PRELIMINARY OFFICIAL STATEMENT DATED [MARCH __], 2019

[DAC Logo]

NEW ISSUE—BOOK-ENTRY-ONLY

[Ratings: Kroll: "[___]"
Moody's: "[___]"
S&P: "[___]"
See "RATINGS" herein.

In the opinion of Kutak Rock LLP, Bond Counsel to LACMTA, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2019-A Bonds is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that interest on the Series 2019-A Bonds is exempt from present State of California personal income taxes. For a more complete description, see "TAX MATTERS" herein.

[LACMTA Logo]

$[____________]*

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2019-A

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

The Los Angeles County Metropolitan Transportation Authority ("LACMTA") is issuing its Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2019-A (the "Series 2019-A Bonds").

The Series 2019-A Bonds are being issued pursuant to the Trust Agreement, dated as of July 1, 1986, as amended and supplemented (the "Trust Agreement"), by and between LACMTA and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and the Fortieth Supplemental Trust Agreement, to be dated as of April 1, 2019 (the "Fortieth Supplemental Agreement," and together with the Trust Agreement, the "Agreement"), by and between LACMTA and the Trustee. The Series 2019-A Bonds are limited obligations of LACMTA payable solely from and secured by a first lien on and pledge of the Pledged Revenues (which includes the receipts from the imposition in the County of Los Angeles for public transit purposes of a one-half cent retail transactions and use tax, less 25% thereof paid to local jurisdictions and certain administrative fees) and by certain other amounts held under the Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS" and "PROPOSITION A SALES TAX AND COLLECTIONS" herein. LACMTA will use the proceeds of the Series 2019-A Bonds, and other available funds to (a) refund and defease the Refunded Bonds, and (b) pay the costs of issuance of the Series 2019-A Bonds**.**

The Series 2019-A Bonds will be issued in denominations of $5,000 and integral multiples thereof. The Series 2019-A Bonds will be issued in fully registered form and will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), the securities depository for the Series 2019-A Bonds. Individual purchases and sales of the Series 2019-A Bonds may be made in book-entry form only. See "APPENDIX G—BOOK–ENTRY–ONLY SYSTEM." The Series 2019-A Bonds will mature in the principal amounts and will bear interest at the rates set forth on the inside front cover. LACMTA will pay interest on the Series 2019-A Bonds on January 1 and July 1, commencing on January 1, 2020.

The Series 2019-A Bonds are not subject to redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2019-A BONDS—Redemption." **Neither the faith and credit nor the taxing power of the County of Los Angeles, the State of California or any political subdivision or public agency thereof, other than LACMTA to the extent of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement, is pledged to the payment of the principal of or interest on the Series 2019-A Bonds. Other than Pledged Revenues and such other amounts held by the Trustee under the Agreement, the general fund of LACMTA is not liable, and neither the credit nor the taxing power of LACMTA is pledged, to the payment of the principal of or interest on the Series 2019-A Bonds. LACMTA has no power to levy property taxes to pay the principal of or interest on the Series 2019-A Bonds.**

Purchasers of the Series 2019-A Bonds will be deemed to have consented to certain amendments to the Trust Agreement. See "INTRODUCTION—Proposed Amendments to Trust Agreement" herein. The amendments are expected to become effective on the date of issuance of the Series 2019-A Bonds.

This cover page contains certain information for general reference only. It is not intended to be a summary of the terms of, or the security for, the Series 2019-A Bonds. Investors are advised to read this Official Statement in its entirety to obtain information essential to the making of an informed investment decision. Capitalized terms used on this cover page and not otherwise defined have the meanings set forth herein.

LACMTA is offering the Series 2019-A Bonds when, as and if it issues the Series 2019-A Bonds. The issuance of the Series 2019-A Bonds is subject to the approval as to their validity by Kutak Rock LLP, Bond Counsel to LACMTA. The Los Angeles County Counsel, as General Counsel to LACMTA, and Nixon Peabody LLP, as Disclosure Counsel, will pass on certain

* Preliminary, subject to change.

legal matters for LACMTA. LACMTA anticipates that the Series 2019-A Bonds will be available for delivery through the facilities of DTC on or about April [__], 2019.* Electronic bids for the purchase of the Series 2019-A Bonds will be received by LACMTA until [____ a.m.], California time, on [March __], 2019 unless postponed as set forth in the Notice Inviting Bids.

Date of Official Statement: [March] __, 2019

MATURITY SCHEDULE

$[____________]*
Los Angeles County Metropolitan Transportation Authority
Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds,
Series 2019-A

Maturity Date (July 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP† No.

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. The CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with LACMTA and are provided solely for convenience and reference. The CUSIP numbers for a specific maturity are subject to change after the issuance of the Series 2019-A Bonds. LACMTA does not take any responsibility for the accuracy of the CUSIP numbers provided herein.

[Insert Map of LACMTA System]

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LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Board Members

Sheila Kuehl, Chair
James T. Butts, Jr., First Vice-Chair
Eric Garcetti, Second Vice-Chair
Kathryn Barger
Mike Bonin
Jacquelyn Dupont-Walker
John Fasana
Dr. Robert Garcia
Janice Hahn
Paul Krekorian
Ara J. Najarian
Mark Ridley-Thomas
Hilda L. Solis
John Bulinski, Ex-Officio Member

LACMTA Officers

Phillip A. Washington, Chief Executive Officer
Nalini Ahuja, Chief Financial Officer
Donna R. Mills, Treasurer

LACMTA General Counsel

Office of the County Counsel
Los Angeles, California

MUNICIPAL ADVISOR

KNN Public Finance
Oakland, California

BOND COUNSEL

Kutak Rock LLP

DISCLOSURE COUNSEL

Nixon Peabody LLP

TRUSTEE AND ESCROW AGENT

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

VERIFICATION AGENT

[__________]

LACMTA has not authorized any dealer, broker, salesperson or other person to give any information or to make any representation in connection with the offer or sale of the Series 2019-A Bonds other than as set forth in this Official Statement and, if given or made, such other information or representation must not be relied upon. 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 Series 2019-A Bonds, by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not a contract with the purchasers or owners of the Series 2019-A Bonds. Statements contained in this Official Statement which involve estimates, projections or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of facts.

The information and expressions of opinion in this Official Statement are subject to change without notice, and the delivery of this Official Statement and any sale made pursuant to this Official Statement do not, under any circumstances, imply that the information and expressions of opinion in this Official Statement and other information regarding LACMTA have not changed since the date hereof. LACMTA is circulating this Official Statement in connection with the sale of the Series 2019-A Bonds and this Official Statement may not be reproduced or used, in whole or in part, for any other purpose.

In making an investment decision, investors must rely on their own examination of the terms of the offering and the security and sources of payment of the Series 2019-A Bonds, including the merits and risks involved. The Series 2019-A Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Agreement been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. Neither the U.S. Securities and Exchange Commission nor any other federal, state or other governmental entity, nor any agency or department thereof, has passed upon the merits of the Series 2019-A Bonds or the accuracy or completeness of this Official Statement. The Series 2019-A Bonds have not been recommended by any federal or state securities commission or regulatory authority. Any representation to the contrary may be a criminal offense.

This Official Statement contains statements relating to future results that are "forward looking statements." When used in this Official Statement, the words "estimate," "forecast," "projection," "intend," "expect" and similar expressions identify forward looking statements. Any forward looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward looking statements. Some assumptions used to develop forward looking statements inevitably will not be realized, and unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results; those differences could be material.

In connection with this offering, the Winning Bidder may overallot or effect transactions which stabilize or maintain the market price of the Series 2019-A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing transactions, if commenced, may be discontinued at any time. The Winning Bidder may offer and sell the Series 2019-A Bonds to certain dealers and others at yields higher or prices lower than the public offering yields and/or prices stated on the inside cover page of this Official Statement, and such public offering yields and/or prices may be changed from time to time by the Winning Bidder.

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OFFICIAL STATEMENT

$[____________]*
Los Angeles County Metropolitan Transportation Authority
Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds,
Series 2019-A

INTRODUCTION

This Official Statement, which includes the cover page and the appendices hereto, sets forth information in connection with the offering by the Los Angeles County Metropolitan Transportation Authority ("LACMTA") of $[____________]* aggregate principal amount of its Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2019-A (the "Series 2019-A Bonds"). This Introduction is qualified by the more complete and detailed information contained in this entire Official Statement and the documents summarized or described in this Official Statement. Prospective investors should review this entire Official Statement, including the cover page and appendices, before they make an investment decision to purchase the Series 2019-A Bonds. LACMTA is only offering the Series 2019-A Bonds to potential investors by means of this entire Official Statement. Capitalized terms used but not defined herein have the meanings ascribed to them in "APPENDIX D—SUMMARY OF LEGAL DOCUMENTS; DEFINITIONS—DEFINITIONS."

LACMTA

LACMTA was established in 1993 pursuant to the provisions of Section 130050.2 et seq. of the California Public Utilities Code (the "LACMTA Act"). LACMTA is the consolidated successor entity to both the Southern California Rapid Transit District (the "District") and the Los Angeles County Transportation Commission (the "Commission"). As the consolidated successor entity, LACMTA succeeded to all powers, duties, rights, obligations, liabilities, indebtedness, bonded or otherwise, immunities and exemptions of the District and the Commission, including the Commission's responsibility for planning, engineering and constructing a county-wide rail transit system. The Commission was authorized, subject to approval by the electorate of the County of Los Angeles (the "County"), to adopt a retail transactions and use tax ordinance, with the revenues of such tax to be used for public transit purposes. On November 4, 1980, the voters of the County approved the "Proposition A Sales Tax." The Proposition A Sales Tax is a one-half of 1 percent sales tax and is not limited in duration. For more information regarding the Proposition A Sales Tax, see "PROPOSITION A SALES TAX AND COLLECTIONS—The Proposition A Sales Tax."

For further discussion of LACMTA, its other sources of revenues, the services it provides and the projects it is undertaking, see "APPENDIX A—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY." The information provided in APPENDIX A is intended as general information only. The Series 2019-A Bonds are limited obligations of LACMTA payable from Pledged Revenues, which consist primarily of proceeds of the Proposition A Sales Tax. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS.

For certain economic and demographic data about the County, see "APPENDIX C—LOS ANGELES COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION."

* Preliminary, subject to change.

Purpose of the Series 2019-A Bonds

LACMTA will use the proceeds of the Series 2019-A Bonds, together with other available funds, to (a) refund and defease the Refunded Bonds (as defined under "PLAN OF REFUNDING AND APPLICATION OF THE SERIES 2019-A BOND PROCEEDS—Use of Proceeds; Plan of Refunding"), and (b) pay the costs of issuance of the Series 2019-A Bonds. For a more detailed description of LACMTA's proposed use of the proceeds of the Series 2019-A Bonds, see "PLAN OF REFUNDING AND APPLICATION OF THE SERIES 2019-A BOND PROCEEDS."

Description of the Series 2019-A Bonds

The Series 2019-A Bonds are limited obligations of LACMTA to be issued pursuant to, and payable from and secured under, the Trust Agreement, dated as of July 1, 1986, as amended and supplemented (the "Trust Agreement"), by and between LACMTA (as successor to the Commission) and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A., as successor to BNY Western Trust Company, as successor in interest to Wells Fargo Bank, N.A., as successor by merger to First Interstate Bank of California), as trustee (the "Trustee"). In connection with the issuance of the Series 2019-A Bonds, LACMTA will enter into the Fortieth Supplemental Trust Agreement, to be dated as of April 1, 2019 (the "Fortieth Supplemental Agreement"), by and between LACMTA and the Trustee to provide for the terms of the Series 2019-A Bonds and related matters. The Trust Agreement, as supplemented by the Fortieth Supplemental Agreement, is referred to in this Official Statement as the "Agreement."

The Series 2019-A Bonds will be issued in registered form, in denominations of $5,000 or any integral multiple thereof. The Series 2019-A Bonds will be dated their initial date of delivery and will mature on the dates and in the principal amounts and will bear interest at the rates per annum as shown on the inside cover page hereof, computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2019-A Bonds will be delivered in book-entry-only form and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2019-A Bonds. See "APPENDIX G—BOOK-ENTRY-ONLY SYSTEM."

Security and Sources of Payment for the Series 2019-A Bonds

The Series 2019-A Bonds are limited obligations of LACMTA payable solely from and secured by a first lien on and pledge of "Pledged Revenues," which are moneys collected as a result of the imposition of the Proposition A Sales Tax (the imposition of which is not limited in duration), less 25% thereof which is allocated to local jurisdictions for local transit purposes (the "Local Allocation") and less an administrative fee paid to the California Department of Tax and Fee Administration (formerly the California State Board of Equalization) ("CDTFA") in connection with the collection and disbursement of the Proposition A Sales Tax, plus interest, profits and other income received from the investment of such amounts held by the Trustee, and all other amounts held by the Trustee under the Agreement except for amounts held in any [reserve fund], rebate fund and any escrow fund. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS" and "PROPOSITION A SALES TAX AND COLLECTIONS—The Proposition A Sales Tax."

Proposition A Sales Tax Obligations

LACMTA has issued other obligations under the Agreement that are secured by and payable from Pledged Revenues on a parity with the Series 2019-A Bonds, and LACMTA is permitted to issue additional parity obligations in the future upon satisfaction of certain additional bonds tests contained in the Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS—Additional First Tier Senior Lien Bonds." The Series 2019-A Bonds, the existing obligations on a parity with the Series 2019-A Bonds and all future obligations issued on a parity with the Series 2019-A Bonds are collectively referred to herein as the "First Tier Senior Lien Bonds." As of March 1, 2019, $1,187,295,000 aggregate principal amount of First Tier Senior Lien Bonds (including the Refunded Bonds) were outstanding. See "PLAN OF REFUNDING AND APPLICATION OF THE SERIES 2019-A BOND PROCEEDS" and "PROPOSITION A SALES TAX OBLIGATIONS."

The Short Range Financial Forecast (as defined under "FUTURE TRANSPORTATION IMPROVEMENTS – Capital Planning" in APPENDIX A) assumes the issuance of approximately $564 million of First Tier Senior Lien Bonds between Fiscal Years 2020 and 2024. For further discussion of the Short Range Financial Forecast, see "FUTURE TRANSPORTATION IMPROVEMENTS—Capital Planning" in APPENDIX A.

LACMTA has covenanted in the Trust Agreement not to issue or incur any obligations with a pledge of or lien on Pledged Revenues prior to that of the First Tier Senior Lien Bonds (including the Series 2019-A Bonds).

In addition, LACMTA has issued other obligations under the Agreement that are secured by and payable from Pledged Revenues on a basis subordinate to the First Tier Senior Lien Bonds (including the Bonds), and it may issue additional subordinate obligations in the future. See "PROPOSITION A SALES TAX OBLIGATIONS."

The Series 2019-A Bonds Are Limited Obligations of LACMTA Only

Neither the faith and credit nor the taxing power of the County, the State of California (the "State") or any political subdivision or public agency thereof, other than LACMTA to the extent of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement, is pledged to the payment of the principal of or interest on the Series 2019-A Bonds. LACMTA has no power to levy property taxes to pay the principal of or interest on the Series 2019-A Bonds.

The Series 2019-A Bonds are limited obligations of LACMTA and are payable, as to both principal and interest, solely from a first lien on and pledge of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement. Other than Pledged Revenues and such other amounts held by the Trustee under the Agreement, the general fund of LACMTA is not liable, and neither the credit nor the taxing power of LACMTA is pledged, to the payment of the principal of or interest on the Series 2019-A Bonds.

No Reserve Fund for the Series 2019-A Bonds

Historically, all of the First Tier Senior Lien Revenue Bonds have been supported by a reserve fund established by the Agreement (the "Reserve Fund"). However, the Series 2019 Bonds will **not** be secured by the Reserve Fund or any other debt service reserve fund. See "—Proposed Amendments to Trust Agreement" and "APPENDIX H—PROPOSED AMENDMENTS TO TRUST AGREEMENT."

Proposed Amendments to Trust Agreement

The Thirty-Seventh Supplemental Trust Agreement, dated as of March 1, 2016, between LACMTA and the Trustee, included certain amendments to the Trust Agreement (the "Proposed Amendments"), which are described in APPENDIX H hereto. The Proposed Amendments will not become effective until such time as the Bondholders of not less than 60% in aggregate principal amount of the First Tier Senior Lien Bonds then Outstanding have consented to such Proposed Amendments, and all other required consents and the opinion of bond counsel have been obtained (the "Amendment Effective Date"). ***By the purchase and acceptance of the Series 2019-A Bonds, the Bondholders and Beneficial Owners of the Series 2019-A Bonds will be deemed to have consented to the Proposed Amendments.*** It is anticipated that the Proposed Amendments will be effective upon issuance of the Series 2019-A Bonds.

The Proposed Amendments include, among other amendments, changes to the requirement under the Trust Agreement that the Series 2019-A Bonds, the Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2018-A (the "Series 2018 Bonds"), the Proposition A First Tier Senior Sales Tax Revenue Bonds, Series 2017-A and the Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2017-B (together, the "Series 2017 Bonds"), and the Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2016-A (the "Series 2016 Bonds") participate in and be secured by the Reserve Fund. The Proposed Amendments will allow the Series 2016 Bonds and any Additional First Tier Senior Lien Bonds issued after the Series 2016 Bonds, including the Series 2019-A Bonds, to either (i) participate in and be secured by the Reserve Fund, or (ii) participate in and be secured by a separate debt service reserve fund, or (iii) not participate in or be secured by the Reserve Fund or any other debt service reserve fund. See "APPENDIX H—PROPOSED AMENDMENTS TO TRUST AGREEMENT."

The Series 2019-A Bonds will not be secured by any debt service reserve fund. LACMTA currently expects that shortly after the issuance of the Series 2019-A Bonds, it will elect that the Series 2018 Bonds, the Series 2017 Bonds and the Series 2016 Bonds will no longer participate in or be secured by the Reserve Fund or any other debt service reserve fund. At the time such Bonds are no longer secured by the Reserve Fund, LACMTA expects that the reserve requirement will be reduced and a portion of the moneys on deposit in the Reserve Fund will be released, at which time such moneys may be applied by LACMTA for any lawful purpose consistent with the tax covenants contained in the Agreement.

Continuing Disclosure

In connection with the issuance of the Series 2019-A Bonds, for purposes of assisting the Winning Bidder (as defined under "SALE OF SERIES 2019-A BONDS") in complying with Rule 15c2-12 (the "Rule") promulgated by the U.S. Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as amended, LACMTA will agree to provide, or cause to be provided, to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (the "EMMA System"), certain annual financial information and operating data relating to LACMTA and notice of certain enumerated events. See "CONTINUING DISCLOSURE" and "APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Upcoming Proposition C Sales Tax Transaction

In addition to the Series 2019-A Bonds described in this Official Statement, LACMTA anticipates issuing its Proposition C Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2019-C Bonds (the "Proposition C Series 2019-C Bonds") on April [__], 2019. The Proposition C Series 2019-C Bonds are secured and payable from Proposition C Sales Tax revenues and are NOT secured by or payable from Pledged Revenues. The Proposition C Series 2019-C Bonds are not being offered by this Official Statement.

Additional Information

Brief descriptions of the Series 2019-A Bonds, the Agreement and certain other documents are included in this Official Statement and the appendices hereto. Such descriptions do not purport to be comprehensive or definitive. All references herein to such documents and any other documents, statutes, reports or other instruments described herein are qualified in their entirety by reference to each such document, statute, report or other instrument. The information herein is subject to change without notice, and the delivery of this Official Statement will under no circumstances, create any implication that there has been no change in the affairs of LACMTA since the date hereof. This Official Statement is not to be construed as a contract or agreement between LACMTA and the purchasers or Bondholders of any of the Series 2019-A Bonds. LACMTA maintains a website, an investor relations page through a third-party, and social media accounts, the information on which is not part of this Official Statement, has not and is not incorporated by reference herein, and should not be relied upon in deciding whether to invest in the Series 2019-A Bonds.

Copies of the Agreement may be obtained from LACMTA at One Gateway Plaza, 21st Floor, Treasury Department, Los Angeles, California 90012, or by emailing TreasuryDept@metro.net, or by calling (213) 922-2554.

PLAN OF REFUNDING AND APPLICATION OF THE SERIES 2019-A BOND PROCEEDS

Use of Proceeds; Plan of Refunding

LACMTA will use the proceeds of the Series 2019-A Bonds, together with other available funds to be released from funds and accounts related to the Refunded Bonds, to (a) refund and defease the Refunded Bonds, and (b) pay the costs of issuance of the Series 2019-A Bonds.

LACMTA will apply a portion of the proceeds of the Series 2019-A Bonds, together with other available funds, to refund and defease all or a portion of its outstanding Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2009-A (the portion so refunded, the “Refunded Bonds”) as set forth in more detail in the following table. The specific maturities, if any, to be refunded will depend on market conditions.

Refunded Bonds*

Maturity Date (July 1)	Outstanding Principal Amount	Redemption/ Payment Date[1]	Redemption Price
2019[2]	$ 22,550,000	July 1, 2019	N/A
2019[2]	1,335,000	July 1, 2019	N/A
2020	9,930,000	July 1, 2019	100%
2021	10,420,000	July 1, 2019	100
2022	10,945,000	July 1, 2019	100
2023	11,490,000	July 1, 2019	100
2024	12,065,000	July 1, 2019	100
2025	12,670,000	July 1, 2019	100
2026	13,200,000	July 1, 2019	100
	$104,605,000		

[1] The principal of and interest on the Refunded Bonds maturing on July 1, 2019 will be paid on July 1, 2019. The Refunded Bonds maturing on or after July 1, 2020 will be redeemed on July 1, 2019 at a redemption price of 100% of the principal thereof, plus accrued interest.

[2] [The principal amount of this maturity will be paid from funds transferred from the Principal Subaccount relating to the Refunded Bonds.] See "—Estimated Sources and Uses of Funds" below.

A portion of the proceeds of the Series 2019-A Bonds, together with other available funds, will be deposited with The Bank of New York Mellon Trust Company, N.A., as trustee and escrow agent, and will be held in an escrow fund (the "Escrow Fund) for the Refunded Bonds to be created under the terms of an escrow agreement to be entered into between LACMTA and The Bank of New York Mellon Trust Company, N.A., as trustee and escrow agent. Amounts deposited into the Escrow Fund will be invested in direct, noncallable obligations of the United States Treasury and/or held uninvested in cash. Amounts on deposit in the Escrow Fund will be used on July 1, 2019 to pay the principal of and interest on the Refunded Bonds maturing on July 1, 2019, and to redeem the Refunded Bonds maturing on and after July 1, 2020 at a redemption price of 100% of the principal amount thereof, plus accrued interest thereon.

[___________], certified public accountants, will verify that the amounts deposited to the Escrow Fund will be sufficient to pay the principal, interest and redemption price due on the Refunded Bonds on the July 1, 2019. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

* Preliminary, subject to change.

Estimated Sources and Uses of Funds

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Series 2019-A Bonds.

Sources	
Principal Amount	$
Original Issue Discount/Bond Premium	
Release of Funds from the Refunded Bonds [Principal and Interest Subaccounts]	
Release of Funds from Reserve Fund	
Total Sources	$
Uses	
Deposit to Escrow Fund	$
Costs of Issuance[1]	
Total Uses	$

[1] Includes underwriters' discount, legal fees, rating agency fees, municipal advisor fees, verification agent fees, printer costs, and other costs of issuance.

RISK FACTORS

The following factors, together with all other information provided in this Official Statement, should be considered by potential investors in evaluating the purchase of the Series 2019-A Bonds. The discussion below does not purport to be, nor should it be construed to be, complete nor a summary of all factors which may affect LACMTA, the Proposition A Sales Tax revenues, or the Series 2019-A Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.

Economic Factors May Cause Declines in Proposition A Sales Tax Revenues

The Series 2019-A Bonds are limited obligations of LACMTA payable solely from and secured by a first lien on and pledge of Pledged Revenues, consisting primarily of certain revenues of the Proposition A Sales Tax and other amounts that are held by the Trustee under the Agreement. The level of Proposition A Sales Tax revenues collected depends on the level of taxable sales transactions within the County, which, in turn, depends on the level of general economic activity in the County. In Fiscal Years 2009 and 2010, the national economic recession and regional general economic conditions resulted in reductions in economic activity and taxable sales within the County, and correspondingly Proposition A Sales Tax revenues received by LACMTA declined. Proposition A Sales Tax revenues increased in Fiscal Years 2011 through 2018. It is possible that Proposition A Sales Tax revenues could decline in the future, reducing amounts available to pay the principal of and interest on the Series 2019-A Bonds.

To project future Proposition A Sales Tax revenues for budgetary purposes, LACMTA incorporates actual long-term experience combined with forecasts from local economists and other publicly available sources of data. LACMTA does not itself develop forecasts of current or future economic conditions. Furthermore, CDTFA does not provide LACMTA with any forecasts of Proposition A Sales Tax revenues for future periods. Therefore, LACMTA is unable to predict with certainty future levels of Proposition A Sales Tax revenues. In addition, the County is located in a seismically active region. A major earthquake or other natural disaster could adversely affect the economy of the County and the amount of Proposition A Sales Tax revenues. Future significant declines in the amount of Proposition A Sales Tax revenues could ultimately impair the ability of LACMTA to pay principal of and interest on the Series 2019-A Bonds. See “PROPOSITION A SALES TAX AND COLLECTIONS—Historical Proposition A Sales Tax Collections.” Also see “APPENDIX C—LOS ANGELES COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION.”

California State Legislature or Electorate or Federal Law May Change Items Subject to Proposition A Sales Tax

With limited exceptions, the Proposition A Sales Tax is imposed on the same transactions and items subject to the general sales tax levied throughout the State. In the past, the California State Legislature and the California State electorate have made changes to the transactions and items subject to the State's general sales tax and, therefore, the Proposition A Sales Tax. In 1991, the California State Legislature enacted legislation which expanded the transactions and items subject to the general statewide sales tax to include fuel for aviation and shipping, bottled water, rental equipment and newspapers and magazines. In 1992, the California State electorate approved an initiative which eliminated candy, gum, bottled water and confectionery items as items subject to the California State's general sales tax. In each case, the same changes were made to transactions or items subject to the Proposition A Sales Tax. In the future, the California State Legislature or the California State electorate could further change the transactions and items upon which the statewide general sales tax and the Proposition A Sales Tax are imposed. Such a change could either increase or decrease Proposition A Sales Tax revenues depending on the nature of the change. See “PROPOSITION A SALES TAX AND COLLECTIONS.”

Federal law may also cause transactions and items to be excluded from the State's general sales tax, and, therefore, the Proposition A Sales Tax. For example, under federal law, local taxes on aviation fuel (except taxes in effect on December 30, 1987) must be used for airport-related purposes, as a condition for receiving federal funding for airports. On November 7, 2014, the Federal Aviation Administration (the “FAA”) adopted an amendment to its “Policy and Procedures Concerning the Use of Airport Revenue” (the “FAA Policy”), which clarifies that local sales taxes derived from aviation fuel are subject to the airport use restriction and must be used for airport-related purposes. The FAA definition of local sales tax includes the Proposition C Sales Tax, the Measure R Sales Tax and Measure M Sales Tax (see “PROPOSITION A SALES TAX AND COLLECTIONS—The Proposition A Sales Tax” for descriptions of these sales taxes). Although the FAA Policy does not affect the Proposition A Sales Tax, which was approved in November 1980, the FAA Policy is illustrative of federal laws that may affect which transactions and items are subject to the State's general sales tax.

Increases in Sales Tax Rate May Cause Declines in Proposition A Sales Tax Revenues

Increases in sales tax rates, whether by the electorate of a municipality within the County, the County or the State or by the State Legislature, may affect consumer spending decisions and as a result adversely impact sales transactions in the County and, thereby, reduce Proposition A Sales Tax revenues. Several increases in sales tax rates have occurred in recent years.

In November 2008, County voters approved Measure R, which increased the sales tax rate within the County by ½ of 1% for a period of 30 years to fund LACMTA transportation projects and operations. Collection of the additional sales tax rate (known as the Measure R Sales Tax) commenced in July 1, 2009. In 2012, the Board of Directors of LACMTA approved a proposal to extend the Measure R Sales Tax for 30 years beyond its current expiration date (June 30, 2039), but the proposed extension failed to receive the required voter approval. In November 2012, the voters of the State approved an additional ¼ of 1% State general sales tax, which became effective on January 1, 2013 and expired on December 31, 2016.

At the election held on November 8, 2016, more than two-thirds of the electors of the County voting on the issue approved an additional transportation and use tax (known as the Measure M Sales Tax) to improve transportation and ease traffic congestion. The Measure M Sales Tax is a new one-half cent sales tax that started on July 1, 2017 that increases to one cent in 2039 when the Measure R Sales Tax expires. The Measure M Sales Tax does not have a scheduled expiration date. Proposition A Sales Tax revenues, Measure R Sales Tax revenues and Measure M Sales Tax revenues are separate from Proposition A Sales Tax revenues and do not secure the First Tier Senior Lien Bonds, including the Series 2019-A Bonds.

On March 7, 2017, County voters approved a ¼ of 1% sales tax increase known as the Measure H Sales Tax for Homeless Services and Prevention to fund programs to assist the County's homeless population. The Measure H Sales Tax went into effect in October, 2017 and such tax expires in ten years. See "PROPOSITION A SALES TAX AND COLLECTIONS—The Proposition A Sales Tax" for further discussion of Measure H and other current sales taxes in the County.

Additional increases in sales tax rates that will impact the County, while not currently pending, can be expected to be proposed and imposed, from time to time.

Increased Internet Use May Reduce Proposition A Sales Tax Revenues

The increasing use of the Internet to conduct electronic commerce may affect the levels of Proposition C Sales Tax revenues. Internet sales of physical products by businesses located in the State, and Internet sales of physical products delivered to the State by businesses located outside of the State are generally subject to the retail transactions and use tax imposed by Proposition C. Legislation passed as part of the California Budget Act of 2011 imposes a use tax collection responsibility for certain out-of-state, and particularly Internet, retailers that meet certain criteria. The new responsibility took effect in September 2012.

Further, the Supreme Court of the United States (the "Supreme Court") decided a case on June 21, 2018 (South Dakota v. Wayfair Inc., *et al*) concerning out of jurisdiction collection of sales taxes. The Supreme Court ruled that state and local governments have the authority to require out-of-state vendors with no local physical presence in a state to collect and remit sales taxes to state and local governments. Beginning April 1, 2019, retailers located outside of California will be required to register with CDTFA, collect the California use tax, and pay the tax to CDTFA based on the amount of their sales into California, even if they do not have a physical presence in the state, with exceptions for retailers with California sales below certain volume and dollar amount thresholds. LACMTA believes that some Internet transactions currently avoid taxation and in the future may continue to avoid taxation, and this potentially reduces the amount of Proposition A Sales Tax revenues.

No Acceleration of the Series 2019-C Bonds

In the event of a default by LACMTA, the Agreement does not contain a provision allowing for the acceleration of the principal of and interest due on the Series 2019-A Bonds. In the event of a default by LACMTA, each holder of the Series 2019-A Bonds will have the right to exercise the remedies, subject to the limitations thereon, set forth in the Agreement. See "APPENDIX D—SUMMARY OF LEGAL DOCUMENTS; DEFINITIONS— TRUST AGREEMENT—Events of Default and Remedies."

