In the opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel, under existing law, assuming continued compliance with certain provisions of the Internal Revenue Code of 1986, as amended, interest on the Tax-Exempt Notes (defined herein) will not be included in the gross income of holders of the Notes for federal income tax purposes. In the opinion of Bond Counsel, interest on the Notes and any profit made on the sale thereof are exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. See "Tax Matters" herein.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
COMMERCIAL PAPER SALES TAX BOND ANTICIPATION NOTES

SERIES A
consisting of
Tax-Exempt Subseries A-TE
Federally Taxable Subseries A-TX
(Up to $125,000,000 Aggregate Principal Amount of Notes Outstanding at any time, the "Series A Notes")

SERIES B
consisting of
Tax-Exempt Subseries B-TE
Federally Taxable Subseries B-TX
(Up to $125,000,000 Aggregate Principal Amount of Notes Outstanding at any time, the "Series B Notes")

SERIES C
consisting of
Tax-Exempt Subseries C-TE
Federally Taxable Subseries C-TX
(Up to $75,000,000 Aggregate Principal Amount of Notes Outstanding at any time, the "Series C Notes")

SERIES D
consisting of
Tax-Exempt Subseries D-TE
Federally Taxable Subseries D-TX
(Up to $75,000,000 Aggregate Principal Amount of Notes Outstanding at any time, the "Series D Notes")

(Various Maturities Not Exceeding 270 Days for Tax-Exempt Notes and 265 Days for Taxable Notes)

Dated: Date of Issuance

The above-captioned notes (collectively, the "Notes") will be issued by means of a book-entry-only system evidencing ownership and transfer of the Notes on the records of The Depository Trust Company ("DTC") and its participants. Details of payment on the Notes are more fully described in this Offering Memorandum. The Notes are being issued by the Massachusetts Bay Transportation Authority (the "Authority") pursuant to Chapter 161A of the General Laws of The Commonwealth of Massachusetts and will be payable solely from the sources described in this Offering Memorandum. See "Security for and Payment of the Notes" herein.

The Authority is entering into (i) a Revolving Credit Agreement dated as of June 24, 2021 (the "Series A and B Liquidity Facility") with Barclays Bank PLC (the "Bank") with respect to the Series A Notes and the Series B Notes and (ii) a Revolving Credit Agreement dated as of June 24, 2021 (the "Series C and D Liquidity Facility") with the Bank with respect to the Series C Notes and the Series D Notes. See "Liquidity Facilities" herein. Each of the Series A and B Facility and the Series C and D Liquidity Facility (each, a "Liquidity Facility" and collectively, the "Liquidity Facilities") is a liquidity facility that requires the Bank, subject to certain funding conditions described herein and in the event other moneys are not available therefor, to advance amounts up to, but not exceeding, in the aggregate, the principal amount ($250 million for the Series A and B Facility and $150 million for the Series C and D Facility), plus 270 days of interest at the maximum rate of nine percent (9.0%). The Bank is not providing credit support for payment of the Notes. **Upon the occurrence of certain events, each of the Series A and B Facility and the Series C and D Facility may terminate or be suspended immediately without notice or payment for any Outstanding Notes. See "Security for and Payment of the Notes – Liquidity Facilities" herein.**

BARCLAYS CAPITAL
(DEALER FOR THE SERIES A AND SERIES C NOTES)

J.P. MORGAN
(DEALER FOR THE SERIES B AND SERIES D NOTES)

Dated: June 21, 2021

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Massachusetts Bay Transportation Authority
10 Park Plaza
Boston, Massachusetts 02116
(617) 222-5755

INFORMATION CONCERNING THE OFFER

Barclays Capital Inc. (the "Series A and C Dealer") serves as the exclusive dealer for the Commercial Paper Sales Tax Bond Anticipation Notes, Series A, consisting of Tax-Exempt Subseries A-TE and Federally Taxable Subseries A-TX (the "Series A Notes") and the Commercial Paper Sales Tax Bond Anticipation Notes, Series C, consisting of Tax-Exempt Subseries C-TE and Federally Taxable Subseries C-TX (the "Series C Notes"), of the Massachusetts Bay Transportation Authority (the "MBTA" or the "Authority") offered or to be offered hereby.

J.P. Morgan Securities LLC (the "Series B and D Dealer" and, together with the Series A and C Dealer, the "Dealers") serves as the exclusive dealer for the Commercial Paper Sales Tax Bond Anticipation Notes, Series B consisting of Tax-Exempt Subseries B-TE and Federally Taxable Subseries B-TX (the "Series B Notes") Commercial Paper Sales Tax Bond Anticipation Notes, Series D consisting of Tax-Exempt Subseries D-TE and Federally Taxable Subseries D-TX (the "Series D Notes" and together with the Series A Notes, the Series B Notes and the Series C Notes, the "Notes") of the Authority offered or to be offered hereby.

No dealer, broker or other person has been authorized to give any information or to make any representation other than as contained in this Offering Memorandum or the other information incorporated herein by reference, and if given or made, such other information or representation must not be relied upon as having been authorized.

This Offering Memorandum does not constitute an offer to sell or a solicitation of any offer to buy any securities other than the Notes offered hereby, nor shall there be any offer or solicitation of such offer or sale of the Notes, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Offering Memorandum (including the information relating to the Authority and the Bank, and other information incorporated herein by reference) has been prepared from information furnished by the Authority or, with respect to Appendix A, the Bank, and has been reviewed and approved by the Authority or, with respect to Appendix A, the Bank, and such information is believed to be reliable. Neither the delivery of this Offering Memorandum nor the sale of any of the Notes implies that the information herein (including the information incorporated herein by reference) is correct as of any time subsequent to the date hereof. The summaries of and references to documents, statutes and agreements in this Offering Memorandum (including the information incorporated herein by reference) do not purport to be complete, comprehensive or definitive, and are qualified by reference to the complete text of each such document, statute or agreement. Copies of such documents, statutes and agreements may be obtained without charge by contacting the Office of the Treasurer, Massachusetts Bay Transportation Authority, 10 Park Plaza, Boston, Massachusetts 02116; telephone (617) 222-6958.

The Dealers have provided the following sentence for inclusion in this Offering Memorandum. Each of the Dealers has reviewed the information in this Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but neither Dealer guarantees the accuracy or completeness of such information.

For further information with respect to the Authority, specific reference is made to the Official Statement of the Authority dated April 8, 2021 relating to the Authority's Subordinated Sales Tax Bonds, 2021 Series A, as supplemented by annual reports (the "Referenced Disclosure"), available from the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access system ("EMMA") at *http://emma.msrb.org*. The Referenced Disclosure shall be changed from time to time to be the most recent official statement of the Authority related to Sales Tax Bonds.

