

NOTICE INVITING BIDS

\$[Principal Amount]*
Los Angeles County Metropolitan Transportation Authority
Proposition C Sales Tax Revenue Refunding Bonds,
Senior Bonds, Series 2020-A

NOTICE IS HEREBY GIVEN that electronic bids will be received by the Los Angeles County Metropolitan Transportation Authority (“**LACMTA**”) for the purchase of \$[Principal Amount]* aggregate principal amount of its Proposition C Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2020-A (the “**Series 2020-A Bonds**”). Electronic bids for the purchase of the Series 2020-A Bonds will be accepted through the use of the electronic bidding system of Grant Street Group’s MuniAuction. The bids for the Series 2020-A Bonds will be received on the date and up to the time specified below:

Date and Time: [May 5, 2020]
_:__ a.m. until 8:30 a.m. (California Time)

Submission of Electronic Bids: Only electronic bids submitted through the website of Grant Street Group’s MuniAuction (the “**Approved Provider**”). The Approved Provider will not act agent of LACMTA in connection with the submission of bids and LACMTA assumes no responsibility or liability for bids submitted through the Approved Provider. **None of LACMTA, Hilltop Securities Inc. (“Municipal Advisor”) or Hawkins Delafield & Wood LLP (“Bond Counsel”) shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate or untimely bid submitted through the Approved Provider by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines or any other cause arising from delivery through the Approved Provider.** See “TERMS OF SALE—Information Regarding Electronic Bids” herein.

No written bids or facsimile bids will be accepted.

All electronic bids shall be deemed to incorporate the provisions of the Bid Form attached hereto. See instructions under “TERMS OF SALE—Form of Bid; Interest Rates” and “TERMS OF SALE—Additional Information” herein.

Bids will be considered by LACMTA at the time set forth above at One Gateway Plaza, Treasury Department, 21st Floor, Los Angeles, California 90012. Action will be taken awarding the Series 2020-A Bonds or rejecting all bids for the Series 2020-A Bonds as set forth herein.

* Preliminary; subject to change.

DESCRIPTION OF THE SERIES 2020-A BONDS

Security; Purpose

The Series 2020-A Bonds will be issued under the terms of the Amended and Restated Trust Agreement, dated as of January 1, 2010, as amended and supplemented (the “*Trust Agreement*”), by and between LACMTA and U.S. Bank National Association, as trustee (the “*Trustee*”). In connection with the issuance of the Series 2020-A Bonds, LACMTA will enter into a Thirty-First Supplemental Trust Agreement, to be dated as of May 1, 2020 (the “*Thirty-First Supplemental Agreement*”), by and between LACMTA and the Trustee, to provide for the issuance of the Series 2020-A Bonds and related matters. This Notice Inviting Bids refers to the Trust Agreement and the Thirty-First Supplemental Agreement as the “*Agreement*.”

The Series 2020-A Bonds are limited obligations of LACMTA payable from and secured by a first lien on and a pledge of the “*Pledged Revenues*,” which are (a) moneys collected as a result of the imposition of a certain 1/2 of 1% retail transactions and use tax applicable in the County of Los Angeles (the “*County*”) pursuant to Ordinance No. 49, which the electors of the County approved on November 6, 1990 (the “*Proposition C Sales Tax*”), less 20% thereof which is allocated to local jurisdictions for public transit, paratransit and related services and less an administrative fee paid to the California Department of Tax and Fee Administration (formerly the California State Board of Equalization) in connection with the collection and disbursement of the Proposition C Sales Tax; and (b) certain other limited amounts held by the Trustee under the Agreement, all as further described in the Preliminary Official Statement for the Series 2020-A Bonds (the “*Preliminary Official Statement*”). LACMTA is not obligated to make payments of principal of and interest on the Series 2020-A Bonds from any other source of funds.

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, WILL BE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2020-A BONDS. LACMTA HAS NO POWER TO LEVY PROPERTY TAXES TO PAY THE PRINCIPAL OF OR INTEREST ON THE SERIES 2020-A BONDS.

The Series 2020-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, for the payment of the principal of or interest on the Series 2020-A Bonds.