Additional First Tier Senior Lien Bonds

LACMTA expects to issue additional debt secured by Proposition A Sales Tax revenues, including additional First Tier Senior Lien Bonds. The Short Range Financial Forecast assumes the issuance of approximately $564 million of First Tier Senior Lien Bonds between Fiscal Years 2020 and 2024. See "APPENDIX A—THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY—FUTURE TRANSPORTATION IMPROVEMENTS—Capital Planning." LACMTA has several major transit projects under construction and has future plans for additional major capital projects. LACMTA may ultimately issue more First Tier Senior Lien Bonds to finance these projects than its current plans presently anticipate, particularly if costs of completing projects are higher than expected or other funding sources are not available as planned. In addition, LACMTA is likely to undertake additional capital projects in the future, and additional First Tier Senior Lien Bonds may be issued to finance these projects. LACMTA may issue additional First Tier Senior Lien Bonds only if the additional bonds tests described under "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS—Additional First Tier Senior Lien Bonds" are satisfied.

Impact of Bankruptcy of LACMTA

As a municipal entity, LACMTA may be authorized to file a petition for relief under Chapter 9 of the United States Bankruptcy Code ("Chapter 9") under certain circumstances. Should LACMTA file for bankruptcy relief, there could be adverse effects on the holders of the Series 2019-A Bonds.

If the Proposition A Sales Tax revenues constitutes "special revenues" under the Bankruptcy Code, then Proposition A Sales Tax revenues collected before and after the date of the bankruptcy filing should be subject to the lien of the Agreement. "Special revenues" are defined to include taxes specifically levied to finance one or more projects or systems, and also to include receipts from the ownership, operation, or disposition of projects or systems that are primarily used or intended to be used primarily to provide transportation, utility or other services, as well as other revenues or receipts derived from particular functions of the debtor, but the Bankruptcy Code excludes receipts from general property, sales, or income taxes levied to finance the general purposes of the governmental entity.

The results of Chapter 9 bankruptcy proceedings are difficult to predict. If a court determined that the Proposition A Sales Tax was levied to finance the general purposes of LACMTA rather than specific projects, then the Proposition A Sales Tax revenues would not be special revenues. No assurance can be given that a court would hold that the Proposition A Sales Tax revenues constitutes special revenues or that the Series 2019-A Bonds are of a type protected by the "special revenues" provisions of the Bankruptcy Code. If a bankruptcy court were to determine that the Proposition A Sales Tax revenues were not "special revenues," then Proposition A Sales Tax revenues collected after the commencement of the bankruptcy case would likely not be subject to the lien of the Agreement. If a bankruptcy court were to so hold, the owners of the First Tier Senior Lien Bonds (including the Series 2019-A Bonds) would no longer be entitled to any special priority to the Proposition A Sales Tax revenues and could be treated as general unsecured creditors of LACMTA without a lien as to the Proposition A Sales Tax revenues.

If the revenues pledged under the Agreement are determined to be special revenues, the Bankruptcy Code provides (in order to maintain the revenue-generating capacity of the municipal entity) that a special revenues lien is subject to the necessary operating expenses of the project or system from which the special revenues are derived, which expenses are to be paid before other obligations (including to bondholders). This rule applies regardless of the provisions of the transaction documents. The law is not clear, however, (i) as to whether, or to what extent, the Proposition A Sales Tax revenues would be considered to be "derived" from a project or system, or (ii) precisely which expenses would constitute necessary operating expenses. To the extent that the Proposition A Sales Tax revenues is determined to be derived from a project or system, LACMTA may be able to use Proposition A Sales Tax revenues to pay necessary operating expenses, before the remaining Proposition A Sales Tax revenues is turned over to the Trustee to pay amounts owed to the holders of the Series 2019-A Bonds.

If LACMTA files for relief under Chapter 9, the parties (including the Trustee and the holders of the Series 2019-A Bonds) may be prohibited from taking any action to collect any amount from LACMTA or to enforce any obligation of LACMTA, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the Series 2019-A Bonds from funds in the Trustee's possession. In addition, the procedure pursuant to which the Proposition A Sales Tax revenues is paid directly to the Trustee by CDTFA may no longer be enforceable, and LACMTA may be able to require that the Proposition A Sales Tax revenues be paid directly to it by CDTFA.

If LACMTA has possession of Proposition A Sales Tax revenues (whether collected before or after commencement of the bankruptcy case) and if LACMTA does not voluntarily pay such moneys to the Trustee, it is not entirely clear what procedures the Trustee or the holders of the Series 2019-A Bonds would have to follow to attempt to obtain possession of such Proposition A Sales Tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful.

The obligations of LACMTA under the Agreement, including its obligations to pay principal of and interest on the Series 2019-A Bonds, are limited obligations and are payable solely from the Pledged Revenues and certain other amounts held by the Trustee under the Agreement. Accordingly, if LACMTA filed for relief under Chapter 9, the owners of the Series 2019-A Bonds may not have any recourse to any assets or revenues of LACMTA other than the Pledged Revenues and other amounts.

In the event of a LACMTA bankruptcy filing, LACMTA may be able to borrow additional money that is secured by a lien on any of its property (including the Pledged Revenues), which lien could have priority over the lien of the Agreement, as long as the bankruptcy court determines that the rights of the owners of the Series 2019-A Bonds will be adequately protected. LACMTA may also be able to cause some of the Pledged Revenues to be released to it, free and clear of lien of the Agreement, as long as the bankruptcy court determines that the rights of the Trustee and the owners of the Series 2019-A Bonds will be adequately protected.

Through a Chapter 9 proceeding LACMTA may also be able, without the consent and over the objection of the Trustee and the owners of the Series 2019-A Bonds, to alter the priority, principal amount, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Agreement and the Series 2019-A Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable.

As noted in its 2018 Financial Statements (as defined under "FINANCIAL STATEMENTS"), (see "Note III—DETAILED NOTES ON ALL FUNDS—I. Employees' Retirement Plans" in the Notes to the Financial Statements and the related Required Supplementary Schedules in "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018"), LACMTA has been informed that it has unfunded pension plan actuarial accrued liabilities. In a bankruptcy of LACMTA, the amounts of current and, if any, accrued (unpaid) contributions owed to the California Public Employees' Retirement System ("CalPERS"), the LACMTA-administered plans, or to any other pension system (collectively the "Pension Systems"), as well as future material increases in required contributions, could create additional uncertainty as to LACMTA's ability to pay debt service on the Series 2019-A Bonds. Given that municipal pension systems in California are usually administered pursuant to state constitutional provisions and, as applicable, other state and/or municipal law, the Pension Systems may take the position, among other possible arguments, that their claims enjoy a higher priority than all other claims, that Pension Systems are instrumentalities of the State and have the right to enforce payment by injunction or other proceedings outside of a LACMTA bankruptcy case, and that

Pension System claims cannot be the subject of adjustment or other impairment under the Bankruptcy Code because that would purportedly constitute a violation of state statutory, constitutional and/or municipal law. It is uncertain how a bankruptcy judge in a bankruptcy of LACMTA would rule on these matters. In addition, this area of law is presently very unsettled. This is because, though the issues of pension underfunding claim priority, pension contribution enforcement, and related bankruptcy plan treatment of such claims (among other pension-related matters) have been the subject of litigation in the Chapter 9 cases of several California municipalities, including Stockton and San Bernardino, the relevant disputes have not been litigated to decision in the Federal circuit appellate courts, and thus there are no rulings from which definitive guidance can be taken on pension matters in Chapter 9.

There may be delays in payments on the Series 2019-A Bonds while the court considers any of these issues, and any of these issues could result in delays or reductions in payments on the Series 2019-A Bonds. There may be other possible effects of a bankruptcy of LACMTA that could result in delays or reductions in payments on the Series 2019-A Bonds, or result in losses to the holders of the Series 2019-A Bonds. Regardless of any specific adverse determinations in a LACMTA bankruptcy proceeding, the fact of a LACMTA bankruptcy proceeding could have an adverse effect on the liquidity and market value of the Series 2019-A Bonds.

Liability for CalPERS Retirement Funding

LACMTA participates in CalPERS, and is a member of the Southern California Regional Rail Authority ("Metrolink"), a joint powers authority that participates in CalPERS. Participants in CalPERS may terminate their participation, and CalPERS may, following notice and cure periods, terminate participants that fail to make required contributions or provide required information or no longer exist. California law provides that a terminated agency is liable to CalPERS for any deficit in funding for earned benefits, plus interest and collection costs, and that CalPERS will have a lien on assets of the terminated participant, subject only to a prior lien for wages, for such deficit, interest and costs. Similar provisions impose liability and liens on members of joint powers authorities for the retirement obligations of the joint powers authority. As of June 30, 2017, LACMTA's net pension liability was approximately $154 million according to LACMTA's audited financial statements (see APPENDIX B) and as of June 30, 2018, Metrolink's net pension liability was approximately $12 million, according to Metrolink's audited financial statements. While LACMTA expects to make its required contributions to CalPERS and to strive to ensure that no funding deficit exists in the event of the termination or dissolution of Metrolink or any other joint powers authority of which it becomes a member (or if a funding deficit does exist, to make alternate arrangements to address it), it is possible that a lien could be placed on all of LACMTA's assets, including the Proposition A Sales Tax Revenues, in the amount of any funding deficit, plus interest and collection costs, and any such lien on Proposition A Sales Tax Revenues would be senior to that securing the First Tier Senior Lien Bonds. Also see "—Impact of Bankruptcy of LACMTA."

Voter Initiatives and California State Legislative Action May Impair Proposition A Sales Tax

Voters have the right to place measures before the electorate in the County or the State and the California State Legislature may take actions to limit the collection and use of the Proposition A Sales Tax. Such initiatives or actions may impact various aspects of the security, source of payment and other credit aspects of the Series 2019-A Bonds. See "PROPOSITION A SALES TAX AND COLLECTIONS—Initiatives and Changes to Proposition A Sales Tax."

DESCRIPTION OF THE SERIES 2019-A BONDS

General

The Series 2019-A Bonds are limited obligations of LACMTA to be issued pursuant to and secured under the Agreement. In connection with the issuance of the Series 2019-A Bonds, LACMTA will enter into the Fortieth Supplemental Agreement to provide the terms of the Series 2019-A Bonds and related matters.

The Series 2019-A Bonds will bear interest at the rates and mature in the principal amounts and on the dates shown on the inside cover of this Official Statement. LACMTA will pay interest on each January 1 and July 1, beginning January 1, 2020. Interest on the Series 2019-A Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2019-A Bonds will be issued in fully registered form in denominations of $5,000 or any integral multiple thereof. Upon initial issuance, the Series 2019-A Bonds will be registered in the name of Cede & Co. as registered owner and nominee of DTC. As long as the Series 2019-A Bonds are registered in such name or in the name of a successor nominee, the ownership of the Series 2019-A Bonds will be evidenced by book-entry as described in "APPENDIX G—BOOK-ENTRY-ONLY SYSTEM." Purchasers will not receive certificated Series 2019-A Bonds. So long as Cede & Co. is the registered owner of the Series 2019-A Bonds, reference herein to the Bondholders or registered owners will mean Cede & Co. as aforesaid and will not mean the Beneficial Owners of the Series 2019-A Bonds.

So long as Cede & Co. is the registered owner of the Series 2019-A Bonds, principal and redemption price of and interest on the Series 2019-A Bonds are payable by wire transfer of funds by the Trustee to Cede & Co., as nominee of DTC. DTC is obligated, in turn, to remit such amounts to its participants as described herein for subsequent disbursement to the Beneficial Owners. If the Series 2019-A Bonds cease to be held by DTC or by a successor securities depository, the principal and redemption price of the Series 2019-A Bonds will be payable at maturity or earlier redemption upon presentation and surrender of the Series 2019-A Bonds at the principal office or agency of the Trustee, and interest on the Series 2019-A Bonds will be payable by check mailed by first class mail on each Interest Payment Date to the Owners of the Series 2019-A Bonds as of the Regular Record Date; provided, that Owners of $1,000,000 or more in aggregate principal amount of Series 2019-A Bonds may arrange for payment by wire transfer of immediately available funds upon written request given to the Trustee at least 15 days prior to an Interest Payment Date.

No Redemption

The Series 2019-C Bonds are not subject to redemption prior to maturity.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS

Security for the Series 2019-A Bonds

The Series 2019-A Bonds are limited obligations of LACMTA payable from and secured by a first lien on and pledge of the Pledged Revenues, which are moneys collected as a result of the imposition of the Proposition A Sales Tax, less 25% thereof which constitutes the Local Allocation and less an administrative fee paid to CDTFA in connection with the collection and disbursement of the Proposition A Sales Tax. In addition, the Series 2019-A Bonds are secured by all other amounts held by the Trustee under the Agreement except for amounts held in any [reserve fund,] rebate fund and any escrow fund. Additionally, the Agreement provides that Pledged Revenues also include any Local Allocation that a local jurisdiction authorizes to be pledged to secure the Series 2019-A Bonds, plus such additional sources of revenue, if any, which are hereafter pledged to pay the Series 2019-A Bonds under a subsequent supplemental trust agreement. As of the date of this Official Statement, no local jurisdiction has pledged any of its Local Allocation to secure any bonds issued under the Agreement, including the Series 2019-A Bonds. Pledged Revenues do not include any Proposition A Sales Tax revenues that are released by the Trustee to (a) the payment of the Second Tier Obligations (as defined herein) (there are no Second Tier Obligations outstanding, nor are additional Second Tier Obligations currently expected to be issued), (b) the payment of the Proposition A Commercial Paper Notes (as defined under "PROPOSITION A SALES TAX OBLIGATIONS—Outstanding Proposition A Sales Tax Obligations," or (c) LACMTA for the payment, if necessary, of the General Revenue Bonds (as defined under "PROPOSITION A SALES TAX OBLIGATIONS—Other Obligations") and certain other amounts described herein and any other lawful purposes of LACMTA. For a description of the Proposition A Sales Tax and collections related thereto, see "PROPOSITION A SALES TAX AND COLLECTIONS."

Neither the faith and credit nor the taxing power of the County, the State of California or any political subdivision or public agency thereof, other than LACMTA to the extent of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement, is pledged to the payment of the principal of or interest on the Series 2019-A Bonds. LACMTA has no power to levy property taxes to pay the principal of or interest on the Series 2019-A Bonds.

The Series 2019-A Bonds are limited obligations of LACMTA and are payable, as to both principal and interest, solely from a first lien on and pledge of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement. Other than Pledged Revenues and such other amounts held by the Trustee under the Agreement, the general fund of LACMTA is not liable, and neither the credit nor the taxing power of LACMTA is pledged, to the payment of the principal of or interest on the Series 2019-A Bonds.

Proposition A Sales Tax Obligations

LACMTA has outstanding a variety of obligations that are payable from the Proposition A Sales Tax, including sales tax revenue bonds, commercial paper notes and certain amounts owed under letter of credit reimbursement agreements, pledge agreements and covenant agreements. At this time, LACMTA has three priority levels of obligations secured by the Proposition A Sales Tax: its First Tier Senior Obligations (which include all First Tier Senior Lien Bonds (including the Series 2019-A Bonds)), its Second Tier Obligations (there are no Second Tier Obligations outstanding, nor are additional Second Tier Obligations currently expected to be issued) and its Third Tier Obligations (which include the Proposition A Commercial Paper Notes and related obligations). Additionally, LACMTA has incurred other obligations which are secured by certain "remaining" Proposition A Sales Tax cash receipts. LACMTA has the ability to issue additional obligations that are payable from the Proposition A Sales Tax if it satisfies certain tests. See "PROPOSITION A SALES TAX OBLIGATIONS."

Flow of Funds

[Updates from Bond Counsel to come.] Pursuant to an agreement between LACMTA and CDTFA, CDTFA is required to remit monthly directly to the Trustee the Proposition A Sales Tax revenues after deducting CDTFA's costs of administering the Proposition A Sales Tax and after paying directly to LACMTA the Local Allocation (25% of net Proposition A Sales Tax cash receipts) (which for purposes of administrative ease is actually transferred first to the Trustee who then disburses the Local Allocation to LACMTA). Under the Agreement, the Trustee is required to deposit and apply the moneys received from CDTFA, as needed (75% of net Proposition A Sales Tax cash receipts), taking into consideration any other funds previously deposited or applied in such month for such purposes, as follows:

FIRST, to the credit of the Bond Interest Account for the First Tier Senior Lien Bonds, an amount equal to the Aggregate Accrued Interest for the current calendar month less any Excess Deposit made with respect to the last preceding calendar month plus any Deficiency existing on the first day of the calendar month plus any amount of interest which has become due and has not been paid and for which there are insufficient funds in the Bond Interest Account or another special account to be used to make such payment;

SECOND, to the credit of the Bond Principal Account for the First Tier Senior Lien Bonds, the Aggregate Accrued Principal for the current calendar month plus any Accrued Premium and any Deficiency existing on the first day of the calendar month plus any amount of principal which has become due and has not been paid and for which there are insufficient funds in the Bond Principal Account or another special account to be used to make such payment;

THIRD, to the credit of the Reserve Fund, such portion of the balance, if any, remaining after making the deposits to the Bond Interest Account and the Bond Principal Account described above, as is necessary to increase the amount on deposit in the Reserve Fund to an amount equal to the Reserve Fund Requirement, or if the entire balance is less than the amount necessary, then the entire balance will be deposited into the Reserve Fund; provided, however, that so long as any Reserve Fund Insurance Policy is in effect and the Reserve Insurer is not in default of its obligations thereunder, the Trustee will pay the Reserve Insurer the greater of (i) the minimum amount required to be paid in accordance with the provisions of such Reserve Fund Insurance Policy and any related agreements between LACMTA and the Reserve Insurer, or (ii) the amount necessary to reinstate the amount available to be drawn under such Reserve Fund Insurance Policy in order to meet the Reserve Fund Requirement (see "—Reserve Fund" below);

FOURTH, to make deposits for the payment of any Second Tier Obligations (there are no Second Tier Obligations outstanding, nor are additional Second Tier Obligations currently expected to be issued); and

FIFTH, to pay any remaining amount to the trustee under a subordinate trust agreement in such amounts and at such times as will be needed to provide for payment of such obligations in accordance with a Supplemental Trust Agreement or Supplemental Trust Agreements relating to such subordinate debt, including but not limited to the obligation of LACMTA with respect to the Proposition A Commercial Paper Notes described herein (including the reimbursement obligations of LACMTA related to letters of credit for such Proposition A Commercial Paper Notes).

Any remaining funds will then be transferred to LACMTA and will be available to be used for any lawful purpose. Any Pledged Revenues after making deposits First through Fourth above will no longer be available to pay debt service on the First Tier Senior Lien Bonds. As of the date of this Official Statement, LACMTA has granted pledges on the remaining Proposition A Sales Tax revenues to the payment of and reserve requirements for the General Revenue Bonds. See "PROPOSITION A SALES TAX OBLIGATIONS—Other Obligations" for definitions of the capitalized terms used in the preceding sentence. After the payment of the General Revenue Bonds, LACMTA may use any remaining Proposition A Sales Tax revenues in accordance with the provisions of Ordinance No. 16.

Table 1 on the following page provides a graphic presentation of the flow of funds for Proposition A Sales Tax cash receipts as of the date of issuance of the Series 2019-A Bonds. [**Table and Footnotes to be updated by Bond Counsel**]

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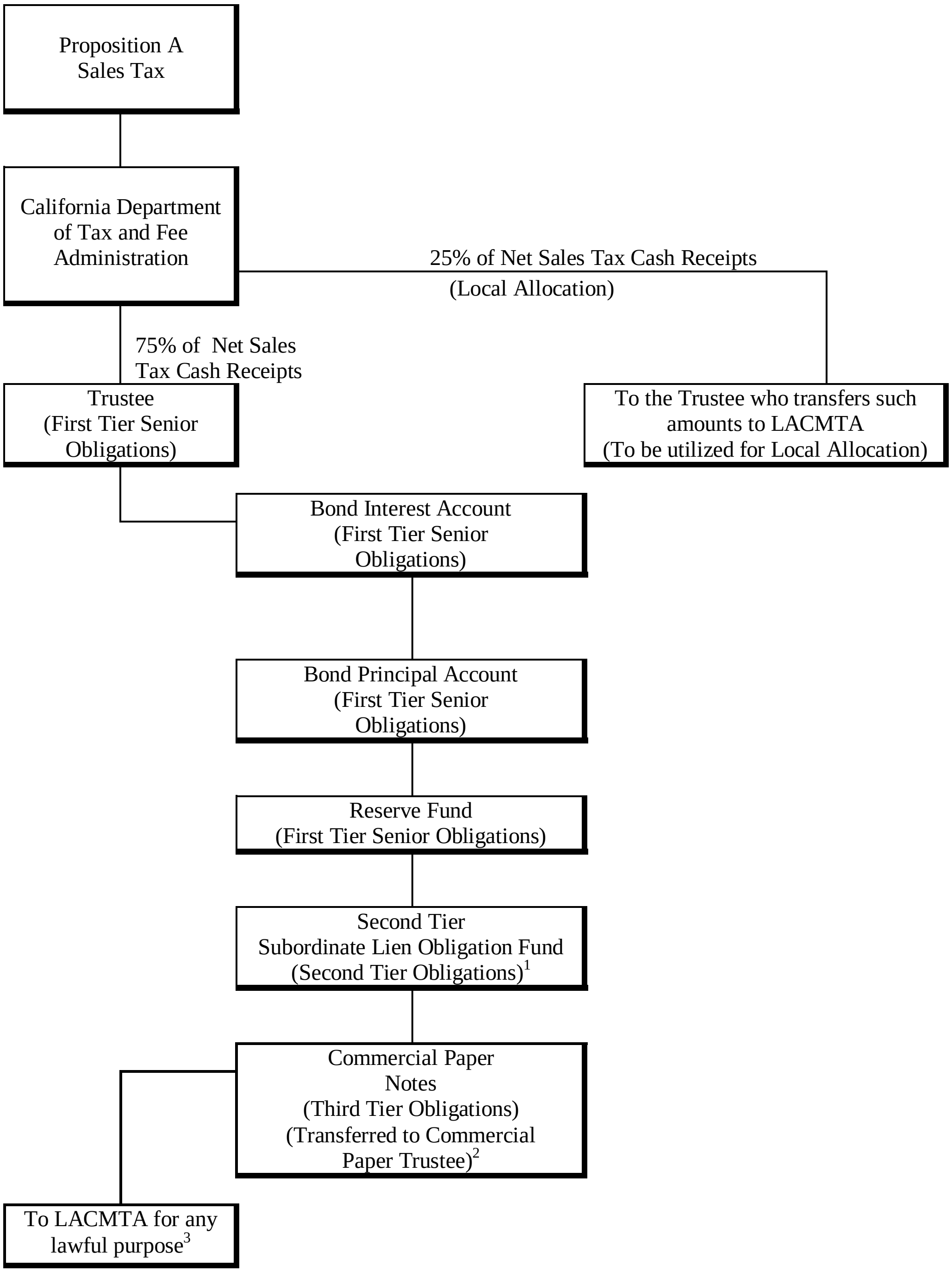
TABLE 1
Proposition A Sales Tax
Flow of Funds



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[1] There are no Second Tier Obligations outstanding, nor are any additional Second Tier Obligations currently expected to be issued.

[2] Also includes reimbursement obligations of LACMTA related to letters of credit for such Commercial Paper Notes.

[3] All remaining funds are transferred to LACMTA, are released from the lien established under the Trust Agreement, and are thereafter no longer Pledged Revenues under the Trust Agreement.

The Series 2019-A Bonds are not Secured by any Reserve Fund

The Series 2019-A Bonds are not secured by the Reserve Fund or any other debt service reserve fund. Certain other First Tier Senior Lien Revenue Bonds are secured by the Reserve Fund. See "INTRODUCTION—Proposed Amendments to Trust Agreement" and "INTRODUCTION—No Reserve Fund for the Series 2019-A Bonds" herein. **[Any reason to discuss the AGM Policy?]**

Additional First Tier Senior Lien Bonds

Upon compliance with the terms of the Agreement, LACMTA is permitted to issue Additional First Tier Senior Lien Bonds under the Agreement secured by Pledged Revenues on a parity basis with the Outstanding First Tier Senior Lien Bonds. First Tier Senior Lien Bonds may be issued for any purpose for which LACMTA at the time of issuance may incur debt, including, if LACMTA may then otherwise do so, for the purpose of loaning the proceeds to other entities.

Pursuant to the Agreement, prior to issuance of any First Tier Senior Lien Bonds, including the issuance of the Series 2019-A Bonds, there will be delivered to the Trustee, in addition to other items, a certificate prepared by a Consultant showing that 35% (or such greater percentage permitted by the immediately following paragraph) of the Proposition A Sales Tax collected for any 12 consecutive months out of the 15 consecutive months immediately preceding the issuance of the proposed First Tier Senior Lien Bonds was at least equal to 115% of Maximum Annual Debt Service for all First Tier Senior Lien Bonds which will be outstanding immediately after the issuance of the proposed First Tier Senior Lien Bonds.

This covenant, combined with the fact that 75% of the Proposition A Sales Tax collected is available to LACMTA and pledged to debt service, creates an additional bonds test effectively requiring that Pledged Revenues be at least 246% Maximum Annual Debt Service.

If any city entitled to receive a Local Allocation has authorized the pledging of all or a portion of its share of the Local Allocation to secure the First Tier Senior Lien Bonds, the duration of such pledge is not less than the term of any First Tier Senior Lien Bonds then issued and Outstanding or currently proposed to be issued, and a certified copy of the city's ordinance, resolution or other official action authorizing the pledge and setting forth the terms of such pledge and a written opinion of bond counsel that the pledge of such portion of the Local Allocation is a valid pledge of LACMTA have been filed with the Trustee, then the reference to 35% in the immediately preceding paragraph will be replaced with the percentage which is equal to 35% plus the percentage determined by dividing the amount of the Local Allocation then included in Pledged Tax by the total Proposition A Sales Tax.

For purposes of the comparisons set forth in the Consultant's certificate, the actual historical Proposition A Sales Tax revenues may be adjusted by the Consultant if there has been or upon the issuance of the proposed First Tier Senior Lien Bonds there will be a change in the base upon which the Proposition A Sales Tax is imposed, the Proposition A Sales Tax revenues for the 12 months used in the comparisons will be adjusted to reflect the amount of Proposition A Sales Tax revenues which would have resulted had the change in the base occurred on the first day of such 12 month period.

Under the Agreement, "Maximum Annual Debt Service" generally means the greatest amount of principal and interest becoming due and payable on all First Tier Senior Lien Bonds in the Fiscal Year in which the calculation is made or in any subsequent Fiscal Year. However, if LACMTA issues variable rate bonds and enters into an interest rate swap agreement related to any First Tier Senior Lien Bonds, the Agreement permits LACMTA to use the fixed rate it pays under the interest rate swap agreement for purposes of determining the maximum amount of interest becoming due and payable on such First Tier

Senior Lien Bonds. For the definition of Maximum Annual Debt Service, see "APPENDIX D—SUMMARY OF LEGAL DOCUMENTS; DEFINITIONS—DEFINITIONS."

The certificate described above will not be required, however, if the Additional First Tier Senior Lien Bonds to be issued are being issued for the purpose of refunding then Outstanding First Tier Senior Lien Bonds and there is delivered to the Trustee, instead, a certificate of the Authorized Authority Representative showing that Maximum Annual Debt Service on all First Tier Senior Lien Bonds Outstanding after the issuance of the refunding First Tier Senior Lien Bonds will not exceed Maximum Annual Debt Service on all First Tier Senior Lien Bonds Outstanding prior to the issuance of such First Tier Senior Lien Bonds.

PROPOSITION A SALES TAX AND COLLECTIONS

The Proposition A Sales Tax

Under the California Public Utilities Code, LACMTA is authorized to adopt retail transactions and use tax ordinances applicable in the incorporated and unincorporated territory of the County in accordance with California's Transaction and Use Tax Law (California Revenue and Taxation Code Section 7251 et seq.), upon authorization by a specified percentage of the electors voting on the issue. In accordance with the County Transportation Commissions Act (Section 130000 et seq. of the California Public Utilities Code (the "Transportation Commissions Act")), the Commission (as predecessor to LACMTA), on August 20, 1980, adopted Ordinance No. 16 ("Ordinance No. 16") which imposed a retail transactions and use tax for public transit purposes. Ordinance No. 16 was submitted to the electors of the County in the form of "Proposition A" and approved at an election held on November 4, 1980. Ordinance No. 16 imposes a tax of ½ of 1% of the gross receipts of retailers from the sale of tangible personal property sold at retail in the County and a use tax at the same rate upon the storage, use or other consumption in the County, subject to certain limited exceptions. The retail transactions and use tax imposed by Ordinance No. 16 and approved by the voters with the passage of Proposition A is referred to in this Official Statement as the "Proposition A Sales Tax." As approved by the voters, the Proposition A Sales Tax is not limited in duration. The validity of the Proposition A Sales Tax was upheld in 1982 by the California Supreme Court in *Los Angeles County Transportation Commission v. Richmond*. See "LITIGATION." See also "APPENDIX A—THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY—LITIGATION."

Collection of the Proposition A Sales Tax is administered by CDTFA, which imposes a charge for administration. Such charge is based on the actual costs incurred by CDTFA in connection with the administration of the collection of the Proposition A Sales Tax. In accordance with Ordinance No. 16, LACMTA is required to allocate the proceeds of the Proposition A Sales Tax as follows:

TABLE 2
Proposition A Sales Tax Apportionment

Use	Percentage
Local Allocation	25%
Rail Development Program[1]	35
Discretionary	40
TOTAL	100%[2]

[1] Pursuant to the Act of 1998 (as defined under "—Initiatives and Changes to Proposition A Sales Tax") LACMTA is prohibited from spending Proposition A Sales Tax revenues on the costs of planning, design, construction or operation of any New Subway (as defined below), including debt service on bonds, notes or other evidences of indebtedness issued for such purposes after March 30, 1998. See "—Initiatives and Changes to Proposition A Sales Tax—The Act of 1998" below.

[2] Up to 5% of the Proposition A Sales Tax revenues received by LACMTA may be used by LACMTA to pay administrative costs. Administrative costs are payable only from Proposition A Sales Tax revenues that have been released to LACMTA and are no longer Pledged Revenues. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS—Flow of Funds" above.

Source: LACMTA

As described below, CDTFA has agreed to remit directly on a monthly basis the remaining Proposition A Sales Tax revenues to the Trustee after deducting the costs of administering the Proposition A Sales Tax and disbursing the Local Allocation to LACMTA (which for purposes of administrative ease, is first transferred to the Trustee who then disburses the Local Allocation to LACMTA). After application of such Proposition A Sales Tax revenues to certain funds and accounts related to the First Tier Senior Lien Bonds in accordance with the Agreement, the Trustee is required to transfer the remaining unapplied Proposition A Sales Tax revenues for deposit to the funds and accounts established and maintained for the Second Tier Obligations and the Proposition A Commercial Paper Notes and related obligations. Any Proposition A Sales Tax revenues remaining after the deposits described above are required to be released to LACMTA to be used by LACMTA first, if necessary, to pay debt service on the General Revenue Bonds, and second, for any lawful purposes of LACMTA. The First Tier Senior Lien Bonds do not have a lien on and are not secured by any Proposition A Sales Tax revenues that are released by the Trustee and deposited to the funds and accounts established and maintained for the Second Tier Obligations or the Proposition A Commercial Paper Notes or that are transferred to LACMTA to be used to pay debt service on the General Revenue Bonds or for any lawful purposes of LACMTA.

