



Ratings:
S&P: AA+
Moody's: Aa2

**SEE "RATINGS OF
BONDS" HEREIN**

NEW ISSUE – BOOK-ENTRY-ONLY

In the opinion of Co-Bond Counsel, under existing law interest on the Series 2014A Bonds is excludable from gross income for federal income tax purposes and the Series 2014A Bonds are not "private activity bonds." See "TAX MATTERS" herein for a discussion of the opinions of Co-Bond Counsel, including a description of alternative minimum tax consequences for corporations.

\$379,480,000
Dallas Area Rapid Transit
Senior Lien Sales Tax Revenue Refunding Bonds
Series 2014A

Dated: Date of Delivery

Due: December 1, as shown on inside cover

This Supplemental Official Statement supplements our 2014 Annual Disclosure Statement, dated February 25, 2014 (attached as Appendix B), as updated by our Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, dated August 31, 2014 (attached as Appendix C). Collectively, these documents constitute the Official Statement for the Senior Lien Sales Tax Revenue Refunding Bonds, Series 2014A, offered hereby and are referred to herein collectively as the or this "Official Statement." The 2014 Annual Disclosure Statement, the Quarterly Disclosure Update and this Supplemental Official Statement have been filed as public records with the Municipal Securities Rulemaking Board and are posted on our website at <http://www.dart.org>.

The Bonds – Dallas Area Rapid Transit ("DART" or the "Issuer") is issuing \$379,480,000 in principal amount of our Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds" or the "Bonds"). Proceeds of the Series 2014A Bonds, together with other funds of DART, if any, will be used to refund all or a portion of the Issuer's Senior Lien Sales Tax Revenue Bonds described in Schedule I (the "Refunded Bonds") and to pay some or all of the costs of issuance of the Series 2014A Bonds.

You should carefully consider the Investment Considerations beginning on page S-15 of this Supplemental Official Statement and on page 19 of the 2014 Annual Disclosure Statement.

Security for the Bonds - Lien Ranking – As authorized under the provisions of our Master Debt Resolution, adopted January 23, 2001 (as amended and supplemented from time to time, the "Master Debt Resolution"), we have previously issued various series of our Senior Lien Obligations of which \$3,477,920,000 are currently outstanding. The Bonds are being issued, subject to certain conditions described in the Master Debt Resolution, as Additional Senior Lien Obligations under the Master Debt Resolution on a parity with the outstanding Senior Lien Obligations and any other Additional Senior Lien Obligations that are subsequently issued. See "THE BONDS-Compliance with Financial Tests for the Issuance of Additional Senior Lien Obligations." The Bonds are payable from and are secured by a first lien on the (i) Gross Sales Tax Revenues, (ii) Pledged Farebox Revenues, (iii) Federal Interest Subsidy payments that are deposited to the Senior Lien Debt Service Fund and (iv) investment earnings credited to the Gross Sales Tax Revenue Fund. See the 2014 Annual Disclosure Statement, "OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds."

Delivery, Legality – The Bonds are offered, when, as and if issued by DART and accepted by the Underwriters, subject, among other things, to the approving opinion of the Attorney General of the State of Texas as to legality and the approving opinions of Bracewell & Giuliani LLP, Dallas, Texas and West & Associates L.L.P., Dallas, Texas ("Co-Bond Counsel"). Certain legal matters will be passed on for the Underwriters by their co-counsel, Andrews Kurth, LLP, Dallas, Texas and Mahomes Bolden PC, Dallas, Texas ("Co-Underwriters' Counsel"). Delivery of the Bonds is expected through the facilities of The Depository Trust Company ("DTC") on or about December 11, 2014.

J.P. MORGAN

BofA MERRILL LYNCH
ACADEMY SECURITIES, INC.

GOLDMAN, SACHS & CO.
BOSC, INC.
A subsidiary of BOK Financial Corporation

RAMIREZ & CO., INC.
CABRERA CAPITAL MARKETS, LLC

LOOP CAPITAL MARKETS

MESIROW FINANCIAL, INC.

RAYMOND JAMES

RBC CAPITAL MARKETS

RICE FINANCIAL PRODUCTS COMPANY

SIEBERT BRANDFORD SHANK & CO., L.L.C.

December 1, 2014

Interest Rates, Maturities and Redemption - The Bonds will be dated the date of initial delivery to the Underwriters (the “Closing Date”), and will bear interest from the later of the Closing Date or the most recent Interest Payment for which interest has been paid or provided for, payable on each June 1 and December 1, commencing on June 1, 2015 (each an “Interest Payment Date”), at the rates set forth below. The Bonds mature on December 1 of each year (the “Stated Maturity Dates”) in the principal amounts and bear interest at the per annum rates shown below:

\$379,480,000
Dallas Area Rapid Transit
Senior Lien Sales Tax Revenue Refunding Bonds
Series 2014A

CUSIP Prefix: 235241⁽¹⁾

<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIPs⁽¹⁾</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIPs⁽¹⁾</u>
2017	\$2,185,000	3.000%	0.700%	NU6	2025	\$31,355,000	5.000%	2.560% ⁽²⁾	PC4
2017	9,925,000	5.000%	0.700%	PP5	2026	18,945,000	5.000%	2.670% ⁽²⁾	PD2
2018	1,000,000	4.000%	1.000%	NV4	2027	19,915,000	5.000%	2.770% ⁽²⁾	PE0
2018	11,935,000	5.000%	1.000%	PQ3	2028	2,065,000	3.200%	3.260%	PF7
2019	2,670,000	2.000%	1.300%	NW2	2028	3,660,000	5.000%	2.850% ⁽²⁾	QB5
2019	12,550,000	5.000%	1.300%	PR1	2029	6,010,000	5.000%	2.900% ⁽²⁾	PG5
2020	1,400,000	4.000%	1.640%	NX0	2030	6,340,000	5.000%	2.950% ⁽²⁾	PH3
2020	21,105,000	5.000%	1.640%	PS9	2031	6,680,000	5.000%	3.000% ⁽²⁾	PJ9
2021	1,050,000	2.000%	1.950%	NY8	2032	22,600,000	5.000%	3.030% ⁽²⁾	PK6
2021	22,595,000	5.000%	1.950%	PT7	2033	24,335,000	5.000%	3.080% ⁽²⁾	PX8
2022	1,420,000	4.000%	2.180%	NZ5	2034	15,550,000	4.500%	3.270% ⁽²⁾	PL4
2022	23,405,000	5.000%	2.180%	PU4	2034	10,000,000	5.000%	3.120% ⁽²⁾	PY6
2023	850,000	2.300%	2.350%	PA8	2035	16,780,000	4.500%	3.320% ⁽²⁾	PM2
2023	15,210,000	5.000%	2.350%	PV2	2035	10,000,000	5.000%	3.170% ⁽²⁾	PZ3
2024	5,745,000	3.000%	2.450%	PB6	2036	18,065,000	4.500%	3.360% ⁽²⁾	PN0
2024	24,135,000	5.000%	2.450%	PW0	2036	10,000,000	5.000%	3.190% ⁽²⁾	QA7

The Series 2014A Bonds are subject to optional redemption as described herein. See “THE BONDS—Redemption Provisions—*Optional Redemption of Series 2014A Bonds.*”

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor’s Financial Services LLC on behalf of the American Bankers Association. CUSIP numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the owners of the Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of DART, the financial advisor, or the underwriters shall be responsible for the selection or the correctness of the CUSIP numbers set forth herein.

