of the City of San Francisco, the Governor of the State and the President of the United States. The State and the nine counties of the San Francisco Bay Area (the "Bay Area Counties"), as well as many states, counties and cities nationwide, instituted social distancing guidelines and/or stay-at-home orders for various periods of time, with certain exceptions for essential infrastructure and essential governmental functions. Other ongoing orders and guidelines included working from home, conducting school from home, cancelling numerous events, avoiding discretionary travel, limiting social gatherings and restricting the operations of restaurants, bars and other gathering establishments.

With widespread vaccinations currently underway in the United States and many countries worldwide, some of the governmental-imposed stay-at-home orders and restrictions on operations of schools and businesses implemented to respond to and control the outbreak of COVIS-19 have ended. However, restrictions could be re-imposed in various jurisdictions from time to time as local conditions warrant, and it is not known with any level of certainty when a full re-opening of the economy will be achieved.

The Authority cannot predict (i) the ultimate duration or extent of the COVID-19 outbreak or any other outbreak or pandemic; (ii) if stay at home orders or any other restrictions or warnings related to travel, gatherings or other activities will be re-imposed, and, if re-imposed, the duration or extent to which such orders or restrictions will remain in effect in the Bay Area Counties or in the State; (iii) what effect any COVID-19 or other outbreak or pandemic-related restrictions or warnings may have in the future on travel, commerce, the collection and receipt of Bridge Toll Revenues by the Authority and the operating expenses and capital costs of the Authority; (iv) whether and to what extent COVID-19 or another outbreak or pandemic may disrupt local, State, national or global economies, construction, manufacturing or supply chains; (v) the extent to which the COVID-19 outbreak or another outbreak or pandemic, or the resultant disruption to the local, State, national or global economy, may result in changes in future traffic patterns and use of the Bridge System, generally; or (vi) whether any of the foregoing may in the future have a material adverse effect on the finances and operations of the Authority and Bridge Toll Revenues.

Bridge Traffic

As a result of the ongoing COVID-19 pandemic and the associated stay-at-home-orders and other preventive measures that have been imposed by the various governmental entities, the Authority has experienced and is continuing to experience declines in motor vehicle traffic on each of the seven State-owned toll bridges in the San Francisco Bay Area (the Antioch Bridge, the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Richmond-San Rafael Bridge, the San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge (each, a “Bridge” and collectively, the “Bridge System”)).

Table 1 below provides comparative information of total monthly motor vehicle traffic on all of the Bridges for the Fiscal Years 2019, 2020 and 2021.

TABLE 1
MONTHLY TOTAL TRAFFIC ALL BRIDGES
FISCAL YEARS 2019, 2020 AND 2021
(Number of Vehicles in Thousands)[(1)]
(Unaudited)

[SUBJECT TO REVIEW AND UPDATE]

Month	Fiscal Year 2019[(3)]	Fiscal Year 2020[(3)]	Fiscal Year 2021[(3)]	Percent Change (FY2020 vs. FY2019)	Percent Change (FY2021 vs. FY2020)
July	12,551	12,330	8,359	(1.8)%	(32.2)%
August	12,790	12,544	9,406	(1.9)	(25.0)
September	12,022	11,790	9,293	(1.9)	(21.2)
October	12,400	12,071	9,879	(2.7)	(18.2)
November	11,453	11,366	8,980	(0.8)	(21.0)
December	11,721	11,344	8,754	(3.2)	(22.8)
January	11,456	11,344	[___]	(1.0)	[___]
February	10,496	10,970	[___]	4.5	[___]
March	12,075	8,294	[___]	(31.3)	[___]
April	11,981	5,594	[___]	(53.3)	[___]
May	12,248	7,437	[___]	(39.3)	[___]
June	12,106	9,144	[___]	(24.5)	[___]
Total Vehicles[(2)]	143,299	124,228	[___]	(13.3)%	[___]

(1) Totals may not add due to rounding.
(2) The table shows total traffic using the Bridges. Total paid traffic using the Bridges for Fiscal Years 2019, 2020 and 2021 was approximately 138,284,00 vehicles, 119,782,000 vehicles and [________] vehicles, respectively.
(3) See Table 2 below for total traffic on each individual Bridge for Fiscal Years 2019, 2020 and 2021. See also Table 5 below for comparative information on total number of toll-paying motor vehicle traffic on each individual Bridge.
Source: The Authority

Table 2 below provides comparative information of total motor vehicle traffic on each of the Bridges for the Fiscal Years ended 2019, 2020 and 2021.

TABLE 2
TOTAL TRAFFIC BY BRIDGE
FISCAL YEARS 2019, 2020 AND 2021
(Number of Vehicles in Thousands)[(1)(2)(3)]
(Unaudited)

[SUBJECT TO REVIEW AND UPDATE]

Bridge	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Percent Change (FY2020 vs. FY2019)	Percent Change (FY2021 vs. FY2020)
Antioch Bridge	[___]	[___]	[___]	[___]	[___]
Benicia-Martinez Bridge	[___]	[___]	[___]	[___]	[___]
Carquinez Bridge	[___]	[___]	[___]	[___]	[___]
Dumbarton Bridge	[___]	[___]	[___]	[___]	[___]
Richmond-San Rafael Bridge	[___]	[___]	[___]	[___]	[___]
San Francisco-Oakland Bay Bridge	[___]	[___]	[___]	[___]	[___]
San Mateo–Hayward Bridge	[___]	[___]	[___]	[___]	[___]
Total Vehicles	[___]	[___]	[___]	[___]	[___]

(1) Totals may not add due to rounding.
(2) The table shows total traffic using the Bridges for Fiscal Years 2019, 2020 and 2021. See Table 5 below for paid traffic using the Bridges for Fiscal Years 2019, 2020 and 2021.
(3) See also Table 5 below for comparative information on total number of toll-paying motor vehicle traffic on each individual Bridge.
Source: The Authority

As a result of the COVID-19 pandemic, the Authority is closely monitoring traffic volumes on the Bridge System and toll collections. The Authority cannot predict the extent and duration of changes in traffic volume on the Bridge System as a result of the COVID-19 pandemic and its associated economic impacts, including on Bridge Toll Revenues, as discussed below. It is possible that driving behavior and traffic patterns in the Bay Area may be permanently altered, once the various guidelines and orders implemented in response to the COVID-19 pandemic have been lifted, as a result of residents' and businesses' telecommuting experiences during the outbreak.

Toll Collections

Tolls on each of the Bridges are collected from vehicles crossing in one direction only. The Authority is responsible for processing all toll revenue collections. Prior to the COVID-19 pandemic, the Authority operated both electronic and cash toll collection lanes on each Bridge. Tolls are collected electronically through the FasTrak system (which is an electronic toll collection ("ETC") system operated by the Authority). Cash toll payments were collected on each Bridge at toll booths staffed by employees of the California Department of Transportation ("Caltrans"). Beginning in March 2020, the State and Caltrans suspended cash toll collections on the Bridges, and starting in April 2020, the Authority converted from ETC/cash payment to ETC/cash invoice and suspended violation penalty assessments for unpaid tolls. While cash toll operations were suspended, the Authority billed non-FasTrak users directly, by mailing photo-captured license plate information and bills to the registered owner's address on file with the California Department of Motor Vehicles (the 'DMV") in accordance with State law. Between March 2020 and December 2020, the Authority invoiced approximately $116 million of unpaid cash tolls (i.e., non-FasTrak user). Approximately 60% of those invoices were resolved by payment or administrative correction. The Authority initiated a second invoice process for the balance of these outstanding unresolved invoices by sending out second notices. Any unpaid invoices remaining after the second notice were put into the violation process, without penalties. Any unpaid violations, including both first and second notices, were transmitted to the DMV, for placement of a hold on the vehicle registration until the outstanding toll obligation is satisfied.

As of January 1, 2021, manual toll collection operations on the Bridges were permanently ended, and, as of January 1, 2021, the Authority began collecting all tolls from vehicles crossing the Bridges electronically either through its FasTrak system, through a License Plate Account (which links a photo-captured license plate to a credit card whenever the vehicle crosses a Bridge) or by invoicing the registered owner of the vehicle (which is accomplished by automated, high-speed cameras capturing images of a vehicle's license plates which images are then processed by the FasTrak Regional Customer Service Center, which then mails an invoice each month to the address at which the vehicle is registered with the DMV). Additionally, on January 1, 2021, the Authority reinstated full violation penalty assessments for unpaid tolls from vehicles using the Bridges on and after January 1, 2021. See "– THE BRIDGE SYSTEM – Bridge Toll Collection" below.

COVID-19 Pandemic Response and Recovery Planning

As a result of the continuing effects of reduced traffic volumes on the Bridges and the related reduction of the collection of Bridge Toll Revenues caused by the COVID-19 pandemic, the Authority has taken several proactive steps to ensure it continues to meet all of its financial obligations, including, among others, the payment of all debt service on its outstanding Senior Bonds and Subordinate Bonds and complying with its debt service coverage requirements and covenants. One of the steps taken by the Authority included making a one-time prepayment of approximately $160 million of the principal of and interest on certain outstanding Senior Bonds and Subordinate Bonds due in FYE 2021. This one-time prepayment was made in May 2020 using unrestricted available funds of the Authority. See "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage – Table 17 Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage" and [Note [__], page [__] of the MTC 20[21/22] CAFR (as defined herein).

In June 2021, the governing body of the Authority approved the Authority's operating and capital budgets for FYE 2022. As a direct result of the ongoing effects of the COVID-19 pandemic, the Authority has budgeted reductions in Bridge Toll Revenue collections, operating expenses and expenditures on the Authority's Bridge System rehabilitation and operational improvement projects. The Authority has budgeted (i) Bridge Toll Revenues of $[____] million for FYE 2022 (a $[____] million (or [___]%) [increase/decrease] from Bridge Toll Revenues collected in FYE 2021), and total revenues (Bridge Toll Revenues, violation revenue and interest earnings) of $[____] million for FYE 2021 (a $[____] million (or [__]%) [increase/decrease] from total revenues (Bridge Toll Revenues, violation revenue and interest earnings) collected in FYE 2021); (ii) operating expenses (including debt service on the Senior Bonds and Subordinate Bonds) of $[____] million for FYE 2022 (a $[____] million (or [___]%) [increase/decrease] from actual operating expenses (including debt service on the Senior Bonds and Subordinate Bonds) for FYE 2021); and (iii) $[____] million for Bridge System rehabilitation and operational improvement projects (the FYE 2021 budget for Bridge System rehabilitation and operational improvement projects was $51.3 million). [The Authority was able to achieve a balanced budget as a result of the prepayment of debt service described in the prior paragraph and an expected use of approximately $[____] million of unrestricted reserves to pay for the Bridge System rehabilitation and operational improvement projects.] The Authority is closely monitoring revenues and expenses during FYE 2022 to ensure that it can take appropriate actions as necessary in response to changing circumstances as a result of the on-going COVID-19 pandemic.

Another step taken by the Authority as a result of the COVID-19 pandemic was the creation of the "Recovery Ad Hoc Working Group" (the "Recovery Working Group") in the spring of 2020. The chair of the governing board of the Authority appointed the Recovery Working Group to assist the Authority in understanding the impacts caused by the COVID-19 pandemic on the Bridge System, and to guide the Authority and Caltrans in addressing these impacts on bridge operations, maintenance and rehabilitation. The Recovery Working Group consisted of five commissioners of the board (including the representative from the California State Transportation Agency). The Recovery Working Group also created an executive steering committee to assist it, which consisted of the Executive Director of the Authority, the Deputy Executive Director, Operations of the Authority, the Chief Financial Officer of the Authority, and a representative from Caltrans. The objectives of the Recovery Working Group included: (i) reviewing and addressing impacts of constrained revenue on bridge operations, maintenance and rehabilitation; (ii) reviewing and addressing COVID-19 impacts to traffic, carpool/vanpool, and transit operations on the bridge corridors; (iii) reviewing California State Transportation Agency project and funding priorities in light of needs and constraints; and (iv) exploring opportunities with Caltrans to more effectively and efficiently manage and deliver on the bridge corridors. The Recovery Working Group had a two pronged work plan. The first prong consisted of confirming priority projects to maintain the Bridges in a state of good repair, support toll collection and "Open Road Tolling" implementation and improve mobility in the Bridge corridors. The second prong consisted of developing strategies to strengthen the partnership between Caltrans and the Authority. In June 2021, the Recovery Working Group submitted its Summary Report and multi-year Action Plan to the governing board of the Authority for approval. The Action Plan includes three areas of focus: (1) securing funding and maintaining the Bridges in a state of good repair (which includes, among other recommendations, proceed with core projects in FY 2021-22, undertake a focused review of annual rehabilitation needs, and implement a deep dive asset management program); (2) effective and efficient program administration (which includes, among other recommendations, strengthen the partnership between the Authority and Caltrans, and address equality in FasTrak policies, including violation penalties and procedures); and (3) improved Bridge operations (which includes, among other recommendations, deliver forward initiatives by seeking and securing local, State and federal funding in addition to toll funding, to plan, design and delivering forward projects, and leverage State legislative bills to advance transit priority opportunities). See "THE BRIDGE SYSTEM – Bridge Toll Collection – *Toll Violations*" and "CAPITAL PROJECTS AND FUNDING – Bridge Rehabilitation Program."

BAY AREA TOLL AUTHORITY

The Authority administers the toll revenues from seven State-owned toll bridges in the San Francisco Bay area: the Antioch Bridge, the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Richmond-San Rafael Bridge, the San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge. See "THE BRIDGE SYSTEM."

The Authority is a public agency created in 1997 by California law. It operates pursuant to Chapters 4, 4.3 and 4.5 of Division 17 of the California Streets and Highways Code and the provisions of the Revenue Bond Law of 1941 made applicable to the Authority by California Streets and Highways Code Section 30961 (collectively, as amended from time to time, the "Act"). The Act provides the Authority with broad toll-setting authority for the Bridges.

Governance

The governing body of the Authority has the same governing board members as MTC, which consists of 18 voting members appointed by local agencies and three nonvoting members appointed by state and federal agencies. MTC is a public agency created in 1970 by California law for the purpose of providing regional transportation planning and organization for the nine San Francisco Bay Area counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma, sometimes collectively referred to herein as the "Bay Area." Each commissioner's term of office is four years or until a successor is appointed. The current term began on February 10, 2019, and ends on February 9, 2023. The chair and vice-chair are elected every two years. The current members and their terms are shown in the table that follows.