The Series 2020-A Bonds will be issued for the purposes of (a) current refunding and defeasing all or a portion of LACMTA’s outstanding Proposition C Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2010-A (the “*Refunded Bonds*”); and (b) paying the costs associated with issuing the Series 2020-A Bonds.

LACMTA has previously issued several series of its Proposition C Sales Tax Revenue Bonds payable from the Pledged Revenues on a parity with the Series 2020-A Bonds of which \$[Outstanding Prop C Bonds] in aggregate principal amount remains outstanding as of May 1, 2020 (including the Refunded Bonds). Additional future series of parity bonds are expected to be issued by LACMTA, from time to time, with a lien on the Pledged Revenues on a parity with the Series 2020-A Bonds subject to the terms and

conditions set forth in the Agreement. Bidders are referred to the Agreement and the Preliminary Official Statement for further particulars.

Payment; Book-Entry-Only

The Series 2020-A Bonds will be issued in registered form only, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Series 2020-A Bonds will initially be issued in book-entry form only, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“*DTC*”). Purchasers will not receive certificates from LACMTA representing their interest in the Series 2020-A Bonds. Payments of principal and interest will be made by the Trustee to DTC for subsequent disbursement to DTC participants to then be remitted to the beneficial owners of the Series 2020-A Bonds. See the discussion of the Book-Entry-Only System in Appendix G to the Preliminary Official Statement.

Interest Payment Dates

The Series 2020-A Bonds will be dated their date of delivery ([May 19, 2020])^{*} (the “*Date of Delivery*”). The Series 2020-A Bonds will bear interest from such date and such interest shall be payable on [January 1, 2021] and semiannually thereafter on each July 1 and January 1 until maturity. The Series 2020-A Bonds shall bear interest at the rates to be fixed upon the sale thereof.

Principal Amortization

The Series 2020-A Bonds will be issued in the aggregate principal amount of \$[Principal Amount],^{*} with principal amounts payable, through serial maturities, on July 1 in the years and in the amounts set forth in the Bid Form (subject to adjustments described below).

Adjustments of Principal Amounts

The principal amounts set forth in the Bid Form for the Series 2020-A Bonds will reflect certain estimates of LACMTA and the Municipal Advisor with respect to the likely interest rates of the winning bid and the premium/discount contained in the winning bid. After selecting the winning bid, the amortization schedule contained in the Bid Form may be adjusted as necessary in the determination of the Municipal Advisor in \$5,000 increments to reflect the actual interest rates and any premium/discount in the winning bid, and/or to accommodate the structuring preferences or sizing requirements of LACMTA’s Proposition C bonds (including the Series 2020-A Bonds). The dollar amount bid for the Series 2020-A Bonds by the winning bidder will be adjusted, if applicable, to reflect any such adjustment in the amortization schedule. The adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and original issue discount/premium, if any, but will not change the per bond underwriter’s discount provided in the winning bid. Any such adjustments will be communicated to the winning bidder within twenty-seven (27) hours after the opening of the bid.

Changes in the amortization schedule made as described above will not affect the determination of the winning bidder or give the winning bidder any right to reject the Series 2020-A Bonds.

Serial Bonds Only

The Series 2020-A Bonds will be issued only as serial bonds.

^{*} Preliminary; subject to change.

No Redemption

The Series 2020-A Bonds will not be subject to redemption prior to their stated maturities.

TERMS OF SALE

Form of Bid; Interest Rates

Bidders must bid to purchase all and not part of the Series 2020-A Bonds, and must submit their bids through electronic means as provided in this Notice Inviting Bids. All electronic bids shall be deemed to incorporate the provisions of the Bid Form attached hereto. Bidders must specify one, and only one, rate of interest for each maturity of the Series 2020-A Bonds they are bidding on. No interest rate on the Series 2020-A Bonds shall exceed 5.00% per annum and each interest rate must be expressed in multiples of 1/8 or 1/20 of 1%.

Bidders may bid to purchase the Series 2020-A Bonds from LACMTA at a discount or with a premium. LACMTA reserves the right to reject any and all bids. Each bid must be in accordance with the terms and conditions set forth in this Notice Inviting Bids.