The amount retained by CDTFA from collections of Proposition A Sales Tax is based on the total local entity cost reflected in the annual budget of the State, and includes direct, shared and central agency costs incurred by CDTFA. The amount retained by CDTFA is adjusted to account for the difference between CDTFA's recovered costs and its actual costs during the prior two Fiscal Years. For Fiscal Years 2014 through 2018, CDTFA's fee for administering the Proposition A Sales Tax was as follows:

TABLE 3
Fee For Administering the Proposition A Sales Tax

Fiscal Year Ended (June 30)	Fee ($'s in millions)	Percentage of Proposition A Sales Tax Revenues
2014	$8.3	1.2%
2015	8.6	1.2
2016	9.2	1.2
2017	9.2	1.2
2018	8.7	1.1

Source: LACMTA

CDTFA has advised LACMTA that its fee for Fiscal Year 2019 is estimated to be $8.9 million. LACMTA assumes that CDTFA fee may increase incrementally each year. CDTFA can change the fee at its discretion in the future.

Under the Agreement, LACMTA covenants that (a) it will not take any action which will impair or adversely affect in any manner the pledge of the Pledged Revenues or the rights of the holders of the First Tier Senior Lien Bonds, including the Series 2019-A Bonds; and (b) it will be unconditionally and irrevocably obligated, so long as any of the First Tier Senior Lien Bonds, including the Series 2019-A Bonds, are outstanding and unpaid, to take all lawful action necessary or required to continue to entitle LACMTA to receive the Pledged Revenues at the same rates as provided by law (as of the date of the Agreement), to pay from the Pledged Revenues the principal of and interest on the First Tier Senior Lien Bonds in the manner and pursuant to the priority set forth in the Agreement, and to make the other payments provided for in the Agreement.

Under the Act, the State pledges to, and agrees with, the holders of any bonds issued under the Act and with those parties who may enter into contracts with LACMTA pursuant to the Act that the State will not limit or alter the rights vested by the Act in LACMTA until such bonds, together with the interest thereon, are fully met and discharged and the contracts are fully performed on the part of LACMTA. However, the State is not precluded from limiting or altering rights if and when adequate provision has been made by law for the protection of the bondholders or those entering into contracts with LACMTA. Further, such pledge and agreement does not preclude the State from changing the transactions and items subject to the statewide general sales tax and concurrently thereby altering the amount of Proposition A Sales Tax collected. See "RISK FACTORS—California State Legislature or Electorate or Federal Law May Change Items Subject to Proposition A Sales Tax."

The ½ of 1% Proposition A Sales Tax imposed by LACMTA in the County is in addition to the general sales tax levied statewide by the State (currently 7.25%), the ½ of 1% sales tax imposed by LACMTA pursuant to Ordinance No. 49 of the Commission known as "Proposition C" (such sales tax is referred to herein as the "Proposition C Sales Tax"), the 30-year ½ of 1% sales tax approved by County voters in November 2008 to fund LACMTA transportation projects and operations known as the "Measure R Sales Tax," the ½ of 1% (increasing to 1% upon the expiration of the Measure R Sales Tax) sales tax approved by County voters in November 2016 to fund LACMTA transportation projects and operations known as the "Measure M Sales Tax," the 10-year ¼ of 1% sales tax approved by County voters in March 2017 to fund programs to assist the County's homeless population known as "Measure H Sales Tax," and the taxes that apply only within certain cities in the County. The cities of Avalon, Commerce, Culver City, Downey, El Monte, Inglewood, San Fernando, and South El Monte in the

County have each enacted a sales tax of ½ of 1% applicable to transactions within their respective city limits, and the cities of Compton, La Mirada, Long Beach, Lynwood, Pico Rivera, Santa Monica, and South Gate in the County have each enacted a sales tax of 1% applicable to transactions within their respective city limits. The combined various sales taxes described above results in (a) transactions within the County, and outside the cities of Avalon, Commerce, Compton, Culver City, Downey, El Monte, Inglewood, Long Beach, Lynwood, Pico Rivera, San Fernando, Santa Monica, South El Monte, and South Gate, currently being taxed at an effective rate of 9.50%, (b) transactions within the cities of Avalon, Commerce, Culver City, Downey, El Monte, Inglewood, San Fernando, and South El Monte currently being taxed at an effective rate of 10.00%, and (c) transactions within the cities of Compton, Long Beach, Lynwood, Pico Rivera, Santa Monica, and South Gate currently being taxed at an effective rate of 10.25% (the Measure H Sales Tax does not apply to transactions in Compton, Long Beach, Lynwood, Pico Rivera, Santa Monica and South Gate because in those cities the sales tax is already at the maximum allowed by law). These tax rates and the items subject to the Proposition C Sales Tax are subject to change. See "RISK FACTORS—California State Legislature or Electorate or Federal Law May Change Items Subject to Proposition C Sales Tax" and "—Increases in Sales Tax Rate May Cause Declines in Proposition C Sales Tax Revenues." See also "APPENDIX A—THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY—OUTSTANDING DEBT."

Initiatives and Changes to Proposition A Sales Tax

Proposition 218. In 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the California State Constitution. Among other things, Article XIIIC removes limitations, if any, that exist on the initiative power in matters of local taxes, assessments, fees and charges. Even though LACMTA's enabling legislation did not limit the initiative power of the electorate prior to Proposition 218, Proposition 218 has affirmed the right of the voters to propose initiatives that could impact the Proposition A Sales Tax.

The Act of 1998. One such initiative was approved by the voters of the County in 1998 in the form of the "Metropolitan Transportation Authority Reform and Accountability Act of 1998" (the "Act of 1998"). The Act of 1998 prohibits the use of Proposition A Sales Tax and Proposition C Sales Tax (but not the use of Measure R Sales Tax or Measure M Sales Tax) to pay any costs of planning, design, construction or operation of any "New Subway," including debt service on bonds, notes or other evidences of indebtedness issued for such purposes after March 30, 1998. "New Subway" is defined in the Act of 1998 to mean any rail line which is in a tunnel below the grade level of the earth's surface (including any extension or operating segment thereof), except for Segment 1, Segment 2 and Segment 3 (North Hollywood) of the Red Line. The Act of 1998 does not limit the use of Proposition A Sales Tax or Proposition C Sales Tax revenues to provide public mass transit improvements to railroad right-of-ways. The Act of 1998 does not limit in any way the collection of the Proposition A Sales Tax or the Proposition C Sales Tax; it only limits the uses of such taxes. LACMTA believes that the proceeds of all obligations previously issued by LACMTA which are secured by the Proposition A Sales Tax and/or the Proposition C Sales Tax have been used for permitted purposes under the Act of 1998. **Therefore, the Act of 1998 has no effect on LACMTA's ability to continue to use the Proposition A Sales Tax or the Proposition C Sales Tax to secure payment of its outstanding obligations secured by the Proposition A Sales Tax or the Proposition C Sales Tax. Additionally, LACMTA will covenant not to use the proceeds of the Series 2019-A Bonds in a manner inconsistent with the provisions of the Act of 1998, and the Act of 1998 will not limit the ability of LACMTA to secure payment of the Series 2019-A Bonds with a pledge of the Proposition A Sales Tax.**

As required by the Act of 1998, LACMTA contracted with an independent auditor to complete an audit with respect to the receipt and expenditure of Proposition A Sales Tax and Proposition C Sales Tax between the effective dates of Proposition A and Proposition C and June 30, 1998. The independent auditor completed the audit in November 1999. The Act of 1998 further requires LACMTA to contract for an independent audit each subsequent Fiscal Year to determine LACMTA's compliance with the provisions of Proposition A, Proposition C and the Act of 1998 relating to the receipt and expenditure of Proposition A Sales Tax revenues and Proposition C Sales Tax revenues. For Fiscal Years 1999 through 2018, the independent auditors determined that LACMTA was in compliance with Proposition A, Proposition C and the Act of 1998 for each such respective Fiscal Year (the "Annual Act of 1998 Audit").

In connection with each Annual Act of 1998 Audit, the independent auditor annually audits how LACMTA spends Proposition A Sales Tax revenues during the related Fiscal Year to ensure that it spends those revenues for the categories of use set forth in Proposition A. See "—The Proposition A Sales Tax" above. Each Fiscal Year, a substantial portion of the Proposition A Sales Tax revenues are spent on the payment of principal of and interest on the First Tier Senior Lien Bonds. See "COMBINED FIRST TIER SENIOR LIEN BONDS DEBT SERVICE SCHEDULE." For purposes of determining LACMTA's compliance with the categories of use set forth in Proposition A, LACMTA allocates the annual payments of principal and interest with respect to each series of First Tier Senior Lien Bonds to the categories of use for which such series of First Tier Senior Lien Bonds financed or refinanced.

The Act of 1998 also established the "Independent Citizens' Advisory and Oversight Committee" (the "Committee") whose responsibilities include reviewing LACMTA's annual audit of its receipt and expenditure of Proposition A Sales Tax and Proposition C Sales Tax, the holding of public hearings regarding the annual audit and issuing reports based upon those audits and public hearings. The Committee is made up of five members, of which one member is appointed by the chair of the Los Angeles County Board of Supervisors, one member is appointed by the chair of the Board, one member is appointed by the Mayor of the City of Los Angeles, one member is appointed by the Mayor of the City of Long Beach, and one member is appointed by the Mayor of the City of Pasadena.

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Historical Proposition A Sales Tax Collections

The following table presents, among other things, collections of net Proposition A Sales Tax revenues and corresponding Pledged Revenues for the Fiscal Years ended June 30, 2009 through June 30, 2018.

TABLE 4
Historical Net Proposition A Sales Tax Revenues, Local Allocations and Pledged Revenues (dollars in millions[1])

Fiscal Year	Net Proposition A Sales Tax Revenue[2]	Annual Percentage Change	Allocations to Local Governments	Pledged Revenues[3]
2009	$620.8	(9.15)%	$155.2	$465.6
2010	565.7	(8.88)	141.4	424.3
2011	601.9	6.40	150.5	451.4
2012	648.7	7.78	162.2	486.5
2013	687.2	5.93	171.8	515.4
2014[4]	717.1	4.35	179.3	537.7
2015	745.7	3.99	186.4	559.2
2016	763.6	2.40	190.9	572.7
2017	789.3	3.37	197.3	592.0
2018	836.5	5.98	209.1	627.4

[1] Rounded to closest $100,000.
[2] Reflects Proposition A Sales Tax revenues, as reported according to accrual basis accounting, presented in LACMTA's audited financial statements, less the administrative fees paid to CDTFA.
[3] Net Proposition A Sales Tax revenues less Allocations to Local Governments.
[4] LACMTA's Fiscal Year 2014 audited financial statements include an increase in Proposition A Sales Tax revenues and Pledged Revenues of $61.4 million due to an accounting accrual adjustment resulting in a one-time increase to the reported amount. Amounts shown for Fiscal Year 2014 are reported and calculated excluding the $61.4 million accounting accrual adjustment.

Source: LACMTA

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The following table sets forth the amount of Proposition A Sales Tax receipts received for the most recent nine quarters and the changes in such amounts from the corresponding period in the prior year.

TABLE 5
Selected Actual Proposition A Sales Tax Receipts Information
(values are cash basis)[1]

Quarter Ended	Quarterly Receipts ($ millions)	Change from Same Period of Prior Year	Rolling 12 Months Receipts ($ millions)	Change from Same Period of Prior Year
December 31, 2018	$214.17	4.06%	$832.70	4.12%
September 30, 2018	223.20	9.76	824.34	4.31
June 30, 2018	188.86	0.06[(2)]	804.49	3.29
March 31, 2018	206.47	2.27	804.37	3.66
December 31, 2017	205.81	4.85	799.79	4.33
September 30, 2017	203.35	5.95	790.30	3.49
June 30, 2017	188.75	1.56	778.84	2.04
March 31, 2017	201.89	4.86	775.94	2.59
December 31, 2016	196.28	1.53	766.58	1.89

[1] Unaudited.
[2] Receipts received in the quarter ending September 30, 2018 include $37 million in Fiscal Year 2018 receipts delayed due to CDTFA's implementation of a new revenue system in May 2018.
Source: LACMTA

Historically, the Proposition A Sales Tax receipts, on a cash basis for a quarterly period, were determined by Proposition A Sales Tax revenues generated by sales activity generally occurring in the last two months of the previous quarter and the first month of the current quarter. For example, for the quarter ending December 31, 2017, receipts generally represented sales activity occurring in August, September, and October 2017. In May 2018, CDTFA implemented a new Centralized Revenue Opportunity System (the "CROS") which changed the allocation schedule and resulted in tax distributions to local governments being accelerated. Proposition A Sales Tax receipts, on a cash basis for a quarterly period, are determined by Proposition A Sales Tax revenues generated by sales activity generally occurring in the previous quarter, less any amount previously advanced, plus an advance for the first month of the next quarter. For example, for the quarter ending December 31, 2018, receipts generally represented sales activity occurring in July, August, and September, less the advances previously received for those quarterly sales, plus an advance for October 2018 sales (received in December).

Total Proposition A Sales Tax receipts on a cash basis for Fiscal Year 2018 were approximately $804.5 million compared to $778.8 million in Fiscal Year 2017. LACMTA's Fiscal Year 2019 budget assumes total Proposition A Sales Tax revenues of $844 million **(**net of CDTFA's administrative fee.

Proposition A Sales Tax receipts fluctuate based on general economic conditions within the County. To project future Proposition A Sales Tax receipts for budgetary purposes, LACMTA relies on reports from local economists and other publicly available sources of data. LACMTA does not itself develop forecasts of current or future economic conditions. Furthermore, CDTFA does not provide LACMTA with any forecasts of Proposition A Sales Tax receipts for future periods. Therefore, LACMTA is unable to predict with certainty future levels of Proposition A Sales Tax receipts. See "RISK FACTORS—Economic Factors May Cause Declines in Proposition A Sales Tax Revenues" above.

PROPOSITION A SALES TAX OBLIGATIONS

General

As of the date of this Official Statement, LACMTA has three priority levels of obligations secured by the Proposition A Sales Tax revenues: its First Tier Senior Lien Bonds (which includes the Series 2019-A Bonds), its Second Tier Obligations and its Third Tier Obligations (which include the Proposition A Commercial Paper Notes and related obligations). LACMTA may issue additional subordinate obligations, including additional Second Tier Obligations (there are no Second Tier Obligations outstanding, nor are any additional Second Tier Obligations currently expected to be issued) and Third Tier Obligations in the future. LACMTA has incurred other obligations which are secured by certain "remaining" Proposition A Sales Tax cash receipts. See "—Other Obligations" below.

LACMTA had outstanding the following Proposition A Sales Tax obligations as of March 1, 2019, First Tier Senior Lien Bonds in the aggregate principal amount of $1,187,295,000 (including the Refunded Bonds) and Proposition A Commercial Paper Notes in the aggregate principal amount of $105,000,000. See "—Outstanding Proposition A Sales Tax Obligations."

LACMTA may issue additional First Tier Senior Lien Bonds upon the satisfaction of certain conditions contained in the Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS—Additional First Tier Senior Lien Bonds." The Short Range Financial Forecast assumes the issuance of approximately $564 million of First Tier Senior Lien Bonds between Fiscal Years 2020 and 2024.

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Debt Service Coverage

The following table presents historical Pledged Revenues and First Tier Senior Lien Bond debt service coverage ratios for the Fiscal Years ended June 30, 2009 through June 30, 2018.

TABLE 6
Proposition A Pledged Revenues and
Debt Service Coverage
(dollars in millions)[1]

Fiscal Year	Pledged Revenues[2]	First Tier Senior Lien Bonds Total Debt Service[3]	First Tier Senior Lien Bonds Debt Service Coverage Ratio	Proposition A Sales Tax Revenues Remaining After Payment of First Tier Senior Lien Bonds
2009	$465.6	$148.7	3.13x	$316.9
2010	424.3	156.5	2.71	267.8
2011	451.4	150.7	3.00	300.7
2012	486.5	144.6	3.36	341.9
2013	515.4	152.0	3.39	363.4
2014[4]	537.7	145.1	3.71	392.7
2015	559.2	144.5	3.87	414.7
2016	572.7	142.9	4.01	429.8
2017	592.0	134.5	4.40	457.5
2018	627.4	159.2[5]	3.94	468.2

[1] Rounded to the closest $100,000.
[2] 75% of Net Proposition A Sales Tax revenue (less administrative fee, special adjustments and Local Allocations). See Table 3 above.
[3] Calculated on a bond year ending July 1 as opposed to a Fiscal Year ending June 30.
[4] Excludes $61.4 million of additional Proposition A Sales Tax revenue due to a one-time accounting accrual adjustment. Pledged Revenues and debt service coverage are reported and calculated excluding the $61.4 million accounting accrual adjustment.
[5] Increase in First Tier Senior Lien Bonds Total Debt Service from the prior fiscal year reflects the issuance of $471.4 million aggregate principal amount of the Proposition A First Tier Senior Sales Tax Revenue Bonds, Series 2017-A (Green Bonds) in Fiscal Year 2018.
Source: LACMTA

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Outstanding Proposition A Sales Tax Obligations

Outstanding obligations of LACMTA payable from the Proposition A Sales Tax consist of sales tax revenue bonds, commercial paper notes, and certain amounts owed under letter of credit reimbursement agreements.

First Tier Senior Lien Bonds. LACMTA had the following First Tier Senior Lien Bonds outstanding as of March 1, 2019.

TABLE 7
Los Angeles County Metropolitan Transportation Authority
Proposition A First Tier Senior Sales Tax Revenue Bonds
(Outstanding as of March 1, 2019)

Proposition A First Tier Senior Sales Tax Revenue Bonds[1]	Outstanding Principal Amount
Senior Sales Tax Revenue Refunding Bonds, Series 2018-A	$ 13,890,000
Senior Sales Tax Revenue Bonds, Series 2017-A (Green Bonds)	471,395,000
Senior Sales Tax Revenue Refunding Bonds, Series 2017-B	85,455,000
Senior Sales Tax Revenue Refunding Bonds, Series 2016-A	153,565,000
Senior Sales Tax Revenue Refunding Bonds, Series 2015-A	23,075,000
Senior Sales Tax Revenue Refunding Bonds, Series 2014-A	117,885,000
Senior Sales Tax Revenue Refunding Bonds, Series 2013-A	173,825,000
Senior Sales Tax Revenue Refunding Bonds, Series 2012-A	43,600,000
Senior Sales Tax Revenue Refunding Bonds, Series 2009-A[2]	104,605,000
Total	$1,187,295,000

[1] The First Tier Senior Lien Bonds are payable from and constitute prior first liens on Proposition A Sales Tax revenue.
[2] The Refunded Bonds shall no longer be outstanding after the date of issuance of the Series 2019-C Bonds.
Source: LACMTA

Second Tier Obligations. There are no Proposition A Second Tier Obligations outstanding, nor are any additional Second Tier Obligations currently expected to be issued.

Third Tier Obligations. **[Once the Board approves the replacement/substitution of the LOC providers, we should discuss adding additional disclosure**] Pursuant to the Subordinate Trust Agreement, dated as of January 1, 1991, as amended and supplemented, by and between LACMTA (as successor to the Commission) and U.S. Bank National Association, the successor to the BankAmerica Trust Company, as the successor to Security Pacific National Trust Company (New York), as trustee, LACMTA is authorized to issue up to $350,000,000 aggregate principal amount of its Proposition A commercial paper notes (the "Proposition A Commercial Paper Notes"). The Proposition A Commercial Paper Notes can only be issued and outstanding if they are supported by a letter of credit. The Proposition A Commercial Paper Notes are payable from Proposition A Sales Tax revenues on a subordinate basis to the First Tier Senior Lien Bonds (including the Series 2019-A Bonds) and the Second Tier Obligations.

Proposition A Commercial Paper Notes totaling $321,463,001 in aggregate principal amount are supported by three letters of credit (the "Proposition A CP Letters of Credit") issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch, MUFG Union Bank, N.A., and Citibank, N.A. LACMTA's reimbursement obligations with respect to the Proposition A CP Letters of Credit are payable from Proposition A Sales Tax revenues on parity with the Proposition A Commercial Paper Notes and on a subordinate basis to the First Tier Senior Lien Bonds (including the Series 2019-A Bonds) and any Second Tier Obligations. The following table sets forth certain terms of the Proposition A CP Letters of Credit.

TABLE 8
Proposition A CP Letters of Credit

Letter of Credit Provider	Amount of Letter of Credit	Issuance Date	Expiration Date
Sumitomo Mitsui Banking Corporation, acting through its New York Branch	$124,999,176[1]	March 8, 2016	May 1, 2019[4]
MUFG Union Bank, N.A.	$74,999,724[2]	March 8, 2016	May 1, 2019[4]
Citibank, N.A.	$149,999,448[3]	August 17, 2017	August 14, 2020

[1] Supports $114,808,000 of principal and $10,191,176 of interest. Draws on the letter of credit must be paid within 270 days, although the drawings may be converted to a term loan payable in 18 quarterly installments if conditions are satisfied.
[2] Supports $68,885,000 of principal and $6,114,724 of interest. Draws on the letter of credit must be paid within 270 days, although the drawings may be converted to a term loan payable in 10 quarterly installments if conditions are satisfied.
[3] Supports $137,770,001 of principal and $12,229,447 of interest. Draws on the letter of credit must be paid within 270 days, although the drawings may be converted to a term loan payable in 10 quarterly installments if conditions are satisfied.
[4] The MTA is currently involved in negotiations regarding substitution of these Letters of Credit.
Source: LACMTA

The Proposition A Commercial Paper Notes and LACMTA's reimbursement obligations under the reimbursement agreement entered into with respect to the Proposition A CP Letters of Credit constitute "Third Tier Obligations." As of March 1, 2019, $105,000,000 aggregate principal amount of Proposition A Commercial Paper Notes were outstanding.

Other Obligations

General Revenue Bonds. As of March 1, 2019, there was $64,770,000 aggregate principal amount of LACMTA's General Revenue Refunding Bonds (Union Station Gateway Project), Series 2015 (the "Series 2015 General Revenue Bonds") outstanding, and $24,410,000 aggregate principal amount of LACMTA's General Revenue Refunding Bonds (Union Station Gateway Project), Series 2010-A (the "Series 2010-A General Revenue Bonds," and together with the Series 2015 General Revenue Bonds, the "General Revenue Bonds") outstanding. The General Revenue Bonds are secured by a pledge of farebox revenues, fee and advertising revenues (collectively, "General Revenues") and Proposition A Sales Tax and Proposition C Sales Tax revenues that remain after the application of those revenues to the payment of principal and interest on the First Tier Senior Lien Bonds (including the Series 2019-A Bonds), Second Tier Obligations and Third Tier Obligations, in the case of the Proposition A Sales Tax, and certain Proposition C Sales Tax secured obligations, in the case of the Proposition C Sales Tax (the "Proposition A Remaining Sales Tax" and the "Proposition C Remaining Sales Tax," respectively). LACMTA's obligation to pay principal of and interest on the General Revenue Bonds is secured by a lien on Proposition A Sales Tax that is junior and subordinate to the First Tier Senior Lien Bonds (including the Series 2019-A Bonds), the Second Tier Obligations and the Third Tier Obligations as to the lien on and source and security for payment from Pledged Revenues.

COMBINED FIRST TIER SENIOR LIEN BONDS DEBT SERVICE SCHEDULE

The following table shows the combined parity debt service requirements on LACMTA's First Tier Senior Lien Bonds.

TABLE 9
Los Angeles County Metropolitan Transportation Authority
Combined Proposition A Debt Service Schedule
First Tier Senior Lien Bonds[1]

Bond Years Ending July 1	Other Outstanding First Tier Senior Lien Bonds Debt Service[2]	Series 2019-A Bonds Debt Service			Combined Total Debt Service First Tier Senior Lien Bonds
		Principal	Interest	Total Debt Service	
2018	$	$	%	$	$
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
Total	$	$	%	$	$

[1] Totals may not add due to rounding.
[2] Includes debt service on the Refunded Bonds, which will be defeased on the date of issuance of the Series 2019-A Bonds.
Source: LACMTA and KNN Public Finance

LITIGATION

There is no litigation pending or, to the knowledge of LACMTA, threatened, against LACMTA in any way questioning or affecting the validity of the Series 2019-A Bonds, the imposition and collection of the Proposition A Sales Tax or the pledge of the Pledged Revenues. On April 30, 1982, the California Supreme Court, in *Los Angeles County Transportation Commission v. Richmond*, upheld the validity of the Proposition A Sales Tax. Various claims of other types have been asserted against LACMTA. In the opinion of LACMTA, none of such pending claims will materially or adversely affect LACMTA's ability to pay the principal of and interest on the Series 2019-A Bonds. See "APPENDIX A—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY—LITIGATION."

LEGAL MATTERS

The validity of the Series 2019-A Bonds and certain other legal matters are subject to the approving opinion of Kutak Rock LLP, Bond Counsel to LACMTA. The proposed form of the opinion to be delivered by Bond Counsel is attached hereto as APPENDIX E. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. The Los Angeles County Counsel, as General Counsel to LACMTA, and Nixon Peabody LLP, as Disclosure Counsel, will pass on certain legal matters for LACMTA.

TAX MATTERS

General

[To be revised by Bond Counsel] In the opinion of Kutak Rock LLP, Bond Counsel to LACMTA, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2019-A Bonds is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinions described in the preceding sentence assume the accuracy of certain representations and compliance by LACMTA with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Series 2019-A Bonds. Failure to comply with such requirements could cause interest on the Series 2019-A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2019-A Bonds. LACMTA will covenant to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2019-A Bonds.

Bond Counsel is further of the opinion that interest on the Series 2019-A Bonds is exempt from present State personal income taxes.

Special Considerations With Respect to the Series 2019-A Bonds

The accrual or receipt of interest on the Series 2019-A Bonds may otherwise affect the federal income tax liability of the owners of the Series 2019-A Bonds. The extent of these other tax consequences will depend upon such owner's particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2019-A Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers otherwise entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2019-A Bonds.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2019-A Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2019-A Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the various state legislatures that, if enacted, could alter or amend federal and state tax matters referred to above or adversely affect the market value of the Series 2019-A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2019-A Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2019-A Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2019-A Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2019-A Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Tax Treatment of Original Issue Premium

The Series 2019-A Bonds maturing on July 1, 20__ through, and including, July 1, 20__, (collectively, the "Series 2019-A Premium Bonds") are being sold at a premium. An amount equal to the excess of the issue price of a Series 2019-A Premium Bond over its stated redemption price at maturity constitutes premium on such Series 2019-A Premium Bond. An initial purchaser of a Series 2019-A Premium Bond must amortize any premium over such Series 2019-A Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Series 2019-A Premium Bonds callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to the call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser's basis in such Series 2019-A Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Series 2019-A Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Series 2019-A Premium Bonds should consult with their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Series 2019-A Premium Bond.

Tax Treatment of Original Issue Discount

General. The Series 2019-A Bonds maturing on July 1, 20__ through, and including, July 1, 20__, (collectively, the "Series 2019-A Discount Bonds") are being sold at an original issue discount. The difference between the initial public offering prices of such Series 2019-A Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described under "—General" above.

The amount of original issue discount which is treated as having accrued with respect to such Series 2019-A Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such Series 2019-A Discount Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such Series 2019-A Discount Bond which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Series 2019-A Discount Bond, on days which are determined by reference to the maturity date of such Series 2019-A Discount Bond. The amount treated as original issue discount on such Series 2019-A Discount Bond for a particular semiannual accrual period is equal to the product of (i) the yield to maturity for such Series 2019-A Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Series 2019-A Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Series 2019-A Discount Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Series 2019-A Discount Bond the sum of the amounts which have been treated as original issue discount for such purposes during all prior periods. If such Series 2019-A Discount Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Series 2019-A Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Series 2019-A Discount Bond.

Recognition of Income Generally. Section 451 of the Code was amended by Pub. L. No. 115-97, enacted December 22, 2017 (sometimes referred to as the Tax Cuts and Jobs Act), to provide that taxpayers using an accrual method of accounting for federal income tax purposes generally will be required to include certain amounts in income, including original issue discount and market discount, no later than the time such amounts are reflected on certain financial statements of such taxpayer. The application of this rule may require the accrual of income earlier than would have been the case prior to the amendment of Section 451 of the Code. The rule generally applies to taxable years after 2017, except that in the case of income from a debt instrument having original issue discount, the rule does not apply until taxable years after 2018. Investors should consult their own tax advisors regarding the application of this rule and its impact on the timing of the recognition of income related to the Series 2019-A Discount Bonds under the Code.

MUNICIPAL ADVISOR

LACMTA has retained KNN Public Finance as Municipal Advisor (the "Municipal Advisor") for the sale of the Series 2019-A Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

FINANCIAL STATEMENTS

The financial statements of LACMTA for the Fiscal Year ended June 30, 2018 and the Management's Discussion and Analysis and certain supplementary information, and the Independent Auditors' Report of Crowe Horwath LLP, independent accountants, dated December 19, 2018 (collectively, the "2018 Financial Statements") are included as "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018." The 2018 Financial Statements, included in this Official Statement, have been audited by Crowe Horwath LLP, independent accountants, as stated in their Report appearing in APPENDIX B. LACMTA has not requested, nor has Crowe Horwath LLP given, Crowe Horwath LLP's consent to the inclusion in APPENDIX B of its Report on such 2018 Financial Statements. In addition, Crowe Horwath LLP has not performed any post-audit review of the financial condition of LACMTA and has not reviewed this Official Statement.

CERTAIN ECONOMIC AND DEMOGRAPHIC INFORMATION

Certain economic and demographic information about the County is included in "APPENDIX C—LOS ANGELES COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION." The economic and demographic information provided has been collected from sources that LACMTA considers to be reliable. Because it is difficult to obtain timely economic and demographic information, the economic condition of the County may not be fully apparent in all of the publicly available local and regional economic statistics provided herein. In particular, the economic statistics provided herein may not fully capture the impact of current economic conditions.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

[_________], certified public accountants, will verify, from the information provided to them, the mathematical accuracy of the computations contained in the provided schedules to determine that the amounts to be held in the Escrow Fund will be sufficient to pay the principal, interest and redemption price due on the Refunded Bonds on July 1, 2019. [__________] will express no opinion on the assumptions provided to them, nor as to the exemption from taxation of the interest on the Series 2019-A Bonds.