MTC Commissioners and Authority Members

Member Name	Description of Position	Originally Appointed
	Voting Members	
Alfredo Pedroza, Chair	Napa County and Cities	January 2017
Nick Josefowitz, Vice Chair	San Francisco Mayor's Appointee	January 2017
Margaret Abe-Koga	Cities of Santa Clara County	December 2020
Eddie H. Ahn	San Francisco Bay Conservation and Development Commission	May 2020
David Canepa	San Mateo County	January 2021
Cindy Chavez	Santa Clara County	December 2020
Damon Connolly	Marin County and Cities	January 2017
Carol Dutra-Vernaci	Cities of Alameda County	December 2016
Victoria Fleming	Sonoma County and Cities	April 2021
Federal D. Glover	Contra Costa County	December 2006
Sam Liccardo	San Jose Mayor's Appointee	February 2011
Nate Miley	Alameda County	February 2021
Gina Papan	Cities of San Mateo County	February 2019
David Rabbitt	Association of Bay Area Governments	February 2019
Hillary Ronen	City and County of San Francisco	February 2019
Libby Schaaf	Oakland Mayor's Appointee	January 2015
James P. Spering	Solano County and Cities	February 1987
Amy R. Worth	Cities of Contra Costa County	February 2007
	Non-Voting Members	
Dina El-Tawansy	California State Transportation Agency	November 2020
Dorene M. Giacopini	U.S. Department of Transportation	August 1995
Vacant	U.S. Department of Housing and Urban Development	

Toll Bridge Revenue Bond Program

Bridge Toll Revenues. As defined in the Indenture, Bridge Toll Revenues consist of toll revenues and all other income allocated to the Authority pursuant to Section 30953 of the Act derived from the Bay Area Bridges and not limited or restricted to a specific purpose, including certain revenues derived from toll increases the California State Legislature (the "State Legislature") has enacted from time to time contingent upon approvals of regional measures by Bay Area voters. See "THE BRIDGE SYSTEM – Bridge Toll Rates," "LITIGATION – Challenges to SB 595 and RM3," APPENDIX B — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE," and APPENDIX C — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE."

In 2017, Senate Bill 595 ("SB 595") was enacted, imposing a toll increase of up to $3.00 for the Bridge System, subject to approval of the increase and related expenditure plan by a majority of voters in the Bay Area. A regional ballot measure, entitled Regional Measure 3 ("RM3"), was placed on the ballot in all nine counties in the Bay Area and, on June 5, 2018, a majority of Bay Area voters approved RM3, including a toll increase of $3.00 phased in over time, with a $1.00 toll increase on January 1, 2019, a $1.00

toll increase on January 1, 2022, and a $1.00 toll increase on January 1, 2025, for vehicles traveling on the Bridges (collectively, the "SB 595 Toll Increases"). See THE BRIDGE SYSTEM – Bridge Toll Rates – Table 4 Bridge System Total Toll Rates."

Two suits have been filed challenging the SB 595 Toll Increases (as further defined herein, the "Challenges to SB 595 and RM3"). See "LITIGATION – Challenges to SB 595 and RM3." Pursuant to Resolution No. 129 adopted by the Authority on December 19, 2018, an escrow account (the "SB 595 Escrow Account") has been established and is held by MUFG Union Bank, N.A., as escrow agent, for the purpose of depositing proceeds of the SB 595 Toll Increases collected by the Authority while the Challenges to SB 595 and RM3 are pending. The Authority intends to hold the SB 595 Toll Increases in the SB 595 Escrow Account until the Challenges to SB 595 and RM3 reach a final, non-appealable resolution and further action consistent with such final, non-appealable resolutions is taken by the Authority.

Revenue Bond Program. From time to time, the Authority has issued Senior Bonds under the Senior Indenture and Subordinate Bonds under the Subordinate Indenture. As of [____], 20[__], the expected delivery date of the [2021/2022/2023] Series Bonds [and the expected date of the refunding of the Refunded Bonds], as described in more detail in the forepart of this Official Statement under the heading "SUMMARY OF FINANCING PLAN", the Authority will have outstanding Senior Bonds in the aggregate principal amount of $[____] and outstanding Subordinate Bonds in the aggregate principal amount of $[____]. See "OUTSTANDING AUTHORITY OBLIGATIONS," "OTHER AUTHORITY OBLIGATIONS" and "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE."

The Authority has used proceeds of its Senior Bonds and Subordinate Bonds, as well as accumulated Bridge Toll Revenues, to fund a number of significant regional transportation and transit projects and programs, including the seismic retrofit of each of the Bridges in the Bridge System. While some bridge rehabilitation programs are ongoing, the projects approved under RM1 (as defined herein) and the Seismic Retrofit Program (as defined below under "THE BRIDGE SYSTEM—General") are complete and the projects approved under RM2 (as defined herein) are nearing completion. The Authority continues to fund costs of operations and maintenance for the Bridge System and to administer the electronic toll collection system for the Bay Area. The Authority also has responsibility to fund budgeted Bridge rehabilitation and undertake Bridge construction and improvement projects as needed. See "CAPITAL PROJECTS AND FUNDING."

THE BRIDGE SYSTEM

General

The Bridge System consists of the seven bridges described below. The Golden Gate Bridge, which connects San Francisco with Marin County, is not part of the Bridge System, although the Authority does provide electronic toll collection services for the Golden Gate Bridge. The seven bridges of the Bridge System interconnect various communities within the Bay Area and were used for approximately [____] million paid vehicle crossings in FYE 20[21/22]. A map of the Bridge System appears in the prefatory pages of this Official Statement. For selected demographic statistics for the Bay Area, see [Table [__] on page [____]] of the MTC 20[21/22] CAFR.

California laws enacted starting in 1989 have required the seismic retrofit of each Bridge within the Bridge System (the "Seismic Retrofit Program"). As a result, all seven Bridges have been designed and have been retrofitted, at a minimum, to avoid a collapse if the ground motions used to design the projects were to occur at the respective sites. The Seismic Retrofit Program has been implemented using funding from Bridge Toll Revenues, proceeds of Bonds of the Authority, and State and federal funding. The

Authority and Caltrans have completed all projects in the Seismic Retrofit Program. See "CAPITAL PROJECTS AND FUNDING – Seismic Retrofit Program" in this Appendix A.

The seismic retrofit projects for each of the Bridges were carried out consistent with the design basis and seismic strategy described in the following table. It is possible, however, that the design strategies employed will not perform to expectations. See "RISK FACTORS – Risk of Earthquake" in the forepart of this Official Statement.

TABLE 3
TOLL BRIDGE SEISMIC RETROFIT PROJECTS
BRIDGE DESIGN BASIS AND SEISMIC STRATEGY

Bridge	Opening Year	Design Basis, Seismic Strategy
Antioch	1978	"No Collapse" Strategy Avoid catastrophic failure
Benicia-Martinez	1962 – West Span	Lifeline Structure Minor to moderate damage expected, reopen to traffic quickly
	2007 – East Span	Lifeline Structure Minor to moderate damage expected, reopen to traffic quickly
Carquinez	1958 – East Span	"No Collapse" Strategy Avoid catastrophic failure
	2003 – West Span	Intermediate Strategy Moderate to major damage expected
Dumbarton	1982	Intermediate Strategy Moderate to major damage expected
Richmond-San Rafael	1956	"No Collapse" Strategy Avoid catastrophic failure
San Francisco-Oakland Bay Bridge	1936 – Western Spans	Lifeline Structure Minor to moderate damage expected, reopen to traffic quickly
	2013 – Eastern Spans	Lifeline Structure Minor to moderate damage expected, reopen to traffic quickly
San Mateo-Hayward	1967	Intermediate Strategy Moderate to major damage expected

Source: Caltrans.

The Bridges

[SUBJECT TO REVIEW AND UPDATE]

San Francisco-Oakland Bay Bridge. The San Francisco-Oakland Bay Bridge opened to traffic in 1936 and connects San Francisco with Oakland and neighboring cities and suburban areas. The San Francisco-Oakland Bay Bridge provides the most direct connection between downtown San Francisco and the main transcontinental highways in the Bay Area.

The San Francisco-Oakland Bay Bridge has an overall length of approximately 8.5 miles consisting of two major bridge structures and a connecting tunnel on Yerba Buena Island, which is located at the midpoint of the bridge. The west span of the San Francisco-Oakland Bay Bridge is a double deck structure that consists of two suspension bridges with a common central anchorage and a concrete and steel truss approach spans at the San Francisco end; the length of the west span is 10,300 feet. Each deck has five traffic lanes with westbound traffic on the upper deck and eastbound traffic on the lower deck. Elevated approaches to the bridge carry through-traffic to and from Highway 101 south of San Francisco without use of local San Francisco streets.

Following the 1989 Loma Prieta earthquake that caused a section of the east span of the San Francisco-Oakland Bay Bridge to collapse, it was determined that a seismic retrofit of the west span and approach and the construction of a new east span of the bridge were necessary, and these projects were carried out as part of the Seismic Retrofit Program. The seismic retrofit of the west span was completed in 2004, and a seismic retrofit of the west approach to the bridge was completed in 2009. An approximately 520 foot long viaduct section east of the tunnel on Yerba Buena Island that connects the west span to the east span has been rebuilt.

The new east span, opened in September 2013, is 2.2 miles long and consists of side-by-side decks that transition off Yerba Buena Island, a self-anchored suspension ("SAS") bridge span, a skyway and an approach/touchdown in Oakland. The SAS bridge span is the world's longest single tower self-anchored suspension structure, at approximately 2,051 feet long and approximately 525 feet high, matching the tower heights on the west span, with 8-foot diameter foundation piles that are 300 feet deep, three times deeper than the old east span piles. The side-by-side bridge decks each have five lanes plus shoulders. The eastbound deck also carries a 15.5 foot-wide bicycle and pedestrian path. At the eastern terminus, approaches connect through-traffic with Highways 80, 580 and 880. All portions of the old eastern span to be dismantled were removed in September 2018. Existing piers E2 and E19-E22 of the old eastern span were left in place for use as part of a public access facility. See "CAPITAL PROJECTS AND FUNDING – Seismic Retrofit Program" in this Appendix A.

Recent Federal code changes with respect to vehicle weight limits allowed on bridges (the "Federal Load Requirements") require states to rate or re-rate the load capacity of bridges in the National Bridge Inventory, including the Bridges. To meet the Federal Load Requirements and heavier vehicle inventories, the load rating analyses may result in a requirement to strengthen the Bridges. Preliminary load rating analyses on the west spans of the San Francisco-Oakland Bay Bridge indicate that some strengthening of structural elements will be required, including replacement of some rivets and other similar work. [This strengthening work is anticipated to be completed in calendar year 2021 and will be funded as part of the Bridge System rehabilitation improvement projects.]

Carquinez Bridge. The Carquinez Bridge consists of two parallel spans that cross the Carquinez Strait between the Cities of Vallejo and Crockett and carry Highway 80, linking the Bay Area and Napa and Solano Counties. The spans are 28 miles northeast of San Francisco and 65 miles southwest of Sacramento. The east span is the older of the two bridges and opened in 1958. The east span is a steel through-truss superstructure 3,350 feet long with cantilever spans and carries four lanes of northbound Interstate 80 traffic. A seismic retrofit of the east span was completed in 2002. The west span is a suspension bridge with concrete towers and steel orthotropic box girder decks that opened to traffic in 2003 and carries four lanes of southbound traffic with shoulders and a bicycle and pedestrian path.

Benicia-Martinez Bridge. The Benicia-Martinez Bridge consists of two parallel spans that cross the Carquinez Strait approximately six miles east of the Carquinez Bridge and carry Highway 680. The bridge provides a direct connection from the north bay and Sacramento regions to central and eastern Contra Costa and Alameda and Santa Clara Counties. The bridge corridor is a major interstate route and links Highways 80, 680 and 780. The west span, opened to traffic in 1962, is a 6,215 foot-long, steel deck-truss, with seven 528-foot spans. The west span was originally designed to carry four lanes of traffic (two in each direction) and was subsequently expanded to carry six lanes (three in each direction) in the early 1990s. A seismic retrofit of the west span, consisting of the installation of isolation bearings and strengthening the superstructure and substructure, was completed in 2003. Following the opening of the new east span in 2007 carrying five lanes of northbound traffic, the west span was modified to carry four lanes of southbound traffic with shoulders and a bicycle and pedestrian path. The Bay Area's first open-road tolling was opened along with the new east span. See " – Bridge Toll Collection – *Toll Collection*" below. The east span is a segmentally-erected, cast-in-place reinforced lightweight concrete structure that is 8,790 feet long including approaches.

San Mateo-Hayward Bridge. The San Mateo-Hayward Bridge is approximately 17 miles south of the San Francisco-Oakland Bay Bridge, and carries Highway 92 across the San Francisco Bay, connecting Highway 101 and the City of San Mateo on the San Francisco peninsula to Highway 880 and the east shore of the San Francisco Bay in Alameda County, approximately five miles southwest of Hayward. The current bridge was built in 1967 and seismically retrofitted in 2000. The high-level section of the current structure consists of steel orthotropic box girders with a polyester concrete overlay. It is approximately two miles long and carries six lanes of traffic (three in each direction). The low-rise trestle section of the bridge was widened to carry six lanes of traffic with shoulders as well in 2003. Additional seismic retrofit work was conducted in October 2012 when the bridge was closed for the installation of a new seismic joint and the replacement of a 60 foot span of the bridge deck.

Richmond-San Rafael Bridge. The Richmond-San Rafael Bridge opened to traffic in 1956 and carries Highway 580 across the San Francisco Bay from a point about three miles west of the City of Richmond in Contra Costa County to the Marin County shore three miles southeast of the City of San Rafael. The Richmond-San Rafael Bridge is a double deck structure that is approximately 5.5 miles long and of cantilever-truss construction. Its major spans are 1,070 feet long. The bridge currently carries three lanes (during peak travel times) on the lower eastbound deck after conversion of the previously existing eastbound shoulder in 2018, and two lanes on the upper westbound deck, with a 10-foot-wide barrier separated pedestrian and bicycle pathway that was added from the previously existing shoulder. A seismic retrofit of the Richmond-San Rafael Bridge was completed in 2005.

In response to the new Federal Load Requirements, the Authority re-rated the load capacity of the Richmond-San Rafael Bridge. The preliminary load rating analyses on the Richmond-San Rafael Bridge indicated that some strengthening of structural elements will be required, including strengthening of some gusset plates and other similar work. [This strengthening work is anticipated to be completed in calendar year 2021 and will be funded as part of the Bridge System rehabilitation improvement projects.]

Dumbarton Bridge. The current Dumbarton Bridge opened in 1982. It carries Highway 84 across the San Francisco Bay and is situated approximately 10 miles south of the San Mateo-Hayward Bridge. The western end of the bridge is five miles northeast of the City of Palo Alto, and the eastern end is five miles west of the City of Newark, midway between the Cities of San Jose and Oakland. The Dumbarton

Bridge is a six-lane structure that is 1.6 miles long with a bicycle and pedestrian path. The bridge connects Highway 101 and Palo Alto to Highway 880 in Alameda County. The approach spans are composed of pre-stressed lightweight concrete girders that support a lightweight concrete deck. The center spans are twin steel trapezoidal girders that also support a lightweight concrete deck. A seismic retrofit of the Dumbarton Bridge was completed in May 2013.