The information concerning the Authority contained in this Offering Memorandum and the Referenced Disclosure does not purport to cover all aspects of the Authority's operations and financial position. During the period of the offering of the Notes, reference is made to the most recent audited financial statements and other information relating to the Authority at the time available, including the Referenced Disclosure. Copies of such documents may be obtained without charge by contacting the Office of the Treasurer of the Authority as described above. The information concerning the Bank contained in Appendix A to this Offering Memorandum does not purport to cover all aspects of the Bank's operations and financial position.

THE NOTES

Authorization and Purpose

The Notes are being issued by the Authority in anticipation of the issuance of bonds pursuant to Chapter 161A of the Massachusetts General Laws, as amended (the "Act"), and the Sales Tax Bond Trust Agreement, dated as of July 1, 2000, by and between the Authority and U.S. Bank National Association as successor trustee, as amended (the "Sales Tax Trust Agreement"), and the Forty-Fifth Supplemental Trust Agreement Providing for the Issuance of Massachusetts Bay Transportation Authority Commercial Paper Sales Tax Bond Anticipation Notes, Series A, consisting of Tax-Exempt Subseries A-TE and Federally Taxable Subseries A-TX, Series B, consisting of Tax-Exempt Subseries B-TE and Federally Taxable Subseries B-TX, Series C, consisting of Tax-Exempt Subseries C-TE and Federally Taxable Subseries C-TX, and Series D, consisting of Tax-Exempt Subseries D-TE and Federally Taxable Subseries D-TX, dated as of June 1, 2021, by and between the Authority and U.S. Bank National Association, as successor trustee (the "Supplemental Trust Agreement" and collectively with the Sales Tax Trust Agreement, the "Trust Agreement"). The Notes are being issued for the following purposes: (i) funding capital projects, (ii) refinancing a portion of debt service due on outstanding bonds or notes of the Authority and (iii) paying expenses of issuance of the Notes, all in accordance with the Trust Agreement. The Notes will be issued in an aggregate principal amounts outstanding of a series at any one time which shall not exceed $125,000,000 for each of the Series A Notes and the Series B Notes or $75,000,000 for each of the Series C Notes and the Series D Notes).

The Series A Notes, Subseries A-TE, the Series B Notes, Subseries B-TE, the Series C Notes, Subseries C-TE, and the Series D Notes, Subseries D-TE are collectively referred to herein as the "Tax-Exempt Notes." The Series A Notes, Subseries A-TX, the Series B Notes, Subseries B-TX, the Series C Notes, Subseries C-TX, and the Series D Notes, Subseries D-TX are collectively referred to herein as the "Taxable Notes."

The Supplemental Trust Agreement and the Liquidity Facilities shall take effect for all Notes issued on or after June 24, 2021.

The Supplemental Trust Agreement authorizes the issuance of one or more Series of Subordinated Sales Tax Bonds under the Trust Agreement and a subsequent Supplemental Trust Agreement, although the Authority may subsequently determine to issue a Series of Senior Sales Tax Bonds to repay the Notes or any Series thereof.

Description of Notes

The Trust Agreement provides that the Notes will be issued as registered notes and will mature not later than (i) for a Taxable Note, 265 days from its date of issuance, and for a Tax-Exempt Note, 270 days from its date of issuance, or (ii) the Business Day immediately preceding the Termination Date of the applicable Liquidity Facility (see "Liquidity Facilities" below for a definition and description of the Liquidity Facilities), whichever is earlier. The Available Interest Commitment for the Series A Notes and the Series B Notes (as defined in the Series A and B Liquidity Facility) is initially $16,643,836 and the Available Interest Commitment for the Series C Notes and the Series D Notes (as defined in the Series C and D Liquidity Facility) is initially $9,986,302, in each case which is equal to 270 days' interest on the maximum principal amount of such Notes, calculated at an interest rate of nine percent (9.0%) and on the basis of the actual number of days elapsed and a 365-day year. The Authority has covenanted in the Trust Agreement that at no time will it have Notes outstanding such that (i) the aggregate principal amount of such Notes outstanding (including Notes no longer considered outstanding pursuant to the Supplemental Trust Agreement) exceeds the principal portion under the applicable Liquidity Facility or (ii) the aggregate interest payable on such Notes, if interest-bearing, exceeds the interest portion under the such Liquidity Facility. The Notes may be issued as interest-bearing obligations or may bear no interest. Interest on the

Notes is payable at maturity and is calculated, in the case of the Taxable Notes, on the basis of the actual number of days elapsed and a 360-day year and, in the case of the Tax-Exempt Notes, on the basis of the actual number of days elapsed and a 365- or 366-day year, as applicable. The Notes shall be in denominations of integral multiples of $1,000 with a minimum denomination of $100,000.

The principal of and interest on the Notes are payable at the corporate trust office of U.S. Bank National Association, as Issuing and Paying Agent, New York, New York (the "Agent").

The Notes shall not be subject to redemption by the Authority prior to maturity.

The Notes may be issued as interest-bearing obligations or may bear no interest (issued at a discount reflecting a rate of interest), provided that no Note, except when a Bank Note, shall bear an interest rate in excess of nine percent (9%) per annum except as otherwise provided by resolution of the Board of Directors of the Authority or such lesser amount set forth in the applicable Liquidity Facility (the "Maximum Rate") to but excluding the Maturity Date.

Book-Entry-Only System

The Depository Trust Company ("DTC") will act as securities depository for the Notes. The Notes 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 security certificate will be issued for each subseries of the Notes, in the aggregate principal amount of the applicable Series, and will be deposited with DTC.

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 rating of AA+ from S&P Global Ratings. 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* and *www.dtc.org*.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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, but Beneficial Owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive

certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes 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 Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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 Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as defaults and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes 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 notices be provided directly to them.

Payments of principal of and interest, if any, on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Agent, on the 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 nor its nominee, the Agent, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Agent 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 securities depository with respect to the Notes at any time by giving reasonable notice to the Authority or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Note certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources believed to be reliable, but the Authority takes no responsibility for the accuracy thereof.

According to DTC, the foregoing information with respect to DTC has been provided for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

No Responsibility of Authority and Agent. **Neither the Authority nor the Agent will have any responsibility or obligations to direct participants or the persons for whom they act as nominees with respect to the payments to or the providing of notice for direct participants, indirect participants, or beneficial owners.**

SECURITY FOR AND PAYMENT OF THE NOTES

Supplemental Trust Agreement

The principal of and interest, if any, on the Notes are payable solely from the proceeds of refunding Notes, from the proceeds of the future sale of Sales Tax Bonds in anticipation of which the Notes are issued and other available funds of the Authority, including funds made available under the applicable Liquidity Facility and, with respect to any interest on the Notes, Pledged Revenues (as defined in the Trust Agreement). The Authority has not pledged any other particular funds to pay the Notes and there can be no assurance that sufficient moneys will be available, when needed, from any source to pay the Notes when due. The issuance of either refunding Notes or Sales Tax Bonds will be subject to a variety of factors, some of which are outside the control of the Authority. In addition, there can be no assurance that funds will be available under the Liquidity Facilities. See "Liquidity Facilities."