⁽²⁾ Yield to the call date of December 1, 2024.

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IMPORTANT NOTICES

In this Supplemental Official Statement, “we,” “our,” “us,” and “DART” refer to Dallas Area Rapid Transit. If we use a capitalized term in this Supplemental Official Statement and do not define the term in this document, its definition is given or summarized in Appendix B to the 2014 Annual Disclosure Statement or in the Eleventh Supplemental Debt Resolution (defined below).

We are providing information to you about the Bonds in three separate documents: (1) the 2014 Annual Disclosure Statement dated February 25, 2014 (attached hereto as Appendix B), (2) the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, dated August 31, 2014 (attached hereto as Appendix C), both of which provide general information about DART (some of which may not apply to the Bonds) and (3) this Supplemental Official Statement, which describes the specific terms of the Bonds. **All references herein to the “Disclosure Statement” mean the 2014 Annual Disclosure Statement, as updated by the Quarterly Disclosure Update.**

Our Disclosure Statement includes a detailed discussion of the Sales Tax and the Gross Sales Tax Revenues and the Pledged Farebox Revenues that we have pledged as security for the Bonds, the previously issued Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Refunding Bonds, Series 2007 (the “2007 Bonds”), Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bonds, Series 2008 (the “2008 Bonds”), Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bonds, Series 2009A (the “2009A Bonds”), Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bonds, Taxable Series 2009B (Build America Bonds – Direct Payment to Issuer) (the “2009B Bonds”), Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Refunding Bonds, Series 2010A (the “2010A Bonds”), the Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bonds, Taxable Series 2010B (Build America Bonds – Direct Payment to Issuer) (the “2010B Bonds”), Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bonds, Series 2012 (the “2012 Bonds”), and Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Bond, Taxable Series 2012A issued to evidence a Transportation Infrastructure Finance and Innovation Act Loan (the “2012A TIFIA Bonds”), (the 2007 Bonds, the 2008 Bonds, the 2009A Bonds, the 2009B Bonds, the 2010A Bonds, the 2010B Bonds, the 2012 Bonds and the 2012A TIFIA Bonds, collectively, the “Prior Bonds”) and other Obligations that we may issue or enter into in the future; of our rights to issue additional Bond Obligations and related Credit Agreement Obligations; of the financial tests that are imposed as preconditions to their issuance and of other matters relating to our organization; and our public transportation system. We refer you to specific captions within the Disclosure Statement where additional information may be found regarding specific subjects.

DART is authorized to issue and sell up to \$200,000,000, from time to time, in Senior Subordinate Lien Commercial Paper Notes under our Commercial Paper Self-Liquidity (“CPSL”) program established in Fiscal Year 2013, of which \$200,000,000 is currently Outstanding.

In making an investment decision regarding the Bonds, you should rely only on the information contained or incorporated by reference in this Supplemental Official Statement. We have not authorized anyone to provide you with other information. If information varies between the Supplemental Official Statement and the Disclosure Statement, you should rely on the information in this Supplemental Official Statement.

After the Bonds are initially issued and delivered on the Closing Date, we do not claim that the information contained in the 2014 Annual Disclosure Statement, the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, or this Supplemental Official Statement is accurate as of any date other than their respective dated dates. The audited financial statements contained in Appendix A to the 2014 Annual Disclosure Statement provide information only as of fiscal years ending on September 30, 2012, and September 30, 2013, respectively. The financial data as of and for the periods ended June 30, 2013, and June 30, 2014, respectively, has been derived from the unaudited internal records of DART. DART’s independent auditors have not compiled, examined, or performed any procedures with respect to the unaudited financial information, nor have they expressed any opinion or any other form of assurance on such information, and assume no responsibility for, and disclaim any association with, the unaudited financial information. The unaudited information is preliminary and is subject to change as a result of the audit and may materially differ from the audited financial statements when they are released.

You may obtain a copy of the Master Debt Resolution adopted on January 23, 2001, as supplemented from time to time, the Fourth Supplemental Debt Resolution that authorized our Outstanding 2007 Bonds (the “Fourth Supplemental Debt Resolution”); the Fifth Supplemental Debt Resolution that authorized our Outstanding 2008

Bonds (the “*Fifth Supplemental Debt Resolution*”); the Amended and Restated Sixth Supplemental Debt Resolution that authorized our Outstanding 2009A Bonds and 2009B Bonds (the “*Sixth Supplemental Debt Resolution*”); the Seventh Supplemental Debt Resolution that authorized our Outstanding 2010A Bonds and 2010B Bonds (the “*Seventh Supplemental Debt Resolution*”); the Eighth Supplemental Debt Resolution that authorized our Outstanding 2012 Bonds (the “*Eighth Supplemental Debt Resolution*”); the Ninth Supplemental Debt Resolution that authorized our Outstanding 2012A TIFIA Bonds (the “*Ninth Supplemental Debt Resolution*”); the Tenth Supplemental Debt Resolution that authorized our CPSL Program, as amended (the “*Tenth Supplemental Debt Resolution*”); the Eleventh Supplemental Debt Resolution that authorized our Series 2014A Bonds (the “*Eleventh Supplemental Debt Resolution*”); and the Twelfth Supplemental Debt Resolution that authorized our Series 2014B Bonds, from the Municipal Securities Rulemaking Board, or on our website, www.dart.org, or by contacting us at the following address or phone number to request a free copy: Executive Vice President/Chief Financial Officer, DART, 1401 Pacific Avenue, Dallas, Texas 75202, (214) 749-3148. Descriptions and summaries of such documents contained herein are qualified in their entirety by reference to this Supplemental Official Statement in its entirety and to each such document.

We have not authorized any person to give any information or to make any representation other than as contained in this Supplemental Official Statement, and, if given or made, such other information or representation may not be relied upon. This Supplemental Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds. No person may sell the Bonds in any jurisdiction in which such offer, solicitation, or sale is unlawful. The information and expressions of opinion herein are subject to change without notice. This Supplemental Official Statement is submitted in connection with the sale of the Bonds and may not be reproduced or used for any other purpose. In no instance may this Supplemental Official Statement be reproduced or used in part.

Certain information set forth in this Supplemental Official Statement, the 2014 Annual Disclosure Statement and the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, has been furnished by DART and other sources which are believed to be reliable, but such information is not to be construed as a representation by the Underwriters.