Antioch Bridge. Located 25 miles east of the Benicia-Martinez Bridge, the Antioch Bridge carries Highway 160 and is the only northerly highway connection across the San Joaquin River linking east Contra Costa County to the delta communities of Rio Vista and Lodi. In 1978, a 1.8 mile long high-level fixed-span structure replaced the original bridge constructed in 1926. The Antioch Bridge spans the 3,600-foot wide San Joaquin River and extends 4,000 feet onto Sherman Island in Sacramento County to the north and 1,000 feet into Contra Costa County to the south. Traffic lanes consist of two 12-foot wide lanes for motor vehicles and two shoulders open to pedestrians and bicyclists. A seismic retrofit of the Antioch Bridge was completed in April 2012.

Toll Setting Authority

California law provides the Authority with broad toll setting authority, and requires the Authority to increase the toll rates specified in its adopted toll schedule in order to meet its obligations and covenants under any toll bridge revenue bond resolution or indenture of the Authority for any outstanding toll bridge revenue bonds issued by the Authority and the requirements of bond-related interest rate swap, credit and liquidity agreements. California law further authorizes the Authority to increase the toll rates specified in its adopted toll schedule to provide funds for the planning, design, construction, operation, maintenance, repair, replacement, rehabilitation, and seismic retrofit of the Bridges. No legislation, consent or approval by any other entity is required for such toll rate increases, nor are they limited in amount or duration; however, the California Supreme Court is currently reviewing a set of cases in which plaintiffs have argued that the SB 595 Toll Increases and other fees charged for the entrance to or use of government property are taxes requiring either approval of two-thirds of all members of each House of the State Legislature or two-thirds voter approval unless the SB 595 Toll Increases or such other fees, as applicable, are shown to satisfy certain reasonable cost and allocation limitations. See “LITIGATION – Challenges to SB 595 and RM3” below and “RISK FACTORS – Voter Initiatives” in the forepart of this Official Statement. The Authority is required to hold certain public hearings or meetings, and to provide at least 30 days’ notice to the State Legislature, before increasing tolls.

As further described herein, the Authority reviews from time to time the need for increases in toll rates for projects that improve the functioning or use of one or more of the Bridges. In addition, the State has in the past, and may in the future, enact additional legislation authorizing toll increases to fund certain projects, including projects that enhance safety, mobility, access or other related benefits in the Bridge System corridor, subject to any conditions the State may choose to specify in such legislation, including voter approval of such increases and expenditures. See “CAPITAL PROJECTS AND FUNDING” and “LITIGATION – Challenges to SB 595 and RM3.”

Bridge Toll Collection

Toll Collection. Tolls on each of the Bridges are collected from vehicles crossing in one direction only. The Authority is responsible for processing all toll revenue collections. Prior to the COVID-19 pandemic, the Authority operated both ETC lanes and cash toll collection lanes on each Bridge. Tolls are collected electronically through the FasTrak system (which is an ETC system operated by the Authority). Cash toll payments were manually collected on each Bridge at toll booths staffed by employees of Caltrans. As a result of the COVID-19 pandemic, beginning on March 21, 2020, the State and Caltrans suspended cash toll collections on all of the Bridges, and starting in April 2020, the Authority began collecting all tolls from vehicles crossing the Bridges either electronically through the FasTrak system or by invoicing the registered owner of the vehicle. While cash toll operations were suspended, the Authority billed non-FasTrak users directly, by mailing photo-captured license plate information and bills to the registered owner's address on file with the DMV in accordance with State law.

As of January 1, 2021, manual toll collection operations on the Bridges were permanently ended, and, as of January 1, 2021, the Authority began collecting all tolls from vehicles crossing the Bridges electronically either through its FasTrak system, through a License Plate Account (which links a photo-captured license plate to a credit card whenever the vehicle crosses a Bridge) or by invoicing the registered owner of the vehicle (which is accomplished by automated, high-speed cameras capturing images of a vehicle's license plates which images are then processed by the FasTrak Regional Customer Service Center, which then mails an invoice each month to the address at which the vehicle is registered with the DMV). The Authority completed full implementation of its all-electronic tolling system on all of the Bridges in early 2021.

Toll Violators. ***[SUBJECT TO REVIEW AND UPDATE]*** Toll violators are drivers that intentionally or inadvertently avoid the payment of tolls. The subsequent recovery of payment from a toll violator is reported by the Authority as Revenue. See "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Historical Revenue and Debt Service Coverage."

Prior to the implementation of all-electronic tolling on the Bridges, when a vehicle was identified as having crossed a bridge without paying the toll, a violation notice was sent to the vehicle's registered owner within 21 days of the toll violation at the address on file with the DMV, pursuant to State law. The first notice requested payment for the toll amount and a $25 penalty. However, the first penalty assessment could be waived at the discretion of the Authority if the vehicle's registered owner opened a prepaid FasTrak account. If the toll and penalty were not paid in response to the first notice, a second notice was sent for the toll amount plus a $70 penalty ($25 penalty plus $45 late penalty). Failure to respond to the second notice resulted in additional fees and one or more of the following actions: withholding of the vehicle's registration by the DMV, withholding of tax refunds by the Franchise Tax Board, or referral of the amount due to a collections agency.

With the implementation of all-electronic tolling in January 2021, customers who do not have a FasTrak or a License Plate Account are invoiced monthly by the Authority for the tolls incurred for using the Bridges. Customers who do not use the online one-time payment option, are required to return their invoice with payment within 30 days. Customers who neglect to return payment within 30 days will receive a "Notice of Toll Evasion" with a $25 penalty for each toll crossing. Customers who do not return their invoice with payment after 60 days will receive a "Second Notice of Delinquent Toll Evasion" with a violation penalty of $70 per crossing. Customers who do not return payment after the second notice may have a hold put on their vehicle registration by the DMV and/or have the amount owed referred to a collection agency.

As a result of the COVID-19 pandemic, the Authority temporarily suspended the imposition of penalties against toll violators between March 2020 and December 2020. As of January 1, 2021, the Authority reinstated full violation penalty assessments for unpaid tolls. See "COVID-19 PANDEMIC" above.

[One of the recommendations of the Recovery Working Group was for the Authority to address equality in FasTrak policies, including violation penalties and procedures. The Authority is currently reviewing its policies and procedures for imposing violation penalties, including the amount of penalties charged to individual toll violators. Certain changes that could result from the Authority's review include, among other changes, forgiveness of prior violations incurred since the start of the COVID-19 pandemic on a retroactive basis and/or a reduction of the level of penalties charged to toll violators in the future. The Authority's review is ongoing and it cannot predict what changes to its violation penalties and procedures, if any, may ultimately be approved by the governing body of the Authority, or what effects, if any, such changes may have on the operations and/or revenues of the Authority. See Table 16 under the heading "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Historical Revenue and Debt Service Coverage" below, and Table 17 under the heading "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage" below.]

The FasTrak System. ***[SUBJECT TO REVIEW AND UPDATE]*** For FYE 2021, [___]% of total toll-paying traffic consisted of FasTrak customers, compared to 79.0% in FYE 2020. Prior to the COVID-19 pandemic, the remainder of the toll-paying traffic consisted of cash toll collections. Cash collection operations were suspended in March 2020 as a result of the COVID-19 pandemic and were permanently ended on January 1, 2021. The growth in ETC processing has improved traffic flow on the Bridges but has also been associated with increased processing costs and toll violations. See " – Motor Vehicle Traffic" below.

FasTrak toll devices are read by an overhead antenna in the toll plaza so that customers are able to electronically pay their toll. A driver can obtain a toll device and deposit value into the associated account at a participating retailer, online or by mail, fax, phone or in-person. Toll accounts can be established for individuals and for businesses. Following implementation of ISO 18000-63 ("6C") ETC protocol in 2019 on all toll roads throughout the State, the Authority began phasing out existing toll devices and distributing 6C protocol tags.

When a vehicle enters any toll lane, the entry light curtain and loops detect the vehicle and a camera takes two images of the front license plate. Then, the overhead antenna reads a tag mounted in the vehicle. As a vehicle exits the lane the exit light curtain and loops detect the vehicle and a camera takes two images of the rear license plate with the vehicle axles electronically classified by the in-ground treadle system. All of the toll system information is sent to a lane specific computer where a transaction is created, the vehicle's license plate characters are processed, and the customer's ETC account is charged the proper amount. If a vehicle does not have a toll tag, the system identifies the vehicle as a violator. Later, the system sweeps its records to identify any existing customer account associated with the license plate number; if there is an associated account, the account is simply debited the proper toll amount.

FasTrak Regional Customer Service Center. ***[SUBJECT TO REVIEW AND UPDATE]*** The Authority contracts with Conduent Inc. ("Conduent"), previously known as Xerox State and Local Solutions, Inc. ("Xerox") for the management and operation of the FasTrak Regional Customer Service Center ("CSC"). Operations of the CSC are subject to the terms of a contract that expires on March 28, 2022. Funding for CSC operations is included in the Authority's annual operating budget. The Authority's CSC operations expenses for FYE 20[21/22] were approximately $[____] million.

CSC operations also support use of FasTrak on tolled facilities operated by other agencies, such as the Golden Gate Bridge and high occupancy toll lanes in the Bay Area. The Authority receives reimbursement for related costs from such other agencies. These reimbursement revenues are not revenues of the Authority pledged for the repayment of its Secured Obligations and amounted to approximately $[___] million in FYE 20[21/22].

Open Road Tolling. ***[SUBJECT TO REVIEW AND UPDATE]*** In December 2018, the Authority adopted a plan to convert then-existing manual toll operations to all electronic tolling through open road tolling ("ORT"), which involves the construction of new overhead gantries and the demolition of toll canopies along with the installation of a new tolling system. The capital cost of implementing the new

ORT system is currently estimated to be approximately $77 million, and the Authority expects to pay the costs from rehabilitation capital funds. However, due to the COVID-19 pandemic, the Authority has temporarily delayed the implementation of converting to an ORT system. The Authority currently expects conversion to an ORT system to begin in late 2023, with the Antioch Bridge being the first Bridge to be converted. The conversion of the other Bridges to an ORT system is expected to continue through 2026. After implementing ORT on all of the Bridges, there may be a second phase of work to demolish unused toll operations buildings and toll canopies, and repurpose roadway pavement no longer in use.

Bridge Toll Rates

For purposes of the Authority's Senior Indenture and Subordinate Indenture, all tolls charged on the Bridge System are treated as a single revenue source for accounting and administrative purposes. See "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS" in the forepart of this Official Statement and " – Toll Setting Authority" above.

Historic Toll Rates. In 1988, Bay Area voters approved a ballot measure called Regional Measure 1 ("RM1") establishing a uniform toll rate of $1.00 on all Bridges for toll-paying, two-axle vehicles and higher tolls for all other toll-paying vehicles and authorizing certain Bridge improvements and transit funding. In 2004, Bay Area voters approved a ballot measure called Regional Measure 2 ("RM2") that authorized a toll increase of $1.00 for all toll-paying vehicles to fund specified projects and transit expansions.

In 1998, a $1.00 seismic surcharge was imposed by California law on toll-paying vehicles to fund part of the cost of the Seismic Retrofit Program for the Bridge System. The Act was subsequently amended to authorize the Authority to assume responsibility for administering Bridge tolls and seismic funding as well as to increase the amount of the seismic surcharge, and an additional $1.00 per toll-paying vehicle increase took effect on January 1, 2007.

In January 2010, the Authority approved a general $1.00 toll increase on all of the Bridges, effective for two-axle vehicles on July 1, 2010 and effective for multi-axle vehicles (which represent about 3% of total traffic) in stages, on July 1, 2011 and July 1, 2012. The increased tolls for multi-axle vehicles are based on a toll of $5.00 times the number of axles. Approximately half of the multi-axle increase took effect on July 1, 2011, and the rest of the increase took effect on July 1, 2012.

As of July 1, 2010, the Authority began collecting tolls on the Bridges from high-occupancy vehicles (car pool vehicles and motorcycles) and inherently-low-emission vehicles (such as electric and hybrid cars), which had previously been granted toll-free passage on the Bridges during peak hours. Under the current toll schedule, high occupancy vehicles and inherently-low-emission vehicles pay a reduced-rate toll of $3.00 on all Bridges during peak hours, which are from 5 a.m. to 10 a.m. and from 3 p.m. to 7 p.m. weekdays on all Bridges. High-occupancy vehicles and inherently-low-emission vehicles pay the two-axle vehicle rate outside of peak hours. Commuter buses and vanpool vehicles are permitted to cross the Bridges toll-free at all hours. Toll-free traffic in FYE 20[21/22], was approximately [___] million vehicles, representing approximately [__]% of total traffic. See " – Motor Vehicle Traffic – Table 5 Total Toll-Paying Motor Vehicle Traffic" below.

Current Toll Rates. The following table sets forth the Authority's current toll schedule which became effective as of January 1, 2019. See "COVID-19 PANDEMIC – Effects on Bridge System Traffic and Bridge Toll Revenues," "BAY AREA TOLL AUTHORITY – Toll Bridge Revenue Bond Program – *Bridge Toll Revenues*" and "LITIGATION – Challenges to SB 595 and RM3" herein.

TABLE 4
BRIDGE SYSTEM TOTAL TOLL RATES[(1)(2)]
(EFFECTIVE DATES)

[SUBJECT TO REVIEW AND UPDATE]

Number of Axles Per Vehicle	January 1, 2019 through December 31, 2021	January 1, 2022 through December 31, 2024	Effective January 1, 2025
2 axles[(3)]	$ 6.00	$ 7.00	$ 8.00
3 axles	16.00	17.00	18.00
4 axles	21.00	22.00	23.00
5 axles	26.00	27.00	28.00
6 axles	31.00	32.00	33.00
7 axles or more	36.00	37.00	38.00

(1) Tolls as established under BATA Resolution No. 128, Attachment A – Authority Toll Schedule for Toll Bridges (Effective January 1, 2019). [Includes SB 595 Toll Increases, which pursuant to Resolution No. 129, are deposited by the Authority into the SB 595 Escrow Account and held until the Challenges to SB 595 and RM3 reach a final, non-appealable resolution and further action consistent with such final, non-appealable resolutions is taken by the Authority. See "BAY AREA TOLL AUTHORITY – Toll Bridge Revenue Bond Program - *Bridge Toll Revenues*" and "LITIGATION – Challenges to SB 595 and RM3" herein.]