The Authority has covenanted in the Supplemental Trust Agreement a that payments of principal of and interest, if any, on Notes shall be made first from proceeds of Sales Tax Bonds or refunding Notes, second from funds drawn under the applicable Liquidity Facility (other than the Bank Notes) and, third from other available moneys of the Authority, but only to the extent insufficient funds are available under such Liquidity Facility. The Notes do not constitute a pledge, charge, lien or encumbrance upon any of the Authority's property, or upon its income, receipts or revenue, except to the extent of the pledge of Pledged Revenues securing the interest on the Notes, funds advanced under the Liquidity Facility and the proceeds of the Series of Subordinated Sales Tax Bonds in anticipation of which the Notes are issued. Interest on the interest-bearing Notes will be payable from the amounts on deposit in Subordinated Debt Service Fund established under the Trust Agreement (see "Security For the Sales Tax Bonds - Flow of Funds" in the Referenced Disclosure), to the extent of funds held in the Note Interest Account of the Subordinated Debt Service Fund established under the Supplemental Trust Agreement for the purpose of paying interest, if any, on the applicable Series of the Notes. The pledge of Pledged Revenues to pay interest on the interest-bearing Notes is on a parity with the pledge of Pledged Revenues securing the Authority's Subordinated Sales Tax Bonds. The Notes are not a debt of The Commonwealth of Massachusetts (the "Commonwealth") or any political subdivision thereof (other than the Authority) and neither the Commonwealth nor any political subdivision thereof (other than the Authority) shall be obligated to pay the principal of or interest, if any, on any Note and neither the faith and credit nor taxing power of the Commonwealth or any political subdivision thereof is pledged to such payment, except as provided in the Trust Agreement. The Authority has no taxing power.

Pursuant to the provisions of the Supplemental Trust Agreement, one or more Series of Subordinated Sales Tax Bonds is authorized to be issued under a subsequent Supplemental Trust Agreement providing for the issuance of such Sales Tax Bonds. All or a portion of the net proceeds of such Sales Tax Bonds will be used to pay principal of and interest, if any, on the Notes, including renewals thereof, at maturity, to the extent not otherwise provided for from other sources. Pursuant to the Trust Agreement, the Authority also may issue Senior Sales Tax Bonds to repay the Notes.

The Authority has covenanted in the Supplemental Trust Agreement that it will issue Sales Tax Bonds to refund the related Notes to the extent that principal of and interest, if any, on such Notes has not otherwise been paid or provided for. In addition, the Authority has covenanted that if, at the time the Authority issues Sales Tax Bonds, the Authority has an outstanding payment obligation to the Bank under the Liquidity Facilities or any Bank Note, net proceeds of such Series of Sales Tax Bonds shall be applied to satisfy such obligation prior to any other purpose.

The Trust Agreement provides that, in the event any Notes are Outstanding, for purposes of determining compliance with the covenants regarding the issuance of additional Sales Tax Bonds, such determination shall assume that there are Subordinated Sales Tax Bonds Outstanding in a principal amount equal to the Outstanding principal amount of such Notes, amortized over 40 years at the "25-year revenue bond index" most recently published by The Bond Buyer or, if such index is no longer published, such other substantially comparable index as determined by the Authority, with substantially equal payments of principal of and interest, if any, on such Sales Tax Bonds, and which are Subordinated Sales Tax Bonds. For a description of the conditions to the issuance of Sales Tax Bonds, see "SECURITY FOR THE SALES TAX BONDS – Additional Indebtedness" in the Referenced Disclosure.

Liquidity Facilities

Disclaimer. The following description of certain provisions of (i) the Revolving Credit Agreement dated as of June 24, 2021(the "Series A and B Liquidity Facility") with Barclays Bank PLC with respect to the Series A Notes and the Series B Notes and (ii) the Revolving Credit Agreement dated as of June 24, 2021(the "Series C and D Liquidity Facility" and collectively, the "Liquidity Facilities" or each a "Liquidity Facility") with Barclays Bank PLC with respect to the Series C Notes and the Series D Notes is only a summary and is not intended to be comprehensive or complete. Reference is made to the Series A and B Liquidity Facility and the Series C and D Liquidity Facility for the complete text thereof, and the discussion herein is qualified by such reference. Capitalized terms not otherwise defined in this Offering Memorandum shall have the meanings given to them in the respective Liquidity Facility. Copies of each Liquidity Facility are available from EMMA.

Each Liquidity Facility supporting the Notes (also referred to herein as the "Commercial Paper Notes") is available solely to pay the principal and interest due on the maturity date of such Notes and the Agent may only draw on such Liquidity Facility for the payment of the principal and interest due on the maturity date of the Notes. In addition, each Liquidity Facility does not guarantee the payment of principal and interest due on the Notes in the event that certain events permitting the termination or suspension of the Bank's obligations occur thereunder as described below.

General. Each Liquidity Facility provides that the Bank agrees to advance funds to the Agent, on behalf of the Authority, to pay the principal of and accrued interest on the applicable Notes on the maturity date thereof to the extent that the proceeds of other notes or bonds are not available therefor pursuant to the terms and conditions contained in such Liquidity Facility, in amounts not to exceed, in the aggregate $250,000,000 principal amount in the case of the Series A and B Liquidity Facility and $150,000,000 principal amount in the case of the Series C and D Liquidity Facility, plus, in each case, 270 days of interest at the maximum rate of nine percent (9.0%), subject to the terms and conditions in the respective Liquidity Facility. See Appendix A for information concerning the Bank.

The Liquidity Facilities will terminate on the earlier of (a) 5:00 p.m. on (i) June 24, 2024 (with respect to the Series A and B Liquidity Facility) and (ii) June 24, 2026 (with respect to the Series C and D Liquidity Facility), including any extension of such date pursuant to the terms of the applicable Liquidity Facility (b) the date on which the Commitment of the Bank to make Advances under the Applicable Liquidity Facility otherwise terminates in accordance with terms of the applicable Liquidity Facility and (c) the date on which the lien of the Pledged Property securing the interest on the Notes and the principal of and interest on the Bank Note is defeased, and all Notes issued and outstanding thereunder are repaid in full, all in accordance with terms set forth in the Supplemental Trust Indenture and the Trust Agreement.

The obligation of the Bank to make an Advance on any date is subject to the conditions precedent that on the date of such Advance: (a) the Bank shall have received a Request for Advance properly completed and duly executed by the Agent (on behalf of the Authority) and otherwise satisfying the provisions of the applicable Liquidity Facility; and (b) no Termination Event or Suspension Event shall have occurred and be continuing. Each Request for Advance delivered by the Agent pursuant to the

Liquidity Facilities shall constitute a representation and warranty by the Authority on such Advance Date that that the condition described in clause (b) above is true and correct on such Advance Date.