The Underwriters have provided the following sentence for inclusion in this Supplemental Official Statement. The Underwriters have reviewed the information in this Supplemental Official Statement and the Disclosure Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF DART AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon an exemption provided thereunder. The Bonds have not been registered or qualified under the securities laws of any state or other jurisdiction.

This Supplemental Official Statement, the 2014 Annual Disclosure Statement and the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, are intended to reflect facts and circumstances on the date of such statements or on such other date or at such other time as identified herein or therein. No assurance can be given that such information may not be misleading at a later date; consequently, reliance on this Supplemental Official Statement, the 2014 Annual Disclosure Statement and the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014, at times subsequent to the issuance of the Bonds described herein or therein should not be made on the assumption that any such facts or circumstances are unchanged.

FORWARD-LOOKING STATEMENTS

We make “forward-looking statements” in this document by using forward-looking words such as “may,” “will,” “should,” “intends,” “expects,” “believes,” “anticipates,” “estimates,” or others. You are cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, conditions in the financial markets, our financial condition, our sales tax revenues, receipt of federal grants and various other factors which may be beyond our control. Because we cannot predict all factors that may affect future decisions, actions, events, or financial circumstances, what actually happens may be different from what we include in forward-looking statements.

GENERAL INFORMATION ABOUT DART

Summary

The following general information about DART is a summary only and is not intended to be comprehensive. This information should be read together with the information in the 2014 Annual Disclosure Statement under the heading “INFORMATION ABOUT DART.”

DART is a subregional transportation authority of the State of Texas. We were created and confirmed by passage of a referendum on August 13, 1983, pursuant to Article 1118y of Vernon’s Annotated Civil Statutes, as amended and recodified as Chapter 452, Texas Transportation Code. Our current boundaries include the territory lying within the corporate limits of the following Participating Municipalities: the Cities of Carrollton, Cockrell Hill, Dallas, Farmers Branch, Garland, Glenn Heights, Irving, Plano, Richardson, Rowlett and University Park and the Towns of Addison and Highland Park. We are governed by a 15-member Subregional Board of Directors.

Our administrative office is located in Dallas County, Texas, and our boundaries include approximately 700 square miles and a population of approximately 2.3 million persons, as of January 1, 2013, according to information obtained from the North Central Texas Council of Governments.

The Participating Municipalities have certain limited rights to withdraw from DART, subject to the continuing collection of the Sales Tax within the withdrawing municipality until its share of all obligations of DART are collected and paid to DART. As set forth in the 2014 Annual Disclosure Statement, Participating Municipalities have the right to call a withdrawal election or accept a petition for withdrawal. See the 2014 Annual Disclosure Statement, “INFORMATION ABOUT DART—DART’s Boundaries, Additions, Withdrawal Rights.”

Sources of Revenue

Our sources of revenue generally include the proceeds of a 1% sales and use tax levied on taxable items sold within the boundaries of our service area (the “Sales Tax”); the revenues from the operation of our public transportation system, including collection of farebox revenues; Federal grant monies; deposits of the Federal Interest Subsidy payments; and investment earnings. See the 2014 Annual Disclosure Statement, “DART’S FINANCIAL PRACTICES AND RESOURCES” and “THE BONDS – Security for Bonds” herein from time to time.

Previously Issued Debt

On the date hereof, our currently Outstanding Bond Obligations consist of: (i) our 2007 Bonds that are Outstanding in the principal amount of \$734,805,000, (ii) our 2008 Bonds that are Outstanding in the principal amount of \$707,205,000, (iii) our 2009A Bonds that are Outstanding in the principal amount of \$170,385,000, (iv) our 2009B Bonds that are Outstanding in the principal amount of \$829,615,000, (v) our 2010A Bonds that are Outstanding in the principal amount of \$80,870,000, (vi) our 2010B Bonds that are Outstanding in the principal amount of \$729,390,000, (vii) our 2012 Bonds that are Outstanding in the principal amount of \$125,650,000 and (viii) our 2012A TIFIA Bonds outstanding in the aggregate principal amount of \$100,000,000. Our Series 1 Commercial Paper Notes may be Outstanding from time to time in the aggregate principal amount of not to exceed \$200,000,000, of which \$200,000,000 is Outstanding.

PLAN OF FINANCE

Purpose

The Bonds are being issued for the purpose of refunding a portion of DART's outstanding bonds as more particularly described in "SCHEDULE I – Schedule of Refunded Bonds" attached hereto (collectively, the "Refunded Bonds") in order to lower the overall annual debt service requirements of DART and to pay the costs of issuance of the Bonds.

Refunded Bonds and Escrow Fund

The principal of and interest due on the Refunded Bonds are to be paid on the scheduled interest payment dates and the respective redemption dates of such Refunded Bonds, from funds to be deposited pursuant to a certain escrow agreement (the "Escrow Agreement") between DART and Amegy Bank National Association, as escrow agent (the "Escrow Agent"). Concurrently with the initial delivery of the Bonds against payment therefor, we will deposit a portion of the proceeds of the Bonds, together with certain other funds of DART, if any, into a special escrow fund (the "Escrow Fund") to be held by the Escrow Agent pursuant to the terms and provisions of the Escrow Agreement in the amount necessary to pay interest on the respective interest payment dates and to accomplish the discharge and final payment of the Refunded Bonds on their respective redemption dates. Amounts on deposit in the Escrow Fund will be used to purchase direct obligations of the United States of America (the "Federal Securities"). The amount deposited to the Escrow Fund, together with investment earnings thereon, is irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds and is not available to pay debt service on the Bonds or on any other obligations of DART.

Grant Thornton LLP, a firm of certified public accountants (the "Verification Agent"), will verify at the time of delivery of the Bonds to the Underwriters that the Federal Securities will mature and pay interest in such amounts which, together with uninvested funds, if any, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds and the computations of yield used to support the opinion of Co-Bond Counsel that interest on the Bonds will be excluded from gross income for federal income tax purposes and will issue a report to this effect (the "Verification Report"). The Verification Report will be relied upon by Co-Bond Counsel in rendering their opinions with respect to the tax-exemption of interest on the Bonds and with respect to the defeasance of the Refunded Bonds. See "VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS" herein.

By the deposit of the Federal Securities and cash, if necessary, with the Escrow Agent pursuant to the Escrow Agreement, DART will have effected the defeasance of all of the Refunded Bonds in accordance with the law. It is the opinion of Co-Bond Counsel that as a result of such defeasance and in reliance upon the Verification Report, the Refunded Bonds will be outstanding only for the purpose of receiving payments from the Federal Securities and any cash held by the Escrow Agent and such Refunded Bonds will not be deemed as being outstanding obligations of DART and will not be payable from any other revenues of DART nor for the purpose of applying any limitation on the issuance of debt.