(2) During peak hours on all Bridges, a reduced-rate toll of $3.00 will be collected on high-occupancy and inherently-low-emission two-axle vehicles.

(3) On the San Francisco-Oakland Bay Bridge, a weekday toll of $7.00 will be collected on all two-axle vehicles during peak hours (5 a.m. to 10 a.m. and from 3 p.m. to 7 p.m.), a weekday toll of $5.00 will be collected on all two-axle vehicles during non-peak hours, and a weekend toll of $6.00 will be collected on all two-axle vehicles. Effective January 1, 2022, a weekday toll of $8.00 will be collected on all two-axle vehicles during peak hours, a weekday toll of $6.00 will be collected on all two-axle vehicles during non-peak hours, and a weekend toll of $7.00 will be collected on all two-axle vehicles. Effective January 1, 2025, a weekday toll of $9.00 will be collected on all two-axle vehicles during peak hours, a weekday toll of $7.00 will be collected on all two-axle vehicles during non-peak hours, and a weekend toll of $8.00 will be collected on all two-axle vehicles. As required under SB 595, a discount on the portion of the SB 595 Toll Increase will be available for two-axle vehicles crossing more than one bridge on the same calendar day during peak hours. The Authority does not expect such discount to have a material effect on Bridge Toll Revenues. [On April 23, 2020, due to the reduction in congestion as a result of the COVID-19 pandemic, the Authority temporary suspended congestion pricing for the use of the San Francisco-Oakland Bay Bridge and tolls for all two-axle vehicles using the San Francisco-Oakland Bay Bridge are $6.00 all day. As of the date of this Official Statement, congestion pricing remains suspended.] See "COVID-19 PANDEMIC – Effects on Bridge System Traffic and Bridge Toll Revenues" above.

Source: The Authority.

The projections in this Appendix A, including those shown in Table 17 herein, exclude any Bridge Toll Revenues resulting from the SB 595 Toll Increases. See "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage – Table 17 Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage" and "LITIGATION – Challenges to SB 595 and RM3."

Motor Vehicle Traffic

The following table sets forth total toll-paying motor vehicle traffic for FYE [2012 through 2021]. As shown below, total toll-paying traffic for FYE 2021 was approximately [___] million vehicles, which represents a [increase/decrease] of approximately [____]% as compared to FYE 2020. See "COVID-19 PANDEMIC – Effects on Bridge System Traffic and Bridge Toll Revenues" above for a discussion of the effects the COVID-19 pandemic has had, and continues to have, on toll-paying motor vehicle traffic.

TABLE 5
TOTAL TOLL-PAYING MOTOR VEHICLE TRAFFIC[1]
(number of vehicles in thousands)

[SUBJECT TO REVIEW AND UPDATE]

FYE	San Francisco-Oakland Bay Bridge	Carquinez Bridge	Benicia-Martinez Bridge	San Mateo Hayward Bridge	Richmond-San Rafael Bridge	Dumbarton Bridge	Antioch Bridge	Total[2]	Percent Change
2012	43,382	19,613	17,908	16,016	12,320	9,777	2,124	121,140	1.1
2013	43,872	19,685	18,101	16,426	12,558	10,010	2,078	122,730	1.3
2014	44,037	19,856	18,791	17,434	13,309	10,712	2,142	126,281	2.9
2015	45,535	20,529	19,586	17,902	13,914	11,379	2,289	131,134	3.8
2016	46,038	21,241	20,637	19,079	14,267	11,648	2,346	135,256	3.1
2017	45,979	21,516	21,043	19,404	14,450	11,767	2,655	136,814	1.2
2018	46,042	21,997	21,156	19,701	14,600	11,868	2,938	138,302	1.1
2019[3]	45,761	22,023	21,192	19,732	14,454	12,004	3,118	138,284	0.0
2020[3]	40,114	19,429	18,336	16,531	12,657	9,874	2,841	119,782	(13.4)
2021[3]	[____]	[____]	[____]	[____]	[____]	[____]	[____]	[____]	[____]

(1) Traffic figures exclude toll violators. See "THE BRIDGE SYSTEM ─ Bridge Toll Collection ─ *Toll Violators*" above.
(2) Totals may not add due to rounding.
(3) See "COVID-19 PANDEMIC – Bridge Traffic" above for a discussion and comparative tables showing total vehicle traffic on the Bridges.
Source: The Authority.

Bridge System Operations and Maintenance

The Authority is responsible for paying all of the costs of operating and maintaining the Bridge System. As described below under "CAPITAL PROJECTS AND FUNDING – Seismic Retrofit Program," the Authority has closed all construction contracts related to the seismic retrofit of the San Francisco-Oakland Bay Bridge, [and the Authority expects the full inclusion of operating maintenance expenses associated with the San Francisco-Oakland Bay Bridge to occur during FYE 2021.]

The Authority is required by the Senior Indenture and the Subordinate Indenture to maintain Bridge System tolls at rates sufficient to pay such costs. Under current law, the payment of such costs (other than certain Caltrans expenses) is subordinate to the payment of the Authority's Bonds and other Secured Obligations, unless those costs are otherwise provided for by statute.

The Authority's operations and maintenance expenses include both payments to Caltrans and direct Authority expenses. Caltrans is responsible for maintaining the Bridge System in good repair and condition. The Authority's payments to Caltrans are made pursuant to State law and a Cooperative Agreement between the Authority and Caltrans, which may be amended from time to time, that addresses budget matters and allocates responsibilities for the operation and maintenance of the Bridge System between the Authority and Caltrans. Beginning in March 2020, the State and Caltrans suspended cash toll collections on the Bridges, and, as of January 1, 2021, manual toll collection operations on the Bridges were permanently ended. As a result of the termination of manual toll collection operations, the Authority's payments to Caltrans were significantly reduced in FYE 2021. See Table 4 below.

The Authority is responsible for all toll collection, including in-lane toll equipment, electronic toll collection administration, banking, finance and audits. The Authority's costs of operating and maintaining the Bridge System for [FYE 2017 through 2021] are set out on the following table.

TABLE 6
HISTORICAL OPERATING EXPENSES
($ in millions)

[SUBJECT TO REVIEW AND UPDATE]

FYE	Authority Operating Expenses	Caltrans Operating Expenses	TJPA Expenses(2)	Total(3)(4)
2017(1)	$52.2	$25.0	$4.7	$81.9
2018(1)	61.8	25.5	4.8	92.1
2019	67.3	26.6	5.0	98.9
2020	67.8	26.6	5.2	99.6
2021	[___]	[___](5)	[___]	[___]

(1) The information presented for FYE 2016 through FYE 2018 differs from the audited financial statements due to the reclassification of certain expenses from maintenance and operating expenses to capital expenses.

(2) As required by Section 30914(b) of the Act, MTC allocates toll bridge revenues, which are payable from funds transferred by the Authority, in an amount not to exceed $3 million, plus a 3.5% annual increase for operation and maintenance expenditures related to the Transbay Joint Powers Authority ("TJPA") and the Transbay Terminal Building. The transfer of funds is subordinate to any obligations of the Authority, such as the Authority's Bonds and other Secured Obligations, having a statutory or first priority lien against the toll bridge revenues. The transfer is further subject to annual certification by TJPA that the total Transbay Terminal Building operating revenue is insufficient to pay the cost of operation and maintenance without the requested funding.

(3) The historical operating expenses reflect gross operating and maintenance expenses without factoring in reimbursements received from Caltrans and other operating agencies. In FYE 2017, FYE 2018, FYE 2019, FYE 2020 and FYE 2021, the Authority received approximately $9.5 million, $9.7 million, $9.3 million, $8.6 million and $[___] million, respectively, in reimbursements from other operating agencies, resulting in net operating and maintenance expenses of approximately $72.4 million, $82.4 million, $89.6 million, $91.0 million and $[___] million, respectively. See "HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE – Historical Revenue and Debt Service Coverage – Table 16 Bridge System Historical Revenue and Debt Service Coverage."

(4) Totals may not add due to rounding.

(5) Beginning in March 2020, the State and Caltrans suspended cash toll collections on the Bridges, and, as of January 1, 2021, manual toll collection operations on the Bridges were permanently ended. As a result of the termination of manual toll collection operations, the Authority's payments to Caltrans were significantly reduced in FYE 2021.

Source: The Authority; [Schedule [__] on page [__]] of the MTC 20[21/22] CAFR.

Payments to MTC

The Act provides for payments by the Authority to MTC for specified transportation projects and programs. The payments are subordinate to the payment of the Authority's Bonds and other Secured Obligations.

In 2010, MTC determined that certain of the payments, totaling approximately $22 million in FYE 2010 (collectively, the "Fund Transfers"), were essential to the regional transportation system but that the statutory schedule for Fund Transfers would be inadequate to timely fund some of the projects planned by MTC. To address this timing issue, the Authority and MTC entered into a Funding Agreement (the "Funding Agreement"), under which the Authority paid to MTC in September 2010 an amount of $507 million, equal to the then present value of the bridge toll revenues that the Authority projected would be used for Fund Transfers for 50 years from July 1, 2010, in exchange for being relieved of responsibility for making Fund Transfers for that 50-year period.

The Authority's obligation to pay RM2 Operating Transfers ("RM2 Operating Transfers," as further described herein) and Authority Administrative Costs, described below, to MTC is not affected by the Funding Agreement. The following table sets forth the RM2 Operating Transfers and the Authority Administrative Costs for the past five Fiscal Years.

TABLE 7
TRANSFERS TO MTC
($ in millions)

[SUBJECT TO REVIEW AND UPDATE]

FYE	RM2 Operating Transfers(1)	Authority Administrative Costs(2)	Total
2017	$42.68	$10.64	$53.32
2018	45.00	13.72	58.72
2019	46.45	14.33	60.78
2020	43.88	19.86	63.74
2021	[___]	[___]	[___]

(1) RM2 Operating Transfers are subject to a statutory cap of 38% of RM2 revenue. Total RM2 revenue equaled approximately $[___] million in FYE 2021.
(2) Authority Administrative Costs are transferred by the Authority to MTC. This amount does not include Authority maintenance and operating expenses, which are shown on Table 6 Historical Operating Expenses.
Source: The Authority; [Schedule [__] on page [__]] of the MTC 20[21/22] CAFR.

"RM2 Operating Transfers" are transfers by the Authority to MTC to provide operating assistance for transit purposes pursuant to RM2 and Section 30914(d) of the Act. The measure provides that not more than 38% of annual bridge toll revenues derived from the RM2 toll increase imposed in conjunction with RM2 ($1.00 in the case of all vehicles regardless of the number of axles) may be transferred to MTC as RM2 Operating Transfers, and that all such transfers must first be authorized by MTC. Under Section 129(a)(3) of Title 23 of the United States Code, federal participation is limited on facilities that expend toll revenues for certain types of projects, including transit operations. MTC has received an opinion from the Federal Highway Administration that transit planning is an eligible expense and, as such, the Authority has made transfers to MTC for such purpose. MTC also has received an opinion from the Federal Highway Administration that it may expend toll funds on transit operations, if such funds are collected on bridge facilities that have not received federal assistance. There are four Bridges (Dumbarton, San Mateo-Hayward, Carquinez and Antioch) that have not received federal assistance. The Authority limits RM2 Operating Transfers to revenue derived from the RM2 toll revenue from these four Bridges and expects that tolls from such four Bridges will be sufficient to make RM2 Operating Transfers.

"Authority Administrative Costs" means the amount which the Authority may retain on an annual basis for its cost of administration pursuant to Section 30958 of the Act, which amount may not exceed 1% of the gross annual Bridge System revenues.

A separate provision of State law amended effective January 1, 2014 permits the Authority to make direct contributions to MTC in an amount up to 1% of the gross annual Bridge System revenues with any amounts exceeding 1% required to be in the form of interest-bearing loans to MTC. No such loans are outstanding at this time. Beginning in FYE 2020, the Authority first utilized this ability to make direct contributions to MTC under this statutory authority in order to reduce MTC's pension liability under CalPERS (as defined herein). See "OTHER AUTHORITY OBLIGATIONS – CalPERS and MTC Retirement Plan."

CAPITAL PROJECTS AND FUNDING

The Authority is authorized to use bridge toll revenues to fund capital projects, which have been authorized pursuant to certain programs described below.

[SUBJECT TO REVIEW AND UPDATE]

Bridge Rehabilitation Program

The Authority funds capital rehabilitation and operational improvement projects on the Bridge System designed to maintain and ensure the long-term safe operation of the Bridge System and associated toll facilities. The Authority commissioned a study by KPMG in 2011, which was most recently updated in November 2017, to assess its planned maintenance, repair and rehabilitation schedules for the Bridge System. Additionally, the Authority and Caltrans have initiated a risk-based asset management program, that consists of developing bridge-specific asset management plans. These plans are expected to develop a better understanding of the timing and sequence of investments necessary to maintain each Bridge in a desired state of good repair at the minimum practicable cost. The first such plan is underway for the Richmond-San Rafael Bridge.

As described above under "THE BRIDGE SYSTEM – The Bridges – *San Francisco-Oakland Bay Bridge*" and "*– Richmond-San Rafael Bridge*" the new Federal Load Requirements require states to rate or re-rate the load capacity of bridges in the National Bridge Inventory, including the Bridges. To meet the Federal Load Requirements and heavier vehicle inventories, the load rating analyses may result in a requirement to strengthen the Bridges. Preliminary load rating analyses on the west spans of the San Francisco-Oakland Bay Bridge and the Richmond-San Rafael Bridge indicate that some strengthening of structural elements will be required, including strengthening of some gusset plates, replacement of some rivets and other similar work. The strengthening work for these two bridges is anticipated to be completed in calendar year 2021 and will be funded as part of the Bridge System rehabilitation improvement projects. The remaining Bridges will be analyzed in the future. Similar improvements may be necessary on those Bridges and would be programmed as part of the Bridge System rehabilitation improvement projects.

[The Authority currently anticipates funding such rehabilitation and operational improvement projects in the amount of approximately $51.3 million for FYE 2021. The Authority budgeted approximately $185 million on the rehabilitation and operational improvement projects in FYE 2020.] See "COVID-19 PANDEMIC – COVID-19 Pandemic Response and Recovery Planning" for a discussion of the Authority's decision to reduce spending on the rehabilitation and operational improvement projects in FYE 2021 as a result of the expected decrease of Bridge Toll Revenues caused by the COVID-19 pandemic. ***[Subject to Review and Update to include information on use of 2021 Bond proceeds to pre-fund Bridge repair and replacement costs.]***

The Authority expects that actual maintenance, repair and rehabilitation costs will vary from year to year, largely as a result of the anticipated schedule for major rehabilitation of individual bridges, and that maintenance and repair costs generally will increase each year, which may result in deferring certain projects until funding is available. The Bridges are inspected regularly, and from time to time those inspections identify necessary maintenance and repair work that is not anticipated in the schedule. Ongoing maintenance, repair and major rehabilitation work on the Bridges may require the temporary closure of a Bridge from time to time. The Authority anticipates undertaking major rehabilitation or replacement of one or more bridges in the Bridge System while its Bonds are Outstanding, but the Authority cannot predict the timing or costs of such work.