Events of Default. The following events shall be Events of Default under each Liquidity Facility:

(a) an event of default or default shall have occurred and shall be continuing under any of the Note Documents (other than an event of default or default specified herein below); or

(b) the Authority shall fail to pay or cause to be paid when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise in accordance with its terms) (i) any amounts with respect to the principal of, interest on or any sinking fund installment with respect to the Bank Note or (ii) any other amount payable pursuant to the applicable Liquidity Facility, the Fee Letter, any other Note Document or the Notes (including the Bank Note), other than that set forth in Subsection (b)(i) above; or

(c) the Authority shall fail to observe or perform any covenant or agreement contained (or incorporated by reference) in the applicable Liquidity Facility (other than those covered by clauses (a) or (b) above) for thirty (30) days after written notice thereof has been given to it by the Bank requesting that such default be remedied; or

(d) any representation, warranty, certification or statement made by the Authority (or incorporated by reference) in the applicable Liquidity Facility, the Trust Agreement or in any other Note Document to which it is a party or in any certificate, financial statement or other document delivered pursuant to the applicable Liquidity Facility, the Trust Agreement, or any other Note Document (including, without limitation, the Commercial Paper Memorandum) shall prove to have been incorrect in any material respect when made; or

(e) (i) the Authority shall commence any case, proceeding or other action under any existing or future law of any jurisdiction, (A) relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it, or seeking to declare a moratorium with respect to the Notes or any debt of the Authority comprised of bonds, debentures, notes (excluding the Notes) or other similar instruments now or hereafter outstanding under the terms of the Trust Agreement the proceeds of which will serve as the source of repayment for the Notes, or admit in writing its inability to pay its debts as they become due, or (B) seeking appointment of a receiver, trustee, custodian, conservator, liquidator or other similar official for it or for all or any substantial part of its assets, or the Authority shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Authority any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Authority in connection with any case, proceeding or other action of a nature referred to in clause (i) above, a motion or other action seeking the issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets or for all or a substantial portion of the Pledged Property, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or dismissed within sixty (60) days from the entry thereof; or (iv) the Authority shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Authority shall generally not, or shall be unable to, or shall admit in writing, its inability to, pay its debts; or

(f) a final, non-appealable money judgment or order for the payment of money shall be entered by a court or other regulatory body of competent jurisdiction against the Authority in an amount in excess of ten million dollars ($10,000,000) (regardless of any applicable insurance therefor) or more, which judgment or order is payable from the Pledged Property and the Authority shall have failed to satisfy

said money judgment from and after the first date when said judgment shall become enforceable and subject to collection in accordance with its terms and such judgment or order shall continue unsatisfied and unstayed for a period of sixty (60) days; or

(g) (i) any provision of the applicable Liquidity Facility, the Act, the Trust Agreement, the Issuing and Paying Agency Agreement or the Notes relating to (A) the ability or the obligation of the Authority to pay, when due, the principal or interest payable on the Notes or (B) the lien or the pledge of the Pledged Property therefor shall, at any time and for any reason, cease to be valid and binding on the Authority, or shall be declared to be null and void, invalid or unenforceable as the result of a final nonappealable judgment by any federal or state court or as a result of any legislative or administrative action by any Governmental Authority having jurisdiction over the Authority, (ii) the governing body of the Authority, or a representative of the Authority authorized by the governing body to do so, repudiates or otherwise denies in writing that the Authority has any further liability or obligation under or with respect to any provision of the applicable Liquidity Facility, the Act, the Trust Agreement, the Issuing and Paying Agency Agreement, the Notes or any Parity Obligations relating to (A) the ability or the obligation of the Authority to pay, when due, the principal or interest payable on the Notes or any Parity Obligations or (B) the lien or pledge of the Pledged Property therefor, or (iii) the Authority shall have taken or permitted to be taken any official action, or the Commonwealth shall have duly enacted any statute or regulation which would, in either case, invalidate, or render null and void, invalid or unenforceable, any provision of the applicable Liquidity Facility, the Act, the Trust Agreement, the Notes or any Parity Obligations relating to (A) the ability or the obligation of the Authority to pay, when due, the principal or interest payable on the Notes or such Parity Obligations or (B) the lien or pledge of the Pledged Property therefor; or (iv) any Governmental Authority with jurisdiction to rule on the validity or enforceability of the applicable Liquidity Facility, the Act, the Trust Agreement or the Notes shall find or rule, in a judicial or administrative proceeding, that any provision of the applicable Liquidity Facility, the Act, the Trust Agreement or the Notes, as the case may be, relating to (A) the ability or the obligation of the Authority to pay, when due, the principal or interest payable on the Notes or such Parity Obligations or (B) the lien or pledge of the Pledged Property therefor, is not valid or not binding on, or enforceable against, the Authority; or

(h) the Commonwealth or any other Governmental Authority having jurisdiction over the Authority imposes a debt moratorium or comparable extraordinary restriction on repayment when due and payable of the principal of or interest on Parity Obligations (including the Sales Tax Bonds) of the Authority; or

(i) Moody's, Fitch and S&P (in each to the extent such Rating Agency is then providing a rating) shall have (i) reduced the long-term unenhanced credit rating assigned by such Rating Agency to any Parity Obligations (including, without limitation, Sales Tax Bonds) below Investment Grade or (ii) suspended or withdrawn (for credit-related reasons) the long-term unenhanced credit rating assigned by such Rating Agency to any Parity Obligations (including, without limitation, Sales Tax Bonds); or

(j) the Authority (i) makes a claim, in a judicial or administrative proceeding, that the Authority has no further liability or obligation under the applicable Liquidity Facility, the Act, the Trust Agreement, the Notes or any Parity Obligations to pay, when due, the principal or interest payable on the Notes or any Parity Obligation, as applicable, or (ii) contests, in a judicial or administrative proceeding, the validity or enforceability of any provision of the applicable Liquidity Facility, the Act, the Trust Agreement, the Notes or any Parity Obligations relating to the ability or the obligation of the Authority to pay, when due, the principal or interest payable on the Notes or any Parity Obligations or the security therefor; or

(k) the Authority shall fail to make any payment of principal or interest in respect of any Parity and Senior Debt, issued and outstanding or to be issued, when due (i.e., whether upon said Parity and Senior Debt's scheduled maturity, required prepayment, acceleration, upon demand or otherwise, except as such payments may be accelerated, demanded or required to be prepaid under the applicable

Liquidity Facility), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Parity and Senior Debt; or

(l) (i) any provision of the Fee Letter shall at any time, and for any reason, cease to be valid and binding on the Authority, or shall be declared to be null and void, invalid or unenforceable as the result of a judgment by any federal or state court or as a result of any legislative or administrative action by any Governmental Authority having jurisdiction over the Authority; (ii) an authorized representative of the Authority repudiates or otherwise denies in writing that it has any further liability or obligation under or with respect to any provision of the Fee Letter; (iii) the Commonwealth or the Authority shall have taken or permitted to be taken any official action, or has duly enacted any statute, which would adversely affect the enforceability of any provision of or relating to the Fee Letter; or (iv) any Governmental Authority with jurisdiction to rule on the validity or enforceability of the Fee Letter shall find or rule, in a judicial or administrative proceeding, that any provision thereof is not valid or not binding on, or enforceable against, the Authority; or