Concurrent Debt Issuance

Concurrently with the delivery of the Bonds, DART will issue its Senior Lien Sales Tax Revenue Refunding Bonds, Series 2014B (the "2014B Bonds") for the purpose of currently refunding certain Outstanding Senior Lien Obligations, more particularly a portion of the 2036 maturity of the Series 2007 Bonds and a portion of the 2043 maturity of the Series 2008 Bonds. The 2014B Bonds will be \$46,555,000 in principal amount and have been sold in a private offering. See Schedule II – Bonds Refunded by Series 2014B Bonds. Series 2014B CUSIP NO.s: \$18,325,000 Term Bond maturing December 1, 2036 – 235241 QC3; \$28,230,000 Term Bond maturing December 1, 2043 – 235241 QD1.

THE BONDS

The following description of the Bonds is a summary only and is not intended to be comprehensive. The description should be read together with the description of the terms and provisions of the Master Debt Resolution provided in Appendix B to the 2014 Annual Disclosure Statement, “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION.”

General Description

The Series 2014A Bonds are Additional Senior Lien Obligations that we are authorized to issue by the laws of the State of Texas, particularly Chapter 1207, Texas Government Code, as amended, and Chapter 452, Texas Transportation Code, as amended, and Section 3.2 of the Master Debt Resolution, as supplemented by the Eleventh Supplemental Debt Resolution.

The Bonds will be issued in fully registered form in authorized denominations of \$5,000 principal amount and any integral multiple thereof. On the Closing Date we will deliver to the Paying Agent/Registrar one initial Bond (the “*Initial Bond*”) representing the aggregate principal amount of the Bonds, payable in installments to the Representative of the Underwriters, approved by the Attorney General of Texas, and registered in the name of the representative of the Underwriters. Upon delivery of the Initial Bond to the Representative of the Underwriters against payment therefor, we will execute and deliver to the Paying Agent/Registrar one definitive Bond certificate for each maturity and interest rate thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“*DTC*”) pursuant to the Book-Entry System described herein and the Initial Bond will be cancelled. No physical delivery of the Bonds will be made to the beneficial owners thereof.

The principal and interest on the Bonds at maturity or upon prior redemption will be payable by the Paying Agent/Registrar to Cede & Co., which will distribute the amounts paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See “BOOK-ENTRY SYSTEM” herein.

Designation of 2009B and 2010B Bonds as Build America Bonds; Receipt of Federal Interest Subsidy and Reduction in Federal Interest Subsidy Payments Due to Sequestration

The 2009B Bonds and the 2010B Bonds were designated as “Build America Bonds” (collectively, the “*Build America Bonds*”) pursuant to the provisions of the American Recovery and Reinvestment Act of 2009 (the “*Recovery Act*”) and we are eligible under the Recovery Act to receive from the United States Treasury interest subsidy payments (“*Federal Interest Subsidy*”) equal to approximately 35% of the interest payable on the Build America Bonds. We have covenanted and agreed in the Sixth and Seventh Supplemental Debt Resolutions to deposit the Federal Interest Subsidy payments, promptly upon receipt, to the Senior Lien Debt Service Fund, and further, to take all actions required by law and applicable regulations as necessary to provide for the collection of the Federal Interest Subsidy.

Due to Congressionally-mandated reductions to the federal budget for Fiscal Year 2013, approximately \$1.2 trillion across-the-board budget cuts were made to the federal budget for Fiscal Year 2013 and such cuts currently remain in effect. Prior to sequestration, DART received approximately \$30.5 million in Federal Interest Subsidy payments with respect to the Build America Bonds; as a result of the sequestration, DART has received Federal Interest Subsidy payments of \$28,300,000 for fiscal year 2014, representing a reduction of \$2,190,000 for Fiscal Year 2014 and expects to receive for Fiscal Year 2015 \$28,300,000, representing a reduction of \$2,220,000. While not desirable, DART believes that the reduction has not had and, if continued at the same reduced rate, will not have, a significant impact on DART’s ability to meet its debt service requirements.

Compliance with Financial Tests for the Issuance of Additional Senior Lien Obligations

The financial tests for the issuance of Additional Senior Lien Obligations described in this section, in the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Preconditions

to Issuance of Bond Obligations—Financial Coverage Tests,” and in Appendix B to the 2014 Annual Disclosure Statement, “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—PERMITTED DART INDEBTEDNESS—Additional Senior Lien Obligations” have been changed as described below under “Amendment to Master Debt Resolution.”

In accordance with the requirements of Section 3.2 of the Master Debt Resolution, on the date of delivery of the Bonds, we will provide the Trustee with a certificate executed by our Chief Financial Officer certifying and demonstrating that: (i)(a) estimated Gross Sales Tax Revenues for each of the three consecutive Fiscal Years beginning with the first Fiscal Year in which Debt Service with respect to the Bonds is due, are equal to at least 200% of the Debt Service that will be due on Senior Lien Obligations (exclusive of amounts payable on Credit Agreement Obligations) during each of such three consecutive Fiscal Years after taking into consideration any additional Debt Service to be paid during such period with respect to the Bonds (exclusive of amounts payable on Credit Agreement Obligations) or (b) for either the most recent complete Fiscal Year, or for any consecutive 12 of the most recent 18 months, the Gross Sales Tax Revenues were equal to at least 200% of the maximum Debt Service on or with respect to all Outstanding Senior Lien Obligations (exclusive of amounts payable on Credit Agreement Obligations) scheduled to be paid during the current or any future Fiscal Year, including maximum Debt Service during any future Fiscal Year on the Bonds; and (ii) our estimated Gross Sales Tax Revenues, during each of three consecutive Fiscal Years beginning with the Fiscal Year in which Debt Service is due on the Bonds, will be sufficient to pay all Senior Lien Obligations (exclusive of amounts payable on Credit Agreement Obligations) and all Subordinate Lien Obligations during such three Fiscal Years (exclusive of amounts payable on Credit Agreement Obligations).

Amendment to Master Debt Resolution

In the Sixth Supplemental Debt Resolution, the Board approved a certain amendment (the “*Amendment*”) to the Master Debt Resolution described in this section. DART obtained the consents necessary for the Amendment to become effective, and the Amendment became effective on February 11, 2011.

The following is a summary of the Amendment:

- The Debt Service required to be calculated for a particular series of Obligations pursuant to the financial tests set forth in subsections (b)(iii) and (b)(iv) of Section 3.2 of the Master Debt Resolution will be calculated net of amounts payable to DART from or by the State or the United States for, on account of, or in reimbursement for, the payment of principal and interest on such Obligations, if such amounts are, at the time of calculation, required to be deposited to the debt service fund for such Obligations. The effect of this Amendment is to permit DART to take into account Federal Interest Subsidy payments in calculating DART’s Debt Service for purposes of meeting its financial coverage tests for the issuance of additional Obligations. For a description of the financial tests set forth in the Master Debt Resolution, see “THE BONDS—Compliance with Financial Tests for the Issuance of Additional Senior Lien Obligations” and the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Preconditions to Issuance of Bond Obligations—Financial Coverage Tests.”