Legislative Mandated and Voter Approved Programs and Projects

AB 1171 Capital Projects. Pursuant to Section 31010 of the Act (as amended by Assembly Bill 1171 ("AB 1171") adopted in 2001), excess toll revenue generated from the seismic surcharge after a specified commitment for funding the Seismic Retrofit Program projects is achieved is required to be collected by the Authority and remitted to fund transportation and transit projects similar to those authorized by RM1 and RM2. The amount of such funds currently is programmed by MTC to be $570 million and has been budgeted by the Authority to fund specified transportation projects such as the Doyle Drive replacement project, the extension of the Bay Area Rapid Transit system to east Contra Costa County, the Transbay Transit Center, improvements to the interchange of Highway 80 and Highway 680, and other transit and corridor improvement projects. As of June 30, 2021, approximately $[____] million of the funds programmed remain to be spent on specified transportation projects.

Seismic Retrofit Program. As described above under "THE BRIDGE SYSTEM – Seismic Retrofit of the Bridge System," since 1989, California laws have required the seismic retrofit of each Bridge within the Bridge System. All seven bridges in the Bridge System have now undergone either a seismic retrofit or a replacement of existing structures. A combination of funding including Bridge tolls, proceeds of Bonds of the Authority, and State and federal funding have provided funds for the Seismic Retrofit Program.

The Seismic Retrofit Program is complete. The new eastern span of the San Francisco-Oakland Bay Bridge has transitioned from a construction phase to an operations and maintenance phase under the oversight of Caltrans and the Authority. The Authority has closed out all construction contracts. The Toll Bridge Program Oversight Committee, which was established by legislation enacted in 2005 to provide project oversight and a project control process for the Seismic Retrofit Program projects, has concluded its oversight role with respect to the Seismic Retrofit Program.

Regional Measure 1 and Regional Measure 2 Projects. Regional Measure 1 ("RM1"), which was approved by voters, authorized the Authority to pay for specified highway and bridge enhancement projects. The RM1 program was completed as of the close of FYE 2013.

Voters also approved Regional Measure 2 ("RM2"), which authorizes the Authority to contribute up to $1.589 billion to 40 transit, highway and bridge enhancement and improvement projects to reduce congestion or to make improvements to travel in the toll bridge corridors. Generally, RM2 funding covers only a portion of each project's total cost. RM2 also authorizes the Authority to contribute funds every year for operating costs of specified public transportation agencies as another component of the regional traffic relief plan set forth in the ballot measure (the "RM2 Operating Transfers" described above under "THE BRIDGE SYSTEM – Payments to MTC").

[As of June 30, 2021, only approximately $[____] million of RM2 Projects remained to be allocated or spent out of the total budget of $1.589 billion.] Under the Act, the Authority may fund its specified RM2 Projects by issuance of additional toll bridge revenue bonds or transfer of Bridge Toll Revenues in an amount not to exceed $1.589 billion, but the Authority is under no obligation to provide funding for any project beyond the amount expressly provided in RM2 or to increase funding for all of the RM2 Projects beyond the aggregate authorization.

SB 595/Regional Measure 3 Projects. On June 5, 2018, a majority of Bay Area voters approved RM3, which authorizes the Authority to finance $4.45 billion of highway and transit improvements in the toll bridge corridors and their approach routes consistent with the RM3 expenditure plan specified by the Legislature in SB 595.

As described below under "LITIGATION – Challenges to SB 595 and RM3," two legal actions are pending with respect to SB 595 and RM3. The Authority cannot predict the outcome of such litigation at this time. See "LITIGATION – Challenges to SB 595 and RM3."

Additional Projects

From time to time, the Authority has funded projects based on findings that such projects will improve the functioning or use of one or more of the Bridges. Additionally, the Authority evaluates the need for future projects and the need for any increases in toll rates for such projects. See "THE BRIDGE SYSTEM – Bridge Toll Rates" above.

The Transit Core Capacity Challenge Grant Program seeks to fund the replacement of all or a portion of the rolling stock of buses, streetcars and rail cars of the Alameda-Contra Costa Transit District, the San Francisco Municipal Transportation Agency and the Bay Area Rapid Transit District. In 2013, the Commission pledged $7.5 billion in federal, state and local funds over 15 years to fund the program. MTC expects to fund the Core Capacity Challenge grants with more than $3 billion in federal transportation money, $875 million expected through the State cap and trade program and some $250 million of Bridge Toll Revenues through 2028.

RELATED ENTITIES

The Authority has interactions with a number of related entities the obligations of which are not obligations of the Authority nor are the obligations of such entities payable from Bridge Toll Revenues. One of these agencies, MTC, and certain of its activities are described below.

Metropolitan Transportation Commission

MTC is a public agency created in 1970 by California law for the purpose of providing regional transportation planning and organization for the nine San Francisco Bay Area counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma, sometimes collectively referred to herein as the "Bay Area." As such, it is responsible for regularly updating the regional transportation plan, a comprehensive blueprint for the development of mass transit, highway, airport, seaport, ferry, railroad, and bicycle and pedestrian facilities. MTC administers state and federal grants for transportation projects and screens requests from local agencies for such grant funding to determine their compatibility with the regional transportation plan. The regional transportation plan is published within the sustainable communities strategy that is jointly developed for the Bay Area by MTC and the Association of Bay Area Governments ("ABAG"). In July 2017, the staffs of MTC and ABAG consolidated. With approximately 310 staff, this combined work force is supporting the governing boards of both agencies and addressing challenges like housing affordability, access to jobs and congestion across the Bay Area's highways.

AUTHORITY FINANCIAL AND OPERATING INFORMATION

Financial Statements

Audited financial information relating to the Authority is included in MTC's financial statements. MTC does not prepare separate financial statements for the Authority. MTC's Comprehensive Annual Financial Report for FYE 20[21/22], including MTC's Financial Statements For FYE 20[21/22] (the "MTC 20[21/22] CAFR"), has been posted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website at ***[EMMA WEB LINK TO BE INSERTED FOLLOWING POSTING OF FYE 20[21/22] CAFR]*** and is incorporated herein by such reference as if fully included herein.

The financial statements as of June 30, 20[21/22], incorporated by reference in this Official Statement, have been audited by Crowe LLP, independent accountants, as stated in their report appearing therein. Crowe LLP has not been engaged to perform and has not performed, since the date of its report incorporated by reference in this Official Statement, any procedures on the financial statements addressed in that report. Crowe LLP also has not performed any procedures relating to this Official Statement.

Cash Reserves

[SUBJECT TO REVIEW AND UPDATE] [The Authority's budget for FYE 2022, includes the continued maintenance of a $1 billion reserve designated to provide liquidity for debt service, variable costs associated with variable rate demand bonds, rehabilitation and operational improvements on the Bridges, and operating and other expenses to help the Authority maintain operations through various emergency scenarios.] The reserve also was maintained at $1 billion during FYE 2021, however, see "COVID-19 PANDEMIC – COVID-19 Pandemic Response and Recovery Planning" with respect to the discussion about the expected need to draw approximately $50.8 million from the unrestricted reserves during FYE 2021 to pay for rehabilitation and operational improvement projects in FYE 2021.]

Pursuant to the Authority's budget for FYE 2022, the reserve is designated as follows: [$50 million in the Cooperative Agreement self-insurance emergency fund described below, $180 million in the Operations and Maintenance fund described below for two years of operation and maintenance of toll facilities, $210 million for two years of rehabilitation expenses on the Bridges, $280 million in project contingency and self-insurance reserves, and $280 million in variable interest rate risk reserves.] The Authority is permitted to redesignate the latter three reserve categories from time to time as necessary or desirable, and regularly reviews its options for structuring the project contingency and self-insurance reserve.

For a discussion of the Authority's unrestricted and restricted cash, cash equivalents and investments as of June 30, 20[21/22], see [Note [_] on pages [___]] of the MTC 20[21/22] CAFR. See also "– Investment Portfolio" below.

Operations and Maintenance Fund

[SUBJECT TO REVIEW AND UPDATE] The Senior Indenture provides that at the beginning of each Fiscal Year, the Authority shall deposit in its Operations and Maintenance Fund from Bridge Toll Revenues such amount as shall be necessary so that the amount on deposit in the Operations and Maintenance Fund equals two times the budgeted expenditures for the Fiscal Year for operation and maintenance of toll facilities on the Bridges, including, but not limited to, toll collection costs, including wages and salaries. The principal amount held in the Operations and Maintenance Fund is to be used and withdrawn by the Authority solely to pay such expenses and is not pledged to the payment of the Authority's Secured Obligations. Interest and other income from the investment of money in the Operations and Maintenance Fund is pledged to the payment of the Authority's Secured Obligations. The Authority, in its budget for FYE 2022, requires that the balance in the Operations and Maintenance Fund be maintained at [$180 million]. See "THE BRIDGE SYSTEM – Bridge System Operations and Maintenance."

The Senior Indenture also provides that in the event that Bridge Toll Revenues on deposit in the Bay Area Toll Account are not sufficient at the beginning of any Fiscal Year to enable the Authority to make the transfer described above at the beginning of such Fiscal Year, the Authority shall not be required to make such transfer for such Fiscal Year and failure of the Authority to make such transfer shall not constitute an event of default under the Senior Indenture for as long as the Authority shall punctually pay the principal of and interest on the Senior Bonds as they become due and observe and comply with the toll rate covenants in the Senior Indenture. The Subordinate Indenture does not require the Operations and

Maintenance Fund to be funded. See "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS – Certain Provisions of the Senior Indenture – *Toll Rate Covenants*" in the forepart of this Official Statement and APPENDIX B — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Covenants of the Authority."

Cooperative Agreement Self-Insurance Fund

Pursuant to its Cooperative Agreement with Caltrans, the Authority maintains a self-insurance fund. The Cooperative Agreement requires this fund to have a minimum balance of $50 million, which would be available for reconstruction, repair and operations in the event of damage due to a major emergency that results in closure to traffic of a Bridge estimated to extend more than 30 days and to exceed $10 million in cost. Pursuant to the Cooperative Agreement, replenishment of funds used for such repairs would be made by the Authority from bridge toll revenues. Upon agreement of Caltrans and the Authority, the minimum balance of the self-insurance fund may be reduced or eliminated in its entirety.

Neither the Authority nor Caltrans maintains business interruption insurance or any other commercially-available insurance with respect to damage to or loss of use of any of the Bridges.

Investment Policy

Funds of the Authority are invested with other funds of MTC and related entities pursuant to an investment policy adopted by MTC, which permits the Authority to invest in some (but not all) of the types of securities authorized by State law for the investment of funds of local agencies (California Government Code Section 53600 et seq.) The securities in which the Authority currently is authorized to invest include United States treasury notes, bonds and bills, bonds, notes, bills, warrants and obligations issued by agencies of the United States, bankers acceptances, corporate commercial paper of prime quality, negotiable certificates of deposit, medium term corporate notes, shares of beneficial interest in diversified management companies (mutual funds), the State's local agency investment fund, the Alameda County local agency investment fund, collateralized repurchase agreements, debt obligations of the State and local agencies in the State, and other securities authorized under State law as appropriate for public fund investments and not specifically prohibited by the investment policy. The investment policy (which is subject to change in the future) does not allow investment in reverse repurchase agreements, financial futures, option contracts, mortgage interest strips, inverse floaters or securities lending or any investment that fails to meet the credit or portfolio limits of the investment policy at the time of investment.

Funds held by a trustee under the Authority's toll bridge revenue bond indentures are to be invested by the trustee in specified types of investments in accordance with instructions from the Authority. The instructions from the Authority currently restrict those investments to investments permitted by the investment policy adopted by MTC described above (except that the trustee is permitted to invest a greater percentage of funds in mutual funds and in a single mutual fund than the investment policy would otherwise permit).

The Authority's primary investment strategy is to purchase investments with the intent to hold them to maturity. However, the Authority may sell an investment prior to maturity to avoid losses to the Authority resulting from further erosion of the market value of such investment or to meet operation or project liquidity needs.

[SUBJECT TO REVIEW AND UPDATE] As explained in the MTC 20[21/22] CAFR at [Note [__] on page [__], and at Note [__] in the discussion of "Derivative Instruments" on page [__]], the Authority's investment income for FYE 20[21/22] was comprised of interest income from investments and changes in the fair market value of certain interest rate swaps that were hedges for variable rate demand bonds that were refunded and that no longer had an underlying bond to hedge. This resulted in a non-cash derivative investment loss of $[________] in FYE 20[21/22] The Authority's Senior Indenture and Subordinate Indenture do not require the Authority to take that non-cash charge into account in calculating Revenue or for purposes of the additional bonds tests and the rate covenants described under "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS" in the forepart of this Official Statement.

For more information regarding the investment policy and portfolio of MTC and the Authority, including a discussion of certain deposit and investment risk factors, see [Note [__] and Note [__], starting at page [__] and page [__]], respectively, of the MTC 20[21/22] CAFR.

Investment Portfolio

[SUBJECT TO REVIEW AND UPDATE]As of [______], 20[21/22/23], the average maturity of the investment portfolio of MTC, which includes investments on behalf of the Authority, was [____] days, with an average yield to maturity of approximately [____]%.

TABLE 8
INVESTMENT PORTFOLIO INFORMATION(1)(2)
as of [_______], 20[21/22/23] (Unaudited)

[SUBJECT TO REVIEW AND UPDATE]

Investments	Percent of Portfolio	Par Value	Market Value
U.S. Treasury Securities			
Government Sponsored Enterprises(3)			
Cash			
Government Pools(4)			
Mutual Funds			
Municipal Bonds			
Certificates of Deposit			
TOTAL INVESTMENTS			

[(1) Preliminary; subject to acceptance by the Authority's governing board, which is expected in [____] 20[21/22/23].]
(2) The investment portfolio includes funds of MTC and related entities and trustee held funds (including amounts on deposit in the Reserve Fund established pursuant to the Senior Indenture and amounts on deposit in the Reserve Fund established pursuant to the Subordinate Indenture), approximately $2 billion of which are funds of the Authority. Includes amounts on deposit in the SB 595 Escrow Account. See "LITIGATION – Challenges to SB 595 and RM3."
(3) Federal Home Loan Mortgage Corp., Federal Home Loan Banks and Federal National Mortgage Association.
(4) Local Agency Investment Fund maintained by the Treasurer of the State of California and California Asset Management Program.
Source: MTC Monthly Investment Report.