Information Regarding Electronic Bids

Electronic bids must be submitted through the Approved Provider. Any electronic bid submitted through any other means shall be disregarded.

Bidders are permitted to submit bids for the Series 2020-A Bonds during the bidding time period, provided that if any bid becomes a leading bid within two minutes prior to the scheduled end of the bidding, then the time period for submission of bids will automatically extend by two minutes from the time such new leading bid was received (the “Two Minute Rule”). The Two-Minute Rule will remain in effect as long as bids received by MuniAuction meet the requirements of the Two-Minute Rule.

Each electronic bid submitted via the Approved Provider for the purchase of the Series 2020-A Bonds shall be deemed an offer to purchase the Series 2020-A Bonds in response to this Notice Inviting Bids, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the LACMTA. By submitting a bid for the Series 2020-A Bonds, a bidder represents and warrants to LACMTA that the bidder’s bid is submitted for and on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Series 2020-A Bonds.

If any provisions of this Notice Inviting Bids conflict with information provided by the Approved Provider, this Notice Inviting Bids shall control. The time as maintained by the Approved Provider shall constitute the official time with respect to all bids submitted.

“Rules of MuniAuction” can be viewed on the Approved Provider’s Website (see “TERMS OF SALE – Right to Modify or Amend” herein) and, as amended and supplemented from time to time, are incorporated herein by reference. Bidders will be required to verify that they have read the “Rules of MuniAuction” prior to submitting bids. In the event of a conflict between the Rules of MuniAuction and this Notice Inviting Bids, the provisions of this Notice Inviting Bids shall prevail.

In order to ensure that there is sufficient time to verify their eligibility to bid, bidders must visit the Approved Provider’s Website on or before __:00 p.m. California time on [Date], where, if they have never registered with Grant Street Group, they can register and then request admission to bid. There is no charge for registration with Grant Street Group. Only FINRA registered broker-dealers and dealer banks with

DTC clearing arrangements shall be eligible to bid. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Bidders who have already registered with the Approved Provider may call auction support at (412) 391-5555 ext. 5370 to confirm their ID number and password.

LACMTA, the Municipal Advisor and Bond Counsel are not responsible for the proper operation of, and shall not have any liability for any delays or interruptions of or any damages caused by, the Approved Provider. Each bidder expressly assumes the risk of any incomplete, inaccurate or untimely bid submitted through the Approved Provider, including, without limitation, by reason of garbled transmissions, mechanical failure, slow or engaged telephone or telecommunications lines or any other cause. LACMTA is using the Approved Provider as a communications mechanism and not as LACMTA's agent to conduct electronic bidding for the Series 2020-A Bonds. LACMTA is not bound by any advice and determination of the Approved Provider to the effect that any particular bid complies with the terms of this Notice Inviting Bids. All costs and expenses incurred by prospective bidders in connection with their submission of bids through the Approved Provider are the sole responsibility of the bidders and LACMTA is not responsible for any of such costs or expenses. Further information about the Approved Provider, including any fee charged, may be obtained from Grant Street Group's MuniAuction, [Address]; Customer Service Telephone: (412) 246-1370. LACMTA assumes no responsibility or liability for bids submitted through the Approved Provider. To the extent any instructions or directions set forth by the Approved Provider conflict with this Notice Inviting Bids, the terms of this Notice Inviting Bids shall control.

LACMTA may regard the electronic submission of a bid through the Approved Provider (including information about the purchase price for the Series 2020-A Bonds and interest rates to be borne by the various maturities of the Series 2020-A Bonds and any other information included in such transmission) as though the same information were submitted by the bidder on the Bid Form and executed on the bidder's behalf by a duly authorized signatory. If such bid is accepted by LACMTA, this Notice Inviting Bids, the Bid Form and the information that is electronically transmitted through the Approved Provider shall form a contract and the winning bidder shall be bound by the terms of such contract.

Good Faith Deposit

A Good Faith Deposit (the "**Deposit**") in the amount of \$[500,000] is required of the winning bidder for the Series 2020-A Bonds.