CONTINUING DISCLOSURE

At the time of issuance of the Series 2019-A Bonds, LACMTA will execute a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), which will provide for disclosure obligations on the part of LACMTA. Under the Continuing Disclosure Certificate, LACMTA will covenant for the benefit of Bondholders and Beneficial Owners of the Series 2019-A Bonds to provide certain financial information and operating data relating to LACMTA by not later than 195 days after the end of the prior Fiscal Year (the "Annual Reports"), and to provide notices of the occurrence of certain enumerated events (the "Listed Events"). The Annual Reports and the notices of Listed Events will be filed with the MSRB through its EMMA System. See "APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE." LACMTA has become aware that some information that was made available in a timely manner on the EMMA System pursuant to LACMTA's continuing disclosure obligations was not linked to the CUSIP numbers for all affected series of bonds. LACMTA has corrected this issue. In addition, LACMTA has become aware that in a few instances, notices of changes in ratings on some of LACMTA's bonds were not filed in a timely manner. LACMTA has made corrective filings regarding these ratings changes.

SALE OF SERIES 2019-A BONDS

The Series 2019-A Bonds were sold at competitive sale on April ___, 2018 and awarded to ____________ (the "Winning Bidder") at a purchase price of $________ (consisting of the par amount of the Series 2019-A Bonds, [plus/less an/net] original issue premium/discount of $________, and less an amount retained by the Winning Bidder as compensation (i.e., underwriter's discount) of $_________). The Winning Bidder will purchase all of the Series 2019-A Bonds, subject to certain terms and conditions set forth in the Notice Inviting Bids, dated March [__], 2019 (the "Notice Inviting Bids"), the approval of certain legal matters by counsel, and certain other conditions.

RATINGS

Kroll, Moody's and S&P have assigned the Series 2019-A Bonds ratings of "[___]" ([stable] outlook), "[___]" ([stable] outlook) and "[___]" ([stable] outlook), respectively. Such credit ratings reflect only the views of such organizations and any desired explanation of the meaning and significance of such credit ratings, including the methodology used and any outlook thereon, should be obtained from the rating agency furnishing the same, at the following addresses, which are current as of the date of this Official Statement: Kroll Bond Rating Agency, 845 Third Avenue, 4th Floor, New York, New York, 10022; Moody's Investors Service, 7 World Trade Center, 250 Greenwich 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 credit rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the ratings will remain in effect for any given period of time or that any such rating will not be revised, either downward or upward, or withdrawn entirely, or a positive, negative or stable outlook announced, by the applicable rating agency, if, in its judgment, circumstances so warrant. LACMTA undertakes no responsibility to bring to the attention of the Owners of the Series 2019-A Bonds any announcement regarding the outlook of any rating agency with respect to the Series 2019-A Bonds. Any downward revision or withdrawal or announcement of negative outlook could have an adverse effect on the market price of the Series 2019-A Bonds. Maintenance of ratings will require periodic review of current financial data and other updating information by assigning agencies.

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ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Treasurer of the Los Angeles County Metropolitan Transportation Authority, One Gateway Plaza, Los Angeles, California 90012, Attention: Treasury Department, Email: TreasuryDept@metro.net, Telephone: (213) 922-2554, or from LACMTA's Municipal Advisor, KNN Public Finance Telephone: (510) 208-8205. LACMTA maintains a website at http://www.metro.net. Information on such website is not part of this Official Statement and such information has not been incorporated by reference in this Official Statement and should not be relied upon in deciding whether to invest in the Series 2019-A Bonds.

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By ______________________________________
Treasurer

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APPENDIX A

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

GENERAL

Prospective purchasers of the Series 2019-A Bonds should be aware that the following discussion of the Los Angeles County Metropolitan Transportation Authority (the "LACMTA") is intended as general information only. The Series 2019-A Bonds are limited obligations of LACMTA payable from Pledged Revenues, which consist primarily of proceeds of the Proposition A Sales Tax.

Establishment; Jurisdiction

The Los Angeles County Metropolitan Transportation Authority ("LACMTA") is the largest public transit operator west of Chicago. As the principal transit provider in the southern California region, LACMTA serves about 75% of all transit trips within its 1,433 square mile service area, carrying an estimated 900,000 passengers per day on buses and nearly 360,000 passengers on rail. LACMTA operates four light rail lines, serving 80 stations along 80 miles of track and two heavy rail lines that serve 16 stations along 17.4 miles of track. In addition to the transit services provided by LACMTA, it also provides funding to 40 other municipal operators that offer fixed route service and more than 100 other local return and non-profit agencies that provide community-based transportation. LACMTA also provides highway construction funding and traffic flow management.

LACMTA was established in 1993 pursuant to the provisions of Section 130050.2 et seq. of the California Public Utilities Code (the "LACMTA Act"). LACMTA is the consolidated successor entity to both the Southern California Rapid Transit District (the "District") and the Los Angeles County Transportation Commission (the "Commission"). As the consolidated successor entity, LACMTA succeeded to all powers, duties, rights, obligations, liabilities, indebtedness, bonded or otherwise, immunities and exemptions of the Commission and the District, including the Commission's responsibility for planning, engineering and constructing a county-wide rail transit system. The Commission was authorized, subject to approval by the electorate of the County of Los Angeles (the "County"), to adopt a retail transactions and use tax ordinance, with the revenues of such tax to be used for public transit purposes. On November 4, 1980, the voters of the County approved the Proposition A Sales Tax pursuant to Ordinance No. 16. The Proposition A Sales Tax is in addition to a ½ of 1 percent sales tax imposed by LACMTA beginning in 1990 known as "Proposition C Sales Tax," a 30-year ½ of 1 percent sales tax imposed by LACMTA beginning in 2009 known as the "Measure R Sales Tax," and a ½ of 1 percent sales tax imposed by LACMTA beginning in 2017 known as "Measure M Sales Tax."

Board of Directors

LACMTA is governed by a 14-member Board of Directors (the "Board"). The Board is composed of the five members of the County Board of Supervisors, the Mayor of the City of Los Angeles, two public members and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles, four members who are either a mayor or a member of a city council of a city in the County (other than the City of Los Angeles) and who have been appointed by the Los Angeles County City Selection Committee (comprised of individuals appointed by the Mayors of each city in the County), and a non-voting member appointed by the Governor.

The Board of LACMTA exclusively exercises and discharges the following powers and responsibilities: (a) establishment of overall goals and objectives, (b) adoption of the aggregate budget for all of its organizational units, (c) designation of additional municipal bus operators under criteria enumerated in the LACMTA Act, (d) approval of all final rail corridor selections, (e) final approval of labor contracts covering employees of LACMTA and its organizational units, (f) establishment of LACMTA's organizational structure, (g) conducting hearings and setting fares for the operating organizational units, (h) approval of transportation zones, (i) approval of any debt instrument with a maturity date exceeding the end of the Fiscal Year in which it is issued, (j) approval of benefit assessment districts and assessment rates and (k) approval of contracts for construction and transit equipment acquisition which exceed $5,000,000 and making findings in connection with certain procurement decisions.

The current members of the Board and a brief biography of each member are provided below.

Sheila Kuehl, Chair. Ms. Kuehl was elected to the Board representing the Third Supervisorial District in 2014. Ms. Kuehl served eight years in the State Senate and six years in the State Assembly, and, in 2008, left the legislature under California's term limits statute. She served as Founding Director of the Public Policy Institute at Santa Monica College. In 2012, she was appointed Regents' Professor of Public Policy at UCLA. Prior to her election to the Legislature, Ms. Kuehl was a law professor at Loyola, UCLA and USC Law Schools and co-founded and served as managing attorney of the California Women's Law Center. She graduated from Harvard Law School in 1978. She served on the Harvard University Board of Overseers from 1998 to 2005.

James T. Butts, Jr., ***First Vice-Chair***. Mr. Butts was elected as Mayor of the City of Inglewood on January 11, 2011 and reelected on November 4, 2014. Mr. Butts has more than 39 years of public safety and municipal government experience. He has held the rank of general manager or assistant general manager of large and complex municipal organizations for the past 27 years. He served 19 years in the Inglewood Police Department rising to the rank of Deputy Chief, 15 years as the Chief of Police for the City of Santa Monica, and 5 years as an Assistant General Manager for the Los Angeles World Airport system in charge of Public Safety and Counter-Terrorism. Mr. Butts received a Bachelor of Science degree in Business Administration from California State University, Los Angeles and a master's degree in Business Administration from California Polytechnic University in Pomona.

Eric Garcetti, Second Vice-Chair. Mr. Garcetti was elected Mayor of Los Angeles in 2013 and reelected in 2017. From 2001 until taking office as Mayor, Mr. Garcetti served on the Los Angeles City Council representing the Thirteenth District and was elected to serve as President of the Los Angeles City Council four times from 2006 to 2012. Mr. Garcetti earned his B.A. and M.A. from Columbia University. He has also studied as a Rhodes Scholar at Oxford and the London School of Economics and taught at Occidental College and University of Southern California.

Kathryn Barger. Ms. Barger was elected to the Los Angeles County Board of Supervisors representing the Fifth Supervisorial District in November 2016. Ms. Barger began her career in public service as a student intern in the office of Supervisor Michael D. Antonovich while earning her B.A. in Communications from Ohio Wesleyan University. She became his Chief Deputy Supervisor in 2001, and served in this role until her election in November 2016. During the course of her county career as chief policy advisor on Health, Mental Health, Social Service and Children's issues, Ms. Barger provided leadership to deliver efficient and effective services and programs that have significantly improved the quality of life for foster children, seniors, veterans, the disabled and the mentally ill. She has worked with state and federal leaders along with our County District Attorney's office, Sheriff, and other law enforcement agencies to implement tough laws and vital public safety initiatives.

Mike Bonin. Mr. Bonin was elected to Los Angeles City Council in July 2013 and reelected in March 2017 to represent the Eleventh District. He was appointed to the Board by Mayor Garcetti in July

2013 and acts as Chair of the City Council's Transportation Committee and as Vice Chair of the Metro Exposition Line Construction Authority. Previously, Mr. Bonin served as chief deputy to former Councilmember Bill Rosendahl. In that role, he was an alternate member on the Board of the Metro Exposition Line Construction Authority and a Co-Chair of the North Runway Safety Advisory Committee. He has also served as district director for U.S. Congresswoman Jane Harman and deputy chief of staff for Councilmember Ruth Galanter and is co-founder and program director of Camp Courage, a training program for LGBT community organizers. Mr. Bonin received his B.A. in U.S. History from Harvard University.

Jacquelyn Dupont-Walker. Ms. Dupont-Walker is the founding President of Ward Economic Development Corporation, a faith-based community development organization, and is chair of the USC Master Plan Advisory Committee where she represents the residents of the West Adams district. She was appointed to the Board by Mayor Garcetti in July 2013 and is involved in numerous other civic organizations. She serves as the AME Church International Social Action Officer and as the Social Action Chair of Delta Sigma Theta Century City.

John Fasana. Mr. Fasana has served on the Duarte City Council since 1987, and served as Mayor of the City of Duarte in 1990, 1997, 2004, and 2009. Mr. Fasana was selected by the Los Angeles County City Selection Committee and has represented the San Gabriel Valley Sector on the Board since its inception in 1993. Mr. Fasana serves as Chair of the San Gabriel Valley Council of Governments Transportation Committee and is a member of the board of the Metro Gold Line Foothill Extension Construction Authority. Mr. Fasana has worked 30 years with Southern California Edison and is a graduate of Whittier College with a Bachelor of Arts in Business Administration.

Robert Garcia. Dr. Robert Garcia is the Mayor of Long Beach and represents the Southeast Long Beach Sector. He holds a master's degree in Communication Management from the University of Southern California and a baccalaureate degree in Communication Studies from California State University, Long Beach. As Vice Mayor and First District Councilmember, a position he held from 2009-2014, Dr. Garcia served as the Chair of the Long Beach Public Safety Committee and the Long Beach Housing Authority, and on both the Federal Legislative and State Legislative Council Committees. He also served on the California Coastal Commission from January 2013 until taking office as Mayor of Long Beach.

Janice Hahn. Ms. Hahn serves on the Los Angeles County Board of Supervisors representing the Fourth Supervisorial District, having been elected in November 2016. She previously served in Congress as the representative for California's 44th congressional district (2013-2016) and 36th congressional district (2011-2012). Before she was elected to Congress in 2011, Ms. Hahn served eight years on the Los Angeles City Council representing the Harbor Area, District 15. Prior to her career in public service, Hahn worked in the private sector. She attended Abilene Christian University in Texas, earning a Bachelor of Science in education in 1974. She taught at the Good News Academy, a private school in Westchester from 1974 to 1978. Her other work in the private sector has included Public Affairs Region Manager at Southern California Edison from 1995 to 2000, Vice President for Prudential Securities in Public Finance, Director of Community Outreach for Western Waste Industries, and Director of Marketing for the Alexander Haagen Company.

Paul Krekorian. Mr. Krekorian was elected to the Los Angeles City Council to represent the Second District in 2009 and was re-elected in 2011 and 2015. He was appointed to the Board by Mayor Garcetti in July 2013. Prior to his election to the Los Angeles City Council, he represented California's 43rd Assembly District in the California State Assembly for three years. Prior to being elected to public office, Mr. Krekorian served as President of the Burbank Board of Education and practiced law. He attended the University of Southern California and received his Juris Doctor from the University of California, Berkeley, School of Law.

Ara Najarian. Mr. Najarian was elected to the Glendale City Council in April of 2005 and re-elected in 2009, 2013 and 2017; he served as Mayor from 2007 to 2008 and 2010 to 2011. He was selected to the Board in 2006 by the Los Angeles County City Selection Committee to represent the North County/San Fernando Valley Sector. He served as LACMTA Chairman from 2009-2010. He is past Chair of the Glendale Housing Authority and previously served as Chair of the Glendale Redevelopment Agency. He was elected to serve on the Glendale Community College Board of Trustees from 2003 to 2005. Mr. Najarian was Chair of the Glendale Transportation and Parking Commission. Mr. Najarian also serves on Metrolink's Board of Directors. Mr. Najarian has been an attorney in private practice in Glendale for over 25 years. He attended Occidental College where he received a Bachelor of Arts in Economics and later earned his Juris Doctor from University of Southern California School of Law.

Mark Ridley-Thomas. Mr. Ridley-Thomas was elected to the Board representing the Second Supervisorial District in November 2008 and was reelected in June 2012 and June 2016. Previously, he served as a California State Senator, 26th District, 2006 to 2008, and chaired the Senate Committee on Business, Professions and Economic Development. Mr. Ridley-Thomas was first elected to public office in 1991, serving on the Los Angeles City Council for nearly a dozen years during which time he sat on the Board. He later served two terms in the California State Assembly, where he chaired the Committee on Jobs, Economic Development and the Economy and the Assembly Democratic Caucus. He earned a baccalaureate degree in Social Relations, minor in Government, and a master's degree in Religious Studies (concentration in Christian Ethics) from Immaculate Heart College. Mr. Ridley-Thomas received his Ph.D. in Social Ethics and Policy Analysis from the University of Southern California.

Hilda L. Solis. Ms. Solis was elected to the Board representing the First Supervisorial District in 2014. Prior to her election to the Board, Ms. Solis was confirmed as U.S. Secretary of Labor on February 24, 2009, becoming the first Latina to serve in the United States Cabinet. Prior to confirmation as Secretary of Labor, Secretary Solis represented the 32nd Congressional District in California, a position she held from 2001 to 2009. Solis graduated from California State Polytechnic University, Pomona, and earned a Master of Public Administration from the University of Southern California. A former federal employee, she worked in the Carter White House Office of Hispanic Affairs and was later appointed as a management analyst with the Office of Management and Budget in the Civil Rights Division.

John Bulinksi, Ex-Officio Member. Mr. Bulinski is the District Director of the California Department of Transportation (Caltrans) for District 7 encompassing Los Angeles and Ventura counties. He oversees transportation systems in a dynamic region that boasts 25 percent of California's population, an annual construction program of more than $2 billion, and some of the most innovative solutions to moving people and goods through southern California. Prior to this position he was the District Director for Caltrans District 8 covering Riverside and San Bernardino Counties. He received his Bachelor of Science degree in Environmental Resource Engineering from Humboldt State University and is a California State Registered Professional Engineer.

Management

General. The management of LACMTA is carried out under the direction of its Chief Executive Officer, who performs any duties delegated to him or her by the Board. The Board also appoints a General Counsel, Inspector General, Chief Ethics Officer and Board Secretary. The Chief Executive Officer serves at the pleasure of the Board, as do the General Counsel, Inspector General, Chief Ethics Officer and Board Secretary. Certain of LACMTA's executives and a brief biography of each executive are provided below.

Chief Executive Officer. Phillip A. Washington became Chief Executive Officer in May 2015. Prior to his appointment as Chief Executive Officer, Mr. Washington served as General Manager of the Denver Regional Transportation District ("RTD"). Mr. Washington served in that position since December 2009, with previous service as Interim General Manager since June 2009 and Assistant General Manager, Administration since 2000. Mr. Washington is credited with completing the Eagle P3 project, a $2.2 billion public-private partnership that built RTD's East Rail Line, a commuter rail from Denver International Airport to downtown Denver. Mr. Washington was a highly decorated 24-year military professional, having attained the highest military noncommissioned officer rank, that of Command Sergeant Major, E-9, before retiring from service in June 2000. He began his military career in Air Defense Artillery units and served in virtually every noncommissioned officer leadership role. He has also been a distinguished project manager, strategic planner, contract representative, human resource director, trainer and budget technician. Mr. Washington received a Bachelor of Arts degree in Business Administration from Columbia College and a master's degree in Management from Webster University.

Chief Financial Officer. Nalini Ahuja was appointed as Executive Director, Finance and Budget in February 2014 (renamed Chief Financial Officer in July 2016). Prior to her appointment as Executive Director, Finance and Budget, Ms. Ahuja served as LACMTA's Executive Director, Office of Management, Budget & Local Programming from 2010 to 2012, at which point her duties were expanded to include oversight of LACMTA's Transit Access Pass ("TAP") operations. As Chief Financial Officer, she is responsible for oversight of LACMTA's Office of Management, Budget, Local Programming & TAP operations and the agency's Financial Services including accounting and treasury functions. She has also served LACMTA as Director, Countywide Planning; Transportation Manager V, Local Programming; Acting Budget Director, Office of Management & Budget; and Project Manager, South Bay Area Team. Ms. Ahuja began her career with LACMTA's predecessor, the Los Angeles County Transportation Commission, in 1986, as a technical and administrative analyst, which led to her position as Project Manager with the South Bay Area Team in 1990. Ms. Ahuja earned a bachelor's degree in Economics from Miranda House, University of Delhi as well as a master's degree in Economics from Delhi School of Economics and a master's degree in Urban Planning from UCLA.

Treasurer. Donna R. Mills was appointed Treasurer in July 2013, following her appointment to Interim Treasurer in January 2013. Ms. Mills previously served LACMTA as Assistant Treasurer beginning in April 2001, and as Senior Investment Manager beginning in December 1995. As Treasurer, she is responsible for directing LACMTA's investment management and debt management programs. Prior to joining LACMTA, Ms. Mills served as a Financial Planning Administrator and as Cash Manager for Pacific Enterprises. She also worked as a Banking Analyst and as a Research Assistant for the Federal Reserve Bank of Philadelphia. Ms. Mills received a Bachelor of Arts in Economics and Sociology from the University of Pennsylvania and an MBA from the University of California, Berkeley.

Public Transportation Services Corporation

In December 1996, LACMTA created the Public Transportation Services Corporation ("PTSC"), a nonprofit public benefit corporation organized under the laws of the State. PTSC was created in order to transfer certain functions, then performed by LACMTA, and the employees related to those functions, to this new corporation. The purpose of PTSC is to conduct essential public transportation activities including but not limited to the following: (a) to coordinate multimodal multi-jurisdictional transportation planning; (b) to program federal, State and local funds for transportation projects County-wide within the County; (c) to oversee construction; (d) to provide certain administrative services to the Los Angeles County Service Authority for Freeway Emergencies and the Southern California Regional Rail Authority; (e) to provide administrative support and security services for the foregoing and to the operation of LACMTA's bus and rail system; and (f) such other activities and services as it deems necessary. One advantage of PTSC is that it allows its employees, including those transferred from LACMTA, to participate in the California Public Employees Retirement System.

TRANSPORTATION SERVICES

LACMTA is a multi-faceted transportation agency responsible for the coordination of transportation policy, funding and planning within the County as well as the development and operation of bus, light rail and heavy rail within the greater Los Angeles region. This breadth of services distinguishes LACMTA from other transportation agencies across the country.

Bus System

LACMTA operates the second largest bus system in the United States. LACMTA provides bus service within its service area in the County and to portions of Orange and Ventura Counties, operating a vehicle fleet of approximately 2,300 buses. LACMTA's bus system covers over 160 routes and serves approximately 14,000 bus stops, including two premium bus rapid transit dedicated busways. System-wide, LACMTA buses provide approximately 6.4 million revenue service hours annually with an average of approximately 870,000 weekday boardings on a system-wide basis for the fiscal quarter ended September 30, 2018 and total boardings of 69 million for the fiscal quarter ended September 30, 2018, including Orange Line busway ridership. In addition, LACMTA contracts with outside service providers, with approximately 40,000 average weekday boardings for the fiscal quarter ended September 30, 2018. Virtually all of LACMTA's bus fleet is composed of compressed-natural gas ("CNG") powered buses. As of September 1, 2018, the average age of LACMTA's bus fleet was approximately 8.84 years. At the October 27, 2016 Board meeting, the Board approved a motion calling for staff to draw up plans to fully electrify LACMTA's Orange Line by 2020. LACMTA received a $4.3 million grant from the US Department of Transportation to partially fund the acquisition of five new 60-foot electric buses and eight new charging stations to be utilized on the Orange Line. In July, 2017, the LACMTA Board approved the purchase of approximately 95 electric buses to be added to its fleet and committed to converting the entire fleet to zero emission vehicles by 2030.

Metro Rapid Bus. In June 2000, LACMTA launched the Metro Rapid Demonstration Program ("Metro Rapid"). Initially, Metro Rapid consisted of two lines—one along Ventura Boulevard in the San Fernando Valley and the other along the Wilshire/Whittier transit corridor. In September 2002, based on the success of Metro Rapid, the Board adopted the Metro Rapid Five-Year Implementation Plan that identified additional Metro Rapid corridors to be implemented through Fiscal Year 2007-08. All of the 25 Metro Rapid corridors are now operating, covering approximately 400 miles in the City of Los Angeles, the County and 34 other cities. In addition to LACMTA, Santa Monica's Big Blue Bus, Culver City Bus and Torrance Transit operate Metro Rapid. The Metro Rapid Program provides fast, frequent regional bus service throughout the County. Key features of the Metro Rapid Program include simple route layouts, frequent service, fewer stops, low-floor buses to facilitate boarding and alighting, color-coded buses and stations, and traffic signal priority.

Metro Orange Line. The Metro Orange Line is a 18-mile Bus Rapid Transit service that operates along an exclusive right-of way and transports thousands of commuters between Warner Center in the west San Fernando Valley to the Metro Red Line subway station in North Hollywood. The Metro Orange Line buses operate in exclusive lanes along a 13-mile stretch of LACMTA-owned right-of-way and one mile in mixed flow traffic on public streets. The Metro Orange Line has 18 stations, each located roughly one mile apart, with park and ride facilities at seven stations providing approximately 4,700 parking spaces. The Metro Orange Line Extension Project, which opened in June 2012, extended the Orange Line four-miles north from the Canoga park-and-ride lot to the Chatsworth Amtrak/Metrolink Station.

Highway System

The ExpressLanes Program is a cooperative effort between Caltrans and LACMTA, and was originally funded through a combination of federal, State and local resources. As part of a congestion reduction demonstration program, LACMTA converted I-10 and I-110 High Occupancy Vehicle ("HOV") Lanes to Express Lanes and provided the choice for drivers of single occupant vehicles to pay to travel in a high occupancy lane, based on dynamic congestion pricing. The general purpose lanes on these highways are not tolled. Current funding is provided by toll revenues generated by the Express Lanes. This program also includes improvements to the transit service along the freeways, and has funded transit facility and roadway improvements and provided funding to enhance system connectivity. In early 2017, the LACMTA Board approved a plan to convert additional existing HOV lanes to ExpressLanes in phases over the next 30 years.

Rail System

General. In 1992, the Commission developed a comprehensive rail rapid transit system development plan (the "Rail System") which has been revised from time to time. The Rail System currently consists of four light rail lines: the Metro Blue Line, the Metro Green Line, the Metro Gold Line (including the Gold Line Eastside Extension) and the Exposition Line; and two heavy rail lines: Metro Red Line and the Metro Purple Line. The Rail System covers 98 miles and serves 93 stations, with weekday estimated ridership of more than 350,000.

Metro Blue Line. The Metro Blue Line is an approximately 22 mile light rail line that extends from downtown Los Angeles, where it links to the Metro Red Line, to the City of Long Beach. The Metro Blue Line passes through portions of the cities of Los Angeles, Long Beach, Compton, Carson and other cities, and certain unincorporated areas of the County. The Metro Blue Line consists of a dual-track line with 22 stations, with a fleet of 54 articulated rail cars and a primary maintenance facility (which also supports vehicles from the Metro Green Line) and yard located in Long Beach adjacent to the Long Beach Freeway with a storage and maintenance capacity of 89 vehicles. Passenger service began in July 1990. The Metro Blue Line had estimated ridership of approximately 4.8 million for the fiscal quarter ended September 30, 2018.

Metro Green Line. The Metro Green Line is a 19.5-mile light rail line linking the El Segundo employment area near the Los Angeles International Airport to the City of Norwalk near the San Gabriel River Freeway. The Metro Green Line has 14 stations including a station that intersects the Metro Blue Line and one that provides passenger connections to the Harbor Freeway Transitway, an elevated busway developed by Caltrans. The Metro Green Line began operations in August 1995, and had estimated ridership of approximately 2.3 million for the fiscal quarter ended September 30, 2018.

Metro Gold Line. The Metro Gold Line is a 13.7-mile light rail line which extends from downtown Los Angeles (where it links to the Metro Red Line) to the City of Pasadena. The Metro Gold Line consists of a dual-track line with 13 stations. The Metro Gold Line began operations in July 2003. The Gold Line Eastside Extension, which opened in November 2009, is a six-mile, dual track light rail system with eight new stations and one station modification. The system originates at Union Station in downtown Los Angeles, where it connects with the Metro Gold Line, traveling generally east to Pomona and Atlantic Boulevards through one of the most densely populated areas of the County. In March 2016, service began on an 11-mile extension of the Gold Line from Pasadena to Azusa. Estimated ridership for the entire Metro Gold Line was approximately 3.9 million for the fiscal quarter ended September 30, 2018.

The Metro Gold Line is being further extended as discussed below under "FUTURE TRANSPORTATION PROJECTS – *Gold Line Foothill Extension*."

Exposition Line. The Exposition Line is an approximately 13.1 mile long light rail line that runs from downtown Los Angeles to Santa Monica along the Exposition Boulevard corridor. The first portion of the Exposition Line opened in June 2012 and extended approximately 8.6 miles from downtown Los Angeles to Culver City. The second portion, which began revenue operations in May 2016, extends 6.6 miles westward from Culver City to downtown Santa Monica and added seven stations to the Exposition Line. Estimated ridership for the Exposition Line was approximately 4.9 million for the fiscal quarter ended September 30, 2018.

Metro Red Line and Metro Purple Line. The Metro Red Line and Metro Purple Line were designed as state-of-the-art, modern heavy rail subway lines comparable to transit systems in San Francisco, Atlanta and Washington, DC. The Metro Red Line and Metro Purple Line are dual-rail steel-wheeled, high speed rapid subway systems that originally were to consist of a 19.7 mile 18-station line that was to connect the Los Angeles central business district to the San Fernando Valley, through the Wilshire Corridor and Hollywood, and to East Los Angeles through Union Station. However, due to the "Metropolitan Transportation Authority Reform and Accountability Act of 1998" (the "Act of 1998") and federal and State funding shortfalls, the development of the Metro Red Line and the Metro Purple Line were significantly reduced, including the indefinite suspension of certain of the extensions. The Act of 1998 prohibits LACMTA from utilizing any of the Proposition A Sales Tax or the Proposition C Sales Tax revenues for the costs of planning, design, construction or operation of any new subway, including debt service on any obligations issued for such purposes after March 30, 1998. However, the Act of 1998 did not prohibit LACMTA from continuing the construction of the Metro Red Line and the Metro Purple Line as long as such design, construction and operation are paid from other funds.

The Metro Red Line was constructed in segments. Segment 1 from Union Station to Alvarado Street opened in January 1993. Segment 2 extended west from Alvarado Street to Vermont Avenue where it branches north to Hollywood Boulevard/Vine Street and west to Wilshire Boulevard/Western Avenue. The west branch became operational in July 1996 and was renamed the Purple Line in August 2006. Segment 3 extending the north branch from Hollywood/Vine to North Hollywood opened in June 2000. The Red Line is 14.9 miles long with 14 stations. LACMTA is in the process of extending the Metro Purple Line from its current terminus at Wilshire/Western to the westside of Los Angeles. This project is described under "FUTURE TRANSPORTATION IMPROVEMENTS—Transit Projects" below. Estimated ridership for the entire Metro Red and Purple Lines was approximately 10.8 million for the fiscal quarter ended September 30, 2018.

Commuter Rail. The Southern California Regional Rail Authority ("SCRRA") oversees commuter rail services in the region that includes Los Angeles, Riverside, Ventura, Orange, San Bernardino and San Diego Counties. SCRRA operates the Metrolink system, which consists of seven lines totaling 512 miles and 55 stations and is primarily geared toward providing commuter rail service from outlying communities to downtown Los Angeles. Average weekday boardings were approximately 39,000 for the fiscal quarter ended September 30, 2018. LACMTA is the Los Angeles County participant in SCRRA and contributes funds to SCRRA. Other participants include the Orange County Transportation Authority, the Riverside County Transportation Commission, the San Bernardino Association of Governments and the Ventura County Transportation Authority.

Transit System Enterprise Fund

LACMTA accounts for the revenues and expenses of its transit system as an enterprise fund, separate from accounting of its governmental funds, such as the Proposition A, Proposition C, Measure R and Measure M Sales Tax revenues. See “APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018.” As indicated in APPENDIX B and as is generally true with large transit systems, the operating expenses for LACMTA’s transit system greatly exceed operating revenues. The Proposition A, Proposition C, Measure R and Measure M Sales Tax revenues are a primary source of funding for the transit system. Additionally, LACMTA relies heavily on other local, State and federal sources to pay for operating expenses and capital improvements. LACMTA is currently undertaking future transit improvements to the transit system, which require substantial investment and increase operating costs. As the system expands, LACMTA is committed to looking for additional revenue sources, to re-prioritize existing and new programs, and to regularly reassessing the service provided to minimize duplication and improve efficiency. Proposition A Sales Tax revenues are available to pay operating expenses only after debt service on the First Tier Senior Obligations and certain other amounts are paid. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS – Flow of Funds.”

FUTURE TRANSPORTATION IMPROVEMENTS

LACMTA, as the State-designated planning and programming agency for the County, identifies future transportation needs and transportation funding and construction priorities in the County. LACMTA prepares a Long Range Transportation Plan that identifies the costs of major transportation projects and the anticipated funding sources. See “RISK FACTORS—Additional Senior Bonds” in the front part of this Official Statement.