Principal Amounts, Interest Rates

The Bonds will mature on the dates, in the principal amounts and will bear interest at the rates per annum stated on the inside cover page of this Supplemental Official Statement. Interest on the Bonds will be calculated on the basis of a 360-day year of twelve thirty-day months, paid semiannually on June 1 and December 1 of each year (or on the next succeeding Business Day if such date is not a Business Day), commencing June 1, 2015. Interest will accrue and be paid on each Bond respectively until its maturity or prior redemption, from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for.

Security for Bonds

The Bonds are payable from and are secured by a first lien on the (i) Gross Sales Tax Revenues, (ii) Pledged Farebox Revenues, (iii) the Federal Interest Subsidy payments that are deposited to the Senior Lien Debt Service

Fund, and (iv) investment earnings credited to the Gross Sales Tax Revenue Fund. See the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.” This lien is senior to the lien on Pledged Revenues that is created in the Master Debt Resolution in favor of all Subordinate Lien Obligations. To secure our obligations to pay compensation to, to reimburse the expenses and costs of, and to indemnify the Trustee, the Trustee has a lien on Pledged Revenues prior to the Senior Lien Obligations. During the continuance of an Event of Default, the Trustee will apply all money, investments and the income therefrom that are on deposit in the Senior Lien Debt Service Fund first to the payment of Administrative Expenses owed on or with respect to the Senior Lien Obligations. For additional information regarding the Sales Tax and Gross Sales Tax Revenues, see the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

THE BONDS AND OUR OUTSTANDING BOND OBLIGATIONS ARE PAYABLE SOLELY FROM THE PLEDGED REVENUES AND THE PLEDGED FUNDS CREATED UNDER THE MASTER DEBT RESOLUTION AND THE ELEVENTH SUPPLEMENTAL DEBT RESOLUTION, AND NEITHER THE STATE, THE CITY OF DALLAS (THE “CITY”), A PARTICIPATING MUNICIPALITY, NOR ANY POLITICAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE WILL BE OBLIGATED TO PAY THE SAME OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE, THE CITY, A PARTICIPATING MUNICIPALITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS OR OUR OUTSTANDING BOND OBLIGATIONS. NEITHER THE BONDS, OUR OUTSTANDING BOND OBLIGATIONS, NOR ANY INSTRUMENT RELATED TO SUCH BONDS MAY GIVE A BONDHOLDER A RIGHT TO DEMAND PAYMENT FROM TAX PROCEEDS IN EXCESS OF THOSE COLLECTED FROM THE SALES TAX IMPOSED BY DART PURSUANT TO THE ACT. THE OWNERS OF THE BONDS DO NOT HAVE THE RIGHT TO DEMAND PAYMENT OF THE BONDS OUT OF ANY FUNDS RAISED OR TO BE RAISED BY AD VALOREM TAXATION.

Pledge of Pledged Farebox Revenues to Obligations Pursuant to Seventh Supplemental Debt Resolution

The Master Debt Resolution provides that DART may, pursuant to a supplemental resolution, subject additional revenues to the lien and pledge of the Master Debt Resolution. Pursuant to the provisions of the Seventh Supplemental Debt Resolution, DART pledged the Pledged Farebox Revenues as security for all of the Obligations, including the Prior Bonds, the Bonds and any Additional Senior Lien Obligations. Pledged Farebox Revenues are limited, with respect to each Debt Service Accrual Period, to the fares collected by DART for its bus, rail and paratransit services in an amount equal to the Accrued Aggregate Debt Service applicable to the 2010B Bonds after deducting the Federal Interest Subsidy payments accrued during such Debt Service Accrual Period. The Pledged Farebox Revenues are subject to the lien and pledge of the Master Debt Resolution for the benefit of holders of all outstanding Obligations, and are additional funds constituting Pledged Revenues. DART has covenanted and agreed that on each day on which the Trustee receives Gross Sales Tax Revenues as provided in the Master Debt Resolution, to the extent such Gross Sales Tax Revenues are insufficient to fully fund all of the transfers and deposits required to be made pursuant to Section 5.3(a) of the Master Debt Resolution, to transfer to the Trustee an amount of Pledged Farebox Revenues sufficient to fund such deficiency or, if Pledged Farebox Revenues are not sufficient to fund such deficiency, continue to transfer Pledged Farebox Revenues to the Trustee immediately upon receipt thereof, until any deficiencies are fully funded. The Trustee shall deposit and transfer such Pledged Farebox Revenues to the funds and accounts and in the order of priority set forth in the Master Debt Resolution for deposit and credit of amounts on deposit in the Gross Sales Tax Revenue Fund. See the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

Payments of Principal and Interest

- Deposits to and Payments from Senior Lien Debt Service Fund

The Trustee is required (1) to accumulate money in the Senior Lien Debt Service Fund in amounts sufficient to pay the principal of and the interest on the Bonds that are due and payable on each Interest Payment Date and on each Stated Maturity Date by depositing Gross Sales Tax Revenues to the Gross Sales Tax Revenue Fund as such

revenues are received from the Comptroller, and then transferring such revenues, together with any other funds required to be transferred to the Trustee by DART, to the Senior Lien Debt Service Fund, in amounts equal to the Accrued Aggregate Debt Service on the Outstanding Bonds during each Debt Service Accrual Period, and (2) to transfer funds to the Paying Agent/Registrar sufficient in amount to pay the principal of and the interest on the Outstanding Bonds on their respective Interest Payment Dates, Mandatory Redemption Dates and Stated Maturity Dates. See the 2014 Annual Disclosure Statement, “OUTSTANDING OBLIGATIONS AND OUR FINANCING PLANS—Security for the Obligations—Flow of Funds.”

If amounts on deposit in the Senior Lien Debt Service Fund are not sufficient on any Interest Payment Date, Mandatory Redemption Date or Stated Maturity Date to make such payment then due, such an occurrence constitutes an Event of Default under the Master Debt Resolution. In such an event, the Trustee is required to deposit all Gross Sales Tax Revenues, the other Pledged Revenues and other funds required to be transferred to the Trustee by DART to the Senior Lien Debt Service Fund when and as received from the Comptroller or DART, respectively, until the Senior Lien Debt Service Fund has on deposit therein all current and past due amounts required to pay the Senior Lien Bonds. See “THE BONDS—Events of Default and Remedies,” Appendix B to the 2014 Annual Disclosure Statement, “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—DEFAULTS AND REMEDIES—Remedies for Default” and “SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—SPECIAL FUNDS, USES OF MONEYS—Gross Sales Tax Revenue Fund.”

- *Medium, Method and Place of Payment*

Interest on the Bonds will be payable to the Holders whose names appear in the Obligation Register at the close of business on the 15th day of the month next preceding each Interest Payment Date (the “*Record Date*”); provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a “*Special Record Date*”) will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from DART. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “*Special Payment Date*,” which will be at least 15 days after the Special Record Date) will be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a Bond appearing on the Obligation Register at the close of business on the last Business Day next preceding the date of mailing of such notice. Interest on the Bonds will be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the Holder entitled to such payment, United States mail, first class postage prepaid, to the address of the Holder as it appears in the Obligation Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person will bear all risk and expenses of such other customary banking arrangements.