(m) a ruling, assessment, notice of deficiency or technical advice by the Internal Revenue Service shall be rendered to the effect that interest on the Tax Exempt Notes is includable in the gross income of the holder(s) or owner(s) of such Tax Exempt Notes and either (i) the Authority, after it has been notified by the Internal Revenue Service, shall not challenge such ruling, assessment, notice or advice in a court of law during the period within which such challenge is permitted or (ii) the Authority shall challenge such ruling, assessment, notice or advice and a court of law shall make a determination, not subject to appeal or review by another court of law, that such ruling, assessment, notice or advice is correctly rendered; or

(n) the Authority shall fail to pay, when due and payable, any principal of or interest on any Parity Obligations comprised of Notes (other than the Notes); provided, however, that with respect to a failure to pay the principal or interest due and payable on any other Parity Obligations comprised of Notes (other than the Notes) as contemplated by this Subsection (n) (such Parity Obligations comprised of Notes that are the subject of such payment failure being referred to herein as the "Defaulted CP Notes"), (i) the provider, if any, of the liquidity or credit support for said Defaulted CP Notes shall have also failed to pay, when due and payable, the principal of said Defaulted CP Notes and (ii) each Rating Agency rating the Notes shall have provided a short-term rating with respect to said Defaulted CP Notes; or

(o) dissolution or termination of the existence of the Authority; provided, however, that in the event that the Authority dissolves or its existence terminates by operation of law and a successor entity assumes its obligations under the applicable Liquidity Facility, under the other Note Documents and with respect to the Subordinated Sales Tax Bonds and the rights and security for the Obligations (including the pledge as described in Section 2.8 of the applicable Liquidity Facility and in the Trust Agreement) remain unchanged, a dissolution or termination of the existence of the Authority will not constitute an Event of Default under the applicable Liquidity Facility; or

(p) the occurrence of an "event of default" under any Bank Agreement which results in indebtedness payable thereunder or related thereto becoming, or being capable of becoming, due and payable prior to its scheduled payment date or maturity, including as a result of failing to satisfy the conditions of any term out or amortization of such indebtedness payable under such Bank Agreement; or

(q) any of Fitch, Moody's or S&P (in each to the extent such Rating Agency is then providing a rating) shall (i) have downgraded its rating of any long-term unenhanced Parity Obligations to below "BBB" (or its equivalent), "Baa2" (or its equivalent), or "BBB" (or its equivalent) respectively, and such downgrade shall continue for a period of one-hundred twenty (120) days or (ii) suspended or withdrawn its rating of the same.

Remedies. (a) Upon the occurrence and continuance of any Event of Default, the Bank may (in addition to any rights the Bank has under the applicable Liquidity Facility), at the same or different times,

so long as such Event of Default shall not have been remedied to the sole satisfaction of the Bank: (i) deliver a Default Rate Notice to the Authority and the Agent for purposes of increasing the interest rate payable on the Bank Note to the Default Rate; (ii) deliver to the Authority and the Agent a No Issuance Notice, upon receipt of which the Authority shall cease issuing Notes as provided in the Subsection titled "No Issuance Notice" below; and (iii) subject to compliance with the Act as in effect, proceed to enforce all remedies available under the Note Documents and under applicable law and in equity, including, but not limited to, the right to seek mandamus.

(b) If an Event of Default specified under (b)(i), (e), (f), (g), (h), (i), (k), (n) or (o) under "Events of Default" above (a "Special Event of Default" or a "Termination Event") shall have occurred and be continuing, then, and in every such event, the Bank's obligations to make Advances pursuant to the applicable Liquidity Facility shall immediately and automatically terminate without notice as provided in the applicable Liquidity Facility; provided, that (i) the Event of Default described in Paragraph (b)(i) under "Events of Default" will not qualify as a "Termination Event" under the applicable Liquidity Facility if the failure to pay the principal of, interest on or any sinking fund installment with respect to the Notes is due solely to an acceleration thereof by the Bank for any reason other than the failure to pay the principal of, or interest on or any sinking fund installment with respect to the Notes; and (ii) the Event of Default described in Paragraph (k) under "Events of Default" will not qualify as a "Termination Event" under the applicable Liquidity Facility if the failure to pay the principal of, or interest on, any Parity and Senior Debt is due solely to an acceleration thereof by the holder thereof for any reason other than the failure to pay the principal of, or interest on, such Parity and Senior Debt. The Bank agrees to give the Authority, the Dealer and the Agent prompt notice that the applicable Liquidity Facility has terminated as a result of the occurrence of any Special Event of Default under the applicable Liquidity Facility, it being understood and agreed by the parties hereto, provided, however, that the failure to give such notice by the Bank or the failure to receive such notice by the Authority, the Dealer or the Agent shall not be deemed the failure of a condition precedent to the Bank's right to terminate the applicable Liquidity Facility immediately following the occurrence of a Special Event of Default. As and until such time as the Bank shall have actual knowledge of the occurrence of a Special Event of Default as described in the applicable Liquidity Facility, notwithstanding the occurrence of a Special Event of Default, the Commitment Fee and other Obligations under the applicable Liquidity Facility shall continue to accrue as and to the same extent as if no such Special Event of Default had occurred.

(c) In the case of a Default specified in Paragraph (e)(ii)(y) or Paragraph (e)(iii) under "Events of Default" above (each of the foregoing referred to herein as a "Suspension Event"), the obligations of the Bank to make Advances under the applicable Liquidity Facility shall immediately and automatically be suspended upon the occurrence of such Default without notice or demand to any Person and, thereafter, the Bank shall be under no obligation to make Advances unless and until the Commitment is reinstated as described in paragraph (c) of this Subsection titled "Remedies".

(i) During the pendency of a Default described in Paragraph (e)(ii)(y), the Bank shall be under no obligation to make Advances under the applicable Liquidity Facility until the case or proceeding referred to therein is terminated or the Bank's obligations are reinstated as described below. In the event that such case or proceeding is not terminated prior to the expiration of the 60-day period specified therein, then said Default shall result in a Termination Event the remedy for which is described in Paragraph (b) under "Remedies" above. In the event such case or proceeding is terminated (prior to the expiration of the 60-day period specified therein), then the Bank's obligation to make Advances under the applicable Liquidity Facility shall be automatically reinstated and the terms of the applicable Liquidity Facility shall continue in full force and effect (unless the applicable Liquidity Facility shall otherwise have terminated by its terms or there has occurred a Termination Event as if there had been no such suspension).