Capital Planning

In October 2009, the Board approved a 2009 Long Range Transportation Plan (“2009 LRTP”) which updated the prior Long Range Transportation Plan. LACMTA’s capital program is built on two major planning documents, the Long Range Transportation Plan, which has a 40-year vision and a financial forecast component, most recently updated for the Board in October, 2017 (as updated, the “LRTP Financial Forecast”), and the Short Range Financial Forecast, a ten-year plan last updated for the Board in October 2018 and guiding capital investment through 2028. These plans incorporate the mix of projects approved by voters in concert with the four sales tax measures that fund a large share of Metro’s operations and capital programs. Annually, LACMTA’s Office of Management and Budget reviews the active projects called for in the LRTP Financial Forecast and the Short Range Financial Forecast, and prepares a proposed budget recommending project appropriations as part of the annual Capital Program, which is incorporated within the overall annual agency budget.

The LRTP Financial Forecast reflects LACMTA’s assessment of growth patterns, regional congestion, strategies to improve local air quality, transit-oriented development, the latest technical assumptions and climate change issues (as determined in the 2009 LRTP), and incorporates both the Measure R and Measure M “Expenditure Plans,” which identifies the projects and programs to be pursued, and the amount and timing of sales tax expenditures. The 2009 LRTP is being updated and a new Long Range Transportation Plan is expected to be adopted by 2020.

The Short Range Financial Forecast is a ten-year component of the LRTP Financial Forecast and reflects LACMTA’s financial plan for operations and capital investments into the transit system and identifies a funding strategy from future transportation revenues. The Short Range Financial Forecast includes a financial baseline that addresses LACMTA’s current and known future operations, maintenance and capital financial commitment under a set of growth assumptions.

The LRTP Financial Forecast and the Short Range Financial Forecast are the guiding policies behind funding decisions on subsequent transportation projects and programs in the County and guide the programming of funds in the federally-mandated transportation improvement program ("TIP"). The TIP includes a listing of all transportation-related projects that require federal funding or other approval by the federal transportation agencies of USDOT. The TIP also lists non-federal, "regionally significant" projects for informational and air quality modeling purposes. Major capital projects and programs that are identified in the LRTP Financial Forecast and Short Range Financial Forecast have priority for future programming of funds, subject to the funding restrictions in the Expenditure Plans and Board-adopted funding policies. While these projects and programs require further Board approval at various stages of their development, they are priorities for further planning, design, construction and the pursuit of additional funding.

The Short Range Financial Forecast, and the subsequent updated financial forecasts include projections of debt financing by LACMTA composed of a combination of Proposition A, Proposition C, Measure R and Measure M secured debt. The Short Range Financial Forecast updates the assumptions about debt issuance and assumes approximately $7.1 billion in new long-term debt financing from Fiscal Year 2019 through Fiscal Year 2028, not including the TIFIA loans described under "—Transit Projects" below. The Short Range Financial Forecast assumes the funding of approximately $833.3 million, $1.5 billion, $1.2 billion, and $3.5 billion through the issuance of additional Proposition A First Tier Senior Lien Bonds, Proposition C Senior Bonds, Measure R Senior Bonds, and Measure M Senior Bonds respectively, from Fiscal Year 2019 through Fiscal Year 2028.

The Long Range Transportation Plan, the LRTP Financial Forecast and the Short Range Financial Forecast are planning tools and therefore the timing and amount of any debt issuance is likely to change. The actual amount and timing of any debt issuance depends on a number of factors including the actual scope, timing and cost of transportation projects, the ability to obtain funding from other sources and the amount of Proposition A, Proposition C, Measure R and Measure M Sales Tax revenues available to fund the projects in the LRTP Financial Forecast and the Short Range Financial Forecast.

Transit Projects

LACMTA has several major transit projects in planning and under construction: the Crenshaw/LAX Transit Project, the Regional Connector and the Westside Purple Line Extension.

Crenshaw/LAX Transit Project. The Crenshaw/LAX Transit Project is a north/south corridor that serves the cities of Los Angeles, Inglewood, Hawthorne and El Segundo as well as portions of unincorporated Los Angeles County. The line extends 8.5 miles, from the intersection of Crenshaw and Exposition Boulevards to a connection with the Metro Green Line at the Aviation/LAX Station. The total project budget is currently $2.06 billion. The costs of the project are expected to be paid from Measure R Sales Tax revenues, Proposition A Sales Tax revenues, Proposition C Sales Tax revenues, other local sources, and federal and State sources. The project has received a $546 million TIFIA loan, which is to be repaid from available Measure R Sales Tax. LACMTA has drawn the full amount of such TIFIA loan.

Regional Connector. The Regional Connector is a 1.9-mile light rail line with three underground stations in downtown Los Angeles. The Project will provide a direct connection from the 7th/Metro Center Station to the existing Metro Gold Line tracks to the north and east of 1st and Alameda. This connection will provide through service between the Metro Blue Line, Metro Gold Line and Metro Exposition Line corridors. The total project budget is currently $1.81 billion. LACMTA has been awarded a $669.9 million federal grant for the Regional Connector project. Additionally, the project has received a $160 million TIFIA loan, which is to be repaid from Measure R Sales Tax revenues. As of March 1, 2019, LACMTA has drawn down $135.7 million of the TIFIA loan proceeds. The remaining project costs are expected to be paid from federal, State and local sources (other than Proposition C Sales Tax Revenues).

Westside Purple Line Extension. The Westside Purple Line Extension (the "Purple Line Extension") is an extension of the Metro Purple Line from its current terminus at Wilshire/Western to the westside of Los Angeles. The Board has certified the Final Environmental Impact Report and has adopted the project definition for the nine-mile Purple Line Extension. The Purple Line Extension currently is planned to be constructed in three sections.

Section 1 of the Purple Line Extension is currently under construction and extends the existing Metro Purple Line by 3.92 miles beginning at the Wilshire/Western Station to the City of Beverly Hills and adds three stations to the Phase 1 terminus at Wilshire/La Cienega. The total budget for Section 1 of the Purple Line Extension is $2.53 billion, excluding finance charges and unallocated contingency. LACMTA has been awarded a $1.25 billion federal grant and has entered into an agreement for an $856 million TIFIA loan, to be repaid from Measure R Sales Tax revenues, with respect to Section 1 of the Purple Line Extension. As of March 1, 2019, LACMTA had drawn down $340.6 million of such TIFIA loan proceeds. The remaining project costs for Section 1 are expected to paid from Measure R Sales Tax revenues, State sources and other local sources (other than Proposition C Sales Tax Revenues).

Section 2 of the Purple Line Extension is currently under construction and extends the existing Metro Purple Line by 2.59 miles beginning at the future Section 1 Wilshire/La Cienega Station to Century City and adds two new stations. The total budget for Section 2 of the Purple Line Extension is estimated at $2.28 billion, excluding finance charges and unallocated contingency. LACMTA has been awarded a $1.187 billion federal grant and has entered into an agreement for a TIFIA loan for $307 million to be repaid from Measure R Sales Tax revenues. As of March 1, 2019, LACMTA had drawn down [$207] million of such TIFIA loan proceeds. The remaining project costs for Section 2 are expected to be paid from Measure R Sales Tax revenues, other Federal sources, and State sources.

Section 3 of the Purple Line Extension will extend the existing Metro Purple Line by 2.56 miles beginning at the future Section 2 Century City Constellation Station to the Westwood VA Hospital and add two stations. Currently, estimated project cost is $2.75 billion, excluding finance costs and unallocated contingency.

Gold Line Foothill Extension. LACMTA is extending the Metro Gold Line 12.3 miles from Azusa to Claremont. LACMTA is currently working with the Gold Line Foothill Extension Construction Authority ("GLFECA"), an independent transportation planning and construction agency created in 1999. The GLFECA is tasked with designing and constructing the line. Once built, LACMTA will operate it in conjunction with existing LACMTA rail services. The total project budget for Phase 1 of the extension is $1.4 billion. Project costs are expected to be paid primarily from Measure M Sales Tax Revenues and State sources. In addition, the San Bernardino Associated Governments has requested that an additional station in Montclair be added to the plans for the second phase, if this occurs, the extension to Montclair and the Montclair station would be funded by San Bernardino County, not by LACMTA.

LABOR RELATIONS

General

[**To be updated closer to posting**] As of January 18, 2019, LACMTA had approximately 10,105 employees, of which approximately 85% are covered by labor agreements. Full and part-time LACMTA bus and train operators are represented by the Sheet Metal, Air, Rail, Transportation, Transportation Division (formerly UTU) ("SMART-TD"); LACMTA mechanics and service attendants are members of the Amalgamated Transit Union ("ATU"); LACMTA clerks are members of the Transportation Communications Union ("TCU"); bus and rail transportation and maintenance supervisors are members of the American Federation of State County and Municipal Employees ("AFSCME"); and LACMTA security guards are members of the Teamsters Union. The following table summarizes the number of employees covered by the labor agreements of LACMTA with each of its employee bargaining units as of January 18, 2019 and the current expiration dates of the labor agreements. In July 2017, LACMTA signed five new contracts with our labor unions, the longest contracts in LACMTA's history. Most of these contracts provide for annual salary increases of 4.2% over the five-year life of the contracts. **[May be updated later]**

Employee Bargaining Unit	Number of Employees	Contract Expiration Date
United Transportation Union (Sheet Metal, Air, Rail and Transportation Division)	4,297	06/30/22
Amalgamated Transit Union	2,451	06/30/22
Transportation Communications Union	908	06/30/22
Am. Fed. of State, County and Municipal Employees	792	06/30/22
Teamsters Union	158	06/30/22

Defined Benefit Pension Plan

LACMTA has a single-employer public employee retirement system that includes five defined benefit plans (the "Plans") that cover substantially all employees (except PTSC employees) and provides retirement, disability, and death benefits. The benefit provisions and all other requirements are established by State statute, ordinance, collective bargaining agreements or Board actions. Four of the Plans are restricted to specific union members, while the fifth provides benefits to non-represented employees and to members of the Teamsters Union. In addition, LACMTA provides pension benefits to most PTSC employees through a defined benefit plan administered by the California Public Employees' Retirement System ("PERS"), a multiple-employer pension system. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For a description of these defined benefit plans and LACMTA's obligations to make contributions to these plans, see "Note III—DETAILED NOTES ON ALL FUNDS—I. Employees' Retirement Plans" in the Notes to the Financial Statements and related Required Supplementary Schedules in "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

Other Post-Employment Benefits

LACMTA provides post-employment health care and life insurance benefits for retired employees and their families. Pursuant to Governmental Accounting Standards Board Pronouncement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)," LACMTA is required to account for its expenses and a portion of the present value of future expenses related to these benefits. For a description of these benefits, LACMTA's obligations to account for certain projected future costs of these benefits and other matters regarding these benefits, see "Note III—DETAILED NOTES ON ALL FUNDS—J. Other Postemployment Benefits (OPEB)" in the Notes to the Financial Statements and the related Required Supplementary Schedules in "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

OUTSTANDING DEBT

General

In addition to obligations issued by LACMTA that are secured by Proposition A Sales Tax, LACMTA has issued debt secured by the Proposition C Sales Tax, the Measure R Sales Tax, and other revenues of LACMTA, and may issue additional obligations so secured upon satisfaction of certain additional bonds tests in the applicable trust agreements governing such debt. See "FUTURE TRANSPORTATION IMPROVEMENTS—Capital Planning" above. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-A BONDS" in the front part of this Official Statement for a discussion of obligations secured by the Proposition A Sales Tax.

Debt and Interest Rate Swap Policies

In March 2018, the Board approved an updated Debt Policy for LACMTA (the "Debt Policy"). The Debt Policy sets forth guidelines for the issuance and management of LACMTA's debt. Among other things, the Debt Policy sets forth allowable uses of debt and debt policy maximums. It requires LACMTA to develop a capital improvement plan which includes the capital projects LACMTA plans to undertake in future years. The Debt Policy also sets forth guidance on the type of debt that may be incurred by LACMTA (e.g., long-term versus short-term), the source of payment for such debt, and other factors to be considered when incurring debt.

In April 2015, the Board approved an updated Interest Rate Swap Policy for LACMTA (the "Swap Policy"). The Swap Policy includes guidelines to be used by LACMTA when entering into interest rate swaps and management practices that address the special risks associated with interest rate swaps. The Swap Policy requires that LACMTA evaluate the risks, on an ongoing basis, of existing interest rate swaps. As of the date of this Official Statement, LACMTA has no interest rate swaps.

Proposition C Sales Tax Obligations

General. LACMTA has two priority levels of obligations secured by the Proposition C Sales Tax: its Proposition C Senior Sales Tax Revenue Bonds and Proposition C Senior Parity Debt, and its Proposition C Subordinate Lien Obligations. In addition, LACMTA has incurred other obligations, which are secured by certain "remaining" Proposition C Sales Tax cash receipts. See "PROPOSITION A SALES TAX OBLIGATIONS—Outstanding Proposition A Sales Tax Obligations—Other Obligations—General Revenue Bonds" in the front part of this Official Statement.

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Proposition C Senior Sales Tax Revenue Bonds. LACMTA had the following Proposition C Senior Sales Tax Revenue Bonds outstanding as of March 1, 2019:

Los Angeles County Metropolitan Transportation Authority
Proposition C Senior Sales Tax Revenue Bonds
(Outstanding as of March 1, 2019)

Proposition C Senior Sales Tax Revenue Bonds	Outstanding Principal Amount
Sales Tax Revenue, Senior Bonds, Series 2019-A (Green Bonds)	$ 418,575,000
Sales Tax Revenue, Senior Bonds, Series 2019-B	126,425,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2018-A	54,965,000
Sales Tax Revenue Bonds, Senior Bonds, Series 2017-A	445,315,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2016-A	77,645,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2014-A	61,180,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2013-A	77,510,000
Sales Tax Revenue Bonds, Senior Bonds, Series 2013-B	279,685,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2013-C	46,475,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2012 A	14,635,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2012 B	74,885,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2010 A	37,150,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2009 B	69,735,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2009 D	14,580,000
Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2009 E	72,585,000
Total	$1,871,435,000

Source: LACMTA

Proposition C Senior Parity Debt. LACMTA may designate as Proposition C Senior Parity Debt certain indebtedness, installment sale obligations, lease obligations or other obligations for borrowed money, or payment obligations under interest swaps or other arrangements payable on parity with the Proposition C Senior Sales Tax Revenue Bonds. LACMTA currently has no Proposition C Senior Parity Debt outstanding. LACMTA may incur Proposition C Senior Parity Debt upon the satisfaction of certain additional bonds tests.

Proposition C Subordinate Lien Obligations. On June 9, 1993, LACMTA received authorization to issue and have outstanding, at any one time, up to $150,000,000 (principal of and interest thereon) of commercial paper notes (the "Proposition C Commercial Paper Notes") payable from and secured by Proposition C Sales Tax revenues. The Proposition C Commercial Paper Notes are payable from Proposition C Sales Tax revenue on a basis subordinate to the lien on Proposition C Sales Tax revenues granted to the Proposition C Senior Sales Tax Revenue Bonds and the Proposition C Senior Parity Debt. As of March 1, 2019, there was no Proposition C Commercial Paper Notes outstanding. The Proposition C Commercial Paper Notes are supported by a letter of credit (the "Proposition C CP Letter of Credit") issued by Bank of America, N.A. LACMTA's reimbursement obligations with respect to the Proposition C CP Letter of Credit are payable from Proposition C Sales Tax Revenues on a parity with the Proposition C Commercial Paper Notes. [**To be updated once Board approves new LOC providers**]

LACMTA is authorized to issue and have outstanding, from time to time, up to $75,000,000 in aggregate principal amount of its Subordinate Proposition C Sales Tax Revenue Revolving Obligations (the "Proposition C Revolving Obligations"), which are payable from Proposition C Sales Tax Revenues on a parity with the Proposition C Commercial Paper Notes and which are considered part of the $150,000,000 authorization for Proposition C Commercial Paper. As of March 1, 2019, LACMTA has $45,000,000 Proposition C Revolving Obligations outstanding, the proceeds of which were used by LACMTA to make a working capital loan to the Alameda Corridor East Construction Authority (ACE).

All Proposition C Revolving Obligations issued by LACMTA are purchased by the Wells Fargo Bank, National Association, in accordance with the terms of a revolving credit agreement (the "Proposition C Revolving Credit Agreement"). The Proposition C Revolving Obligations bear interest at variable rates determined pursuant to the terms of the Proposition C Revolving Credit Agreement.

The following tables set forth certain terms of Proposition C Commercial Paper Notes, including the Proposition C CP Letter of Credit and the Proposition C Revolving Obligations.

Proposition C CP Letter of Credit

Letter of Credit Provider	Bank of America, N.A.
Principal Amount	$68,885,000[1]
Expiration Date	May 1, 2019

[1] Plus $6,114,724 of interest. Draws on the letter of credit must be paid within 270 days, though the drawings may be converted to a term loan payable in 10 quarterly installments if conditions are satisfied.

Source: LACMTA

Proposition C Revolving Obligations

Revolving Obligations Bank	Wells Fargo Bank, National Association
Principal Amount	$75,000,000
Expiration/Maturity Date	May 1, 2019[2]

[2] Can be converted to a term loan payable in twelve equal quarterly installments following the Expiration/Maturity Date if conditions are satisfied.

Measure R

General. LACMTA has three priority levels of obligations secured by the Measure R Sales Tax: the senior lien (which currently secures its Measure R Senior Sales Tax Revenue Bonds), the subordinate lien (which currently secures its Measure R Subordinate Obligations), and the junior subordinate lien (which currently secures three TIFIA loans).

Measure R Senior Sales Tax Revenue Bonds. On November 16, 2010, LACMTA issued $732,410,000 aggregate principal amount of its Measure R Senior Sales Tax Revenue Bonds, Series 2010-A and Series 2010-B (the "Series 2010 Measure R Senior Bonds") to finance certain transportation projects. These bonds are payable from the Measure R Sales Tax. On November 30, 2016, LACMTA issued $522,120,000 aggregate principal amount of its Measure R Senior Sales Tax Revenue Bonds, Series 2016-A (the "Series 2016 Measure R Senior Sales Tax Revenue Bonds," and together with the Series 2010 Measure R Senior Bonds, the "Measure R Senior Bonds") to finance certain transportation projects and to refund certain outstanding Measure R Subordinate Revolving Obligations (defined below). As of March 1, 2019, there was $1,113,825,000 aggregate principal amount of Measure R Senior Sales Tax Revenue Bonds outstanding. LACMTA may incur additional senior debt secured by and payable from the Measure R Sales Tax.

Measure R Subordinate Obligations. On May 28, 2015, LACMTA received authorization to establish a short-term borrowing program (the "Short-Term Borrowing Program") secured by the Measure R Sales Tax and in an aggregate principal amount not to exceed $300,000,000. The obligations issued under the Short-Term Borrowing program are payable from the Measure R Sales Tax revenues on a subordinate bases to the Measure R Senor Bonds.

Under the Short-Term Borrowing Program, LACMTA may issue and have outstanding, from time to time, up to $150,000,000 in aggregate principal amount of its Subordinate Measure R Sales Tax Revenue Revolving Obligations (the "Measure R Subordinate Revolving Obligations"), which are payable from Measure R Sales Tax revenues on a subordinate basis to the Measure R Senior Bonds, on a parity basis with the Measure R Subordinate Series C Bonds (defined below), and on a senior basis to the TIFIA Loans. As of March 1, 2019, LACMTA had approximately $65,212,743.45 in Measure R Subordinate Revolving Obligations outstanding. The Measure R Subordinate Revolving Obligations issued by LACMTA are purchased by (i) State Street Public Lending Corporation, in a principal amount not to exceed $100,000,000, in accordance with the terms of a revolving credit agreement (the "State Street Revolving Credit Agreement"), and (ii) Bank of the West, in a principal amount not to exceed $50,000,000, in accordance with the terms of a revolving credit agreement (the "Bank of the West Revolving Credit Agreement," and together with the State Street Revolving Credit Agreement, the "Measure R Subordinate Revolving Credit Agreements"). The Measure R Subordinate Revolving Obligations bear interest at variable rates determined pursuant to the terms of the Measure R Subordinate Revolving Credit Agreements. Except as otherwise provided in the Measure R Subordinate Revolving Credit Agreements, the principal of all Measure R Subordinate Revolving Obligations outstanding are due and payable on November 20, 2020. However, subject to the terms of the Measure R Subordinate Revolving Credit Agreements, on November 20, 2020, LACMTA can convert any outstanding Measure R Subordinate Revolving Obligations to a term loan that will be payable in twelve equal quarterly installments following November 20, 2020.

The following table sets forth certain terms of the Measure R Subordinate Revolving Obligations.

Measure R Subordinate Revolving Obligations

Revolving Obligations Bank	State Street Public Lending Corporation	Bank of the West
Principal Amount	$100,000,000[1]	$50,000,000[2]
Expiration Date	November 20, 2020[3]	November 20, 2020[3]

[1] As of March 1, 2019, $15,212,743.45 aggregate principal amount of State Street Measure R Revolving Obligations were outstanding.

[2] As of March 1, 2019, $50,000,000.00 aggregate principal amount of Bank of the West Measure R Revolving Obligations were outstanding.

[3] Can be converted to term loan payable in twelve equal quarterly installments

Source: LACMTA

In addition to the Measure R Subordinate Revolving Obligations, under the Short-Term Borrowing Program, LACMTA entered into a bond purchase agreement dated November 23, 2015 with RBC Capital Markets LLC (the "Measure R Series C Underwriter") to sell, from time to time until November, 2020, up to $150,000,000 aggregate principal amount of its Subordinate Measure R Sales Tax Revenue Drawdown Bonds, Subseries C-1 (Tax-Exempt) and Subseries C-2 (Taxable) (the "Measure R Subordinate Series C Bonds," and together with the Measure R Subordinate Revolving Obligations, the "Measure R Subordinate Obligations") to the Measure R Series C Underwriter, subject to the terms of such bond purchase agreement. The Measure R Series C Underwriter in turn sells the Measure R Subordinate Series C Bonds to RBC Municipal Products, LLC. The Measure R Subordinate Series C Bonds are payable from Measure R Sales Tax revenues on a subordinate basis to the Measure R Senior Bonds, on a parity basis with the Measure R Subordinate Revolving Obligations, and on a senior basis to the TIFIA Loans. As of March 1, 2019, LACMTA had $210,000 aggregate principal amount of Measure R Subordinate Series C Bonds outstanding. The Measure R Subordinate Series C Bonds bear interest at variable rates. Except as otherwise provided in the Third Supplemental Subordinate Trust Agreement, dated as of November 1, 2015, as amended, by and between LACMTA and U.S. Bank National

Association, as trustee, and the Bondholder's Agreement, dated as of November 1, 2015, by and between LACMTA and RBC Municipal Products, LLC, the principal of all Measure R Subordinate Series C Bonds outstanding are due and payable in twelve equal quarterly installments commencing in February, 2021 and ending in November, 2023.

Measure R Junior Subordinate Obligations (TIFIA Loans). LACMTA has entered into agreements for four TIFIA loans in the aggregate principal amount of $1,868,900,000, which will be repaid from Measure R Sales Tax revenues. As of March 1, 2019, LACMTA had drawn $1,229,253,944 in proceeds across the four TIFIA loans and had $1,296,059,440 currently outstanding. All four TIFIA loans are payable from Measure R Sales Tax revenues on a subordinate basis to the Measure R Senior Bonds and the Measure R Subordinate Obligations. See "FUTURE TRANSPORTATION IMPROVEMENTS—Transit Projects" above for additional information on the TIFIA loans.

Measure M

LACMTA has not issued any debt secured by the Measure M Sales Tax. However, it anticipates issuing such debt in the future.

INVESTMENT POLICY

General

Certain features of LACMTA's Investment Policy are summarized in "Note III—DETAILED NOTES ON ALL FUNDS—A. Cash and Investments" in the Notes to the Financial Statements in "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

Investment Balances

As of December 31, 2018 (based on unaudited financial information), LACMTA had approximately $921.42 million in market value deposited in non-discretionary bond proceeds and debt service trust accounts, primarily invested in U.S. Treasury securities, Federal Agencies, money market funds, forward purchase agreements and the County of Los Angeles Pooled Surplus Investments maintained by the County of Los Angeles Treasurer and Tax Collector. LACMTA had approximately $2.29 billion in additional non-discretionary trust accounts, primarily for pension and OPEB.

Additionally, as of December 31, 2018, LACMTA had approximately $1.58 billion (book value) deposited in discretionary/operating accounts. Such discretionary/operating accounts were invested in the investments summarized in the following table:

[Remainder of page intentionally left blank.]

Discretionary/Operating Accounts Investments	**Percentage of Total Book Value as of December 31, 2018**
Local Agency Investment Fund	6%
Bank Deposits	8
Subtotal	15%
Managed Investments	
U.S. Treasuries	17
Federal Agencies	29
Corporate Notes	14
Commercial Paper	9
Municipal securities	4
Money Market Funds	8
Asset Backed Securities	3
Certificates of Deposit	0
Medium Term Notes	2
Subtotal Managed Investments	85%
Total Cash and Investments*	100%

* Numbers may not add due to rounding.
Source: LACMTA

As of December 31, 2018, the liquid reserve of the discretionary accounts, which totaled approximately $607.3 million in market value, was managed internally by LACMTA and had an average maturity of 23 days. LACMTA's Investment Policy prohibits investing in reverse repurchase agreements.

Moneys released to LACMTA pursuant to the Agreement, including moneys in the discretionary/operating accounts, do not secure the Senior Bonds and LACMTA is not obligated to use such amounts to pay debt service on the Senior Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2019-C BONDS—Flow of Funds."

Additional information regarding LACMTA's investments are included in "Note III—DETAILED NOTES ON ALL FUNDS—A. Cash and Investments" in the Notes to the Financial Statements in "APPENDIX B—LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

LITIGATION

Sales Tax Litigation

On April 30, 1982, the California Supreme Court, in *Los Angeles County Transportation Commission v. Richmond*, upheld the constitutionality of the Proposition A Sales Tax. On March 3, 1992, the California Court of Appeal, in *Vernon v. State Board of Equalization*, upheld the validity of the Proposition C Sales Tax.

On September 28, 1995, the California Supreme Court affirmed the California Court of Appeal's ruling in *Santa Clara County Local Transportation Authority v. Guardino*, which invalidated a half cent sales tax by the Santa Clara County Local Transportation Authority. LACMTA does not believe such decision has any effect on the validity of LACMTA's Proposition A Sales Tax.

Other Litigation

In addition to the matters described herein, various other claims have been asserted against LACMTA. To the knowledge of LACMTA, none of such pending claims will materially and adversely affect LACMTA's ability to pay the principal of and interest on any of its debt obligations.

APPENDIX B
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

APPENDIX C

LOS ANGELES COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION

[**FA to confirm information is accurate before posting**] The Proposition A Sales Tax derives from a retail transaction and use tax applicable to all taxable sales throughout Los Angeles County. As such, sales tax revenues reflect a number of economic factors that influence taxable transactions, including population, employment and income. Some of those factors are described below.

The economic and demographic information provided below has been collected from sources that LACMTA considers to be reliable. Because it is difficult to obtain timely economic and demographic information, the economic condition of Los Angeles County may not be fully apparent in all of the publicly available local and regional economic statistics provided herein. In particular, the economic statistics provided herein may not fully capture the impact of current economic conditions.

Los Angeles County

As of January 1, 2018, the County had an estimated population of over 10.3 million. Los Angeles County is the largest County in the country by population, and includes over a quarter of the State of California's (the "State") population. The County covers 4,084 square miles, and includes 88 incorporated cities, with approximately 9.2 million residents, as well as unincorporated communities with over one million residents.

Population

The table below summarizes the populations of the County and State, estimated as of January 1 of each year. The population estimates for 2010 and later incorporate 2010 Census counts as the benchmark.

Table C-1
COUNTY AND STATE POPULATION STATISTICS

	County of Los Angeles	Annual Growth Rate[1]	State of California	Annual Growth Rate[1]
2000	9,519,330	–	33,873,086	–
2005	9,816,153	0.62%	35,869,173	1.15%
2010	9,818,605	0.00	37,253,956	0.76
2011	9,871,802	0.54	37,529,913	0.74
2012	9,949,794	0.79	37,874,977	0.92
2013	10,020,599	0.71	38,234,391	0.95
2014	10,088,458	0.68	38,568,628	0.87
2015	10,149,661	0.61	38,912,464	0.89
2016	10,180,169	0.30	39,179,627	0.69
2017	10,231,271	0.50	39,500,973	0.82
2018	10,283,729	0.51	39,809,693	0.78

[1] For five-year time series, figures represent average annual growth rate for each of the five years.
Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and the State, 2001-2010, with 2000 and 2010 Census Counts, Sacramento, California, November 2012. State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2018, with 2010 Census Benchmark. Sacramento, California, May 2018.

Industry and Employment

The following table summarizes the average number of employed and unemployed residents of the County, based on the annual "benchmark," an annual revision process in which monthly labor force and payroll employment data, which are based on estimates, are updated based on detailed tax records.

The California Employment Development Department has reported preliminary unemployment figures for November 2018 of 4.1% statewide and 4.7% for Los Angeles County (seasonally adjusted).

Table C-2
ESTIMATED AVERAGE ANNUAL EMPLOYMENT AND UNEMPLOYMENT OF RESIDENT LABOR FORCE

	2013	2014	2015	2016	2017
Civilian Labor Force					
County of Los Angeles					
Employed	4,482,600	4,591,100	4,671,100	4,789,300	4,883,600
Unemployed	484,600	413,000	331,200	265,400	240,300
Total	4,967,200	5,004,100	5,002,300	5,054,900	5,123,900
Unemployment Rates					
County	9.8%	8.3%	6.6%	5.3%	4.7%
State	8.9	7.5	6.2	5.5	4.8
United States	7.4	6.2	5.3	4.9	4.4

Source: California Employment Development Department, Labor Market Information Division for the State and County; U.S. Bureau of Labor, Department of Labor Statistics for the U.S. Items may not add to totals due to rounding.

The table below summarizes the California Employment Development Department's estimated average annual employment for the County, which includes full-time and part-time workers who receive wages, salaries, commissions, tips, payment in kind, or piece rates. Percentages indicate the percentage of the total employment for each type of employment for the given year. For purposes of comparison, the most recent employment data for the State is also summarized.

Table C-3
LOS ANGELES COUNTY
ESTIMATED INDUSTRY EMPLOYMENT AND LABOR FORCE[1]

	County		State of California	
	2017	% of Total	2017	% of Total
Total Farm	5,800	0.1%	427,600	2.5%
Mining and Logging	2,200	0.0	22,000	0.1
Construction	137,700	3.1	809,100	4.7
Manufacturing	350,100	7.9	1,311,900	7.6
Trade, Transportation and Utilities	838,900	18.9	3,042,600	17.6
Information	214,500	4.8	528,700	3.1
Financial Activities	221,100	5.0	830,500	4.8
Professional and Business Services	613,400	13.8	2,563,100	14.9
Educational and Health Services	794,300	17.9	2,636,600	15.3
Leisure and Hospitality	523,900	11.8	1,951,300	11.3
Other Services	154,100	3.5	563,300	3.3
Government	585,500	13.2	2,553,500	14.8
Total[2]	4,441,500	100.0%	17,240,200	100.0%

[1] The California Economic Development Department has converted employer records from the Standard Industrial Classification coding system to the North American Industry Classification System.
[2] Total may not equal sum of parts due to independent rounding.
Note: Based on surveys distributed to employers; not directly comparable to Civilian Labor Force data reported in Table C-2.
Source: California Employment Development Department, Labor Market Information Division. Based on March 2017 Benchmark report released March 23, 2018.