The principal of each Bond will be paid to the Holder on the due date thereof (whether at the Stated Maturity Date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent, initially in Houston, Texas. If a date for the payment of the principal of or interest on the Bonds is not a Business Day, then the date for such payment will be the next succeeding Business Day, and payment on such date will have the same force and effect as if made on the original date payment was due.

Subject to any applicable escheat, unclaimed property, or similar and Applicable Law, unclaimed payments remaining unclaimed by the Holders entitled thereto for three years after the applicable payment or redemption date will be paid to DART and thereafter neither DART, the Paying Agent/Registrar, nor any other person will be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds. Notwithstanding any other provision of this Supplemental Official Statement, during any period in which the Bonds are held in book-entry-only form by DTC, payment of the principal, together with any premium, and interest on the Bonds, will be paid to DTC in immediately available or next day funds on each interest or principal payment date.

Redemption Provisions

- Optional Redemption of Series 2014A Bonds

The Series 2014A Bonds maturing on and after December 1, 2025 are subject to redemption, in whole or in part, at our option on any day on and after December 1, 2024, at the redemption price equal to the principal amount of the Series 2014A Bonds to be redeemed plus accrued and unpaid interest to the redemption date, without premium.

- Redemption Procedures for Bonds

We may select, in our sole discretion, the maturity or maturities and amounts of any Bonds to be redeemed at our option. So long as the Book-Entry system is used for the Bonds, the Paying Agent/Registrar will give notice of any such redemption only to DTC, as registered owner, and the selection and redemption of the Bonds will be completed pursuant to the applicable procedures of DTC. If DART selects part of a maturity for redemption, the selection of Bonds to be redeemed within such maturity will be determined by DTC. A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. If such a Bond is to be partially redeemed, DTC will treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption. If Bonds are redeemed in part, the principal amount of such Bonds held by DTC will be reduced and DTC will redeem Bonds held for the accounts of DTC participants in accordance with its rules and operational arrangements and DTC participants and indirect participants will implement a redemption of such Bonds from the beneficial owners thereof.

The selection of Bonds to be redeemed will be conducted by DTC and will not be governed by the Master Debt Resolution or the Eleventh Supplemental Debt Resolution and will not be conducted by DART or the Paying Agent/Registrar. Neither DART nor the Paying Agent/Registrar will have any responsibility to DTC participants or other persons for whom DTC participants act as nominees, with respect to the payments on the Bonds or the providing of notice to DTC participants, indirect participants, or beneficial owners of the selection of portions of the Bonds for redemption.

- Notice of Redemption

The Paying Agent/Registrar is required to give notice of any redemption to the Holder of each Bond (or part thereof) to be redeemed by first class United States mail not less than 30 days before the date fixed for redemption. The notice of redemption must state the redemption date, the redemption price, the place at which the Bonds are to be surrendered, and, if less than all the Bonds are to be redeemed, an identification of the Bonds or portions of the Bonds to be redeemed. Any notice so given is conclusively presumed to have been duly given, whether or not the Holder actually receives notice. Failure to give notice of redemption to any Holder of Bonds, or any defect therein, will not affect the validity of any proceedings for redemption of any Bonds for which notice was properly given.

The Paying Agent/Registrar and DART, so long as the Book-Entry system is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Master Debt Resolution or Supplemental Debt Resolution or other notices only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the beneficial owner, shall not affect the validity of the redemption of the Bonds called for redemption or any other action premised on any such notice.

Registration, Transfer, Exchange and Replacement of Bonds

The Bonds may be registered, transferred, exchanged or replaced by the Paying Agent/Registrar who at all times is obligated to maintain an Obligation Register. Neither DART nor the Paying Agent/Registrar is required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation is not applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

Events of Default and Remedies

Each of the following occurrences or events constitutes an “Event of Default” under the Master Debt Resolution:

- (i) failure to timely pay any Debt Service on Bond Obligations;
- (ii) failure to timely pay any Credit Agreement Obligations;
- (iii) default in the performance of any of the covenants, conditions, agreements and provisions contained in the Obligations or in any of the Outstanding Resolutions, the failure of which materially and adversely affects the rights of the Holders, and the continuation thereof for a period of 30 days after written notice of such default;
- (iv) issuing of an order by the Bankruptcy Court or a United States District Court or other court having jurisdiction, granting DART, in an involuntary proceeding, any relief under any applicable law relating to bankruptcy or providing for the appointment of a receiver or other similar official for DART or any substantial part of its property, affairs or assets, and the continuance of any such order unstayed and in effect for a period of 90 consecutive days; or
- (v) DART institutes or consents to the institution of insolvency or bankruptcy proceedings against it under any federal or state insolvency laws, or files or consents to the filing of any petition, application or complaint seeking the appointment of a receiver or other similar official for DART or of any substantial part of its property, affairs or assets.

Upon the happening and continuance of any of the Events of Default the Trustee is required to transfer future Gross Sales Tax Revenues and any other Pledged Revenues in the same order as if no Event of Default had occurred with the exception that Administrative Expenses owed with respect to the Senior Lien Obligations will be paid prior to the payment of interest and principal installments from the Senior Lien Debt Service Fund. Subject to certain restrictions on Holder’s actions set forth in the Master Debt Resolution, a Credit Provider, a Bondholder Representative and/or a trustee representing not less than 25% in principal amount of Outstanding Bond Obligations, may proceed against DART to protect and enforce the rights of the Holders. No Holder has the right to seek appointment of a receiver or administrator of the affairs and assets of DART. There is no right to accelerate the maturity of any Obligation under the Master Debt Resolution.

Thirty days after a default is cured, DART will be restored to its former position under the Master Debt Resolution and any proceedings are required to be abandoned or dismissed.

During the continuance of an Event of Default, the Trustee will apply all amounts on deposit in the Senior Lien Debt Service Fund, the Senior Subordinate Lien Debt Service Fund and the Junior Subordinate Lien Debt Service Fund at the time of the default or deposited to such funds after the default, respectively, as follows: (i) to the payment of Administrative Expenses with respect to the Senior Lien Obligations, the Senior Subordinate Lien Obligations, or the Junior Subordinate Lien Obligations, respectively, and as applicable; and (ii) to the payment of Debt Service due on the Obligations that are payable from the money on deposit in the Senior Lien Debt Service Fund, the Senior Subordinate Lien Debt Service Fund, or the Junior Subordinate Lien Debt Service Fund, respectively, and as applicable, in the following order:

- (i) Unless the principal of all applicable Outstanding Obligations is due, first, to the payment of interest then due in the order of maturity of such interest installments, and, if the amount available is not sufficient to pay all interest amounts then due, then to the payment of interest ratably, according to the amounts due on such installment, without any discrimination or preference; and second, to the payment of principal or redemption price then due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available is not sufficient to pay all of the applicable Obligations due on any date, then to the payment of principal or redemption price ratably, according to the amounts of principal due, without any discrimination or preference.