(ii) During the pendency of a Default described in Paragraph (e)(iii) under "Events of Default" above, the Bank's obligations to make Advances under the applicable Liquidity Facility

shall remain suspended unless and until the Commitment is reinstated as set forth below or until said Default results in a Termination Event. In the event such Default is cured prior to becoming a Termination Event as described under Paragraph (a) under "Remedies", the Bank's obligations under the applicable Liquidity Facility shall be automatically reinstated and the terms of the applicable Liquidity Facility will continue in full force and effect (unless the applicable Liquidity Facility shall otherwise have terminated by its terms or there has occurred and is continuing a Termination Event as if there had been no such suspension). Notwithstanding the foregoing, if, upon the earlier of the Termination Date or the date which is two (2) years after the effective date of suspension of the Bank's obligations pursuant to this Paragraph (c)(ii), litigation regarding the case or proceeding is still pending and a determination regarding same shall not have been dismissed or otherwise made pursuant to a final and non-appealable judgment, as the case may be, then the Commitment and the obligation of the Bank to make Advances shall at such time terminate without notice or demand and, thereafter, the Bank shall be under no obligation to make Advances.

In the case of each Termination Event or Suspension Event, the Agent shall immediately notify all owners of Notes and the Dealer of the suspension or termination, as the case may be, of both the Commitment and the obligation of the Bank to make Advances under the applicable Liquidity Facility.

No Issuance Notice. Upon receipt of a No Issuance Notice, the Authority shall cease issuing Notes unless and until such No Issuance Notice is rescinded. Any such notice received after 11:30 a.m. shall be deemed to have been received on the next Business Day. Notwithstanding anything in this Subsection titled "No Issuance Notice" to the contrary, prior to the occurrence of a Termination Event or Suspension Event and termination or suspension of the Bank's obligations to make Advances pursuant to the terms of the applicable liquidity facility, a No Issuance Notice shall not affect the obligation of the Bank to make Advances with respect to the payment of Notes issued prior to the receipt by the Authority of such No Issuance Notice. The Bank shall concurrently furnish a copy of any such No Issuance Notice to the Dealer, but failure to so provide such copy shall not render ineffective any such No Issuance Notice. Any No Issuance Notice given pursuant to the applicable Liquidity Facility shall be revoked immediately upon notice of waiver or discontinuance of each and every Event of Default giving rise to such No Issuance Notice by the Bank to the Authority, the Dealer and the Agent.

TAX MATTERS

Federal Tax Matters for the Tax-Exempt Notes

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Bond Counsel to the Authority, is of the opinion that, under existing law, interest on the Tax-Exempt Notes will not be included in the gross income of holders of the Tax-Exempt Notes for federal income tax purposes. Bond Counsel's opinion is expressly conditioned upon continued compliance with certain requirements imposed by the Internal Revenue Code of 1986, as amended (the "Code"), which must be satisfied subsequent to the date of issuance of the Tax-Exempt Notes in order to ensure that interest on the Tax-Exempt Notes is and continues to be excludable from the gross income of holders of the Tax-Exempt Notes. Failure to comply with certain of such requirements could cause interest on the Tax-Exempt Notes to be included in the gross income of holders of the Tax-Exempt Notes retroactive to the date of issuance of the Tax-Exempt Notes. In particular, and without limitation, these requirements include restrictions on the use, expenditure and investment of Tax-Exempt Note proceeds and the payment of rebate, or penalties in lieu of rebate, to the United States, subject to certain exceptions. The Authority has provided covenants and certificates as to continued compliance with such requirements.

In the opinion of Bond Counsel, under existing law, interest on the Tax-Exempt Notes will not constitute a preference item under Section 57(a)(5) of the Code for purposes of computation of the alternative minimum tax. Bond Counsel has not opined as to any other matters of federal tax law relating to the Tax-Exempt Notes. However, prospective purchasers should be aware that certain collateral consequences may result under federal tax law for certain holders of the Tax-Exempt Notes, including but not limited to the

requirement that recipients of certain Social Security and railroad retirement benefits take into account receipts or accruals of interest on the Notes in determining gross income. The nature and extent of these other tax consequences depends on the particular tax status of the holder and the holder's other items of income or deduction. Holders should consult their own tax advisors with respect to such matters.

Interest paid on tax-exempt obligations such as the Tax-Exempt Notes is generally required to be reported by payors to the Internal Revenue Service ("IRS") and to recipients in the same manner as interest on taxable obligations. In addition, such interest may be subject to "backup withholding" if the Tax-Exempt Note holder fails to provide the information required on IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the Tax-Exempt Note holder as being subject to backup withholding because of prior underreporting. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Tax-Exempt Notes from gross income for federal tax purposes.

Interest on the Tax-Exempt Notes includes original issue discount, which with respect to a Tax-Exempt Note is equal to the excess, if any, of the stated redemption price at maturity of such Tax-Exempt Note over the initial offering price thereof to the public, excluding underwriters and other intermediaries, at which price a substantial amount of all such Tax-Exempt Notes with the same maturity was sold. Original issue discount accrues based on a constant yield method over the term of a Tax-Exempt Note. Holders should consult their own tax advisors with respect to the computations of original issue discount during the period in which any such Tax-Exempt Note is held.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Tax-Exempt Notes, including legislation, court decisions, or administrative actions, whether at the federal or state level, may affect the tax exempt status of interest on the Tax-Exempt Notes or the tax consequences of ownership of the Tax-Exempt Notes. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly reduce or eliminate the benefit of the exclusion of the interest on the Tax-Exempt Notes from gross income for federal income tax purposes or any state tax benefit. Tax reform proposals and deficit reduction measures, including but not limited to proposals to reduce the benefit of the interest exclusion from income for certain holders of tax exempt bonds, including bonds issued prior to the proposed effective date of the applicable legislation, and other proposals to limit federal tax expenditures, have been and are expected to be under ongoing consideration by the United States Congress. These proposed changes could affect the market value or marketability of the Tax-Exempt Notes, and, if enacted into law, could also affect the tax treatment of all or a portion of the interest on the Tax-Exempt Notes for some or all holders. Holders should consult their own tax advisors with respect to any of the foregoing tax consequences.

Federal Tax Matters for the Taxable Notes

The following discussion briefly summarizes the principal U.S. federal tax consequences of the acquisition, ownership, and disposition of the Taxable Notes for holders who acquire any Taxable Notes in the initial offering and hold such Taxable Notes as "capital assets." It does not discuss all aspects of U.S. federal income taxation which may apply to a particular holder, nor does it discuss U.S. federal income tax provisions which may apply to particular categories of holders, such as partnerships, insurance companies, financial institutions, regulated investment companies, real estate investment trusts, employee benefit plans, tax-exempt organizations, dealers in securities or foreign currencies, persons holding Taxable Notes as a position in a "hedge" or "straddle," an integrated conversion transaction, or holders whose functional currency is not the U.S. dollar. It is based upon provisions of existing law which are subject to change at any time, possibly with retroactive effect. No rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

Except as otherwise explicitly noted below, this summary addresses only "U.S. Holders," that is, individual citizens or residents of the United States, corporations or other business entities organized under the laws of the United States, any state, or the District of Columbia, estates with income subject to United States federal income tax, trusts subject to primary supervision by a United States court and for which United States persons control all substantial decisions, and certain other trusts that elect to be treated as United States persons. This discussion relates only to U.S. federal income taxes and not to any state, local or foreign taxes or U.S. federal taxes other than income taxes.