Personal Income

The U.S. Census Bureau defines personal income as the income received by all persons from all sources, and is the sum of "net earnings," rental income, dividend income, interest income, and transfer receipts. "Net earnings" is defined as wages and salaries, supplements to wages and salaries, and proprietors' income, less contributions for government social insurance, before deduction of personal income and other taxes.

The following table sets forth the estimate of personal income for the County, State and United States from 2013 to 2017.

Table C-4
COUNTY, STATE AND U.S.
PERSONAL INCOME

Year and Area	Personal Income[1] (thousands of dollars)	Per Capita Personal Income[1] (dollars)
2013		
County[2]	$ 491,016,518	$49,010
State[3]	1,885,672,430	49,173
United States[3]	14,175,503,000	44,826
2014		
County[2]	$ 525,088,691	$52,130
State[3]	2,021,640,034	52,237
United States[3]	14,983,140,000	47,025
2015		
County[2]	$ 560,484,548	$55,366
State[3]	2,173,299,670	55,679
United States[3]	15,711,634,000	48,940
2016		
County[2]	$ 577,071,787	$56,851
State[3]	2,259,413,865	57,497
United States[3]	16,115,630,000	49,831
2017		
County[2]	$ 593,741,110	$58,419
State[3]	2,364,129,404	59,796
United States[3]	16,820,250,000	51,640

[1] Per capita personal income was computed using Census Bureau midyear population estimates. Per capita personal income is total personal income divided by total midyear population.

[2] Last updated: November 15, 2018—new estimates for 2017; revised estimates for 2013-2016. Estimates for 2013-2017 reflect county population estimates available as of March 2018. Source: U.S. Bureau of Economic Analysis, "Table CAINC1 - Personal Income Summary" (accessed November 20, 2018).

[3] Last updated: September 25, 2018—new estimates for 2017; revised estimates for 2013-2016. Estimates for 2013-2017 reflect Census Bureau midyear state and national population estimates available as of March 2018. Source: U.S. Bureau of Economic Analysis, "Table SAINC1 - Personal Income Summary" (accessed November 20, 2018).

Retail Sales

The following table sets forth taxable sales for the County for calendar years 2012 through 2016, with 2016 being the last full year for which data are currently available.

Table C-5
COUNTY OF LOS ANGELES
TAXABLE SALES
(in thousands)

	2012	2013	2014	2015[3]	2016[3]
Motor Vehicle and Parts Dealers	$ 14,479,392	$ 15,543,657	$ 16,564,553	$ 18,058,173	$ 18,502,763
Furniture and Home Furnishings Stores	2,441,922	2,568,630	2,734,737	–	–
Home Furnishings and Appliance Stores	–	–	–	7,832,717	7,842,401
Electronics and Appliance Stores	3,570,668	3,576,308	4,040,534	–	–
Bldg., Materials & Garden Equipment & Supplies	6,510,966	6,558,312	6,971,149	7,402,869	7,688,704
Food and Beverage Stores	5,824,815	6,051,754	6,279,795	6,522,672	6,696,653
Health and Personal Care Stores	3,163,312	3,306,274	3,414,941	–	–
Gasoline Stations	14,037,507	13,817,056	13,265,979	11,635,839	10,137,302
Clothing and Clothing Accessories Stores	9,166,549	9,926,558	10,560,952	10,974,322	11,413,847
Sporting Goods, Hobby, Book, and Music Stores	2,454,806	2,487,061	2,460,392	–	–
General Merchandise Stores	11,157,997	11,463,750	11,557,051	10,912,560	10,904,814
Miscellaneous Store Retailers	4,798,211	4,953,245	5,204,656	–	–
Nonstore Retailers	1,200,322	1,906,573	2,170,084	-	–
Food Services and Drinking Places	16,512,136	17,481,996	18,964,996	20,605,855	22,002,191
Other Retail Group	-	-	-	14,202,014	14,808,367
Total Retail and Food Services	95,318,603	99,641,174	104,189,819	108,147,021	109,997,043
All other outlets[1]	39,976,979	40,438,534	43,257,109	42,886,760	44,211,290
TOTAL ALL OUTLETS[2]	$135,295,582	$140,079,708	$147,446,927	$ 151,033,781	$ 154,208,333

[1] Primarily manufacturing and wholesale businesses.
[2] Items may not add to totals due to rounding.
[3] Industry-level data for 2015 and 2016 are not comparable to that of prior years.
Source: California Department of Tax and Fee Administration, Research and Statistics Division.

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APPENDIX D
SUMMARY OF LEGAL DOCUMENTS; DEFINITIONS

[To be revised by bond counsel]

The following is a brief summary of certain provisions of the Trust Agreement and the Fortieth Supplemental Agreement and is supplemental to the summary of other provisions of such documents elsewhere in this Official Statement. This summary is not intended to be definitive and is qualified in its entirety by reference to the full text of the Trust Agreement and the Fortieth Supplemental Agreement. Copies of said documents are available from LACMTA.

DEFINITIONS

The following terms, as used in the Trust Agreement and the Fortieth Supplemental Agreement and in this summary, have the meanings set forth below.

"*Accrued Interest*" means, for any calendar month, the amount of interest which has accrued or will accrue on a Series of First Tier Senior Lien Bonds during that month less any interest which accrues during such period, but for which a separate fund has been established and into which has been deposited moneys or Government Obligations which, with the earnings thereon, will be sufficient to pay such interest and which fund is irrevocably pledged to payment of such interest; with respect to First Tier Senior Lien Bonds the interest rate on which will or may fluctuate from the date of calculation to the end of such calendar month, interest after the calculation date, for purposes of calculating Accrued Interest for such month, will be assumed to accrue at a rate equal to 12% per annum.

"*Accrued Premium*" means, with respect to any First Tier Senior Lien Bonds which are to be redeemed or otherwise prepaid, the full amount of the premium or prepayment penalty imposed as a condition of such redemption or prepayment; the full amount of the premium or penalty will accrue in the calendar month in which notice of the redemption or prepayment is given by the LACMTA to the Trustee.

"*Accrued Principal*" means, with respect to any calendar month, the amount of principal which has accrued or will accrue on a Series of First Tier Senior Lien Bonds during that month less any principal which accrues during such period but for which a separate fund has been established and into which has been deposited moneys or Government Obligations which, with the earnings thereon, will be sufficient to pay such principal and which fund is irrevocably pledged to the payment of such principal; for purposes of this definition, it will be assumed that, for any principal payment, principal commences to accrue on the later of (a) the date of issue of the Series; or (b) one year prior to the payment date (unless principal is payable more frequently than annually, in which case, principal will, for the first payment, be assumed to accrue from the later of the date of issuance or one year prior to the first payment date and thereafter principal will accrue from the date of each principal payment) and principal will be assumed to accrue in equal monthly installments during each calendar month or portion of any calendar month occurring from the time of commencement of such accrual to the payment date. If First Tier Senior Lien Bonds have been declared to be due and payable as provided in the Agreement, then in each calendar month the entire unpaid principal of all First Tier Senior Lien Bonds which have been accelerated will be deemed to have accrued in that calendar month.

"*Act*" means the Los Angeles County Transportation Commission Revenue Bond Act, Sections 130500 et seq. of the California Public Utilities Code, as amended from time to time.

"*Additional First Tier Senior Lien Bonds*" means additional bonds and other obligations ranking on a parity with the First Tier Senior Lien Bonds that the LACMTA may issue or incur provided that the LACMTA complies with certain tests for additional obligations contained in the Agreement.

"*Aggregate Accrued Interest*" means, for any calendar month, the sum of the Accrued Interest for all Series of Outstanding First Tier Senior Lien Bonds.

"*Aggregate Accrued Principal*" means, for any calendar month, the sum of the Accrued Principal for all Series of Outstanding First Tier Senior Lien Bonds.

"*Agreement*" means the Trust Agreement, dated as of July 1, 1986, between the LACMTA and the Trustee, together with all amendments and supplements thereto, including the Fortieth Supplemental Agreement.

"*Authorized Authority Representative*" means the chairperson or treasurer of the LACMTA or such other officer or employee of the LACMTA or other person who has been designated an agent of the LACMTA by resolution of the LACMTA.

"*Authorized Denomination*" means, with respect to the Series 2019-A Bonds, $5,000 and any integral multiple thereof.

"*Balloon Indebtedness*" means indebtedness 25% or more of the principal of which matures on the same date and such amount is not required by the documents governing such indebtedness to be amortized by payment or redemption prior to such date. If any indebtedness consists partially of Variable Rate Indebtedness and partially of indebtedness bearing interest at a fixed rate, the portion constituting Variable Rate Indebtedness and the portion bearing interest at a fixed rate will be treated as separate issues for purposes of determining whether any such indebtedness constitutes Balloon Indebtedness. First Tier Senior Lien Bonds and Second Tier Obligations which are issued as commercial paper will be deemed to be both Balloon Indebtedness and Variable Rate Indebtedness.

"*Beneficial Owner*" means, whenever used with respect to a Series 2019-A Bond, the person in whose name such Series 2019-A Bond is recorded as the beneficial owner of such Series 2019-A Bond by a Participant on the records of such Participant.

"*Bond Counsel*" means a firm of attorneys which are nationally recognized as experts in the area of municipal finance and which are familiar with the transactions contemplated by the Agreement and which are acceptable to the LACMTA and the Trustee.

"*Bondholder*," "*holder*," "*owner*" or "*registered owner*" means the person in whose name any First Tier Senior Lien Bond or First Tier Senior Lien Bonds are registered on the books maintained by the Registrar.

"*Bond Interest Account*" means the trust account by that name established with the Debt Service Fund pursuant to the Agreement.

"*Bond Principal Account*" means the trust account by that name established with the Debt Service Fund pursuant to the Agreement.

"*Book-Entry Bonds*" means, the Series 2019-A Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of the Fortieth Supplemental Agreement.

"*Business Day*" means any day other than (a) a Saturday or Sunday; or (b) a day on which commercial banks in New York, New York or Los Angeles, California are authorized or required by law to close.

"*Cede & Co.*" means Cede & Co., the nominee of DTC and any successor nominee of DTC with respect to the Series 2019-A Bonds.

"*Code*" means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations proposed or in effect with respect thereto, or with respect to provisions applicable to the First Tier Senior Lien Bonds, including the Series 2019-A Bonds, the Internal Revenue Code of 1954, as amended and the United States Treasury Regulations proposed or in effect with respect thereto.

"*Construction Fund*" means the fund or funds by the name authorized to be created by the Agreement.

"*Consultant*" means the consultant, consulting firm, accountant or accounting firm retained by the LACMTA to perform acts and carry out the duties provided for such Consultant in the Agreement or any Supplemental Agreement. Such consultant, consulting firm, accountant or accounting firm will be nationally recognized within its profession for work of the character required and will be acceptable to the Trustee and the LACMTA.

"*Costs of Issuance*" means all costs and expenses incurred by the Authority in connection with the issuance of the Series 2019-A Bonds, including, but not limited to, costs and expenses of printing and copying documents and the Series 2019-A Bonds and the fees, costs and expenses of rating agencies, the Trustee, bond counsel, disclosure counsel, verification agents, the dealer-manager, the information agent, the tender agent, accountants, financial advisors and other consultants and the premium for the reserve fund surety bond insurance, if any.

"*Debt Service Fund*" means the fund by that name created by the Agreement and containing the "Bond Interest Account" and "Bond Principal Account."

"*Default*" or "*Event of Default*" means any occurrence or event described in this APPENDIX D under the caption "Events of Default and Remedies."

"*Deficiency*" means, at any time, the difference between the amount on deposit in the Bond Interest Account or the Bond Principal Account, as the case may be, and the Aggregate Accrued Interest or Aggregate Accrued Principal, respectively, for all prior calendar months which is unpaid on such day.

"*Department of Tax and Fee Administration*" or "*CDTFA*" means the California Department of Tax and Fee Administration, formerly known as the California State Board of Equalization, which collects the Proposition A Sales Tax.

"*DTC*" means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"*Excess Deposit*" means, with respect to a previous calendar month, the amount of Pledged Revenues deposited into the Bond Interest Fund in excess of the amount of interest which actually accrued on the Outstanding First Tier Senior Lien Bonds during such previous calendar month.

"*Financial Guaranty*" means Financial Guaranty Insurance Company, a New York stock insurance company, and any successor thereto as provider of the FGIC Reserve Policy. Financial Guaranty is a Reserve Insurer.

"*First Supplemental Agreement*" means the First Supplemental Trust Agreement, dated as of July 1, 1986 between the LACMTA and the Trustee.

"*First Supplemental Subordinate Agreement*" means the First Supplemental Subordinate Trust Agreement dated as of January 1, 1991 between the LACMTA and the Subordinate Trustee, pursuant to which the Proposition A Commercial Paper Notes are issued from time to time.

"*First Tier Senior Lien Bond*" or "*First Tier Senior Lien Bonds*" means indebtedness and securities of any kind or class, including bonds, notes, bond anticipation notes, commercial paper and other obligations, issued under the provisions of the Agreement. "First Tier Senior Lien Bond" or "First Tier Senior Lien Bonds" will not include any subordinated obligations incurred by the LACMTA as permitted by the Agreement.

"*Fiscal Year*" means the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other similar period as the LACMTA designates as its fiscal year.

"*Fitch*" means Fitch Ratings, its successors and assigns, and if Fitch Ratings for any reason no longer performs the functions of a securities rating agency, "Fitch" will be deemed to refer to any other nationally recognized securities rating agency designated by the LACMTA.

"*Government Obligations*" means (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America; (b) securities or receipts evidencing ownership interests in obligations or specified portions (such as principal or interest) of obligations described in clause (a) above; and (c) direct obligations of agencies of the United States of America which obligations are rated "Aaa" by Moody's or "AAA" by S&P and the guaranteed investment agreements of such agencies.

"*Initial Bonds*" means the First Tier Senior Lien Bonds issued under the Agreement and the First Supplemental Agreement and designated as Los Angeles County Transportation Commission Sales Tax Revenue Bonds, Series 1986-A, Series 1986-B, Series 1986-C, Series 1986-D and Series 1986-E.

"*Initial Bonds Reserve Requirement*" $61,097,689 or such lesser amount as will be equal to Maximum Annual Debt Service on the Initial Bonds. The Initial Bonds Reserve Requirement may, if the LACMTA deems it appropriate or necessary to meet the expectations or needs of Bondholders, be increased above the amount determined under the foregoing provisions of this definition if, prior to such increase, there is delivered to the Trustee a written opinion of Bond Counsel to the effect that such increase will not adversely affect the exemption of interest on the First Tier Senior Lien Bonds from federal income taxation.

"*Interest Payment Date*" means each July 1 and January 1, commencing January 1, 2019, the dates upon which interest on the Series 2019-A Bonds is due and payable.

"*LACMTA*" means the Los Angeles County Metropolitan Transportation Authority created under the provisions of the LACMTA Act, and any successor to its function.

"*LACMTA Act*" means Chapter 2, Division 12 of the California Public Utilities Code (commencing with Section 130050.2).

"*Local Allocation*" means 25% of the Proposition A Sales Tax, calculated on an annual basis, which 25% is, under Ordinance No. 16, allocated to local jurisdictions for local transit.

"*Maximum Annual Debt Service*" means, at any point in time, with respect to First Tier Senior Lien Bonds then Outstanding, the maximum amount of principal and interest becoming due in the then current or any future Fiscal Year, calculated by the LACMTA or by a Consultant as provided in this definition. For purposes of calculating Maximum Annual Debt Service, as used in determining the Reserve Fund Requirement for the First Tier Senior Lien Bonds and as used in the Agreement, the following assumptions will be used to calculate the principal and interest becoming due in any Fiscal Year:

(a) in determining the principal amount due in each year, payment will (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made in accordance with any amortization schedule established for such debt, including any scheduled redemption of First Tier Senior Lien Bonds on the basis of accreted value, and for such purpose, the redemption payment will be deemed a principal payment;

(b) if any of the Outstanding Series of First Tier Senior Lien Bonds constitute Balloon Indebtedness or Balloon Indebtedness and Variable Rate Indebtedness or if First Tier Senior Lien Bonds then proposed to be issued would constitute Balloon Indebtedness or Balloon Indebtedness and Variable Rate Indebtedness, then, for purposes of determining Maximum Annual Debt Service, such amounts as constitute Balloon Indebtedness will be treated as if the principal amount of such First Tier Senior Lien Bonds were to be amortized in substantially equal annual installments of principal and interest over a term of 25 years; the interest rate used for such computation will be 12% per annum;

(c) if any Outstanding First Tier Senior Lien Bonds constitute Tender Indebtedness or if First Tier Senior Lien Bonds then proposed to be issued would constitute Tender Indebtedness, then for purposes of determining the amounts of principal and interest due in any Fiscal Year on such First Tier Senior Lien Bonds, the options or obligations of the owners of such First Tier Senior Lien Bonds to tender the same for purchase or payment prior to their stated maturity or maturities will be treated as a principal maturity (but any such amount treated as a maturity will not be eligible for treatment as Balloon Indebtedness) occurring on the first date on which owners of such First Tier Senior Lien Bonds may or are required to tender such First Tier Senior Lien Bonds, except that any such option or obligation to tender First Tier Senior Lien Bonds will be ignored and not treated as a principal maturity if (i) such First Tier Senior Lien Bonds are rated in one of the two highest long-term rating categories (without reference to gradations such as "plus" or "minus") by Moody's, if Moody's is then maintaining a rating on First Tier Senior Lien Bonds Outstanding under the Agreement, and by S&P, if S&P is then maintaining a rating on First Tier Senior Lien Bonds Outstanding under the Agreement, or such First Tier Senior Lien Bonds are rated in the highest short-term, note or commercial paper rating categories by Moody's, if Moody's is then maintaining a rating on First Tier Senior Lien Bonds Outstanding under the Agreement, and by S&P, if S&P is then maintaining a rating on First Tier Senior Lien Bonds Outstanding under the Agreement; and (ii) any obligation, if any, the LACMTA may have, other than its obligations on such First Tier Senior Lien Bonds, to reimburse any person for having extended a credit or liquidity facility or a bond insurance policy, or similar arrangement, will either be subordinated to the obligation of the LACMTA on the First

Tier Senior Lien Bonds or be an obligation incurred under and meeting the tests and conditions set forth in Article II of the Agreement;

(d) (i) if any Outstanding First Tier Senior Lien Bonds issued prior to May 4, 1993 constitute Variable Rate Indebtedness, the interest rate on such First Tier Senior Lien Bonds will be assumed to be 110% of the greater of (A) the daily average interest rate on such First Tier Senior Lien Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period that such First Tier Senior Lien Bonds will have been Outstanding; or (B) the rate of interest on such First Tier Senior Lien Bonds on the date of calculation; or (ii) if any First Tier Senior Lien Bonds issued, or proposed to be issued, on or after May 4, 1993 constitute Valuable Rate Indebtedness, the interest rate on such First Tier Senior Lien Bonds will be assumed to be the maximum interest rate specified in any credit or liquidity facility or other arrangement for the tender of such First Tier Senior Lien Bonds, or if no such facility or arrangement exists, the maximum stated interest rate which may be borne by such First Tier Senior Lien Bonds; provided that in the event that such Variable Rate Indebtedness is issued in connection with an interest rate swap agreement in which the LACMTA has agreed to pay a fixed interest rate and such interest rate swap agreement has been reviewed and approved by S&P, and to the extent Financial Guaranty or MBIA are then insuring any First Tier Senior Lien Bonds and are not in default under the related insurance policy, Financial Guaranty and/or MBIA, as applicable, for purposes of this definition, then the interest rate for purposes of computing Maximum Annual Debt Service will be such fixed interest rate for the period that such interest rate swap agreement is contracted to remain in full force and effect and thereafter will be assumed to be such maximum interest rate described above;

(e) if any interest rate swap agreement or similar agreement or arrangement, entered into, or proposed to be entered into, on or after May 4, 1993, in which the LACMTA has agreed to pay the floating amount thereunder is in effect with respect to the First Tier Senior Lien Bonds to which it relates, no fixed amounts payable under such interest rate swap agreement will be included in the calculation of Maximum Annual Debt Service, and the interest rate with respect to such First Tier Senior Lien Bonds will be assumed to be 12% per annum, unless the interest rate swap agreement has been reviewed and approved by S&P, and to the extent Financial Guaranty and MBIA are then insuring any First Tier Senior Lien Bonds and are not in default under the related insurance policy, Financial Guaranty and/or MBIA, as applicable, for purposes of this definition, in which event only the amount of such floating payments to be made by the LACMTA (at an assumed interest rate of 12% per annum) that exceed the fixed amounts to be paid under the interest rate swap agreement will be included in the calculation of Maximum Annual Debt Service;

(f) if moneys or Government Obligations have been irrevocably deposited with and are held by the Trustee or another fiduciary to be used to pay principal and/or interest on specified First Tier Senior Lien Bonds, then the principal and/or interest to be paid from such moneys, Government Obligations or from the earnings thereon will be disregarded and not included in calculating Maximum Annual Debt Service; and

(g) if the First Tier Senior Lien Bonds are Paired Obligations, the interest rate on such First Tier Senior Lien Bonds will be the resulting linked rate or effective fixed interest rate to be paid by the LACMTA with respect to such Paired Obligations.

"*MBIA*" means MBIA Insurance Corporation, a New York stock insurance company, or any successor thereto.

"*Moody's*" means Moody's Investors Service, its successors and assigns, and if Moody's Investors Service for any reason no longer performs the function of a securities rating agency. "Moody's" will be deemed to refer to any other nationally recognized rating agency designated by the LACMTA.

"*Ordinance No. 16*" means "An Ordinance Establishing a Retail Transactions and Use Tax In The County of Los Angeles For Public Transit Purposes" adopted by the LACMTA on August 20, 1980.

"*Outstanding*" means all First Tier Senior Lien Bonds which have been authenticated and delivered under the Agreement, except:

(a) First Tier Senior Lien Bonds cancelled or purchased by the Trustee for cancellation or delivered to or acquired by the Trustee for cancellation and, in all cases, with the intent to extinguish the debt represented thereby;

(b) First Tier Senior Lien Bonds deemed to be paid in accordance with the Trust Agreement;

(c) First Tier Senior Lien Bonds in lieu of which other First Tier Senior Lien Bonds have been authenticated under the Agreement;

(d) First Tier Senior Lien Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment of which sufficient moneys, including interest accrued to the due date, are held by the Trustee or a Paying Agent;

(e) First Tier Senior Lien Bonds which, under the terms of the Supplemental Agreement pursuant to which they were issued, are deemed to be no longer Outstanding; and

(f) for purposes of any consent or other action to be taken by the holders of a specified percentage of First Tier Senior Lien Bonds under the Agreement, First Tier Senior Lien Bonds held by or for the account of the LACMTA or by any person controlling, controlled by or under common control with the LACMTA, unless such First Tier Senior Lien Bonds are pledged to secure a debt to an unrelated party, in which case such First Tier Senior Lien Bonds shall, for purposes of consents and other Bondholder action, be deemed to be Outstanding and owned by the party to which such First Tier Senior Lien Bonds are pledged.

"*Paired Obligations*" means any indebtedness or portion of indebtedness designated as Paired Obligations in the Supplemental Agreement or other document authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (a) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts; and (b) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the LACMTA for the terms of such indebtedness.

"*Participants*" means the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

"*Paying Agent*" or "*Paying Agents*" means, with respect to the First Tier Senior Lien Bonds or any Series of First Tier Senior Lien Bonds, the banks, trust companies or other financial institutions or other entities designated in a Supplemental Agreement or a resolution of the LACMTA as the place where such First Tier Senior Lien Bonds are payable. The Paying Agent for the Series 2019-A Bonds will be the Trustee.

"*Pledged Revenues*" means the Pledged Tax less the administrative fee deducted by the Department of Tax and Fee Administration. Pledged Revenues will also include such additional sources of revenue, if any, pledged to pay the First Tier Senior Lien Bonds as may be set forth in a Supplemental Agreement.

"*Pledged Tax*" means the Proposition A Sales Tax (a) less the Local Allocation; (b) plus such amounts, if any, of the Local Allocation as any city entitled to such amount has authorized to be pledged to secure the First Tier Senior Lien Bonds. The portion of the Local Allocation to be included as Pledged Tax under clause (b) will not be included until a certified copy of the city's ordinance, resolution or other official action authorizing the pledge and setting forth in terms of such pledge has been filed with the Trustee and certain legal opinions with respect thereto have also been filed with the Trustee.

"*Proposition A Commercial Paper Notes*" means the Los Angeles County Transportation Commission Second Subordinate Sales Tax Revenue Commercial Paper Notes, Series A, issued in accordance with the Subordinate Agreement and the First Supplemental Subordinate Agreement.

"*Proposition A Sales Tax*" means the 1/2 of 1% retail transactions and use tax reposed by Ordinance No. 16 and approved by the electors of the County at an election held November 4, 1980.

"*Rating Category*" means (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier; and (ii) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

"*Rebate Fund*" means the Series 2019-A Rebate Fund established pursuant to the Fortieth Supplemental Agreement.

"*Rebate Requirement*" means the Rebate Requirement, as defined in the Tax Certificate.

"*Record Date*" means a Regular Record Date or a Special Record Date.

"*Registrar*" for the Series 2019-A Bonds means the Trustee.

"*Regular Record Date*" means, with respect to the Series 2019-A Bonds, for a July 1 payment, the immediately preceding June 15 and, for a January 1 payment, the immediately preceding December 15.

"*Reimbursement Agreement*" means any reimbursement agreement, credit agreement, line of credit agreement, standby bond purchase agreement or other agreement, by and between a Credit Provider or Liquidity Provider, as applicable, and the LACMTA.

"*Reserve Fund*" means the trust account of that name established pursuant to the Agreement.

"*Reserve Fund Insurance Policy*" or "*Reserve Policy*" means an insurance policy provided by a bond insurer or a letter of credit deposited in the Reserve Fund in lieu of or partial substitution for cash or securities on deposit therein. The entity providing such Reserve Fund Insurance Policy will be rated, at the time such policy is delivered, in one of the two highest Rating Categories by both Moody's and S&P.

"*Reserve Fund Requirement*" means, for the First Tier Senior Lien Bonds, the sum of the Initial Bonds Reserve Requirement and Maximum Annual Debt Service on any Outstanding First Tier Senior

Lien Bonds issued subsequently to the Initial Bonds; for purposes of the Reserve Fund Requirement. Maximum Annual Debt Service on Variable Rate Indebtedness will not, after the issuance of such Variable Rate Indebtedness, be required to be adjusted because of the fluctuations in the interest rate on such Variable Rate Indebtedness; the Reserve Fund Requirement is subject to the limitation that the Reserve Fund Requirement will never exceed an amount which would, in the opinion of Bond Counsel, be determined to be a reasonably required reserve fund within the meaning of the Code and the rulings issued by the United States Department of the Treasury. For purposes of determining if the amount on deposit in the Reserve Fund meets the Reserve Fund Requirement, any Reserve Fund Insurance Policy deposited with the Trustee will be deemed to be a deposit in the face amount of the policy or the stated amount of the credit facility provided less any unreimbursed drawings or other amounts not reinstated under such Reserve Fund Insurance Policy.

"*Reserve Insurer*" means the provider of a Reserve Fund Insurance Policy.

"*Revenue Fund*" means the fund by that name created by the Agreement.

"*Second Supplemental Agreement*" means the Second Supplemental Trust Agreement dated as of May 1, 1987 between the LACMTA and the Trustee.

"*Second Tier Obligations*" means obligations payable from Pledged Revenues on a subordinated basis to the Series 2019-A Bonds, and meeting the conditions set forth in the Twelfth Supplemental Agreement.

"*Series*" means First Tier Senior Lien Bonds issued at the same time or sharing some other common term or characteristic and designated as a separate Series.

"*Series 2019-A Bonds*" means the $___________ original principal amount of First Tier Senior Lien Bonds issued under the Agreement and the Fortieth Supplemental Agreement and designated as "Los Angeles County Metropolitan Transportation Authority Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds Series 2019-A."

"*Series 2019-A Bond Interest Subaccount*" means the subaccount of that name established within the Bond Interest Account of the Debt Service Fund pursuant to the Fortieth Supplemental Agreement.

"*Series 2019-A Bond Principal Subaccount*" means the subaccount of that name established within the Bond Principal Account of the Debt Service Fund pursuant to the Fortieth Supplemental Agreement.

"*Series 2019-A Costs of Issuance Fund*" means the fund of that name established pursuant to the Fortieth Supplemental Agreement.

"*Series 2019-A Rebate Fund*" means the fund of that name established pursuant to the Fortieth Supplemental Agreement.

"*Series 2019-A Reserve Account*" means the account of that name established in the Reserve Fund pursuant to the Fortieth Supplemental Agreement.

"*Sixth Supplemental Agreement*" means the Sixth Supplemental Trust Agreement, dated as of January 1, 1991 between the LACMTA and the Trustee.

"*S&P*" means S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, its successors and assigns, and, if S&P Global Ratings for any reason no longer performs the function of a securities rating agency, "S&P" will be deemed to refer to any other nationally recognized securities rating agency designated by the LACMTA.

"*Special Record Date*" means the date and time established by the Trustee for determination of which Owner will be entitled to receive overdue interest on the Series 2019-A Bonds pursuant to the Fortieth Supplemental Agreement.

"*State*" means the State of California.

"*Subordinate Agreement*" means the Subordinate Trust Agreement dated as of January 1, 1991 between the LACMTA and the Subordinate Trustee, as amended and supplemented from time to time.

"*Subordinate Lien Obligation Fund*" means the fund by that name created by the Agreement.

"*Subordinate Trustee*" means U.S. Bank, N.A., and any successor thereto as trustee under the Subordinate Agreement.

"*Supplemental Agreement*" means any supplemental trust agreement then in full force and effect which has been duly approved by resolution of the LACMTA and signed by the LACMTA and the Trustee and providing for the issuance of a Series or multiple Series of First Tier Senior Lien Bonds, amending and/or supplementing the Agreement or amending and/or supplementing another Supplemental Agreement.

"*Tax Certificate*" means the Tax Compliance Certificate as executed and delivered by the LACMTA in connection with the Series 2019-A Bonds, as the same may be amended or supplemented in accordance with its terms

"*Tender Indebtedness*" means any indebtedness or portions of indebtedness a feature of which is an option, on the part of the holders of such indebtedness, or an obligation, under the terms of such indebtedness, to tender all or a portion of such indebtedness to the LACMTA, the Trustee, the Paying Agent or other fiduciary or agent for payment or purchase and requiring that such indebtedness or portions of indebtedness be purchased if properly presented.

"*Third Supplemental Agreement*" means the Third Supplemental Trust Agreement dated as of May 1, 1988 between the LACMTA and the Trustee.

"*Fortieth Supplemental Agreement*" means the Fortieth Supplemental Trust Agreement dated as of April 1, 2019, between the LACMTA and the Trustee.

"*Thirty-Seventh Supplemental Agreement*" means the Thirty-Seventh Supplemental Trust Agreement dated as of March 1, 2016, between the LACMTA and the Trustee.