The winning bidder for the Series 2020-A Bonds is required to submit the Deposit payable to the order of "Los Angeles County Metropolitan Transportation Authority" in the form of a wire transfer as instructed by LACMTA or the Municipal Advisor not later than four (4) hours after LACMTA has notified the winning bidder of the award. If not so received, the bid of the lowest bidder will be rejected and LACMTA may direct the second lowest bidder to submit a Deposit and thereafter may award the sale of the Series 2020-A Bonds to the same. **No interest on a Deposit will accrue to the winning bidder.** The Deposit will be deposited in an escrow fund and applied to the purchase price of the Series 2020-A Bonds at the time of delivery of the Series 2020-A Bonds.

If after the award of the Series 2020-A Bonds, the winning bidder fails to complete the purchase on the terms stated in its bid, the Deposit received from such bidder by LACMTA will be retained by LACMTA as stipulated liquidated damages. No interest will be paid upon the Deposit made by any bidder. If the aggregate principal amount of the Series 2020-A Bonds is adjusted as described under the caption "DESCRIPTION OF THE SERIES 2020-A BONDS—Adjustments of Principal Amounts," the winning bidder will not be required to make an additional deposit and will not be entitled to the return of any portion of the wire transfer previously delivered except as described in this paragraph.

Best Bid

If a satisfactory bid is received for the Series 2020-A Bonds, the Series 2020-A Bonds will be awarded to the lowest responsible bidder, considering the rate or rates specified and the discount bid or premium offered, if any. The lowest responsible bidder shall be the bidder submitting a price for the Series 2020-A Bonds that results in the lowest true interest cost to LACMTA. The true interest cost shall be computed by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from their respective payment dates to the Date of Delivery of the Series 2020-A Bonds and to the price bid (including any premium or discount) not including accrued interest, if any. In the event two or more bids offer the same lowest true interest cost for the Series 2020-A Bonds, LACMTA reserves the right to exercise its own discretion and judgment in making the award. In the event multiple bids are received from a single Bidder, LACMTA shall accept the best of such bids, and each Bidder agrees by submitting any bid to be bound by its best bid. LACMTA shall have the sole and absolute right to determine the lowest responsible bid in accordance with this Notice Inviting Bids. Upon accepting the best bid, LACMTA shall notify the bidder submitting such bid and shall reject all other bids. LACMTA's determination of the best bid shall be binding and final absent manifest error.

Opening of Bids; Award

The electronic bids for the Series 2020-A Bonds will be retrieved at the time shown above. LACMTA intends to take action awarding the Series 2020-A Bonds or rejecting the bids for the Series 2020-A Bonds not later than twenty-seven (27) hours after the time herein prescribed for the receipt of bids, unless such time of award is waived by the winning bidder. LACMTA will notify the winning bidder of its decision to award the Series 2020-A Bonds to the winning bidder through delivery (via facsimile or other electronic means) of a signed Certificate of Award. Such Certificate of Award will be promptly delivered to the winning bidder after the award is made.

Establishment of Issue Price

(a) The winning bidder shall assist LACMTA in establishing the issue price of the Series 2020-A Bonds and shall execute and deliver to LACMTA on the Date of Delivery of the Series 2020-A Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2020-A Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, LACMTA and Bond Counsel.

(b) LACMTA intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Series 2020-A Bonds) will apply to the initial sale of the Series 2020-A Bonds (the "competitive sale requirements") because:

- (1) LACMTA shall disseminate this Notice Inviting Bids to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) LACMTA may receive bids for the Series 2020-A Bonds from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) LACMTA anticipates awarding the sale of the Series 2020-A Bonds to the bidder who submits a firm offer to purchase the Series 2020-A Bonds at the highest price (or lowest interest cost), as set forth in this Notice Inviting Bids.

Any bid submitted pursuant to this Notice Inviting Bids shall be considered a firm offer for the purchase of the Series 2020-A Bonds, as specified in the bid.

IN THE EVENT THAT THE COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED, LACMTA WILL REJECT ALL BIDS AND CANCEL THE SALE.