(ii) If the principal of all of the applicable Outstanding Obligations that are payable from a specific debt service fund is due, to the payment of the principal and interest then due and unpaid upon such Obligations without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Obligation over any other Obligation, ratably, according to the amounts due respectively for principal and interest, without any discrimination or preference.

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Series 2014A Bonds will be applied approximately as follows:

SOURCES

Par Amount of the Bonds	\$379,480,000.00
Net Original Issue Premium	64,193,376.75
Issuer Contribution	<u>548,969.44</u>
Total Sources	<u>\$444,222,346.19</u>

USES

Deposit to Escrow Fund	\$442,062,441.72
Underwriters' Discount	1,360,184.34
Cost of Issuance *	<u>799,720.13</u>
Total Uses	<u>\$444,222,346.19</u>

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* Includes rounding amount.

ANNUAL BOND DEBT SERVICE REQUIREMENTS

The following table sets forth the amounts required for the payment of principal, mandatory sinking fund redemptions, and interest on the outstanding Senior Lien Obligations and annual debt service requirements on the Bonds and the Series 2014B Bonds.

<u>FYE 9/30</u>	<u>Existing Senior Lien Net Debt Service</u> ^{(1) (2)}	<u>Series 2014A Bonds</u>			<u>Series 2014B Bonds</u>			<u>Total Net Debt Service Requirements</u> ⁽¹⁾
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2015	\$179,380,618	\$ -	\$ 8,666,933	\$ 8,666,933	\$ -	\$ 1,132,542	\$ 1,132,542	\$ 189,180,093
2016	175,518,258	-	18,353,505	18,353,505	-	2,398,325	2,398,325	196,270,088
2017	177,510,228	-	18,353,505	18,353,505	-	2,398,325	2,398,325	198,262,058
2018	165,119,481	12,110,000	18,072,605	30,182,605	-	2,398,325	2,398,325	197,700,411
2019	164,849,923	12,935,000	17,473,330	30,408,330	-	2,398,325	2,398,325	197,656,578
2020	163,228,537	15,220,000	16,814,505	32,034,505	-	2,398,325	2,398,325	197,661,367
2021	156,834,632	22,505,000	15,918,430	38,423,430	-	2,398,325	2,398,325	197,656,387
2022	156,830,643	23,645,000	14,787,430	38,432,430	-	2,398,325	2,398,325	197,661,398
2023	156,831,052	24,825,000	13,598,530	38,423,530	-	2,398,325	2,398,325	197,652,907
2024	166,592,542	16,060,000	12,594,980	28,654,980	-	2,398,325	2,398,325	197,645,847
2025	149,597,759	29,880,000	11,515,405	41,395,405	-	2,398,325	2,398,325	193,391,489
2026	149,598,274	31,355,000	10,041,980	41,396,980	-	2,398,325	2,398,325	193,393,579
2027	163,261,487	18,945,000	8,784,480	27,729,480	-	2,398,325	2,398,325	193,389,292
2028	163,265,819	19,915,000	7,812,980	27,727,980	-	2,398,325	2,398,325	193,392,124
2029	178,071,889	5,725,000	7,190,565	12,915,565	-	2,398,325	2,398,325	193,385,779
2030	178,058,151	6,010,000	6,915,775	12,925,775	-	2,398,325	2,398,325	193,382,251
2031	178,039,913	6,340,000	6,607,025	12,947,025	-	2,398,325	2,398,325	193,385,263
2032	178,027,217	6,680,000	6,281,525	12,961,525	-	2,398,325	2,398,325	193,387,067
2033	162,830,788	22,600,000	5,549,525	28,149,525	-	2,398,325	2,398,325	193,378,638
2034	157,759,773	24,335,000	4,376,150	28,711,150	4,245,000	2,292,200	6,537,200	193,008,123
2035	157,746,000	25,550,000	3,167,900	28,717,900	4,460,000	2,074,575	6,534,575	192,998,475
2036	157,742,515	26,780,000	1,940,475	28,720,475	4,690,000	1,845,825	6,535,825	192,998,815
2037	157,743,464	28,065,000	656,463	28,721,463	4,930,000	1,605,325	6,535,325	193,000,252
2038	185,541,933	-	-	-	-	1,482,075	1,482,075	187,024,008
2039	185,533,350	-	-	-	-	1,482,075	1,482,075	187,015,425
2040	180,286,234	-	-	-	5,065,000	1,349,119	6,414,119	186,700,353
2041	180,273,486	-	-	-	5,340,000	1,075,988	6,415,988	186,689,474
2042	180,256,239	-	-	-	5,630,000	788,025	6,418,025	186,674,264
2043	180,255,020	-	-	-	5,935,000	484,444	6,419,444	186,674,464
2044	172,158,472	-	-	-	6,260,000	164,325	6,424,325	178,582,797
2045	178,968,895	-	-	-	-	-	-	178,968,895
2046	122,575,548	-	-	-	-	-	-	122,575,548
2047	122,563,803	-	-	-	-	-	-	122,563,803
2048	122,553,349	-	-	-	-	-	-	122,553,349
2049	117,527,836	-	-	-	-	-	-	117,527,836
Total	\$5,722,933,127	\$379,480,000	\$235,474,000	\$614,954,000	\$46,555,000	\$58,946,367	\$105,501,367	\$6,443,388,495

⁽¹⁾ Net of expected federal subsidies payments on the Series 2009B and 2010B Bonds, with a 7.3% sequestration reduction projected until FY 2024. Includes debt service associated with full drawdown of \$105 million TIFIA loan. Does not include debt service for outstanding senior subordinate lien commercial paper.

⁽²⁾ Net of debt service payments on the Refunded Bonds and the bonds refunded by the issuance of the Series 2014B Bonds.

THE PAYING AGENT/REGISTRAR

Amegy Bank National Association, Houston, Texas, is the Paying Agent/Registrar for the Bonds. We retain the right to replace the Paying Agent/Registrar, but we are obligated to maintain and provide for a Paying Agent/Registrar for the Bonds at all times, and any successor must be a commercial bank or trust company or other entity that is duly and legally authorized to perform the duties of Paying Agent/Registrar under the Master Debt Resolution and the Eleventh Supplemental Debt Resolution. The Paying Agent/Registrar is responsible for paying the principal of and interest on the Bonds from amounts received from the Trustee, for maintaining the Obligation Register with respect to the Bonds and, subject to the conditions described under "BOOK-ENTRY SYSTEM" below, administering the transfer and exchange of Bonds.