"*Trustee*" means The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as successor to BNY Western Trust Company, as successor in interest to Wells Fargo Bank, N.A., as successor by merger to First Interstate Bank of California, as trustee under the Agreement, and its successors.

"Twelfth Supplemental Agreement" means the Twelfth Supplemental Trust Agreement dated as of September 1, 1993, between the LACMTA and the Trustee

"*Variable Rate Indebtedness*" means any portion of indebtedness the interest rate on which is not established at the time of incurrence of such indebtedness and has not at some subsequent date been established at a single numerical rate for the entire term of the indebtedness. First Tier Senior Lien Bonds and Second Tier Obligations which are issued as commercial paper will be deemed to be both Balloon Indebtedness and Variable Rate Indebtedness.

TRUST AGREEMENT

The following is a summary of certain provisions of the Agreement. Such summary is only a brief description of limited provisions of such document and is qualified in its entirety by reference to the full text of the Agreement.

Grant to Secure the First Tier Senior Lien Bonds; Pledge of Pledged Revenues

To secure the payment of the First Tier Senior Lien Bonds and the performance and observance by the LACMTA of all the covenants, agreements and conditions expressed or implied in the Agreement and in the First Tier Senior Lien Bonds, the LACMTA, pursuant to the Agreement, pledges and assigns to the Trustee and grants to the Trustee a security interest in all right, title and interest of the LACMTA in and to (a) the Pledged Revenues, and (b) all moneys and securities held from time to time by the Trustee under the Agreement for the equal and proportionate benefit and security of all First Tier Senior Lien Bonds; except that such grant for the benefit and security of all First Tier Senior Lien Bonds does not extend to any funds held by the Trustee for the payment of specific First Tier Senior Lien Bonds which are deemed to have been paid or to any funds deposited with the Trustee specifically to be held in escrow or otherwise to provide additional security or an additional source of payment for specified First Tier Senior Lien Bonds or a specified Series of First Tier Senior Lien Bonds.

The Agreement states that the First Tier Senior Lien Bonds authorized and issued under the Agreement will be secured by a lien on and pledge of Pledged Revenues, and the LACMTA represents that it has not previously created any charge or lien on the Pledged Revenues and covenants that, until all the First Tier Senior Lien Bonds issued under the Agreement and the interest thereon have been paid or are deemed to have been paid, it will not grant any prior or, except as provided in the Agreement, any parity pledge of the Pledged Revenues or create or permit to be created any charge or lien on the Pledged Revenues ranking prior to the charge or lien of the First Tier Senior Lien Bonds (including First Tier Senior Lien Bonds issued after the Initial Bonds). The LACMTA is permitted to encumber the Pledged Revenues with a pledge ranking junior and subordinate to the charge or lien of the First Tier Senior Lien Bonds.

The LACMTA covenants that it will not take any action which will impair or adversely affect the Pledged Revenues or impair or adversely affect in any manner the pledge of the Pledged Revenues or the rights of the holders of the First Tier Senior Lien Bonds. The LACMTA covenants that it will not issue any other obligations, except upon the condition and in the manner provided in the Agreement, payable from the Pledged Revenues on a parity with the First Tier Senior Lien Bonds, which term includes Additional First Tier Senior Lien Bonds and debt hereafter incurred under the Agreement, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or any other charge having priority to or being on a parity with the lien held by the holders of the First Tier Senior Lien Bonds, including any Additional First Tier Senior Lien Bonds issued hereafter, upon the Pledged Revenues or any part thereof. The LACMTA agrees that it will be unconditionally and irrevocably obligated, so long as any of the First Tier Senior Lien Bonds are outstanding and unpaid, to take all lawful action necessary or required to continue to entitle the LACMTA to receive the Pledged Revenues at the same rates as provided by law at the time of execution of the Agreement and to pay from the Pledged Revenues the principal of and interest on the First Tier Senior Lien Bonds and to make the other payments provided for in the Agreement.

Payment of Principal and Interest

The LACMTA covenants and agrees that it will duly and punctually pay or cause to be paid from and to the extent of the Pledged Revenues the principal of, premium, if any, and interest on every First Tier Senior Lien Bond at the place and on the dates specified and that it will faithfully do and perform all covenants and agreements contained in the Agreement and in the First Tier Senior Lien Bonds. The LACMTA may, in its discretion, provide funds other than Pledged Revenues to the Trustee to be used to pay principal of, premium, if any, and interest on the First Tier Senior Lien Bonds, but is under no obligation to do so.

Subordinated Obligations

The LACMTA may incur obligations on a subordinated basis and such obligations may be secured by and payable from the Pledged Revenues; provided that such other obligations contain an express statement that such obligations are junior and subordinate in all respects to the First Tier Senior Lien Bonds issued under the Agreement as to liens on and source and security for payment from the Pledged Revenues.

Funds and Accounts

The Agreement creates the Revenue Fund, the Debt Service Fund containing a Bond Interest Account and a Bond Principal Account, the Reserve Fund and the Subordinate Lien Obligation Fund. Provision is also made for a Construction Fund which is created and funded under the terms of the First Supplemental Agreement. The Second Supplemental Agreement amended the Agreement to provide subaccounts within the Bond Interest Account and the Bond Principal Account. Such subaccounts were created within each such account, one for the Initial Bonds and one for each subsequent Series of First Tier Senior Lien Bonds.

The Agreement provides that the moneys in each of such funds and accounts, with the exception of the Construction Fund which may be held in whole or part by the LACMTA, will be held by the Trustee in trust and applied as hereinafter provided with regard to each such fund and account and, pending such application, will be subject to a lien and charge in favor of the holders of the First Tier Senior Lien Bonds for the further security of such holders until paid out or transferred as provided in the Agreement.

Revenue Fund; Flow of Pledged Revenues. The Trustee is required under the Agreement, on each day that Pledged Revenues are deposited into the Revenue Fund, to withdraw from the Revenue Fund an amount sufficient, with any other funds, if any, provided to the Trustee and previously used in such month to make such deposits, to make the deposits described in clauses (a) to (d) below and deposit such sum so withdrawn to the credit of the following accounts:

(a) to the credit of the Bond Interest Account an amount equal to the Aggregate Accrued Interest for the current calendar month less any Excess Deposit made with respect to the last preceding calendar month plus any Deficiency existing on the first day of such calendar month plus any amount of interest which has become due and has not been paid and for which there are insufficient funds in the Bond Interest Account or another special account to be used to make such payment and the amounts so deposited will be credited to the subaccounts within the

Bond Interest Account on the basis of the portion of such deposit for the Bond Interest Account attributable to the Series of First Tier Senior Lien Bonds for which such subaccount was credited;

(b) to the credit of the Bond Principal Account the Aggregate Accrued Principal for the current calendar month plus any Accrued Premium and any Deficiency existing on the first day of such calendar month plus any amount of principal which has become due and has not been paid and for which there are insufficient funds in the Bond Principal Account or another special account to make such payment and the amounts so deposited will be credited to the subaccounts within the Bond Principal Account on the basis of the portion of such deposit for the Bond Principal Account attributable to the Series of First Tier Senior Lien Bonds for which such subaccount was credited;

(c) to the credit of the Reserve Fund such portion of the balance, if any, remaining after making the deposits described in clauses (a) and (b) above needed to increase the amount on deposit in the Reserve Fund to an amount equal to the Reserve Fund Requirement for the First Tier Senior Lien Bonds, or if the entire balance is less than the amount necessary, then the entire balance will be deposited into the Reserve Fund; provided, however, that so long as any Reserve Fund Insurance Policy will be in effect and the Reserve Insurer will not be in default of its obligations thereunder, the Trustee will withdraw from the Reserve Fund an amount sufficient to pay the Reserve Insurer the greater of (i) the minimum amount required to be paid in accordance with the provisions of such Reserve Fund Insurance Policy and any related agreements between the LACMTA and the Reserve Insurer, or (ii) the amount necessary to reinstate the amount available to be drawn under such Reserve Fund Insurance Policy in order to meet the Reserve Fund Requirement; and

(d) if the LACMTA has incurred debt on a subordinate basis, to the credit of the Subordinate Lien Obligation Fund in such amounts and at such times as will be needed to provide for payment of such obligations in accordance with the terms of a Supplemental Agreement or Supplemental Agreements relating to such subordinated debt.

Any Pledged Revenues remaining after making the deposits described in clauses (a) through (d), above will, pursuant to the Sixth Supplemental Agreement, immediately be transferred to the trustee for the Proposition A Commercial Paper Notes. Any amounts remaining after the payment of debt service on the Proposition A Commercial Paper Notes will be transferred to the LACMTA and will no longer be considered Pledged Revenues.

If, by the twenty-fifth day of any month, the Trustee has not received revenues from the Department of Tax and Fee Administration in amounts necessary to make the deposits required by clauses (a), (b) and (c) above, the Trustee will immediately notify the LACMTA.

If the Pledged Revenues are at any time insufficient to make the deposits required by the Agreement, or at any time, the LACMTA may, at its election, deposit with the Trustee funds from any available sources with the direction that such funds be deposited into the funds and accounts or specified funds and accounts held by the Trustee. If the Pledged Revenues and any other funds provided by the LACMTA, are in any month insufficient to make the full deposits required by clause (a) or clause (b), the Trustee will credit the respective subaccount on a pro rata basis.

Debt Service Fund. In addition to the amounts deposited into the Bond Interest Account and Bond Principal Account, as described above, the Trustee may accept and deposit into the Debt Service Fund other amounts from the LACMTA or from other sources to be used for regularly scheduled principal and interest payments or for the redemption of First Tier Senior Lien Bonds. There will be withdrawn from the Bond Interest Account and the Bond Principal Account from time to time and set aside or deposited with the Paying Agent sufficient money for paying the interest on the First Tier Senior Lien Bonds and the principal of and premium on the First Tier Senior Lien Bonds as the same will fall due, or if such interest, principal or premium is paid by or through a form of credit enhancement provided for the First Tier Senior Lien Bonds, amounts in the Bond Interest Account and Bond Principal Account may, if so provided by a Supplemental Agreement, be used to reimburse such amounts to the party providing the credit support. Moneys in the subaccounts within the Bond Interest Account or the Bond Principal Account will, when withdrawn as provided above, be used to pay interest, principal or premium, as the case may be, on the Series of First Tier Senior Lien Bonds for which the subaccount was created.

Reserve Fund. Moneys held in the Reserve Fund will be used for the purpose of paying principal and interest on the First Tier Senior Lien Bonds if the amounts in the bond Interest Account or Bond Principal Account are insufficient for such payments. On or about July 1 of each year, the Trustee will value the Reserve Fund; provided that no valuation will be required in any year in which all investments in the Reserve Fund have an expected weighted average life of less than five years. At any time when the Trustee is required to value the Reserve Fund, all investments which have expected weighted average lives of less than 10 years will be valued at amortized cost and all other investments will be valued at the then current market value. If, on any valuation of the Reserve Fund, the value of the Reserve Fund will exceed the Reserve Fund Requirement for the First Tier Senior Lien Bonds, such excess will be withdrawn and transferred to the LACMTA to be used for any lawful purpose. In addition, at such time as any Series of First Tier Senior Lien Bonds will be paid in full or will be deemed to have been paid in full, the Trustee will value the Reserve Fund, and if the amount on deposit in the Reserve Fund exceeds the Reserve Fund Requirement for the First Tier Senior Lien Bonds, such excess will be withdrawn and transferred to the LACMTA to be used for any lawful purpose. Except as otherwise provided in the following paragraph, if, on any valuation of the Reserve Fund, the value is less than the Reserve Fund Requirement for the First Tier Senior Lien Bonds, the Trustee will make deposits into the Reserve Fund from and to the extent of Pledged Revenues as provided under the caption "—Funds and Accounts—Revenue Fund; Flow of Pledged Revenues" in clause (c) above until the Reserve Fund Requirement for the First Tier Senior Lien Bonds is restored.

Notwithstanding the last sentence of the immediately preceding paragraph, if a Reserve Fund Insurance Policy has been deposited to the Reserve Fund, the Authority agrees that, if, at the time of valuation of the Reserve Fund, the entity providing such Reserve Fund Insurance Policy is not rated in one of the three highest Rating Categories by Moody's and S&P, deposits will be made into the Reserve Fund from and to the extent of Pledged Revenues (after deposits to the Bond Interest Account and the Bond Principal Account have been made), at such times and in such amounts as directed by the Authority, until (but in no event later than thirty-six (36) months following such valuation date) the lesser of (i) an amount equal to the face value of such Reserve Fund Insurance Policy or (ii) the amount necessary for the amount on deposit in the Reserve Fund to equal the Reserve Fund Requirement has been deposited to the Reserve Fund.

See "INTRODUCTION—Proposed Amendments to Trust Agreement" in the front of this Official Statement and "APPENDIX H—PROPOSED AMENDMENTS TO TRUST AGREEMENT."

Investments

Moneys held by the Trustee in the funds and accounts created under the Agreement are to be invested and reinvested as directed by the LACMTA, subject to the investment restrictions imposed upon the LACMTA by the laws of the State and provided that moneys in Debt Service Fund and the Reserve Fund will be invested solely in Government Obligations of the type described in provision (a) or (b) of the definition thereof, or in obligations, of any agency or instrumentality of the United States of America backed by the full faith and credit of the United States of America. The Agreement was amended by the Third Supplemental Agreement to recognize a provision added to the California Government Code which expands the permissible investments, for trustee-held funds. As a result, those funds which may be invested subject only to the investment restrictions imposed by the laws of the State may be invested in any investment which the LACMTA deems to be prudent.

Defeasance

First Tier Senior Lien Bonds or portions thereof which have been paid in full or which are deemed to have been paid in full will no longer be secured by or entitled to the benefits of the Agreement except for the purposes of payment from moneys or Government Obligations held by the Trustee or a Paying Agent for such purpose. When all First Tier Senior Lien Bonds have been paid in full or are deemed to have been paid in full, and all other sums payable by the LACMTA under the Agreement, including all necessary and proper fees, compensation and expenses of the Trustee, the Registrar and the Paying Agent, have been paid or are duly provided for, then the right, title and interest of the Trustee in and to the Pledged Revenues will cease, and thereupon the Trustee will cancel, discharge and release the Agreement and will assign and deliver to the LACMTA any property and revenues at the time subject to the Agreement which may then be in the Trustee's possession, except funds or securities in which such funds are invested and held by the Trustee or a Paying Agent for the payment of the principal of, premium, if any, and interest on the First Tier Senior Lien Bonds.

A First Tier Senior Lien Bond will be deemed to be paid when (a) payment of the principal, interest and premium, if any, either (i) have been made or caused to be made in accordance with the terms of the First Tier Senior Lien Bonds and the Agreement, or (ii) have been provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment; moneys sufficient to make such payment and/or Government Obligations of the type described in provisions (a) or (b) of the definition thereof, maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment; (b) all necessary and proper fees, compensation and expenses of the Trustee, the Registrar and the Paying Agents have been paid or provision made for the payment thereof; and (c) if the deposit is made under the provision described in (a)(ii), then certain opinions of counsel will have been delivered to the Trustee and proper notice of redemption of such First Tier Senior Lien Bonds will have been given or, in the event such First Tier Senior Lien Bonds are not to be redeemed within the next succeeding 60 days, the LACMTA will have given the Trustee irrevocable instructions to notify, as soon as practicable, the holders of the First Tier Senior Lien Bonds that the deposit has been made and that such First Tier Senior Lien Bonds are deemed to have been paid.

Events of Default and Remedies

Events of Default. Each of the following events is defined in the Agreement to constitute an "Event of Default":

(a) a failure to pay the principal of or premium, if any, on any of the First Tier Senior Lien Bonds when the same become due and payable at maturity or upon redemption;

(b) a failure to pay any installment of interest on any of the First Tier Senior Lien Bonds when such interest becomes due and payable;

(c) a failure to pay the purchase price of any First Tier Senior Lien Bond when such purchase price is due and payable upon an optional or mandatory tender date as provided in the First Tier Senior Lien Bond;

(d) a failure by the LACMTA to observe and perform any covenant, condition, agreement or provision (other than as specified in clauses (a), (b) and (c) above) contained in the First Tier Senior Lien Bonds or in the Agreement, which failure continues for a period of 60 days after written notice has been given to the LACMTA as provided in the Agreement, unless an extension of such period has been granted as provided in the Agreement; provided, however, that such an extension will be deemed to have been granted if corrective action is initiated by the LACMTA within such period and is being diligently pursued;

(e) any proceeding will be instituted by or with the consent of the LACMTA, for the purpose of effecting a composition between the LACMTA and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or State statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from Pledged Revenues;

(f) a default on the part of the LACMTA in payment of the principal of or interest on any obligation for the repayment of borrowed money and such default will continue for a period of 30 days or any default on the part of the LACMTA with respect to a debt obligation which results in an acceleration of the principal and accrued interest of such debt and, in either case, the principal amount of such debt will be at least equal to 3.5% of the Proposition A Sales Tax revenues for the most recent complete Fiscal Year; provided that a payment default as described in this clause (f) will not be an Event of Default if the LACMTA, in good faith, commences proceedings to contest the existence of such default or required payment and sufficient moneys are escrowed or a bond provided to secure for the full payment of the amount claimed to be owed;

(g) the use of amounts from the Reserve Fund to pay principal and/or interest on the First Tier Senior Lien Bonds and the failure to restore the amount on deposit in the Reserve Fund to the Reserve Fund Requirement for the First Tier Senior Lien Bonds within one year from the date of such withdrawal;

(h) there will be a failure on the part of the Department of Tax and Fee Administration (or any successor to the functions of the Department of Tax and Fee Administration) to collect the Proposition A Sales Tax or to pay the Pledged Tax to the Trustee or the LACMTA, or the LACMTA diverts or attempts to divert the Pledged Tax for any use prior to the deposit of the Pledged Tax into the funds and accounts held by the Trustee or there is created a lien on or a charge against the Pledged Revenues or the funds and accounts held by the Trustee under the Agreement for the benefit of all the First Tier Senior Lien Bonds which is prior to, or, except to the extent permitted by the Agreement, on a parity with that granted to secure the First Tier Senior Lien Bonds; or

(i) the occurrence of any other Event of Default as is provided in a Supplemental Agreement.

Acceleration; Other Remedies. Upon the occurrence and continuance of an Event of Default, the Trustee may, at any time, and the Trustee will, upon the written request of holders of 25% or more of the principal amount of First Tier Senior Lien Bonds then Outstanding and subject to acceleration, declare the First Tier Senior Lien Bonds which are subject to acceleration to be immediately due and payable. All First Tier Senior Lien Bonds Outstanding under the Agreement will be subject to acceleration unless, under the terms of the Supplemental Agreement providing for such issuance of such First Tier Senior Lien Bonds, a specific Series is, for a specified period, which may include the entire term of such Series, secured by a separate source and not subject to acceleration during such period. If, however, after the principal of the First Tier Senior Lien Bonds which are subject to acceleration will have been declared to be due and payable, and before any judgment or decree for the payment of the moneys due will have been obtained or entered, there is deposited with the Trustee a sum sufficient to pay all matured installments of interest and the principal of any and all First Tier Senior Lien Bonds which will have become due otherwise than by reason of such declaration and such amount as will be sufficient to compensate and reimburse the Trustee, and all Events of Default, other than nonpayment of the principal of First Tier Senior Lien Bonds which will have become due by such declaration, will have been remedied, then the Trustee may, and at the request of the holders of a majority in principal amount of First Tier Senior Lien Bonds outstanding will, waive the Event of Default and rescind or annul the acceleration and its consequences.

Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion may, and upon the written direction of the holders of 25% or more of the principal amount of the First Tier Senior Lien Bonds then outstanding and receipt of indemnity to its satisfaction will:

(a) by mandamus, or other suit, action or proceeding at law or equity, enforce all rights of the First Tier Senior Lien Bondholders, and require the LACMTA to cancel out any agreements with or for the benefit of the First Tier Senior Lien Bondholders and to perform its or their duties under the Act or any other law to which it is subject and the Agreement; provided that any such remedy may be taken only to the extent under the applicable provisions of the Agreement;

(b) bring suit upon the First Tier Senior Lien Bonds;

(c) commence an action or suit in equity to require the LACMTA to account as if it were the trustee of an express trust for the First Tier Senior Lien Bondholders; or

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the First Tier Senior Lien Bondholders.

First Tier Senior Lien Bondholders' Right To Direct Proceedings. The holders of a majority in principal amount of the First Tier Senior Lien Bonds then Outstanding will have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under the Agreement to be taken in connection with the enforcement of the terms of the Agreement or exercising any trust or power conferred on the Trustee by the Agreement; provided that such direction will not be otherwise than in accordance with the provisions of law and the Agreement and that the Trustee will first have been indemnified and provided security to the extent satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee.

Limitation on First Tier Senior Lien Bondholders' Right To Institute Proceedings. No First Tier Senior Lien Bondholder will have any right to institute any suit, action or proceeding for the execution of any trust or power under the Agreement, or any other remedy, unless (a) such First Tier Senior Lien Bondholder or First Tier Senior Lien Bondholders have given the Trustee written notice of an Event of Default; (b) the holders of 25% or more of the principal amount of the First Tier Senior Lien Bonds then Outstanding will have made written request of the Trustee so to do and will have afforded the Trustee a reasonable opportunity to proceed to institute the same; (c) there also will have been offered to the Trustee security and indemnity satisfactory to the Trustee; and (d) the Trustee will not have complied with such request within a reasonable time.

Rights and Duties of the Trustee; Other Agents

Under the Agreement, if an Event of Default has occurred and is continuing, the Trustee will exercise its rights and powers and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in the Agreement and no others and, in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Agreement.

The Agreement states that the Trustee will not be liable for any error of judgment made in good faith by an officer of the Trustee unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from First Tier Senior Lien Bondholders or the LACMTA in the manner provided in the Agreement; and no provision of the Agreement requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties thereunder or in the exercise of any of its rights or powers, if it will have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The Trustee may, unless such right is restricted by a Supplemental Agreement, refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability or expense, but the Trustee may not require indemnity as a condition to declaring the principal of and interest on the First Tier Senior Lien Bonds to be due immediately.

The LACMTA or the Trustee may from time to time appoint other agents to perform duties and obligations under the Agreement or a Supplemental Agreement, which agents may include, but not be limited to, tender agents, remarketing agents and authenticating agents all as provided by a Supplemental Agreement or resolution of the LACMTA.

Replacement of Trustee

The Trustee may resign by notifying the LACMTA in writing at least 60 days prior to the proposed effective date of the resignation. The holders of a majority in principal amount of the First Tier Senior Lien Bonds may remove the Trustee by notifying the removed Trustee and may appoint a successor Trustee with the LACMTA's consent. The LACMTA may remove the Trustee by notice in writing delivered to the Trustee 60 days prior to the proposed removal date, if (a) the Trustee fails to comply with the eligibility requirements for the Trustee as set forth in the Agreement which include the requirement that the Trustee have a combined capital and surplus of at least $100,000,000; (b) the Trustee is adjudged a bankrupt or an insolvent; (c) a receiver or other public officer takes charge of the Trustee or its property; (d) the Trustee otherwise becomes incapable of acting; or (e) the LACMTA determines that the Trustee's services are no longer satisfactory to the LACMTA; provided, however, that the LACMTA will have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing.

The Agreement states that no resignation or removal of the Trustee will be effective until a new Trustee has taken office.

Amendments

Without the Consent of First Tier Senior Lien Bondholders. The LACMTA may, without the consent of or notice to the First Tier Senior Lien Bondholders, execute and deliver Supplemental Agreements as follows:

(a) to provide for the issuance of a Series or multiple Series of First Tier Senior Lien Bonds under the provisions of the Agreement and to set forth the terms of such First Tier Senior Lien Bonds and the special provisions which will apply to such First Tier Senior Lien Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in the Agreement or any Supplemental Agreement;

(c) to add to the covenants and agreements of the LACMTA in the Agreement or any Supplemental Agreement or other covenants and agreements, or to surrender any right or power reserved or conferred upon the LACMTA, and which will not adversely affect the interests of the First Tier Senior Lien Bondholders;

(d) to confirm, as further assurance, any interest of the Trustee in and to the Pledged Revenues or in and to the funds and accounts held by the Trustee or in and to any other moneys, securities or funds of the LACMTA provided pursuant to the Agreement or otherwise to add additional security for the First Tier Senior Lien Bondholders;

(e) to evidence any change made in the terms of any Series of First Tier Senior Lien Bonds if such changes are authorized by the Supplemental Agreement at the time the Series of First Tier Senior Lien Bonds is issued and such change is made in accordance with the terms of such Supplemental Agreement;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(g) to modify, alter, amend or supplement the Agreement or any Supplemental Agreement in any other respect which in the judgment of the LACMTA, as concurred in by the Trustee, is not materially adverse to the First Tier Senior Lien Bondholders;

(h) to provide for uncertificated First Tier Senior Lien Bonds or for the issuance of coupons and bearer First Tier Senior Lien Bonds or First Tier Senior Lien Bonds registered only as to principal;

(i) to qualify the First Tier Senior Lien Bonds or a Series of First Tier Senior Lien Bonds for a rating or ratings by Fitch, Moody's and/or S&P; and

(j) to comply with the requirements of the Code as are necessary, in the opinion of bond counsel, to prevent the federal income taxation of the interest on the First Tier Senior Lien Bonds.

Before the LACMTA will, without First Tier Senior Lien Bondholder consent, execute any Supplemental Agreement subsequent to the First Supplemental Agreement, there will be delivered to the LACMTA an opinion of bond counsel stating that such Supplemental Agreement is authorized or permitted by the Agreement, the Act and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the LACMTA in accordance with its terms and will not adversely affect the exemption from federal income taxation of interest on First Tier Senior Lien Bonds which are then unpaid and for which there has been delivered an opinion of bond counsel to the effect that interest in such First Tier Senior Lien Bonds is exempt from federal income taxation.

In addition to the foregoing provisions, if at any time when the reimbursement agreement relating to the Proposition A Commercial Paper Notes is in effect, the LACMTA will request that the Trustee execute a Supplemental Agreement, and such Supplemental Agreement provides for the deposit of Pledged Revenues into the Subordinate Lien Obligation Fund to be used to pay subordinate obligations, the Trustee will execute and deliver such Supplemental Agreement only if it has first received a written statement of an Authorized Authority Representative certifying that, after the issuance of such subordinated obligations, the ratio of Pledged Revenues to Projected Maximum Total Annual Debt Service (as defined in such reimbursement agreement) will be in compliance with the provisions of such reimbursement agreement and a written statement of the agent bank under such reimbursement agreement that it has reviewed the information on which the LACMTA has relied in making such certificate and finds it to be satisfactory.

With the Consent of First Tier Senior Lien Bondholders. Except for amendments described above or amendments affecting less than all Series of First Tier Senior Lien Bonds as described in the following paragraph, the holders of not less than 60% in aggregate principal amount of the First Tier Senior Lien Bonds then Outstanding will have the right to consent to and approve the execution of any Supplemental Agreement deemed necessary or desirable by the LACMTA for the purposes of modifying, altering, amending, supplementing or rescinding, any of the terms or provisions contained in the Agreement or a Supplemental Agreement; provided, however, that, unless approved in writing by the holders of all the First Tier Senior Lien Bonds then Outstanding or unless such change affects less than all Series of First Tier Senior Lien Bonds and the following paragraph is applicable, no amendment may (a) change the times, amounts of currency of payment of the principal of or interest on any Outstanding First Tier Senior Lien Bonds; (b) reduce the principal amount or redemption price of any Outstanding First Tier Senior Lien Bonds or the rate of interest thereon; and no amendment will, unless approved in writing by the holders of all the First Tier Senior Lien Bonds then Outstanding, permit or be construed as permitting; (c) the creation of a lien except as expressly permitted by the Agreement as originally executed upon or pledge of the Pledged Revenues created by the Agreement, ranking prior to or on a parity with the claim created by the Agreement; (d) except with respect to additional security which may be provided for a particular Series of First Tier Senior Lien Bonds, a preference or priority of any Senior Lien Bond or First Tier Senior Lien Bonds over any other Senior Lien Bond or First Tier Senior Lien Bonds; or (e) a reduction in the aggregate principal amount of First Tier Senior Lien Bonds the consent of the First Tier Senior Lien Bondholders of which is required for any such Supplemental Agreement.

The LACMTA may, from time to time and at any time, execute a Supplemental Agreement which amends the provisions of an earlier Supplemental Agreement under which a Series or multiple Series of First Tier Senior Lien Bonds were issued. If such Supplemental Agreement is executed for one of the purposes set forth under the caption "Without the Consent of First Tier Senior Lien Bondholders," no notice to or consent of the First Tier Senior Lien Bondholders will be required. If such Supplemental Agreement contains provisions which affect the rights and interests of less than all Series of First Tier Senior Lien Bonds Outstanding, then the holders of not less than 60% in aggregate principal amount of the First Tier Senior Lien Bonds of all Series which are affected by such changes will have the right from time to time to consent to and approve the execution of any Supplemental Agreement deemed necessary or desirable by the LACMTA for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular any of the terms or provisions contained in such Supplemental Agreement and affecting only the First Tier Senior Lien Bonds of such Series; provided, however, that, unless approved in writing by the holders of all the First Tier Senior Lien Bonds of all the affected Series, no amendment may (a) change the times, amounts or currency of payment of the principal of or interest on any outstanding First Tier Senior Lien Bonds of such Series; or (b) reduce the principal amount or redemption price of any outstanding First Tier Senior Lien Bonds of such Series or the rate of interest thereon.

FORTIETH SUPPLEMENTAL TRUST AGREEMENT

The following is a summary of certain provisions of the Fortieth Supplemental Agreement. Such summary is only a brief description of limited provisions of such document and is qualified in its entirety by reference to the full text of the Fortieth Supplemental Agreement.

Terms of the Series 2019-A Bonds

The Fortieth Supplemental Agreement sets forth the terms of the Series 2019-A Bonds, most of which terms are described earlier in this Official Statement under the caption "DESCRIPTION OF THE SERIES 2019-A BONDS."

Rebate Fund

The LACMTA agrees that it will instruct the Trustee to establish and maintain a Rebate Fund which fund will be established for the purpose of complying with certain provisions of the Code which require that the LACMTA pay to the United States of America the excess, if any, of the amounts earned on certain funds held with respect to the Series 2019-A Bonds over the amounts which would have been earned on such funds if such funds earned interest at a rate equal to the yield on the Series 2019-A Bonds. Such excess is to be deposited into the Rebate Fund and periodically paid to the United States of America. The Rebate Fund to be held by the Trustee under the terms of the Fortieth Supplemental Agreement will be held in trust to the extent required to satisfy the Rebate Requirement, for the account of the LACMTA, and will not be pledged as security for nor be available to make payment on the Series 2019-A Bonds.

Separate Funds and Accounts

The Fortieth Supplemental Agreement creates, among other funds and accounts, the Series 2019-A Bond Interest Subaccount of the Bond Interest Account of the Debt Service Fund, the Series 2019-A Bond Principal Subaccount of the Bond Principal Account of the Debt Service Fund, the Series 2019-A Costs of Issuance Fund and the Series 2019-A Reserve Account in the Reserve Fund.