BIDDERS SHOULD PREPARE THEIR BIDS ON THE ASSUMPTION THAT THE ISSUE PRICE OF THE SERIES 2020-A BONDS WILL BE THE REASONABLY EXPECTED INITIAL OFFERING PRICE TO THE PUBLIC.

Right to Reject Bids; Waive Irregularities

LACMTA reserves the right, in its discretion, to reject any and all bids and, to the extent permitted by law, to waive any irregularity or nonconformity in any bid.

Delivery and Payment; Book-Entry-Only

Delivery of the Series 2020-A Bonds is expected to be made in the name of Cede & Co., as nominee of The Depository Trust Company in New York, New York on or about [May 19, 2020]* (the Date of Delivery) and will be available to the winning bidder in book-entry form only, as more fully set forth in the Preliminary Official Statement. The winning bidder shall pay for the Series 2020-A Bonds in Los Angeles in immediately available federal funds on the Date of Delivery of the Series 2020-A Bonds to DTC. Any expense of providing federal funds shall be borne by the winning bidder.

Right of Cancellation

The winning bidder shall have the right, at its option, to cancel the contract of purchase if LACMTA shall fail to deliver the Series 2020-A Bonds within sixty (60) days from the date of sale thereof, and in such event the winning bidder shall be entitled to the return of the Deposit accompanying its bid.

Equal Opportunity

IT IS THE POLICY OF LACMTA TO ENSURE THAT DISADVANTAGED BUSINESS ENTERPRISE (“**DBE**”), SMALL BUSINESS ENTERPRISE (“**SBE**”), AND DISABLED VETERAN BUSINESS ENTERPRISE (“**DVBE**”) FIRMS AND ALL OTHER BUSINESS ENTERPRISES HAVE AN EQUAL OPPORTUNITY TO RECEIVE AND PARTICIPATE IN THE PERFORMANCE OF ALL LACMTA CONTRACTS. BIDDERS ARE REQUESTED TO ASSIST LACMTA IN IMPLEMENTING THIS POLICY BY TAKING ALL REASONABLE STEPS TO ENSURE THAT ALL BUSINESS ENTERPRISES, INCLUDING DBES, SBES AND DVBS, HAVE AN EQUAL OPPORTUNITY TO PARTICIPATE IN ANY SYNDICATE SUBMITTING A BID.

CUSIP Numbers; Fees

It is anticipated that CUSIP numbers will be printed on the Series 2020-A Bonds, but neither failure to print such numbers on any Series 2020-A Bonds nor any error with respect thereto shall constitute cause

* Preliminary; subject to change.

for a failure or refusal by the winning bidder thereof to accept delivery of and pay for the Series 2020-A Bonds. The Municipal Advisor will apply for CUSIP numbers for each proposed maturity of the Series 2020-A Bonds and submit the CUSIP numbers to the Approved Provider which will provide the CUSIP numbers to all bidders. It will be the responsibility of the winning bidder to notify the CUSIP Service Bureau of any unused CUSIP numbers and the final principal amounts of each maturity of the Series 2020-A Bonds. The CUSIP Service Bureau charge for assignment of the CUSIP numbers shall be paid for by the winning bidder.

Official Statement

LACMTA has delivered a Preliminary Official Statement relating to the Series 2020-A Bonds and has authorized the use of said Preliminary Official Statement in connection with the sale of the Series 2020-A Bonds. The Preliminary Official Statement has been “deemed final” by LACMTA for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“**Rule 15c2-12**”). Upon the sale of the Series 2020-A Bonds, LACMTA will prepare an Official Statement substantially in the same form as the Preliminary Official Statement subject to such amendments as are necessary, and will deliver such Official Statement to the winning bidder within seven (7) business days of the acceptance of bids by LACMTA. An electronic copy of the Official Statement will be supplied to the winning bidder of the Series 2020-A Bonds for this purpose at the expense of LACMTA. Printed copies may be obtained at the expense of the winning bidder.