Interest on the Taxable Notes that is "qualified stated interest" generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). Generally, "qualified stated interest" means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate and includes the semi-annual interest payments as set forth on the inside cover hereof.

Interest on the Taxable Notes includes any accrued original issue discount. Original issue discount with respect to a Taxable Note is equal to the excess, if any, of the stated redemption price at maturity of a Taxable Note over the initial offering price thereof, excluding underwriters and other intermediaries, at which price a substantial amount of all Taxable Notes with the same maturity were sold, provided that such excess equals or exceeds a de minimis amount (generally ¼% of the stated redemption price at maturity multiplied by the number of complete years from its issue date to its maturity). The stated redemption price at maturity of a Taxable Note is the sum of all scheduled amounts payable on the Taxable Note (other than qualified stated interest). A U.S. Holder of a Taxable Note with original issue discount must include the discount in income as ordinary interest for federal income tax purposes as it accrues in advance of receipt of the cash payments attributable to such income, regardless of the U.S. Holder's regular method of tax accounting. Original issue discount accrues based on a constant yield method over the term of a Taxable Note and results in a corresponding increase in the holder's tax basis in such Taxable Note. Holders should consult their own tax advisors with respect to the computation of original issue discount during the period in which any such Taxable Notes is held.

Unless a non-recognition provision of the Code applies, upon the sale, exchange, redemption, or other disposition (including a legal defeasance) of a Taxable Note, a U.S. Holder will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts representing accrued but unpaid interest) and such holder's adjusted tax basis in such Taxable Note. Such gain or loss generally will be long-term capital gain or loss if the Taxable Note was held for more than one year. If the U.S. Holder is an individual, long-term gains will be subject to reduced rates of taxation. The deductibility of losses is subject to limitations.

A non-U.S. Holder of Taxable Notes whose income from such Taxable Notes is effectively connected with the conduct of a U.S. trade or business generally will be taxed as if the holder were a U.S. Holder. Otherwise: (i) a non-U.S. Holder who is an individual or corporation (or an entity treated as a corporation for federal income tax purposes) holding Taxable Notes on its own behalf (other than a bank which acquires the Taxable Notes in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business) generally will not be subject to federal income taxes on payments of principal, premium, interest or original issue discount on a Taxable Note, as long as the non-U.S. Holder makes an appropriate filing with a U.S. withholding agent; and (ii) a non-U.S. Holder will not be subject to federal income taxes on any amount which constitutes capital gain upon retirement or disposition of a Taxable Note unless such non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and such gain is derived from sources within the United States.

A Taxable Note held by an individual Non-U.S. Holder who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's

death, provided that at the time of such individual's death, payments of interest with respect to the Taxable Note would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information as to interest on or proceeds from the sale or other disposition of Taxable Notes is required to be reported by payors to the IRS and to recipients. In addition, backup withholding may apply unless the holder of a Taxable Note provides to a withholding agent its taxpayer identification number and certain other information or certification of foreign or other exempt status. Any amount withheld under the backup withholding rules is allowable as a refund or credit against the holder's actual U.S. federal income tax liability.

Certain non-corporate U.S. Holders will be subject to a 3.8% tax, in addition to regular tax on income and gains, on some or all of their "net investment income," which generally will include interest on the Taxable Notes and any net gain recognized upon a disposition of a Taxable Note. U.S. Holders should consult their tax advisors regarding the applicability of this tax.

Under the Foreign Account Tax Compliance Act ("FATCA") and related administrative guidance, U.S. withholding at a rate of 30% will generally be required on interest payments in respect of the Taxable Notes and gross proceeds, including the return of principal, from the sale or other disposition, including redemptions, of the Taxable Notes held by or through certain foreign entities, unless such entity complies with certain requirements including information reporting or is eligible for an exemption. This withholding will apply regardless of whether the payment would otherwise be exempt from U.S. nonresident withholding tax (e.g., under the portfolio interest exemption or as capital gain). A foreign entity will generally claim an exemption from FATCA withholding, if an exemption is available, by properly filling out and giving to the person making payments to it IRS Form W-8BEN-E. The holders of the Taxable Notes should consult their tax advisors regarding the application and impact of FATCA.

Bond counsel is not rendering an opinion as to the foregoing federal tax consequences of ownership of the Taxable Notes. Taxable Note holders should seek guidance from an independent tax advisor relating to the tax consequences of purchasing or holding Taxable Notes based on their particular circumstances.

State Law Matters for the Notes

In the opinion of Bond Counsel, under existing law, interest on the Notes and any profit made on the sale thereof are exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Notes. Prospective purchasers should be aware, however, that the Notes are included in the measure of Massachusetts estate and inheritance taxes, and the Notes and the interest thereon are included in the measure of Massachusetts corporate excise and franchise taxes. Bond Counsel has not opined as to the taxability of the Notes, their transfer and the income therefrom, including any profit made on the sale thereof, under the laws of any state other than Massachusetts.

Opinion of Bond Counsel

On the date of delivery of the Notes the original purchasers will be furnished with the opinion of Bond Counsel substantially in the form included in Appendix B hereto.

CERTAIN LEGAL MATTERS

The legality of each Series of the Notes has been approved by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, Bond Counsel to the Authority. See Appendix B for the form of such opinions.

RATINGS

Moody's Investors Service, Inc. and S&P Global Ratings have assigned short-term ratings of "P-1" and "A-1+," respectively, to the Notes and long-term ratings of "Aa3" and "AA," respectively, to the Outstanding Subordinated Sales Tax Bonds.

Such ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that a rating will continue for any given period of time or that a rating will not be revised or withdrawn entirely by any or all of such rating agencies, if, in its or their judgment, circumstances so warrant. Any downward revision or withdrawal of a rating could have an adverse effect on the market prices of the Notes.

APPENDIX A

CERTAIN INFORMATION CONCERNING THE BANK

Barclays Bank PLC (the Bank, and together with its subsidiary undertakings, the Barclays Bank Group) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered head office at 1 Churchill Place, London E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings, the Group or Barclays) is the ultimate holding company of the Group. The Bank's principal activity is to offer products and services designed for larger corporate, wholesale and international banking clients.

Barclays is a British universal bank with a diversified and connected portfolio of businesses, serving retail and wholesale customers and clients globally. The Group's businesses include consumer banking and payment operations around the world, as well as a top-tier, full service, global corporate and investment bank. The Group operates as two operating divisions – the Barclays UK division (Barclays UK) and the Barclays International division (Barclays International) which are supported by Barclays Execution Services Limited. Barclays UK consists of UK Personal Banking, UK Business Banking and Barclaycard Consumer UK businesses. These businesses are carried on by Barclays Bank UK PLC (BBUKPLC) and certain other entities within the Group. Barclays International consists of Corporate and Investment Bank and Consumer, Cards and Payment businesses. These businesses are carried on by the Bank and its subsidiaries, as well as by certain other entities within the Group. Barclays Execution Services Limited is the Group-wide service company providing technology, operations and functional services to businesses across the Group.