Tax Covenants

In order to maintain the exclusion from gross income of the interest on the Series 2019-A Bonds for federal income tax purposes, the LACMTA will make all calculations relating to any rebate of excess investment earnings on the proceeds of the Series 2019-A Bonds due to the federal government of the United States in a reasonable and prudent fashion and will segregate and set aside the lawfully available amounts such calculations indicate may be required to be paid to the federal government of the United States, and otherwise will at all times do and perform all acts and things within its power and authority necessary to comply with each applicable requirement of the Code.

Additional Event of Default

The LACMTA agrees to comply with the Tax Certificate. The Trustee, by acceptance of its duties under the Fortieth Supplemental Agreement, agrees to comply with any instructions received from the LACMTA which the LACMTA indicates must be followed in order to comply with the Tax Certificate. The failure of the LACMTA to comply with the Tax Certificate or certain provisions of the Fortieth Supplemental Agreement relating to tax covenants is determined to be an Event of Default under the Fortieth Supplemental Agreement.

APPENDIX E
PROPOSED FORM OF BOND COUNSEL'S OPINION

[Closing Date]

[To be revised by Bond Counsel]

Los Angeles County Metropolitan
Transportation Authority
Los Angeles, California

$____________
Los Angeles County Metropolitan Transportation Authority
Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds
Series 2019-A

Ladies and Gentlemen:

We have acted as Bond Counsel to the Los Angeles County Metropolitan Transportation Authority (the "Authority") in connection with the issuance by the Authority of $____________ aggregate principal amount of its Los Angeles County Metropolitan Transportation Authority Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2019-A (the "Series 2019-A Bonds"). The Series 2019-A Bonds are being issued pursuant to the Los Angeles County Transportation Commission Revenue Bond Act, Section 130500, et seq., of the California Public Utilities Code (the "Authority Act"), the Trust Agreement, dated as of July 1, 1986, as amended (the "Trust Agreement"), by and between the Authority, as successor to the Los Angeles County Transportation Commission, and The Bank of New York Mellon Trust Company, N.A., formerly known as The Bank of New York Trust Company, N.A., as successor to BNY Western Trust Company, as successor in interest to Wells Fargo Bank, N.A., as successor by merger to First Interstate Bank of California, as trustee (the "Trustee"), and the Fortieth Supplemental Trust Agreement, dated as of April 1, 2019 (the "Fortieth Supplemental Agreement," and together with the Trust Agreement, the "Agreement"), by and between the Authority and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

In connection with the issuance of the Series 2019-A Bonds and the opinions set forth below, we have examined: (a) a copy of the Authority Act; (b) copies of the proceedings of the Board of Directors of the Authority with respect to the issuance of the Series 2019-A Bonds; (c) an executed copy of the Trust Agreement; (d) an executed copy of the Fortieth Supplemental Agreement; (e) an executed copy of the Escrow Agreement, dated April 17, 2018, by and between the Authority, the Trustee and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent"); (f) certifications of the Authority, the Trustee, the Escrow Agent, the winning bidder for the Series 2019-A Bonds, and others; (g) an executed copy of the Authority's Tax Compliance Certificate, dated the date hereof, relating to the Series 2019-A Bonds (the "Tax Certificate"); (h) opinions of the Los Angeles County Counsel and counsel to the Trustee and the Escrow Agent; (i) an executed copy of the verification report, dated the date hereof, by [___________]; and (j) such other documents, opinions and matters as we deemed relevant and necessary in rendering this opinion letter.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or whether any other matters come to our attention after the date hereof. We call attention to the fact that the obligations of the Authority, the security provided therefor, as contained in the Series 2019-A Bonds and the Agreement, may be subject to general principles of equity which permit the exercise of judicial discretion, and are subject to the provisions of applicable bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, and to the limitations on legal remedies against entities such as the Authority in the State of California. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Series 2019-A Bonds or the Agreement. We have not undertaken any responsibility for the accuracy, completeness or fairness of the Official Statement dated April ___, 2018, or any other offering material relating to the Series 2019-A Bonds and express no opinion relating thereto.

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

1. The Series 2019-A Bonds constitute the valid and binding limited obligations of the Authority secured by a first lien on and pledge of and are payable from the Pledged Revenues and certain funds and accounts held by the Trustee under the Agreement.

2. The Agreement has been duly authorized, executed and delivered by the Authority, and, assuming the due authorization, execution and delivery by the Trustee, constitutes the valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms. The Agreement creates a valid pledge, to secure the payment of the principal of and interest on the Series 2019-A Bonds, of the Pledged Revenues and certain funds and accounts held by the Trustee under the Agreement, subject to the provisions of the Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

3. Neither the faith and credit nor the taxing power of the County of Los Angeles, the State of California or any political subdivision or public agency thereof, other than the Authority to the extent of the Pledged Revenues and certain other amounts held by the Trustee under the Agreement, is pledged to the payment of the principal of or interest on the Series 2019-A Bonds.

4. Under existing laws, regulations, rulings and judicial decisions, interest on the Series 2019-A Bonds is excluded from gross income for federal income tax purposes. Interest on the Series 2019-A Bonds is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations, however, for taxable years beginning before January 1, 2018, such interest is included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of federal alternative minimum taxable income 75% of the excess of such corporations' adjusted current earnings over their federal alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses).

5. Under existing laws, interest on the Series 2019-A Bonds is exempt from present State of California personal income taxes.

We note that no federal alternative minimum tax applies to corporations for taxable years beginning on and after January 1, 2018.

The opinions set forth in numbered paragraph 4 above regarding the exclusion of interest from gross income of the recipient is subject to continuing compliance by the Authority with covenants regarding federal tax law contained in the Agreement and the Tax Certificate. Failure to comply with such covenants could cause interest on the Series 2019-A Bonds to be included in gross income retroactive to the date of issue of the Series 2019-A Bonds. Although we are of the opinion that interest on the Series 2019-A Bonds is excluded from gross income for federal tax purposes, the accrual or receipt of interest on the Series 2019-A Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

Our engagement with respect to the Series 2019-A Bonds has concluded with their issuance, and we disclaim any obligation to update this opinion letter.

Respectfully submitted,

APPENDIX F
FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Certificate") is executed and delivered by the Los Angeles County Metropolitan Transportation Authority (the "Authority") in connection with the issuance of its $__________ Proposition A First Tier Senior Sales Tax Revenue Refunding Bonds, Series 2019-A (the "Series 2019-A Bonds") pursuant to the terms of the Agreement (as defined herein). The Authority covenants and agrees as follows:

Section 1. Definitions.

"*Agreement*" means, collectively, the Trust Agreement, dated as of July 1, 1986, as amended and supplemented, by and between the Authority (as successor to the Los Angeles County Transportation Commission) and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A., as successor to BNY Western Trust Company, as successor in interest to Wells Fargo Bank, N.A., successor by merger to First Interstate Bank of California), as trustee (the "*Trustee*"), and the Fortieth Supplemental Trust Agreement, dated as of April 1, 2019, by and between the Authority and the Trustee.

"*Annual Information*" means the information specified in Section 4 hereof.

"*EMMA System*" means the MSRB's Electronic Municipal Market Access system or any successor nationally recognized municipal securities information repositories recognized by the Securities and Exchange Commission for the purposes referred to in Rule 15c2-12.

"*Holder*" means any registered owner of Series 2019-A Bonds and any beneficial owner of Series 2019-A Bonds within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended.

"*Listed Events*" means any of the events listed in Section 5 hereof.

"*MSRB*" means the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"*Official Statement*" means the Official Statement, dated _________, 2019, prepared and distributed in connection with the issuance of the Series 2019-A Bonds.

"*Rule 15c2-12*" means Rule 15c2-12, as amended through the date of this Certificate, as promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

Section 2. Purpose of the Certificate. This Certificate is being executed and delivered by the Authority pursuant to Rule 15c2-12 for the benefit of the Holders of the Series 2019-A Bonds in order to assist the participating underwriters in complying with Rule 15c2-12.

Section 3. Provision of Annual Information.

(a) The Authority shall, not later than 195 days following the end of each Fiscal Year of the Authority (which Fiscal Year currently ends on June 30), commencing with the report for Fiscal Year ended June 30, 2019, provide to the MSRB through the EMMA System, in an electronic format and accompanied by identifying information all as prescribed by the MSRB, the Annual Information relating to the immediately preceding Fiscal Year that is consistent with the requirements of Section 4 hereof, which Annual Information may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 hereof; provided that any audited financial statements may be submitted separately from the balance of the Annual Information and later than the date required above for the filing of the Annual Information if they are not available by that date. If the Fiscal Year for the Authority changes, the Authority shall give notice of such change in the same manner as for a Listed Event under Section 5(e) hereof.

(b) If in any year, the Authority does not provide the Annual Information to the MSRB by the time specified above, the Authority shall instead file a notice to the MSRB through the EMMA System stating that the Annual Information has not been timely completed and, if known, stating the date by which the Authority expects to file the Annual Information.

Section 4. Content of Annual Information. The Annual Information shall contain or incorporate by reference the following:

(a) The audited financial statements of the Authority for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as in effect from time to time and as applied to governmental units. If the Authority's audited financial statements are not available by the time the Annual Information is required to be filed pursuant to Section 3(a) hereof, the Annual Information shall contain unaudited financial statements and the audited financial statements shall be filed in the same manner as the Annual Information when they become available.

(b) Updated historical information of the type set forth in "TABLE 4—Historic Net Proposition A Sales Tax Revenues, Local Allocations and Pledged Revenues" of the Official Statement; and

(c) Updated information of the type set forth in "TABLE 9—Los Angeles County Metropolitan Transportation Authority, Combined Proposition A Debt Service Schedule First Tier Senior Lien Bonds" of the Official Statement, but only the information in the column entitled "Total Debt Service" and in the column entitled "Combined Total Debt Service First Tier Senior Lien Bonds" and only to the extent the information in these columns has changed.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, that have been submitted to the MSRB through the EMMA System.

Section 5. Reporting of Listed Events.

(a) The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2019-A Bonds not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;

5. Adverse tax opinions with respect to the tax status of the Series 2019-A Bonds or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB) with respect to the Series 2019-A Bonds;

6. Tender offers;

7. Defeasances;

8. Rating changes;

9. Bankruptcy, insolvency, receivership or similar event of the Authority; or

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

10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Authority, any of which reflect financial difficulties.

(b) The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2019-A Bonds, if material, not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), adverse tax opinions or other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Series 2019-A Bonds or other material events affecting the tax status of the Series 2019-A Bonds;

2. Modifications to rights of the Owners of the Series 2019-A Bonds;

3. Optional, unscheduled or contingent bond calls;

4. Release, substitution or sale of property securing repayment of the Series 2019-A Bonds;

5. Non-payment related defaults;

6. The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

7. Appointment of a successor or additional trustee or the change of name of a trustee; or

8. Incurrence of a financial obligation of the Authority, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Authority, any of which affect security holders.

> Note: For purposes of the events listed as (a)(10) and (b)(8), the term "financial obligation" means (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2 12.

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

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

(e) If the Authority learns of an occurrence of a Listed Event described in Section 5(a) hereof, or determines that knowledge of a Listed Event described in Section 5(b) hereof would be material under applicable federal securities laws, the Authority shall within ten business days of occurrence file a notice of such occurrence with the MSRB through the EMMA System in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsections (a)(7) or (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Series 2019-A Bonds pursuant to the Agreement.

Section 6. Remedies. If the Authority shall fail to comply with any provision of this Certificate, then any Holder may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding in law or in equity, this Certificate against the Authority and any of the officers, agents and employees of the Authority, and may compel the Authority or any such officers, agents or employees to perform and carry out their duties under this Certificate; provided that the sole and exclusive remedy for breach of this Certificate shall be an action to compel specific performance of the obligations of the Authority hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and, provided further, that any challenge to the adequacy of any information provided pursuant to Section 4 or 5 hereof may be brought only by the Holders of 25% in aggregate principal amount of the Series 2019-A Bonds at the time outstanding. A failure by the Authority to comply with the provisions of this Certificate shall not constitute an Event of Default under the Agreement.

Section 7. Parties in Interest. This Certificate is executed and delivered solely for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 8. Amendment. Without the consent of any Holders of Series 2019-A Bonds, the Authority at any time and from time to time may enter into any amendments or changes to this Certificate for any of the following purposes:

(a) to comply with or conform to any changes in Rule 15c2-12 or any authoritative interpretations thereof by the Securities and Exchange Commission or its staff (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Authority and the assumption by any such successor of the covenants of the Authority hereunder;

(d) to add to the covenants of the Authority for the benefit of the Holders, or to surrender any right or power herein conferred upon the Authority; or

(e) to modify the contents, presentation and format of the Annual Information from time to time as a result of a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Authority, or type of business conducted; provided that (i) the certificate, as amended, would have complied with the requirements of Rule 15c2-12 at the time of the offering of the Series 2019-A Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances; and (ii) the amendment or change does not materially impair the interests of Holders, as determined either by a party unaffiliated with the Authority (such as bond counsel), or by the vote or consent of Holders of a majority in outstanding principal amount of the Series 2019-A Bonds on or prior to the time of such amendment or change.

Section 9. Termination of Obligation. This Certificate shall remain in full force and effect until such time as all principal of and interest on the Series 2019-A Bonds shall have been paid in full or legally defeased pursuant to the Agreement. Upon any such legal defeasance, the Authority shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Series 2019-A Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 10. Governing Law. THIS CERTIFICATE SHALL BE GOVERNED BY THE LAWS OF CALIFORNIA DETERMINED WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAW.

IN WITNESS WHEREOF, the undersigned has executed this Continuing Disclosure Certificate this __ day of ______, 2019.

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By: ________________________________
Name: ___________________________
Title: ____________________________

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APPENDIX G
BOOK-ENTRY-ONLY SYSTEM

Introduction

Unless otherwise noted, the information contained under the subcaption "—General" below has been provided by DTC. LACMTA makes no representations as to the accuracy or completeness of such information. Further, LACMTA undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on DTC's websites as described under "—General," including, but not limited to, updates of such information or links to other Internet sites accessed through the aforementioned websites. The beneficial owners of the Series 2019-A Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER LACMTA NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2019-A BONDS UNDER THE AGREEMENT; (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2019-A BONDS; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT TO THE OWNERS OF THE SERIES 2019-A BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF SERIES 2019-A BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2019-A Bonds. The Series 2019-A 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 Series 2019-A Bond certificate will be issued for each maturity of the Series 2019-A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or held by the Trustee.

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.

Purchases of the Series 2019-A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019-A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019-A 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 Series 2019-A 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 Series 2019-A Bonds, except in the event that use of the book entry system for the Series 2019-A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019-A 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 the Series 2019-A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019-A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019-A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019-A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019-A Bonds, such as redemptions, tenders, defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2019-A Bonds may wish to ascertain that the nominee holding the Series 2019-A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

While the Series 2019-A Bonds are in the book entry only system, redemption notices will be sent to DTC. If less than all of the Series 2019-A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019-A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to LACMTA 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 Series 2019-A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and interest payments on the Series 2019-A 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 LACMTA or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with 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, LACMTA, or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of LACMTA or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019-A Bonds at any time by giving reasonable notice to LACMTA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2019-A Bond certificates are required to be printed and delivered.

LACMTA may decide to discontinue use of the system of book entry only transfers through DTC (or a successor securities depository). In that event, Series 2019-A Bond certificates will be printed and delivered to DTC.

The information in this APPENDIX G concerning DTC and DTC's book-entry system has been obtained from sources that LACMTA believes to be reliable, but LACMTA takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF SERIES 2019-A BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE PARTICIPANTS.

In the event that the book entry only system is discontinued, payments of principal of and interest on the Series 2019-A Bonds will be payable as described in the front part of this Official Statement under the caption "DESCRIPTION OF THE SERIES 2019-A BONDS—General."

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APPENDIX H
PROPOSED AMENDMENTS TO TRUST AGREEMENT

Pursuant to the Thirty-Seventh Supplemental Trust Agreement, dated as of March 1, 2016, by and between LACMTA and the Trustee, certain amendments were made to the Trust Agreement (the "Proposed Amendments"). The Proposed Amendments will not become effective until such time as the Bondholders of not less than 60% in aggregate principal amount of the First Tier Senior Lien Bonds then Outstanding have consented to such Proposed Amendments (the "Amendment Effective Date"). ***By the purchase and acceptance of the Series 2019-A Bonds, the Bondholders and Beneficial Owners of the Series 2019-A Bonds will be deemed to have consented to the Proposed Amendments.*** *Any Bondholders and Beneficial Owners of First Tier Senior Lien Bonds issued on and after March 10, 2017 (including the Series 2019-A Bonds) will be deemed to have consented to and will be subject to the Proposed Amendments, but only after the Bondholders of not less than 60% in aggregate principal amount of the First Tier Senior Lien Bonds then Outstanding have consented to the Proposed Amendments. On the date of issuance of the Series 2019-A Bonds, approximately __% of the Bondholders of the then-Outstanding First Tier Senior Lien Bonds will have consented to the Proposed Amendments. At this time there can be no assurance that the Proposed Amendments will become effective within any definite time frame.*

The Proposed Amendments are set forth in this APPENDIX I. Additions to the Trust Agreement are shown in **bold and double underline** and deletions are shown in ~~strikethrough~~.

Article I – Definitions; Interpretation.

The following definitions are to be amended or added to read as follows:

(a) The definition of "Amendment Effective Date":

"Amendment Effective Date" shall mean the date the amendments to this Agreement set forth in Article VII of the Thirty-Seventh Supplemental Trust Agreement, dated as of March 1, 2016, by and between the Authority and the Trustee, become effective.

(b) The definition of "Debt Service Reserve Fund":

"Debt Service Reserve Fund" shall mean a special fund created by the Authority pursuant to a Supplemental Agreement in connection with the issuance of any Series of Bonds and that is required to be funded for the purpose of providing additional security for such Series of Bonds and under certain circumstances to provide additional security for such other designated Series of Bonds issued pursuant to the terms of this Indenture and as specified in any Supplemental Indenture. The Reserve Fund shall be a Debt Service Reserve Fund.

(c) The definition of "Debt Service Reserve Fund Requirement":

"Debt Service Reserve Fund Requirement" shall have the meaning set forth in a Supplemental Agreement pursuant to which a Debt Service Reserve Fund (other than the Reserve Fund) is created.

(d) The definition of "Reserve Fund Insurance Policy":

"Reserve Fund Insurance Policy" shall mean an insurance policy provided by a bond insurer or a letter of credit, deposited in the Reserve Fund **or such other Debt Service Reserve**

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Fund in lieu of or partial substitution for cash or securities on deposit therein. The entity providing such Reserve Fund Insurance Policy shall be rated, at the time such policy **or letter of credit** is delivered, in one of the two highest Rating Categories by both Moody's and S&P.

(e) The definition of "Reserve Fund Participating Bonds:

"Reserve Fund Participating Bonds" shall mean the Bonds originally issued prior to March 10, 2016, any Bonds originally issued between March 10, 2016 and the Amendment Effective Date (unless otherwise released from participating in the Reserve Fund as provided below), and all other Bonds the Authority has elected to have participate in the Reserve Fund.

On and after the Amendment Effective Date, the Authority may elect that one or more series of the Bonds originally issued between March 10, 2016 and the Amendment Effective Date shall no longer constitute Reserve Fund Participating Bonds and shall no longer be secured by the Reserve Fund. The Bonds originally issued prior to March 10, 2016 shall always constitute Reserve Fund Participating Bonds and under no circumstances shall the Bonds originally issued prior to March 10, 2016 be released from participating in the Reserve Fund. At such time as the Authority elects that any Bonds issued between March 10, 2016 and the Amendment Effective Date shall no longer constitute Reserve Fund Participating Bonds, such Bonds shall no longer be secured by or have a lien on the Reserve Fund. Prior to releasing any Bonds from participating in the Reserve Fund, the Authority shall provide:

(a) Written notice to the Trustee, the Bondholders of the applicable Bonds being released from the Reserve Fund, the Bondholders of the Bonds that will remain as Reserve Fund Participating Bonds after the release date, and the Rating Agencies then rating the Reserve Fund Participating Bonds that it has elected to release the applicable Bonds from participating in the Reserve Fund and that such Bonds will no longer constitute Reserve Fund Participating Bonds or be secured by or have a lien on the Reserve Fund.

(b) Directions to the Trustee to (i) calculate the Reserve Requirement on the applicable release date, and (ii) if the amounts on deposit in the Reserve Fund are greater than the Reserve Requirement on the applicable release date, transfer such excess to the Debt Service Fund or such other fund or account as directed by the Authority; and

(c) An opinion of Bond Counsel to the Trustee to the effect that the release of the applicable Bonds from the Reserve Fund and from the pledge and lien on the Reserve Fund will not, in and of itself, cause the interest on any of the Bonds to be included in the gross income of the Bondholders of such Bonds for purposes of federal income taxes.

(f) The definition of "Reserve Fund Requirement":

"Reserve Fund Requirement" shall mean the sum of the Initial Bonds Reserve Requirement and Maximum Annual Debt Service on any Outstanding **Reserve Fund Participating** Bonds issued subsequently to the Initial Bonds; for purposes of the Reserve Fund Requirement, Maximum Annual Debt Service on Variable Rate Indebtedness shall not, after the issuance of such Variable Rate Indebtedness, be required to be adjusted because of the fluctuations in the interest rate on such Variable Rate Indebtedness; the Reserve Fund Requirement is subject to the limitation that the Reserve Fund Requirement shall never exceed an amount which would, in the opinion of Bond Counsel, be determined to be a reasonably required reserve fund within the meaning of the Code and the rulings issued by the United States Department of the Treasury. ~~For purposes of determining the Reserve Fund Requirement, the Bonds issued under the terms of the Second Supplemental Trust Agreement and designated as Sales Tax Revenue Refunding Bonds Series 1987-A shall not be deemed to be Outstanding prior to July 2, 1987, and the Bonds issued under the terms of the Third Supplemental Trust Agreement and designated as Sales Tax Revenue Refunding Bonds Series 1988-A shall not be deemed to be Outstanding prior to July 2, 1988.~~ Subject to the last paragraph of Section 4.06, for purposes of determining if the amount on deposit in the Reserve Fund meets the Reserve Fund Requirement, any Reserve Fund Insurance Policy deposited with the Trustee shall be deemed to be a deposit in the face amount of the policy or the stated amount of the credit facility provided, less any unreimbursed drawings or other amounts not reinstated under such Reserve Fund Insurance Policy.

Section 2.09

(a) Clause (b) of the fourth paragraph of Section 2.09(b):

(b) an original executed counterpart or a copy, certified by an Authorized Authority Representative, of the Supplemental Agreement providing for the issuance of such Series of Bonds and setting forth the terms of such Bonds and, among other matters, the amount, if any, to be deposited to the credit of the Reserve Fund **or such other Debt Service Reserve Fund** to increase the amount therein to an amount equal to the Reserve Fund Requirement **or the Debt Service Reserve Fund Requirement, as applicable**, the amount, if any, of Bond proceeds to be deposited to the credit of the Bond Interest Account as Capitalized Interest;

(b) Clause (3) of the sixth paragraph of Section 2.09(b):

(3) deposit to the credit of the Reserve Fund **or such other Debt Service Reserve Fund**, the amount, if any, provided in the Supplemental Agreement; and

Section 4.05

Clause (c) of the fourth paragraph of Section 4.05:

(c) to the credit of the Reserve Fund **or such other Debt Service Reserve Fund** such portion of the balance, if any, remaining after the making of the deposits described in clauses (a) and (b) above to increase the amount on deposit in the Reserve Fund **and such other Debt Service Reserve Funds** to an amount equal to the Reserve Fund Requirement **and the applicable Debt Service Reserve Fund Requirement, respectively,** or if the entire balance is less than the amount necessary, then the entire balance shall be deposited into the Reserve Fund **and the Debt Service Reserve Funds on a pro-rata basis with respect to the Outstanding principal amounts of the applicable Bonds secured by the Reserve Fund and the other Debt Service Reserve Funds**; provided, however, that so long as any Reserve Fund Insurance Policy shall be in effect and the Reserve Insurer shall not be in default of its obligations thereunder, the Trustee shall withdraw from the Reserve Fund **or the Debt Service Reserve Funds, as applicable**, an amount sufficient to pay the Reserve Insurer the greater of (i) the minimum amount required to be paid in accordance with the provisions of such Reserve Fund Insurance

Policy and any related agreements between the Authority and the Reserve Insurer or (ii) the amount necessary to reinstate the amount available to be drawn under such Reserve Fund Insurance Policy in order to meet the Reserve Fund Requirement;

Section 4.06

The second paragraph of Section 4.06:

Moneys held in the Reserve Fund shall be used for the purpose of paying principal **of** and interest on the **Reserve Fund Participating** Bonds if the amounts in the accounts mentioned in clauses (a) and (b) of Section 4.05 or either of such accounts shall on any date be insufficient to pay in full the interest or principal or interest and principal due on such date. On or about July 1 of each year, commencing July 1, 1987, the Trustee shall value the Reserve Fund, provided that no valuation shall be required in any year in which all investments in the Reserve Fund have an expected weighted average life of less than 5 years. At any time when the Trustee is required to value the Reserve Fund, all investments which have expected weighted average lives of less than 10 years shall be valued at amortized cost and all other investments shall be valued at the then-current market value in a manner satisfactory to the Trustee. If, on any valuation of the Reserve Fund, the value of the Reserve Fund shall exceed the Reserve Fund Requirement, such excess shall be withdrawn and transferred to the Authority to be used for any lawful purpose. In addition, at such time as any Series of **Reserve Fund Participating** Bonds shall be paid in full or shall be deemed to have been paid in full, the Trustee shall value the Reserve Fund, and if the amount on deposit in the Reserve Fund after such Series of **Reserve Fund Participating** Bonds is paid in full, or deemed to have been paid in full, exceeds the Reserve Fund Requirement, such excess shall be withdrawn and transferred to the Authority to be used for any lawful purpose. Except as otherwise provided in the following paragraph, if, on any valuation of the Reserve Fund, the value is less than the Reserve Fund Requirement, deposits shall be made into the Reserve Fund from and to the extent of Pledged Revenues as provided in Section 4.05(c) (after deposits provided in Sections 4.05(a) and (b)) until the Reserve Fund Requirement is restored.

Section 4.10

Section 4.10. **Creation of Debt Service Reserve Fund;** Additional Funds and Accounts. **Notwithstanding Section 2.09, instead of making or causing a deposit to be made to the Reserve Fund, the Authority may, at the time of issuance of any Series of Bonds, provide by Supplemental Agreement for the creation of a Debt Service Reserve Fund as additional security for such Series of Bonds, and in its discretion reserving the right to allow a future Series of Bonds to participate in such Debt Service Reserve Fund, or provide that such Series of Bonds participate in a Debt Service Reserve Fund previously created for an Outstanding Series of Bonds. Any Debt Service Reserve Fund established under a Supplemental Agreement shall be funded, at the time of issuance of such Series of Bonds or over such other period of time as set forth in a Supplemental Agreement, in an amount equal to the Debt Service Reserve Fund Requirement with respect to such Debt Service Reserve Fund. The Authority shall, by such Supplemental Agreement, provide for the manner of funding and replenishing of such Debt Service Reserve Fund and shall establish such other terms with respect to such Debt Service Reserve Fund as the Authority may deem to be appropriate, including providing a Reserve Fund Insurance Policy in lieu thereof.**

Notwithstanding either Section 2.09 hereof or this Section, at the time of issuance of any Series of Bonds, the Authority may provide pursuant to a Supplemental Agreement

that neither a deposit to the Reserve Fund nor to a Debt Service Reserve Fund shall be required and that such Series of Bonds shall not be secured by the Reserve Fund or a Debt Service Reserve Fund.

In addition, the Authority may, by Supplemental Agreement, create additional funds and accounts under this Agreement and for such purposes as the Authority deems appropriate, including separate funds available only for specified Bonds or Series of Bonds; however, the Pledged Revenues shall, in all events, first be used to make the deposits set forth in Section 4.05(a), (b) and (c) before any amounts of Pledged Revenues are used to fund any other funds or accounts.

Article VI

Moneys held by the Trustee in the funds and accounts created under this Agreement shall be invested and reinvested as directed by the Authority, subject to the restrictions set forth in this Article VI and in any Supplemental Agreement and subject to the investment restrictions imposed upon the Authority by the laws of the State. The Authority shall direct such investments by written certificate of an Authorized Authority Representative or by telephone instruction followed by prompt written confirmation by an Authorized Authority Representative, provided that, prior to any investment of funds in the Local Agency Investment Fund, the Trustee shall receive documentation satisfactory to it, and the Authority shall enter into an agreement with the Trustee and satisfactory to the Trustee, regarding the manner of investment of such funds in such Local Agency Investment Fund. The Trustee shall be under no obligation to invest moneys held under this Agreement if the Authority fails to direct the investment of such moneys as required by this Section, and the Trustee shall be under no obligation to determine or inquire into the legality of any investment made at the direction of the Authority. Moneys on deposit in the Debt Service Fund, ~~and~~ the Reserve Fund **and any other Debt Service Reserve Fund** shall be invested solely in (a) Government Obligations of the type described in subdivision (i) or (ii) of the definition thereof and (b) obligations of any agency or instrumentality of the United States of America backed by the full faith and credit of the United States of America. The maturities of investments in the Bond Interest Account and the Bond Principal Account shall not extend beyond the time when funds will be needed therefrom to make payment on the Bonds. Investments in the Debt Service Fund, ~~and~~ the Reserve Fund **and any other Debt Service Reserve Fund** shall be sold or otherwise converted to cash by the Trustee as needed to make payment of principal and interest on the **applicable** Bonds, and the Trustee shall have no liability for the selection and liquidation of such investments or for any losses which may be incurred as a result thereof. Investments in the Construction Fund shall be sold or otherwise converted to cash by the Trustee at the direction of the Authority. The Authority shall direct such sales or conversions of investments in the Construction Fund by written certificate of an Authorized Authority Representative or by telephone instruction followed by prompt written confirmation by an Authorized Authority Representative.

Investments of moneys in any such fund or account shall be deemed at all times to be a part of such fund or account, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account; provided, however, that any interest accruing on the investment of moneys in the Reserve Fund and any profit realized from the investments in the Reserve Fund shall, if and to the extent such earnings or profits would cause the amount in the Reserve Fund to exceed the Reserve Fund Requirement, be paid to the Authority for use for any lawful purpose**; provided, further, that any interest accruing on the investment of moneys in a Debt Service Reserve Fund and any profit realized from the investments in a Debt Service**

Reserve Fund shall, if and to the extent such earnings or profits would cause the amount in such Debt Service Reserve Fund to exceed the applicable Debt Service Reserve Fund Requirement, be paid to the Authority for use for any lawful purpose.

Section 8.01

Paragraph (g) of Section 8.01:

(g) the use of amounts from the Reserve Fund **or such other Debt Service Reserve Fund** to pay principal **of** and/or interest on the **applicable Series of** Bonds and the failure to restore the amount on deposit in the Reserve Fund **or such Debt Service Reserve Fund** to the Reserve Fund Requirements **or the applicable Debt Service Reserve Fund Requirement, as the case may be,** within one year from the date of such withdrawal.