Continuing Disclosure

LACMTA will covenant and agree to enter into a written agreement or contract, constituting an undertaking to provide ongoing disclosure about LACMTA, for the benefit of the Bondholders on or before the Date of Delivery of the Series 2020-A Bonds as required by Section (b)(5)(i) of Rule 15c2-12, which undertaking shall be in the form as summarized in the Preliminary Official Statement, with such changes as may be agreed to in writing by the winning bidder.

Digital Assurance Certification, LLC (“DAC”) has been engaged by LACMTA to review and prepare a report on LACMTA’s compliance with its continuing disclosure undertakings with respect to its bonds during the past five years. Prospective bidders may obtain access to DAC’s report on its website by sending a written request via email to LACMTA (TreasuryDept@metro.net), referencing “Prop. C. 2020-A Bonds” in the email subject line, by no later than 12:00 noon California time on [May 4, 2020]. LACMTA will then request that DAC provide those bidders access to its online report. LACMTA can give no assurance as to the timeliness with which DAC will provide access to the report online or that the procedures performed by DAC in developing the report are sufficient for any purpose.

Ratings in Effect

Each bid will be understood to be conditioned upon there being in place at the Date of Delivery of the Series 2020-A Bonds the same (or higher) rating or ratings, if any, as were in place with respect to the Series 2020-A Bonds on the date and at the time fixed for receiving bids.

Change in Tax-Exempt Status

At any time before the Series 2020-A Bonds are tendered for delivery, the winning bidder may disaffirm and withdraw its bid if the interest received by private holders of obligations of the same type and character of the Series 2020-A Bonds (as determined by Bond Counsel) shall be declared to be includible in gross income under present federal income tax laws, either by a ruling of the Internal Revenue Service

or by a decision of any federal court, or shall be declared taxable by the terms of any federal income tax law enacted subsequent to the date of this Notice Inviting Bids.

Information Required From Winning Bidder; Reoffering Price

By making a bid for the Series 2020-A Bonds, the winning bidder agrees to provide to LACMTA, via facsimile or e-mail, within two (2) hours of the acceptance of its bid, price and yield information for each maturity of the Series 2020-A Bonds, the aggregate production, the amount to be retained by the bidder as compensation (i.e., the underwriter's discount), and such other information as is reasonably requested by Bond Counsel.

Additionally, by making a bid for the Series 2020-A Bonds, the winning bidder agrees (a) to provide all information necessary to complete the Official Statement; (b) to disseminate to all members of the underwriting syndicate copies of the Official Statement, including any supplements prepared by LACMTA; (c) to promptly file a copy of the final Official Statement, including any supplements prepared by LACMTA, with the Municipal Securities Rulemaking Board's ("**MSRB**") Electronic Municipal Market Access system; and (d) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission and MSRB rules governing the offering, sale and delivery of the Series 2020-A Bonds to ultimate purchasers.

California Debt and Investment Advisory Commission Fee

All bidders are advised that pursuant to Section 8856 of the California Government Code, it will be the responsibility of the winning bidder to pay the statutory fee to the California Debt and Investment Advisory Commission ("**CDIAC**") with respect to the Series 2020-A Bonds. CDIAC will invoice the winning bidder.

DTC Fee

All fees due DTC with respect to the Series 2020-A Bonds shall be paid by the winning bidder.

Legal Opinion; Closing Documents

Each bid will be understood to be conditioned upon LACMTA furnishing to the winning bidder, without charge, concurrently with payment and delivery of the Series 2020-A Bonds, the following closing papers, each dated the Date of Delivery:

(a) **Legal Opinion; Tax-Exempt Status.** An opinion of Bond Counsel in substantially the form attached to the Preliminary Official Statement as Appendix E.

(b) **No Litigation Certificate.** A certificate of an official of LACMTA that there is no litigation pending concerning the validity of the Series 2020-A Bonds, the corporate existence of LACMTA or the entitlement of the officers legally responsible for the authorization, execution and delivery of the Series 2020-A Bonds to their respective offices.

(c) **Official Statement Certificate.** A certificate of an official of LACMTA stating that as of the date thereof and as of the Date of Delivery, to the best of the knowledge and belief of said official after reading and reviewing the Official Statement and any amendments thereto, the Official Statement together with any amendments thereto does not contain an untrue statement of a material fact or omit to state any material fact necessary, in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) ***Continuing Disclosure Certificate.*** A Continuing Disclosure Certificate, in substantially the form attached to the Preliminary Official Statement as Appendix F, pursuant to which LACMTA will agree to provide certain financial information and operating data annually and notice of certain enumerated events.