OUTSTANDING AUTHORITY OBLIGATIONS

Outstanding Senior Bonds and Senior Obligations

[SUBJECT TO REVIEW AND UPDATE]

As of [________], 20[21/22/23], the expected delivery date of the [2021/2022/2023] Series Bonds [and the expected date of the refunding of the Refunded Bonds], the Authority will have outstanding Senior Bonds in the aggregate principal amount of $[___] comprised of: (i) $[___] of fixed rate bonds; (ii) $[___] of variable rate demand bonds bearing interest at a Weekly Rate; (iii) $[___] of bonds bearing interest at Index Rates tied to the SIFMA Swap Index; and (iv) $[___] of bonds bearing interest at Term Rates, all as more specifically set forth herein.

Fixed Rate Bonds. Table 9 below identifies the outstanding Senior Bonds that bear interest at a Fixed Rate, as of [________], 20[21/22/23], the expected date of delivery of the [2021/2022/2023] Series Bonds [and the expected date of the refunding of a portion of the [___] Bonds], as described in more detail in the forepart of this Official Statement under the heading "SUMMARY OF FINANCING PLAN."

TABLE 9
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
OUTSTANDING SENIOR FIXED RATE BONDS

[SUBJECT TO REVIEW AND UPDATE]

Series	Outstanding Principal Amount	Interest Rate	Final Maturity Date (April 1)
2012 Series F-1	$ 36,105,000	Fixed	2022
2021 Series F-1	349,205,000	Fixed (Taxable)	2040
2009 Series F-2	1,300,000,000	Fixed (Taxable)	2049
2019 Series F-1	869,195,000	Fixed (Taxable)	2054
2017 Series F-1	75,000,000	Fixed	2056
TOTAL	$2,629,505,000		

[Remainder of page intentionally left blank]

Weekly Rate Bonds. Table 10 below identifies the outstanding Senior Bonds that bear interest at a Weekly Rate, together with the letter of credit provider and expiration date of the letter of credit for each Series of such Senior Bonds, as of [_________], 20[21/22/23], the expected date of delivery of the [2021/2022/2023] Series Bonds.

TABLE 10
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
OUTSTANDING SENIOR WEEKLY RATE BONDS

[SUBJECT TO REVIEW AND UPDATE]

Series	Outstanding Principal Amount	Letter of Credit Provider	Letter of Credit Expiration Date
2007 Series G-1	$ 50,000,000	Bank of America, N.A.	June 15, 2022
2007 Series A-2	75,000,000	MUFG Bank, Ltd., acting through its New York Branch	June 15, 2022
2007 Series B-2	75,000,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	June 15, 2022
2007 Series C-2	25,000,000	MUFG Bank, Ltd., acting through its New York Branch	June 15, 2022
2007 Series D-2	100,000,000	Bank of America, N.A.	June 15, 2022
2008 Series C-1	25,000,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	June 15, 2022
2008 Series E-1	50,000,000	MUFG Bank, Ltd., acting through its New York Branch	June 15, 2022
2019 Series A	100,000,000	Bank of America, N.A.	August 1, 2024
2019 Series B	57,160,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	August 1, 2024
2019 Series C	52,200,000	Bank of America, N.A.	August 1, 2024
2019 Series D	82,370,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	August 1, 2024
TOTAL	**$691,730,000**		

[Remainder of page intentionally left blank]

Term Rate and Index Rate Bonds. Table 11 below identifies the outstanding Senior Bonds that bear interest at a Term Rate or Index Rate, and are not supported by a letter of credit or liquidity facility, as of [________], 20[21/22/23], the expected date of delivery of the [2021/2022/2023] Series Bonds, [and the expected date of the refunding of all of the [______] Bonds, as described in more detail in the forepart of this Official Statement under the heading "SUMMARY OF FINANCING PLAN."

TABLE 11
SAN FRANCISCO BAY AREA TOLL BRIDGE REVENUE BONDS
OUTSTANDING SENIOR TERM RATE AND INDEX RATE BONDS

[SUBJECT TO REVIEW AND UPDATE]

Series	Principal Amount	Interest Rate	Index Rate	Purchase Date Following End of Index Rate or Term Rate Period[(1)]
2017 Series C	$ 151,715,000	2.100%		April 1, 2022
2018 Series B	125,000,000	2.250		April 1, 2022
2006 Series C-1	125,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2007 Series C-1	50,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2008 Series A-1	110,000,000		SIFMA Swap Index plus 0.90%	May 1, 2023
2008 Series B-1	110,000,000		SIFMA Swap Index plus 1.10%	April 1, 2024
2008 Series G-1	50,000,000		SIFMA Swap Index plus 1.10%	April 1, 2024
2017 Series G	153,975,000	2.000		April 1, 2024
2021 Series B	56,850,000		SIFMA Swap Index plus 0.28%	April 1, 2024
2017 Series B	125,225,000	2.850		April 1, 2025
2017 Series H	188,750,000	2.125		April 1, 2025
2017 Series A	125,225,000	2.950		April 1, 2026
2018 Series A	194,735,000	2.625		April 1, 2026
2021 Series C	100,000,000		SIFMA Swap Index plus 0.45%	April 1, 2026
2001 Series A (Francis F. Chin Issue)	150,000,000		SIFMA Swap Index plus 1.25%	April 1, 2027
2021 Series A	204,835,000	2.000		April 1, 2028
TOTAL	**$2,021,310,000**			

(1) The Authority expects funds from remarketing to be applied to pay the purchase price of such Bonds upon mandatory tender. The Authority is not obligated to provide any other funds for the purchase of such Bonds other than remarketing proceeds and can give no assurance that sufficient remarketing proceeds will be available to pay such Bonds upon mandatory tender. If there are insufficient funds to purchase any Series of Bonds identified in the table above at the end of any Term Rate Period or Index Rate Period, the owners of such Bonds will retain such Bonds and such Bonds will bear interest at the Stepped Rate. See "RISK FACTORS – Remarketing Risk" in the forepart of this Official Statement.

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Outstanding Subordinate Bonds

Table 12 below identifies the outstanding Subordinate Bonds, which are secured by a pledge of Revenue that is subordinate to the pledge of Revenue securing the Senior Bonds, as of [______], 20[21/22/23], the expected date of delivery of the [2021/2022/2023] Series Bonds.

TABLE 12
SAN FRANCISCO BAY AREA SUBORDINATE TOLL BRIDGE REVENUE BONDS
OUTSTANDING SUBORDINATE BONDS

[SUBJECT TO REVIEW AND UPDATE]

Series	Outstanding Principal Amount	Interest Rate	Final Maturity Date
2019 Series S-9	$ 61,035,000	Fixed (Taxable)	April 1, 2023
2017 Series S-7	1,368,275,000	Fixed	April 1, 2049
2019 Series S-H	126,240,000	Fixed	April 1, 2049
2010 Series S-1	1,462,935,000	Fixed (Taxable)	April 1, 2050
2010 Series S-3	475,000,000	Fixed (Taxable)	October 1, 2050
2019 Series S-8	203,270,000	Fixed	April 1, 2056
TOTAL	**$3,696,755,000**		

Qualified Swap Agreements

[SUBJECT TO REVIEW AND UPDATE] The Authority currently has outstanding thirteen Qualified Swap Agreements with seven counterparties that, as of June 30, 20[21/22], had an aggregate notional amount of [$1,440,000,000]. Under all Qualified Swap Agreements, the Authority pays a fixed rate and receives a variable rate based on an index. Each Qualified Swap Agreement may terminate prior to its scheduled termination date and prior to the maturity of the Senior Bonds to which it relates. As of June 30, 20[21/22] the aggregate fair market value of the Qualified Swap Agreements was approximately $[___] million, payable by the Authority if all Qualified Swap Agreements were terminated on such date. For a discussion of the Authority's outstanding Qualified Swap Agreements as of June 30, 2021, see ["Note 5 Long-Term Debt—Derivative Instruments" and "—Objective and Terms of Hedging Derivative Instruments" on pages [__] and Schedules [__] through [__] on pages [______]], of the MTC 20[21/22] CAFR.

The governing board of the Authority has authorized the amendment, restructuring, and termination of existing Qualified Swap Agreements and the governing board has authorized the Authority to enter into additional Qualified Swap Agreements.

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

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

The Authority is not required to post collateral under its Qualified Swap Agreements. The counterparties are not required to post collateral unless they are rated below either "AA-" by S&P or "Aa3" by Moody's. Each swap counterparty is required to post collateral to the Authority to secure its exposure in excess of $10 million if the counterparty is rated between either "A+" and "A-" by S&P or "A1" and "A3" by Moody's. However, each counterparty must secure its entire exposure if it is rated below either "A-" by S&P or "A3" by Moody's. Additionally, each of the Qualified Swap Agreements provide the Authority with the right to terminate if the rating of the counterparty (or, if applicable, its credit support provider) to the agreement is withdrawn, suspended or reduced below specified levels by either S&P or Moody's.

LIBOR Litigation*. *[SUBJECT TO REVIEW AND UPDATE] The Authority has entered into interest rate swap contracts under which periodic payments to the Authority are calculated based on the London InterBank Offered Rate for the U.S. dollar ("LIBOR"). LIBOR is a benchmark rate calculated using an average of daily submissions by a panel of international banks regarding the rates at which they are prepared to lend unsecured funds to one another.

On March 31, 2014, the Authority initiated litigation in the United States District Court for the Northern District of California seeking recovery for damages allegedly suffered by the Authority under interest rate swap contracts with certain of the panel banks and other counterparties, resulting from the alleged manipulation of LIBOR between August 2007 and May 2010 (the "LIBOR Litigation"). The LIBOR Litigation is currently pending in the United States District Court for the Southern District of New York, where that case and cases initiated by numerous other plaintiffs were transferred and coordinated for pretrial proceedings along with related cases that were filed in that District. The Authority filed an amended complaint in October 2014. The complaint asserts claims under federal and state law against 25 defendants, consisting primarily of banks that were on the LIBOR panel during the relevant period. The Authority's claims arise from the banks' alleged suppression of LIBOR through making daily submissions that did not accurately reflect their expected borrowing rates. The Authority further alleges that the banks' suppression of LIBOR caused the Authority to receive lower payments than it was entitled to under its interest rate swap agreements.

As a result of opinions issued between 2015 and 2018 by the district court overseeing the LIBOR Litigation as well as the Second Circuit Court of Appeals, the Authority's claims against many of the defendants have been dismissed, for lack of personal jurisdiction and on other grounds. But certain of the Authority's claims against three of the panel banks—Bank of America, N.A., Citibank, N.A., and JPMorgan Chase Bank, N.A.—have been allowed to proceed, at least in part.

Additionally, most of the Authority's federal and state antitrust claims are currently included in consolidated appeals seeking to overturn the district court's December 2016 dismissal of those claims. Briefing in those appeals was completed in the spring of 2018, and oral argument was held on May 24, 2019.

TABLE 13
QUALIFIED SWAP AGREEMENTS
(as of June 30, 20[21/22])

[SUBJECT TO REVIEW AND UPDATE]

Counterparty	Notional Amount	Rate Paid by Authority	Rate Received by Authority
Bank of America, N.A.[1]	$30,000,000 amortizing to $0 by April 1, 2045	3.633% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
Bank of America, N.A.[1]	$50,000,000 amortizing to $0 by April 1, 2047	3.6255% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
Bank of America, N.A.[1]	$125,000,000 amortizing to $0 by April 1, 2045	2.9570% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
Citibank, N.A.[1]	$115,000,000 amortizing to $0 by April 1, 2045	3.6375% per annum	A floating per annum rate based on 53.80% of the one-month LIBOR Index[2] plus 0.74%
Citibank, N.A.[1]	$260,000,000 amortizing to $0 by April 1, 2047	3.636% per annum	A floating per annum rate based on 53.80% of the one-month LIBOR Index[2] plus 0.74%
Goldman Sachs Mitsui Marine Derivative Products, L.P.	$85,000,000 amortizing to $0 by April 1, 2047	3.6357% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
Goldman Sachs Mitsui Marine Derivative Products, L.P.	$60,000,000 amortizing to $0 by April 1, 2045	3.6418% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
JPMorgan Chase Bank, N.A.[1]	$245,000,000 amortizing to $0 by April 1, 2045	4.00% per annum	A floating per annum rate based on 75.105% of the one-month LIBOR Index[2]
Morgan Stanley Capital Services Inc.	$75,000,000, amortizing to $0 by April 1, 2036	4.09% per annum	A floating per annum rate based on 65% of the one-month LIBOR Index[2]
The Bank of New York Mellon	$170,000,000 amortizing to $0 by April 1, 2047	3.6357% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
The Bank of New York Mellon	$40,000,000 amortizing to $0 by April 1, 2047	2.224% per annum	A floating per annum rate based on 68% of the one-month LIBOR Index[2]
Wells Fargo Bank, N.A.	$75,000,000 amortizing to $0 by April 1, 2036	3.286% per annum	A floating per annum rate based on 65% of the one-month LIBOR Index[2]
Wells Fargo Bank, N.A.	$110,000,000 amortizing to $0 by April 1, 2045	3.6375% per annum	A floating per annum rate based on 53.80% of the one-month LIBOR Index[2] plus 0.74%

(1) Named Defendant in LIBOR Litigation described in "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreement – *LIBOR Litigation*."

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

OTHER AUTHORITY OBLIGATIONS

Credit Facilities

[SUBJECT TO REVIEW AND UPDATE] On October 16, 2014, the Authority entered into a Reimbursement Agreement, as amended on June 15, 2017 and as further amended on August 1, 2019, with certain banks and with Bank of America, N.A., as agent for such banks, pursuant to which the banks provided irrevocable, direct-pay letters of credit (the "Letters of Credit") for the Authority's outstanding variable rate demand Senior Bonds. See "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Senior Bonds and Senior Obligations – *Weekly Rate Bonds*."

The Letters of Credit are available to be drawn on for funds to pay principal of and interest on the applicable Senior Bonds and payment of the Purchase Price for such Senior Bonds tendered for purchase or subject to mandatory purchase in accordance with the Senior Indenture and not remarketed. Senior Bonds so purchased with proceeds of draws under the Letters of Credit ("Credit Provider Bonds") will continue to be Senior Bonds under the Senior Indenture payable on a parity basis with other Senior Bonds, but they will bear interest at the applicable rate of interest set forth in the Reimbursement Agreement. Reimbursement obligations created by unreimbursed principal and interest draws under the Letter of Credit will be Senior Parity Obligations, payable on a parity basis with Senior Bonds. Under the Reimbursement Agreement, fees and other payments due to the banks providing the Letters of Credit are subordinate to Senior Obligations and Subordinate Obligations and are payable from the Fees and Expenses Fund held by the Senior Indenture Trustee. The Authority's obligation to pay interest on reimbursement obligations and on Credit Provider Bonds evidencing the Authority's obligation to pay amounts advanced under the Letters of Credit can be as high as 15% per annum.

