

Independent Assurance Statement

To: The Management of San Francisco Bay Area Rapid Transit District and Climate Bonds Standard Board (CBSB)

Date: October 8, 2018

Introduction

First Environment, Inc. (First Environment) was engaged by the San Francisco Bay Area Rapid Transit District (BART) (“Issuer”) to provide independent post-issuance Climate Bond verification of its General Obligation Bonds 2017 Series A-1 (Green Bonds), Series A-2 (Green Bonds), and Refunding Series E Bonds (Green Bonds) as presented in the Official Statement (dated May 10, 2017) and Green Bond Framework (dated April 21, 2017). First Environment conducted the verification from July 18 to October 5, 2018. First Environment is an approved verifier by the Climate Bonds Standard Board operating for this engagement within the jurisdiction of the United States, specifically the State of California.

Verification Scope

Specific scope for the verification is outlined in the table below:

Issuing Entity	San Francisco Bay Area Rapid Transit District (BART)
Bond Issuance/s	General Obligation Bonds, (Election of 2016) 2017 Series A-1, \$271,600,000 (Green Bonds); (Election of 2016) 2017 Series A-2, \$28,400,000 (Green Bonds) and (Election of 2004) 2017 Refunding Series E, \$84,735,000 (Green Bonds)
Type of Climate Bond	Use of Proceeds Bond and Refinancing
Climate Bonds Taxonomy	Transport: Mass Transit
Pre- or Post-Issuance	Post-Issuance
Impact Reporting Period	June 1, 2017 to August 16, 2018
Sources of Information	Climate Bond offering and supporting documents including: BART’s Internal Green Bond Framework (April 21, 2017); Official Statement (May 10, 2017); Defeasance Opinion of Bond Counsel (June 1, 2017); Escrow Agreement (June 1, 2017); Tax Certification (June 1, 2017); BART Climate Bond Annual Reporting Certification as of June 30, 2017 (February 22, 2018); RR Cumulative Disbursements, Cash Flow Forecasts, and Project Expenditures (July 19, 2018); Measure RR Annual Report (June 2018); BART Board of Directors Meeting Agenda (June 14, 2018); BART Capital Project Cost Report by Fund (July 31, 2018); RR Program Overview – Expenditures (August 16, 2018).

Standards and Auditing Ethics Used for Verification

The following table outlines the Standards, Level of Assurance, and Materiality used to conduct this verification:

<p>Standard of Verification</p>	<ul style="list-style-type: none"> • Climate Bonds Standard, Version 2.1 (CBS); • CBS Sector-specific criteria: Sector Criteria for Low Carbon Transport (version 1.0) <p>Limitation of CBS: The Climate Bonds Standard is designed specifically to allow investors, governments, and other stakeholders to prioritize 'low carbon and climate resilient' investments with confidence that the funds are being used to deliver a low carbon and climate resilient economy. It is not a financial standard and does not imply any impact on the credit ratings of specific investments.</p>
<p>Verification Process</p>	<ul style="list-style-type: none"> • The Climate Bonds Standard Assurance Framework • The Climate Bonds Verification Agreement • ISAE 3000 (revised 2013), Assurance Engagement Other than Audits or Reviews of Historic Financial Information. • Applicable professional ethics and quality control principles such as those presented in ISO 14065 for validation and verification bodies (2007).
<p>Level of Assurance</p>	<ul style="list-style-type: none"> • Limited Level of Assurance. <p>The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
<p>Materiality</p>	<ul style="list-style-type: none"> • Qualitative non-conformities with the most recent Climate Bonds Standard or related Sector-specific criteria are considered material. • Quantitative misstatements greater than five percent of the numeric sector-specific criteria are considered material.

Conclusions

First Environment has performed independent post-issuance Climate Bond verification of BART's General Obligation Bonds 2017 Series A-1 (Green Bonds), Series A-2 (Green Bonds), and Refunding Series E Bonds (Green Bonds) as presented in the Official Statement (May 10, 2017), Green Bonds Framework (April 21, 2017), and subsequent quality assurance and tracking documents. Assessment procedures and results of this verification have been documented and provided to the management of BART and the Climate Bonds Standard Board (Climate Bonds Standard Assurance Report, October 8, 2018).

Based on the evidence collected and the assessments performed, nothing has come to our attention that causes us to believe that BART's General Obligation Bonds 2017 Series A and Refunding Series E Bonds, used for Measure RR Projects and to refund Prior Bonds including Measure AA projects, respectively, have not conformed, in all material respects, with the post-issuance requirements of the Climate Bonds Standard v2.1 and the Low Carbon Transport Sector Criteria v1.0.

Regards,

FIRST ENVIRONMENT, INC.

A handwritten signature in black ink, appearing to read "Phillip J. Ludvigsen". The signature is stylized and cursive, with the first name "Phillip" being the most prominent.

Phillip J. Ludvigsen, Ph.D.
Lead Verifier