(e) ***Receipt.*** A receipt of the Trustee showing that the purchase price of the Series 2020-A Bonds has been received by the Trustee.

(f) ***Verification Report.*** A verification report to be received by LACMTA with respect to the current refunding of the Refunded Bonds.

Right to Modify or Amend

LACMTA reserves the right to modify or amend this Notice Inviting Bids and the Bid Form, including, but not limited to, the right to adjust and change the principal amount of the Series 2020-A Bonds being offered and/or the structure of the offering; however, such notifications or amendments shall be made not later than 2:00 p.m., California Time, on the last business day prior to any date scheduled for receipt of bids and communicated through Thomson Municipal Market Monitor (www.tm3.com) (“***TM3***”) and via the Grant Street Group’s MuniAuction at the website address www.GrantStreet.com (the “***Approved Provider’s Website***”) and by facsimile transmission to any bidder timely requesting such notice.

Postponement; Rejection of Bids

LACMTA reserves the right to postpone, from time to time, the date established for the receipt of bids. Any such postponement will be announced through TM3 and via the Approved Provider’s Website. If any date fixed for the receipt of bids and the sale of the Series 2020-A Bonds is postponed, any alternative sale date will be announced through TM3 and via the Approved Provider’s Website at least twenty-four (24) hours prior to such alternative sale date and will be provided by facsimile transmission to any bidder timely requesting such notice. In addition, LACMTA reserves the right, on the date established for the receipt of bids, to reject all bids and establish a subsequent date on which bids for purchase of the Series 2020-A Bonds will again be received. If all bids are rejected and a subsequent date for receipt of bids is established, notice of the subsequent sale date will be announced via TM3 and via the Approved Provider’s Website at least twenty-four (24) hours prior to such subsequent sale date and will be provided by facsimile transmission to any bidder timely requesting such notice. On any such alternative sale date, any bidder may submit an electronic bid for the purchase of the Series 2020-A Bonds in conformity in all respects with the provisions of this Notice Inviting Bids except for the date of sale and except for the changes announced through TM3 and via the Approved Provider’s Website at the time the sale date and time are announced.

Withdrawal of Series 2020-A Bonds for Sale

LACMTA may, with prior notice, withdraw the Bonds for sale.

Blue Sky Laws

The winning bidder will be responsible for the clearance or exemption with respect to the status of the Series 2020-A Bonds for sale under the securities or “Blue Sky” laws of the several states and the preparation of any surveys or memoranda in connection therewith.

Governing Law

This Notice Inviting Bids and the Series 2020-A Bonds shall be governed by and construed in accordance with the laws of the State of California.

Additional Information

For further information respecting the terms and conditions of the Series 2020-A Bonds, bidders are referred to the Trust Agreement, the Thirty-First Supplemental Agreement and the Preliminary Official Statement. An electronic copy of the Preliminary Official Statement and other information concerning the proposed financing will be furnished upon request made to the Municipal Advisor: Hilltop Securities Inc., 700 Milam Street, Suite 500, Houston, Texas 77002; Telephone: (713) 651-9850; Attention: Carmen Tyler Best. Additionally, an electronic copy of the Preliminary Official Statement and this Notice Inviting Bids can be obtained in electronic format at www.MuniOS.com.

Given by order of the Los Angeles County Metropolitan Transportation Authority on [April 28, 2020].