The Letters of Credit will expire on the dates shown under "OUTSTANDING AUTHORITY OBLIGATIONS – Outstanding Senior Bonds and Senior Obligations – *Weekly Rate Bonds* – Table 10 Outstanding Senior Weekly Rate Bonds" above. An extension of the Letters of Credit or the substitution of another liquidity facility for the applicable Senior Bonds is required by the Indenture until such Senior Bonds are retired or changed to bear interest, as permitted by the Indenture, at a Fixed Rate, a Term Rate, a Commercial Paper Rate, or an Index Rate. The scheduled expiration or the termination by the Authority of a Letter of Credit will, and the substitution of another liquidity facility may, result in a mandatory purchase of the Senior Bonds supported by such Letter of Credit as explained under APPENDIX B – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – THE SENIOR INDENTURE – Mechanics of Optional and Mandatory Tenders."

The Authority's obligation to reimburse the banks on account of the purchase of the Authority's Senior Bonds that are tendered for purchase and not successfully remarketed may, under specified circumstances, be converted to a liquidity advance, evidenced by a "Bank Bond." In such a case, the Reimbursement Agreement requires the Authority to redeem any Bank Bond that is not remarketed in 13 equal quarterly installments beginning on the first Business Day of the twenty-fourth calendar month immediately following the purchase of the Bank Bond by the applicable bank, but that amortization period may be accelerated by the banks in the event of the occurrence of an event of default under the Reimbursement Agreement. Events of default under the Reimbursement Agreement include, among other events, the failure of the Authority to pay debt service on its Senior Bonds or Subordinate Bonds as and when due, the default by the Authority in the observance or performance of covenants or agreements in the Reimbursement Agreement or related documents, and a reduction in the long-term unenhanced ratings of any Senior Obligations below “BBB-”, “BBB-” and “Baa3,” respectively by any two of Fitch Ratings, S&P and Moody’s, or a withdrawal or suspension for credit-related reasons of such ratings by any two of such rating agencies. The Indenture requires Bank Bonds of a Series to be remarketed prior to the remarketing of any other remarketed Bonds of such Series tendered for purchase or subject to mandatory purchase.

In addition, in order for a liquidity drawing to be converted to a liquidity advance under the Reimbursement Agreement, certain preconditions must be satisfied by the Authority. These include, in addition to there being no event of default under the Reimbursement Agreement, the requirement that the Authority be able to make, as of the conversion date, certain representations and warranties set forth in the Reimbursement Agreement, including representations regarding the absence of certain litigation or legislation. Such representations may not be possible under circumstances that are beyond the control of the Authority. If the preconditions to the conversion to a liquidity advance cannot be met, the liquidity drawing is due and payable immediately by the Authority. Liquidity drawings and liquidity advances under the Reimbursement Agreement are required to be paid on a parity with the Senior Bonds and prior to the Subordinate Bonds.

Further Subordinated Obligations

The Authority may issue or incur obligations that would be secured by Revenue on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the Subordinate Obligations. Other than fees and other payments due to the Credit Providers, the Authority had no such obligations outstanding as of the date of this Official Statement. Such obligations could consist of toll bridge revenue bonds or payment obligations under liquidity or credit agreements or interest rate swap agreements. The Authority also has other obligations such as remarketing agent fees that are payable from Revenues.

CalPERS and MTC Retirement Plan

[SUBJECT TO REVIEW AND UPDATE] MTC, which includes the Authority, provides a defined benefit pension plan, the Miscellaneous Plan of Metropolitan Transportation Commission (the “MTC Plan”), which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The MTC Plan is part of the Public Agency portion of the California Public Employees’ Retirement System (“CalPERS”). CalPERS provides an actuarially determined contribution rate that is applied to eligible covered payroll cost on a monthly basis by MTC, a proportionate share of which is allocated to the Authority.

The following table sets out MTC incurred pension expenses for Fiscal Years [2017 through 20[21/22] and the amount of the pension expense allocated to the Authority for each fiscal year, based on the measurement period ending June 30 of the prior year. Increases in MTC’s pension expense for FYE 2018 and 2019 resulted from the increase in employees participating in the MTC Plan as a result of the MTC ABAG consolidation described above under “RELATED ENTITIES – Metropolitan Transportation Commission”. See [Note [__] and Note [__], on pages [__] and [__]], respectively of the MTC 20[21/22] CAFR for additional information on the MTC Plan.

TABLE 14
MTC PENSION EXPENSE AND AUTHORITY ALLOCATION

[SUBJECT TO REVIEW AND UPDATE]

FYE (June 30)[(1)]	MTC Pension Expense	Authority Pension Expense Allocation[(2)]
2017	$4,520,718	$1,227,908
2018	6,516,422	1,366,116
2019	5,414,566	1,095,777
2020	7,547,136	130,625[(3)]
2021	[_____]	[____]

(1) In Fiscal Year 2015, MTC adopted Governmental Accounting Standards Board ("GASB") Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB No. 68"). The adoption of the statement changed the recognition of the pension expense from the actuarially determined contribution paid by MTC to the pension expenses arising from the service cost, employees' contribution, and certain changes in the collective net pension liability during the current measurement period.
(2) Under GASB Statement No. 68 Accounting and Financial Reporting for Pensions, MTC has a net pension liability of $[__] million of which $[___] million has been allocated to the Authority for FYE 2021. See [Note [__] at page [__]] of the MTC 20[21/22] CAFR.
(3) The Authority's allocable pension expense decreased in FYE 2020 as a result of the Authority prepaying a portion of the expense.
Source: The Authority.

In July 20[21/22], CalPERS issued its Actuarial Valuation as of June 30, 20[20/21] for the MTC Plan (the "CalPERS 20[20/21] MTC Actuarial Valuation"), which included, among other things, projected future contribution rates for the MTC plan. According to the CalPERS 20[20/21] MTC Actuarial Valuation, the MTC employer contribution rate for FYE 20[22] is [_____]% of covered payroll and is projected to be [_____]% of covered payroll for FYE 20[23]. See "THE BRIDGE SYSTEM – Payments to MTC."

The CalPERS 20[20/21] MTC Actuarial Valuation includes the table below that shows the recent history of the actuarial accrued liability, actuarial value of assets, their relationship and the relationship of the unfunded actuarial accrued liability to payroll for MTC for FYE [2016 through 2020].

TABLE 15
MTC PENSION PLAN INFORMATION

[SUBJECT TO REVIEW AND UPDATE]

Valuation Date (June 30)	Accrued Liability	Market Value of Assets (MVA)	Unfunded Liability (UL)	Funded Ratios	Annual Covered Payroll
2016	$143,694,570	$107,227,476	$36,467,094	74.6%	$25,340,475
2017	152,229,411	121,450,215	30,779,196	79.8	31,675,025
2018	172,615,556	135,181,133	37,434,423	78.3	32,765,565
2019	186,014,121	146,655,375	39,358,746	78.8	34,737,150
2020	[_____]	[_____]	[_____]	[_____]	[_____]

Source: CalPERS 20[20/21] MTC Actuarial Valuation.

CalPERS issues a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations, including the CalPERS 2020 MTC Plan Report, may be obtained from CalPERS Financial Services Division. The information set forth therein is not incorporated by reference in this Official Statement.

HISTORICAL AND PROJECTED REVENUE AND DEBT SERVICE COVERAGE

Historical Revenue and Debt Service Coverage

The following Table 16 sets forth Bridge System historical revenue and debt service coverage for FYE [2017 through 2021]. Information in the table is intended to provide potential investors with information about revenues and gross debt service coverage. The revenue and expense information presented is derived from audited financial statements prepared in accordance with generally accepted accounting principles, however, as presented below the information differs from the audited presentation. This table does not calculate coverage ratio covenants or additional bonds tests that are discussed under "SECURITY AND SOURCES OF PAYMENT FOR THE TOLL BRIDGE REVENUE BONDS" and "SUMMARY OF FINANCING PLAN – Additional Bonds Test" in the forepart of this Official Statement and in APPENDIX B — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE" and APPENDIX C — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE." Generally, swap rates are used for variable rate demand bonds that have corresponding qualified swap agreements, the interest rates on taxable Build America Bonds are net of the subsidy payments, which payments are excluded from revenues, and bank fees are excluded from debt service. Maintenance and Operation Expenses shown in the table below include operating expenses incurred by the Authority and other operating agencies. See "THE BRIDGE SYSTEM – Bridge System Operations and Maintenance – Table 6 Historical Operating Expenses" above. Table 16 below and [Table [__] include on page [__]] of the MTC 20[21/22] CAFR present slightly different revenue, operating expense, debt service and debt service coverage ratio information and therefore are not comparable and should be read separately.

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TABLE 16
BRIDGE SYSTEM
HISTORICAL REVENUE AND DEBT SERVICE COVERAGE
($ in thousands)

[SUBJECT TO REVIEW AND UPDATE]

Fiscal Year Ended June 30,	**2017**	**2018**	**2019**	**2020**	**2021**
Revenue					
Bridge Toll Revenues	$720,784	$727,350	$724,914	$633,932	$[______]
Interest Earnings[1]	16,159	26,456	65,778	38,281	[______]
Other Revenues[2]	26,477	28,379	26,649	29,841	[______]
Total Revenue [Under Senior Indenture] [A]	$763,420	$782,185	$817,341	$702,054	$[______]
Debt Service on Senior Bonds and Parity Obligations [B][3][4]	$262,814	$273,858	$267,246	$290,478	[______]
Gross Senior Debt Service Coverage [A/B]	2.90x	2.86x	3.06x	2.42x	[___]x
Less Maintenance and Operation Expenses[5] **[C]**	$(72,377)	$(82,472)	$(89,653)	$(91,031)	([______])
Total Available Revenue Under [Subordinate Indenture] [A-C = D]	$691,043	$699,713	$727,688	$611,023	$[______]
Debt Service on Senior Bonds, Parity Obligations and Subordinate Bonds [E][3][4][6]	$435,909	$439,577	$443,959	$501,215	$[_____]
Aggregate Debt Service Coverage [D/E]	1.59x	1.59x	1.64x	1.22x	[___]x

(1) Does not reflect non-cash derivative investment charges or gains that do not reduce or increase Revenue under provisions of the Senior Indenture.
(2) Consists of violation revenues. [See "THE BRIDGE SYSTEM – Bridge Toll Collections – *Toll Violators*" with respect to the Authority's current review of its policies and procedures for imposing violation penalties.]
(3) Including accrual of interest less Build America Bonds Subsidy, which subsidy was reduced by approximately 6.9% in federal fiscal year 2017, 6.6% in federal fiscal year 2018, 6.2% in federal fiscal year 2019, 5.9% in federal fiscal year 2020 and [__]% in federal fiscal year 2021 as a result of the sequestration order. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement and [Note [__]. on page [__]] of the MTC 20[21/22] CAFR.
(4) Excludes one-time prepayment of FYE 2021 principal of and related interest on certain Senior Bonds and Subordinate Bonds undertaken by the Authority in May 2020 through the use of unrestricted available funds of the Authority. The total FYE 2021 Senior principal and related interest prepaid was $88,319,125, and the total FYE 2021 Subordinate principal and related interest prepaid was $71,873,894.
(5) The maintenance and operation expenses reflect the net operating and maintenance expenses incurred by the Authority, factoring in reimbursements received from other operating agencies. See "THE BRIDGE SYSTEM – Bridge System Operations and Maintenance – Table 6 Historical Operating Expenses."
(6) Excludes optional redemption of Subordinate Bonds, 2014 Series S5 of $25,000,000 on October 1 2019.
Source: The Authority; [Schedule [__] on page [__]] of the MTC 20[21] CAFR.

Projected Revenue, Operations & Maintenance Expenses and Debt Service Coverage

[SUBJECT TO REVIEW AND UPDATE] The following table sets forth projected revenues and expenditures of the Authority and projected debt service coverage for its Fiscal Years ending June 30, 2022 through 2026. Generally, the Authority's projections for the Fiscal Year ending June 30, 2022 reflect budgeted revenues and expenses. These projections were prepared as of [_________], 20[21/22/23] and do not reflect actual results and transactions occurring during FYE 2022, including the issuance of the [_____] Series Bonds [and the refunding of the Refunded Bonds]. **THE PROJECTIONS OF BRIDGE TOLL REVENUES PRESENTED IN THE FOLLOWING TABLE DO NOT INCLUDE**

REVENUES RESULTING FROM THE SB 595 TOLL INCREASES. See "LITIGATION – Challenges to SB 595 and RM3." Further assumptions made in preparing the projections are detailed below.

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

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

The prospective financial information included in the Official Statement has been prepared by, and is the responsibility of, the Authority's management. Crowe LLP has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to the accompanying prospective financial information and, accordingly, Crowe LLP does not express an opinion or any other form of assurance with respect thereto. The Crowe LLP report incorporated by reference in the Official Statement relates to the Authority's previously issued financial statements. It does not extend to the prospective financial information and should not be read to do so.

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TABLE 17
BRIDGE SYSTEM
PROJECTED REVENUE, OPERATIONS & MAINTENANCE
EXPENSES AND DEBT SERVICE COVERAGE[1][2]
($ in thousands)

[SUBJECT TO REVIEW AND UPDATE]

		Fiscal Year Ended June 30				
		2022	**2023**	**2024**	**2025**	**2026**
	Senior Obligation Debt Service					
A	Bridge Toll Revenues[3]	656,955	714,994	722,143	729,365	733,012
B	Interest Earnings	15,761	28,596	38,080	47,026	46,239
C	Other Revenues[4]	31,200	32,638	32,814	32,992	33,082
D	Total Revenue	703,915	776,228	793,037	809,383	812,333
E	Existing Senior Bonds and Parity Obligations[5]	219,094	251,835	253,860	267,331	266,467
F	Additional Senior Bonds[6]	9,625	35,000	35,000	35,000	35,000
G	Total Senior Bonds and Parity Obligations	228,719	286,835	288,860	302,331	301,467
H	Senior Debt Service Coverage (D/G)	3.08x	2.71x	2.75x	2.68x	2.69x
	Projected Subordinate Bond Debt Service					
I	Total Revenue	703,915	776,228	793,037	809,383	812,333
J	Debt Service on Senior Bonds and Parity Obligations	228,719	286,835	288,860	302,331	301,467
K	Existing Subordinate Bond Debt Service[7]	158,613	211,273	192,865	191,527	189,960
L	Additional Subordinate Bond Debt Service	–	–	–	–	–
M	Aggregate Debt Service	387,332	498,108	481,725	493,858	491,427
N	Gross Aggregate Debt Service Coverage (I/M)	1.82x	1.56x	1.65x	1.64x	1.65x
O	Total Revenue	703,915	776,228	793,037	809,383	812,333
P	Less: Maintenance and Operations Expenses[8]	(108,156)	(114,775)	(116,968)	(119,214)	(121,196)
Q	Net Available Revenue	595,760	661,453	676,070	690,169	691,137
	Net Aggregate Debt Service Coverage (Q/M)	1.54x	1.33x	1.40x	1.40x	1.41x

(1) The projections in this table were prepared as of October 4, 2021 using data available at that time. FYE 2021 audited financial data was not available at the time of preparation of these projections, and, therefore, certain unaudited data was used to formulate some of the projections and may change when audited data becomes available. This table does not calculate coverage ratio covenants or additional bonds tests. Debt payments are shown on a cash payment basis and will differ slightly from the GAAP based accrual costs recorded by the Authority. Projected annual debt service requirements for all of the Authority's outstanding Senior Bonds (including the [____] Series Bonds) and Subordinate Bonds are set forth in APPENDIX F – "PROJECTED DEBT SERVICE SCHEDULE."