The short term unsecured obligations of the Bank are rated A-1 by S&P Global Ratings UK Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long-term unsecured unsubordinated obligations of the Bank are rated A by S&P Global Ratings UK Limited, A1 by Moody's Investors Service Ltd. and A+ by Fitch Ratings Limited.

Based on the Barclays Bank Group's audited financial information for the year ended 31 December 2020, the Barclays Bank Group had total assets of £1,059,731m (2019: £876,672m), loans and advances at amortised cost of £134,267m (2019: £141,636m), total deposits at amortised cost of £244,696m (2019: £213,881m), and total equity of £53,710m (2019: £50,615m). The profit before tax of the Barclays Bank Group for the year ended 31 December 2020 was £3,075m (2019: £3,112m) after credit impairment charges of £3,377m (2019: £1,202m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Issuer for the year ended 31 December 2020.

APPENDIX B

OPINION OF BOND COUNSEL

SERIES B NOTES

June 24, 2021

Massachusetts Bay Transportation Authority
10 Park Plaza
Boston, MA 02116

Re: Massachusetts Bay Transportation Authority Commercial Paper Sales Tax Bond Anticipation Notes, Series [A][B][C][D], consisting of Tax-Exempt Subseries [A][B][C][D]-TE and Federally Taxable Subseries [A][B][C][D]-TX

We have acted as bond counsel to the Massachusetts Bay Transportation Authority (the "Authority") in connection with the issuance by the Authority from time to time of its Tax-Exempt Commercial Paper Sales Tax Bond Anticipation Notes, Series **[A][B][C][D]**, consisting of Tax-Exempt Subseries **[A][B][C][D]**-TE (the "Tax-Exempt Notes") and Federally Taxable Subseries **[A][B][C][D]**-TX (the "Taxable Notes" and together with the Tax-Exempt Notes, the "Notes"). The Notes may be issued and outstanding in an aggregate principal amount not to exceed at any time [$125,000,000][1][$75,000,000][2], pursuant to Chapter 161A of the Massachusetts General Laws, as amended (the "Act"), and the Authority's Sales Tax Bond Trust Agreement, dated as of July 1, 2000 (as amended, the "Sales Tax Bond Trust Agreement"), by and between the Authority and State Street Bank and Trust Company, as trustee, as supplemented by the Forty-Fifth Supplemental Trust Agreement dated as of June 1, 2021 (the "Supplemental Trust Agreement"), by and between the Authority and U.S. Bank National Association, as successor trustee (the Sales Tax Bond Trust Agreement, as supplemented by the Supplemental Trust Agreement, the "Trust Agreement"). In our capacity as bond counsel, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Notes are being issued by means of a book-entry system, with note certificates immobilized at The Depository Trust Company, New York, New York ("DTC") and not available for distribution to the public, evidencing ownership of Notes, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants.

The Notes are being issued as Sales Tax Bond Anticipation Notes and are supported by a Revolving Credit Agreement (the "Liquidity Facility") between the Authority and Barclays Bank PLC. (the "Bank"). The Liquidity Facility expires at the close of business on June 24, [2024][3][2026][4], provided that such expiration date may be extended in accordance with its terms or as provided for in a substitute letter of credit or liquidity facility which may be obtained by the Authority. In addition, the Liquidity Facility is, under certain circumstances set forth in the Liquidity Facility, subject to termination prior to the aforesaid expiration date.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation. Unless otherwise defined herein, certain capitalized terms used herein shall have the meanings set forth in the Trust Agreement.

[1] For the Series A Notes and the Series B Notes.
[2] For the Series C Notes and the Series B Notes.
[3] For the Series A Notes and the Series B Notes.
[4] For the Series C Notes and the Series D Notes.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Authority is validly existing as a body politic and corporate and a political subdivision of The Commonwealth of Massachusetts (the "Commonwealth") with the corporate power to adopt the Trust Agreement, perform the agreements on its part contained therein and issue the Notes.

2. The Trust Agreement has been duly and lawfully authorized, executed and delivered and is in full force and effect and is a valid and binding agreement of the Authority enforceable upon the Authority in accordance with its terms.

3. When duly issued in accordance with the Trust Agreement and applicable DTC procedures, the Notes will be valid and binding special obligations of the Authority enforceable in accordance with their respective terms. The Bank Note (as defined in the Liquidity Facility) has been duly executed and delivered and constitutes the valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms. The principal of and interest on the Bank Note and the interest on the Notes are secured by the Trust Agreement and a pledge of the Pledged Revenues (as defined in the Trust Agreement) received by or for the account of the Authority and among on deposit in the funds and accounts pledged as security therefor under the Trust Agreement. The Trust Agreement creates the valid pledge and lien which it purports to create for the benefit of the holders of the Notes, and in the case of the Bank Note, the Bank, subject to the application of such Pledged Revenues and amounts to the purposes and on the conditions permitted by the Trust Agreement.

4. The Authority is subject to suit, but its property is not generally subject to attachment or levy to pay a judgment on the Notes.

5. Interest on the Tax-Exempt Notes will not be included in the gross income of the holders of the Tax-Exempt Notes for federal income tax purposes. This opinion is rendered subject to the condition that the Authority comply with certain requirements of the Internal Revenue Code of 1986, as amended, which must be satisfied subsequent to the issuance of the Tax-Exempt Notes in order that interest thereon is and continues to be excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Tax-Exempt Notes to be included in the gross income of holders of the Tax-Exempt Notes retroactive to the date of issuance of the Tax-Exempt Notes. Interest on the Tax-Exempt Notes will not constitute a preference item for purposes of computation of the alternative minimum tax. We express no opinion as to other federal tax consequences resulting from holding the Tax-Exempt Notes.

6. Interest on the Notes is exempt from Massachusetts personal income taxes, and the Notes are exempt from Massachusetts personal property taxes. We express no opinion as to other Massachusetts tax consequences arising with respect to the Notes nor as to the taxability of the Notes or the income therefrom under the laws of any state other than Massachusetts.

This opinion may be relied upon in connection with Notes issued after the date hereof only to the extent that (i) there has been no change since the date of this opinion in the statutes, regulations and court decisions relevant to the conclusions of law stated herein, (ii) the representations, warranties and covenants

contained in the Trust Agreement remain valid and in effect, (iii) the matters stated in Section 204 of the Supplemental Trust Agreement are reaffirmed as of the date of each such issue and (iv) we have not notified the Issuing and Paying Agent for the Notes that this opinion may no longer be relied upon.

It should be understood that the rights of the holders of the Notes, and the enforceability of the Notes and the Trust Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. This opinion is given as of the date hereof, and we shall assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.