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By _____
Treasurer

EXHIBIT A

BID FORM

Los Angeles County Metropolitan Transportation Authority
Proposition C Sales Tax Revenue Refunding Bonds,
Senior Bonds, Series 2020-A

[May 5, 2020]

The Honorable Board of Directors of
the Los Angeles County Metropolitan
Transportation Authority
c/o Treasurer
One Gateway Plaza, 21st Floor
Treasury Department
Los Angeles, CA 90012

Ladies and Gentlemen:

Subject to the provisions of and in accordance with the terms of the Notice Inviting Bids, dated [April 28, 2020], of the Los Angeles County Metropolitan Transportation Authority (“LACMTA”) for its Proposition C Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2020-A (the “Series 2020-A Bonds”), which is incorporated herein and hereby made a part hereof:

We hereby offer to purchase all, but not less than all, of the \$[Principal Amount]* aggregate principal amount of the Series 2020-A Bonds described in the Notice Inviting Bids and to pay therefor the amount of \$_____. This offer is for the Series 2020-A Bonds bearing interest at the rates as follows:

<u>Maturity Date</u> <u>July 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>
2021		
2022		
2023		

This bid is subject to acceptance not later than twenty-seven (27) hours after the expiration of the time established for the final receipt of bids.

In accordance with the Notice Inviting Bids, we agree that if we are the winning bidder, we will send a wire transfer of immediately available federal funds in the amount of \$500,000 not later than four (4) hours after being informed by LACMTA that we are the winning bidder.

We acknowledge and agree that after we submit this bid, LACMTA may modify the aggregate principal amount of the Series 2020-A Bonds and/or the principal amounts of each maturity of the Series 2020-A Bonds, subject to the limitations set forth in the Notice Inviting Bids.

We further acknowledge and agree that in the event that any adjustments are made to the principal amount of the Series 2020-A Bonds, we agree to purchase all of the Series 2020-A Bonds, taking into account such adjustments on the above specified terms of this bid for the Series 2020-A Bonds.

* Aggregate principal amount and principal amortization amounts may be adjusted as set forth in the Notice Inviting Bids

If we are the winning bidder, we will (a) within two (2) hours after being notified of the award of the Series 2020-A Bonds, advise LACMTA of the initial public offering prices of the Series 2020-A Bonds; and (b) timely furnish the additional information described under the caption “TERMS OF SALE—Information Required from Winning Bidder; Reoffering Price” in the Notice Inviting Bids.

If we are the winning bidder and LACMTA so requests, we agree to provide to LACMTA a complete list of syndicate members, the actual allocation of the Series 2020-A Bonds and the orders placed by the syndicate members.

We have noted that payment of the purchase price is to be made in immediately available funds at the time of delivery of the Series 2020-A Bonds.

This bid is a firm offer for the purchase of the Series 2020-A Bonds, on the terms set forth in this Bid Form and the Notice Inviting Bids, and is not subject to any conditions, except as permitted by the Notice Inviting Bids. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds.

We understand that we may obtain printed copies of the Official Statement at our own expense.

We represent that we have full and complete authority to submit this bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group if the Series 2020-A Bonds are awarded pursuant to this bid. We further certify (or declare) under penalty of perjury under the laws of the State of California that this bid is genuine, and not a sham or collusive, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder.

Respectfully submitted,

By _____

Account Manager

Company Name: _____

Telephone _____

Facsimile _____

EXHIBIT B

WINNING BIDDER’S ISSUE PRICE CERTIFICATE

The undersigned, on behalf of _____ (“[UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the Los Angeles County Metropolitan Transportation Authority Proposition C Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2020-A (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [UNDERWRITER] are the prices listed in Schedule A attached hereto (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule C hereto is a true and correct copy of the bid provided by [UNDERWRITER] to purchase the Bonds.

(b) [UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Pricing Wire or Equivalent Communication.*** A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B

3. ***Defined Terms.***

“*Authority*” means the Los Angeles County Metropolitan Transportation Authority.

“*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

“*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

“*Related Party*”. A purchaser of any Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

“*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [May 5, 2020].

“*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the

initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Authority with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hawkins Delafield & Wood LLP, Bond Counsel to the Authority, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Authority from time to time relating to the Bonds.

IN WITNESS WHEREOF, the undersigned has set their hand as of the date set forth below.

Dated: [May 19, 2020]

[UNDERWRITER]

By: _____
Name: _____
Title: _____

SCHEDULE A
INITIAL OFFERING PRICES OF BONDS

(Attached)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

SCHEDULE C
BID OF WINNING BIDDER
(Attached)