(2) The projections in this table exclude any Bridge Toll Revenues resulting from the SB 595 Toll Increases. See LITIGATION – Challenges to SB 595 and RM3."

(3) The projected Bridge Toll Revenues assume FYE 2022 paid traffic is down 10% when compared to FYE 2019 paid traffic, and FYE 2023 paid traffic is down 2% when compared to FYE 2019 paid traffic as a result of the ongoing effects of the COVID-19 pandemic. Paid traffic is then assumed to grow at a rate of 1.00% for each of FYE's 2024 and 2025 and at a rate of 0.50% thereafter. See "THE BRIDGE SYSTEM – Motor Vehicle Traffic" herein. In accounting for peak traffic tolling, instead of actual revenues, it is assumed that the average 2-axle toll rate on the San Francisco-Oakland Bay Bridge is $5.00.

(4) Other Revenues include revenues from toll violations and reimbursements for costs related to CSC operations and FasTrack from other agencies. Violation revenues are assumed to stay constant over the life of these projections while reimbursements are expected to increase at the same growth rate as Bridge Toll Revenues. [See "THE BRIDGE SYSTEM – Bridge Toll Collections – *Toll Violators*" with respect to the Authority's current review of its policies and procedures for imposing violation penalties.] See also "THE BRIDGE SYSTEM – Bridge Toll Collections – *FasTrak Regional Customer Service Center*" and "THE BRIDGE SYSTEM – Motor Vehicle Traffic" herein.

(5) Reflects actual interest rates for outstanding fixed rate Senior Bonds. Assumes an interest rate per annum for hedged variable rate and term rate Senior Bonds equal to the fixed rate payable under related interest rate swap arrangements plus any fixed spread on relevant bonds while in an Index Mode. Assumes interest rates on unhedged variable rate bonds based on the Authority's forecasts, which range from 0.66% to 2.00% plus any fixed spread, if applicable. Interest on unhedged term rate bonds is calculated at the term rate through the term period and

then at the unhedged variable rate assumptions from the mandatory tender date through maturity. Except for FYE 2022 and FYE 2023, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% in federal fiscal year 2022 and federal fiscal year 2023, this decrease is reflected in debt service shown above. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement.

(6) Assumes the issuance of $[___] million of additional Senior Bonds (including [_____] Series Bonds), as described under "SUMMARY OF FINANCING PLAN" in the forepart of this Official Statement.

(7) Reflects the actual interest rates for outstanding fixed rate Subordinate Bonds. Except for FYE 2022 and FYE 2023, debt service shown is net of the full 35% federal interest subsidy for bonds issued under the Build America Bond program. Due to sequestration, the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% in federal fiscal year 2022 and federal fiscal year 2023, this decrease is reflected in debt service shown above. See "RISK FACTORS – Risk of Non-Payment of Direct Subsidy Payments" in the forepart of this Official Statement.

(8) The projected maintenance and operating expenses shown reflect the net operating and maintenance expenses incurred by the Authority. See "THE BRIDGE SYSTEM – Bridge System Operations and Maintenance."

Source: The Authority.

The levels of traffic assumed, toll revenue projected, additional bonds debt service projected and maintenance and operations expenses projected in the foregoing are based solely upon estimates and assumptions made by the Authority. Actual levels of traffic and toll revenue have differed, will differ, and may differ materially, from the levels projected. Actual interest earnings, debt service interest rates, interest subsidy payments, swap revenues and maintenance and operations expenses could also differ materially from the forecast.

The interest earnings shown in the table above are calculated assuming that the Authority's investment rate forecasts, which range from [___]% to [___]%, are realized, on average, by the Authority in its investment of cash balances, including debt service reserve funds.

Maintenance and Operations Expenses shown in the table above are projected to include all Maintenance and Operation Expenses as defined in the Subordinate Indenture, which include operating expenses incurred by the Authority and other operating agencies.

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

LITIGATION

[Update Prior to Printing]

General

There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to the knowledge of the Authority, threatened against the Authority in any way affecting the existence of the Authority or the titles of its officers to their respective offices or seeking to restrain or to enjoin the issuance, sale or delivery of the 2021 Series Bonds, the application of the proceeds thereof in accordance with the Senior Indenture and the Subordinate Indenture, the collection or application of the Bridge Toll Revenues (except as described below under the heading "—Challenges to SB 595 and RM3" with respect to the SB 595 Toll Increases), or the statutory lien thereon, in any way contesting or affecting the validity or enforceability of the 2021 Series Bonds or the Senior Indenture or the Subordinate Indenture, in any way contesting the completeness or accuracy of this Official Statement or the powers of the Authority with respect to the 2021 Series Bonds or the Senior Indenture or the Subordinate Indenture, or which could, if adversely decided, have a materially adverse impact on the Authority's financial position or the Authority's ability to collect Bridge Toll Revenues (except as described below under the heading "—Challenges to SB 595 and RM3" with respect to the SB 595 Toll Increases).

Members of the public and advocacy groups from time to time assert that they intend to file a legal action against the Authority challenging certain programs, laws or actions that the Authority or its officers or related entities have taken. Because the Authority cannot be certain as to whether such actions will actually be filed, the legal assertions that may be made in a potential action or the remedy sought in terms of the amount of damages or performance requested of the Authority, the Authority includes as threatened litigation only situations in which the Authority is engaged in active settlement negotiations with a person or advocacy group in order to pre-empt filing of a lawsuit.

See "OUTSTANDING AUTHORITY OBLIGATIONS – Qualified Swap Agreements – *LIBOR Litigation*" for a discussion of another pending lawsuit that was initiated by the Authority.

Challenges to SB 595 and RM3

On July 5, 2018, several plaintiffs, including the Howard Jarvis Taxpayers Association, filed suit against the Authority and the State Legislature in San Francisco Superior Court (the "Superior Court") seeking to invalidate SB 595 and RM3. On October 10, 2018, the Superior Court granted the Authority's motion for judgment on the pleadings with leave for plaintiffs to amend. On October 22, 2018, the plaintiffs filed a First Amended Complaint seeking declaratory relief and invalidation of SB 595 and RM3 (the "FAC"). Plaintiffs in the FAC asserted that: (i) SB 595 is a change in state statute resulting in a higher tax which would require approval of two-thirds of all members of the State Legislature, and it did not meet such vote threshold, and (ii) RM3 is a special tax which would require two-thirds voter approval. On April 3, 2019, the Superior Court granted the Authority's and the State Legislature's motions for judgment on the pleadings against the FAC without leave to amend and, on April 17, 2019, entered judgment for the Authority and the State Legislature. On May 20, 2019, the Howard Jarvis Taxpayers Association filed a notice of appeal to the California Court of Appeal, First Appellate District (the "Court of Appeal").

On August 3, 2018, Randall Whitney, representing himself, filed suit against MTC and other unnamed defendants in the Superior Court asserting, among other things, that: (i) SB 595 is unconstitutional, and (ii) that RM3 is a special tax which would require two-thirds voter approval (the "MTC Litigation" and, together with the FAC, the "Challenges to SB 595 and RM3"). The petition in the MTC Litigation seeks, among other things, a writ of mandate "ordering MTC to nullify the RM3 tax." MTC filed a motion for judgment on the pleadings for all claims in the MTC Litigation with the exception of one relating to a California Public Records Act request and, on June 11, 2019, the Superior Court granted MTC's motion for judgment on the pleadings without leave to amend. The claim relating to the California Public Records Act request was subsequently dismissed by motion of the plaintiff on July 11, 2019, and judgment was thereafter entered by the court. The plaintiff, and his newly retained attorney from the Howard Jarvis Taxpayers Foundation, similarly filed an appeal of the Superior Court's ruling on the motion for judgment on the pleadings. A motion to consolidate the appeals in the Challenges to SB 595 and RM3 was granted by the Court of Appeal.

On June 29, 2020, in the case *Howard Jarvis Taxpayers Ass'n v. Bay Area Toll Auth*. (2020) 51 Cal.App.5th 435, the Court of Appeal affirmed the Superior Court's judgment in a precedential opinion, agreeing with the Authority's arguments that the SB 595 Toll Increases are charges imposed for the entrance to or use of State property and thus exempt from the definition of "tax" under Article XIII A and Article XIII C of the California Constitution. On August 10, 2020, the Howard Jarvis Taxpayers Association petitioned the California Supreme Court for review of the Court of Appeal's decision in the consolidated appeal. On October 14, 2020, the Supreme Court granted review but deferred further briefing pending resolution of another case, *Zolly v. City of Oakland* (2020) 47 Cal.App.5th 73, which had been decided immediately prior to the hearing in the consolidated appeal but which the Court of Appeal in the *Bay Area Toll Authority* case had declined to follow.

In *Zolly*, the Court of Appeal had held that local-government-imposed franchise fees, which the Court of Appeal stated are arguably subject to a similar exception for entrance to or use of local agency property under Article XIII C of the California Constitution, must be reasonably related to the value of such franchise. The City of Oakland petitioned the California Supreme Court for review of the Court of Appeal's decision in *Zolly* and, on August 12, 2020, the California Supreme Court granted review.

The Authority continues to disagree with plaintiffs' allegations and characterizations of SB 595 and RM3 and intends to vigorously defend this position. The Authority cannot, however, predict the result or timing of any decisions by the California Supreme Court in these matters. Were the California Supreme Court (or the Court of Appeal, if the case were remanded for further consideration in light of *Zolly*) ultimately to agree with the plaintiffs in the consolidated Challenges to SB 595 and RM3 and hold that charges for entrance to or use of government property are taxes unless they meet certain reasonable cost and allocation requirements, the SB 595 Toll Increases, and future toll increases, would be subject to such requirements in order to qualify for the applicable exception from the definition of "tax" under the California Constitution or be subject to increased voting threshold requirements for approval. See "RISK FACTORS – Voter Initiatives" in the forepart of this Official Statement. In such event, the Authority might be prohibited from collecting or using any Bridge Toll Revenues derived from the SB 595 Toll Increases for any purpose, including without limitation those specified in SB 595, RM3 and the RM3 expenditure plan, unless the Authority was able to establish in further proceedings that the SB 595 Toll Increases did not exceed certain reasonable cost limitations and certain fair allocation requirements in Section 3(d) of Article XIII A of the California Constitution. Were SB 595 or RM3 invalidated or otherwise voided by a court in the future, though, the loss of Bridge Toll Revenues attributable to the SB 595 Toll Increases would not impair the ability of the Authority to collect existing tolls, nor, the Authority believes, would such result restrict the Authority's ability to increase tolls in the future for the purpose of paying principal of and interest on the 2021 Series Bonds and all other outstanding bonds of the Authority.

As described above, the Authority adopted a new toll schedule effective January 1, 2019, which increased tolls on the Bridges by $1.00 as part of implementing SB 595 and RM3. The SB 595 Toll Increases, including revenues relating to such $1.00 increase, are and will continue to be deposited by the Authority and held in the SB 595 Escrow Account until each of the Challenges to SB 595 and RM3 reaches a final, non-appealable resolution and further action consistent with such final, non-appealable resolutions is taken by the Authority. As of November 2020, there was approximately $216.8 million on deposit in the SB 595 Escrow Account. There can be no guarantee that the Authority will not in the future be compelled, by court order in the consolidated Challenges to SB 595 and RM3 or otherwise, to budget, expend, allocate, transfer or otherwise dispose of some or all of the amounts on deposit in the SB 595 Escrow Account.

AET Lawsuits

The Authority recently obtained a defense verdict after trial of a certified class action, involving three consolidated actions (collectively, the "AET Lawsuits"), in San Francisco Superior Court against the Authority and other defendants claiming deficiencies in policies and procedures with regard to the processing and assessment of violation penalties by the all-electronic tolling ("AET") collection system on the Golden Gate Bridge. AET is currently in effect on the Golden Gate Bridge, and as described above under "THE BRIDGE SYSTEM – Bridge Toll Collection – *Toll Collection*," in early 2021, the toll collections on all of the Bridge System bridges will be converted to AET. The AET Lawsuits do not directly implicate the toll collection system on any of the Bridge System bridges. The Authority previously contracted with Xerox (now Conduent) for management of the toll collection customer service center for the Golden Gate Bridge as well as all the bridges in the Bridge System as described under "THE BRIDGE SYSTEM – Bridge Toll Collection – *FasTrak Regional Customer Service Center*."

Additional class action lawsuits were filed in San Francisco Superior Court against the Authority and others alleging deficiencies in the tolling program on the Golden Gate Bridge, as well as all of the Bridge System bridges. These class actions, which have now been consolidated, also allege that the Authority and other defendants improperly disclose motorists' Personally Identifiable Information in violation of various privacy statutes, and improperly obtain consumer reports in violation of the Fair Credit Reporting Act (collectively, the "PII Lawsuits").

The AET Lawsuits and the PII Lawsuits seek actual damages, restitution, attorneys' fees, a writ of mandate (the AET Lawsuits only), statutory penalties (the PII Lawsuits only) and injunctive and declaratory relief. Based on the facts known to the Authority as of the date of this Official Statement, the Authority does not expect the AET Lawsuits or the PII Lawsuits to have a material adverse impact on its revenues or its ability to pay its obligations, including the 2021 Series Bonds.

LEGISLATION

[SUBJECT TO REVIEW AND UPDATE] From time to time, bills are introduced in the State Legislature that may impact the Authority. The State Legislature convened in [December 2020 for its 2021-2022 session (the "2021-2022 Legislative Session")], which is ongoing as of the date of this Official Statement. The Authority is not aware of any pending legislation which could have a material adverse effect on the Authority's finances or operations. The Authority cannot predict the bills that may be introduced in the State Legislature during the [2021-2022] Legislative Session and what impact they might have on the Authority.