BOOK-ENTRY SYSTEM

AS LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES HEREIN TO THE "HOLDERS," THE "BONDHOLDERS," OR THE "OWNERS OF THE BONDS" MEANS CEDE & CO. AND DOES NOT MEAN THE BENEFICIAL OWNER OF THE BONDS. WHEN REFERENCE IS MADE TO ANY ACTION WHICH IS REQUIRED OR PERMITTED TO BE TAKEN BY SUCH BENEFICIAL OWNER, SUCH REFERENCE ONLY RELATES TO ACTION BY SUCH BENEFICIAL OWNER OR THOSE PERMITTED TO ACT (BY STATUTE, REGULATION, OR OTHERWISE) ON BEHALF OF SUCH BENEFICIAL OWNER FOR SUCH PURPOSES.

DART, the Paying Agent/Registrar, the Co-Financial Advisors and the Underwriters cannot and do not give any assurances that DTC will distribute to its Participants or that Direct Participants or Indirect Participants (as each of such capitalized terms are defined below) will distribute to Beneficial Owners of the Bonds (i) payments of the principal of or interest or premium, if any, on the Bonds, (ii) confirmation of ownership interests in the Bonds or (iii) redemption or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Supplemental Official Statement. The current "rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "procedures" of DTC to be followed in dealing with its Participants are on file with DTC.

DART, THE PAYING AGENT/REGISTRAR, THE CO-FINANCIAL ADVISORS AND THE UNDERWRITERS WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC, TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE BONDS; (C) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE MASTER DEBT RESOLUTION, THE ELEVENTH SUPPLEMENTAL DEBT RESOLUTION OR ANY OTHER SUPPLEMENTAL RESOLUTION UNDER AND PURSUANT TO WHICH ANY OUTSTANDING OBLIGATIONS HAVE BEEN ISSUED OR EXECUTED, OR PRIOR RESOLUTIONS AMENDED; (D) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT.

The information in this section concerning DTC and DTC's Book-Entry system has been obtained from sources that DART believes to be reliable, but neither DART nor the Board take any responsibility for the accuracy thereof.

General Provisions

The following information concerning DTC and its book-entry system has been furnished for use in this Supplemental Official Statement by DTC. DART, the Paying Agent/Registrar, the Co-Financial Advisors and the Underwriters take no responsibility for the accuracy or completeness of such information.

DTC acts as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized

representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and bearing the same interest rate, 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*"). Standard & Poor's has rated DTC "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants 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. Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, the Bonds to be redeemed within such maturity will be selected by DTC in accordance with the Operational Arrangements of DTC.

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

Payments of principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from DART or the Paying Agent/Registrar on a 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, the Paying Agent/Registrar, DART or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of DART, the Board or the Paying Agent/Registrar, disbursement of such payments to Direct Participants shall 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 Bonds at any time by giving reasonable notice to DART, the Board or the Paying Agent/Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered as described in the Eleventh Supplemental Debt Resolution.

DART and the Board may decide to discontinue use of the system of Book-Entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered as described in the Eleventh Supplemental Debt Resolution.

INVESTMENT CONSIDERATIONS

The following information, which you should carefully consider, identifies certain investment considerations associated with the purchase of Bonds. You should also carefully consider the information set forth under "Investment Considerations" beginning on page 20 of the 2014 Annual Disclosure Statement.

Issuance of Additional Senior Lien Obligations

The Master Debt Resolution permits us to issue Additional Senior Lien Obligations without notice to you and without your consent, if we can satisfy the financial tests and limitations contained in the Master Debt Resolution. We must also satisfy any limitations contained in Supplemental Resolutions and in Credit Agreements in order to issue any Senior Lien Obligations. The financial tests that apply to future issues of Additional Senior Lien Obligations require us to demonstrate an ability to pay the Bonds and such future Obligations based on economic forecasts of future economic conditions. Those forecasts do not and cannot guarantee that we will receive Gross Sales Tax Revenues and other Pledged Revenue, at the times and in the amounts required to pay all of our Obligations, including the Bonds, when and as due and payable.

Ratings of the Bonds Do Not Assure Their Payment

The Bonds are currently rated by nationally recognized rating agencies, as shown on the cover page hereof. A rating reflects the rating agency's assessment of the likelihood that holders of a class of securities will receive the payments to which they are entitled. A rating may not remain in effect for any given period of time, and a rating agency may lower or withdraw a rating entirely. A rating is not a recommendation to purchase, hold, or sell securities because it does not address the market price, liquidity or the suitability of the securities for any particular investor.

The Master Debt Resolution Provides for Cross-Defaults

The Master Debt Resolution provides that an "Event of Default" occurs thereunder if, under certain circumstances, we default in the due and punctual performance of any covenant, condition, agreement or provision contained in any Obligation (including any Credit Agreement) or any Outstanding Resolution. See Appendix B to the 2014 Annual Disclosure Statement, "SUMMARY OF CERTAIN TERMS OF THE MASTER DEBT RESOLUTION—DEFAULTS AND REMEDIES."

Nonpayment Events of Default

If we default in the performance of any nonpayment related covenants, conditions, agreements, and provisions contained in the Obligations or in any of the Outstanding Resolutions, notice of default may be initiated by the Holders of not less than 10% in aggregate principal amount of Outstanding Bond Obligations, a Credit Provider, or a Bondholder Representative. It may be difficult for the Holders of the Bonds to initiate a nonpayment event of default, unless such Holders are successful in obtaining the cooperation of (i) a significant number of other Holders of the Bonds or (ii) the Holders of other Outstanding Bond Obligations. Although the Master Debt Resolution permits a Supplemental Resolution authorizing a series of Bond Obligations to designate a Bondholder Representative to represent the Holders of a series of Bond Obligations at a time when there is no Credit Agreement in effect, such designation has not been made in the Eleventh Supplemental Debt Resolution.

Limitation and Enforceability of Remedies

The remedies available to the Holders of the Bonds upon an Event of Default under the Master Debt Resolution are limited to the seeking of specific performance or a writ of mandamus or other suit, action, or proceeding compelling and requiring us and our officers to observe and perform any covenant, condition, or obligation prescribed in the Master Debt Resolution. **NO ACCELERATION REMEDY IS AVAILABLE TO HOLDERS OF THE BONDS.** A Credit Provider, a Bondholder Representative, or a trustee selected by and representing not less than 25% in principal amount of the Outstanding Bond Obligations may initiate an action against us, but only if the Holders of at least 25% in principal amount of the Outstanding Senior Lien Obligations have joined in or consented to such action or each Holder of a Senior Lien Obligation has been provided prior notice of such action. It may be difficult for the Holders of the Bonds to cause a trustee, a Credit Provider, or a Bondholder Representative to take action in the Event of Default without the cooperation of a significant number of Holders of the Outstanding Senior Lien Obligations.

After an Event of Default, the Trustee will transfer funds in the same order as if no Event of Default had occurred with the exception that Administrative Expenses will be paid prior to the payment of interest and principal installments from the Senior Lien Debt Service Fund and the funds securing any Subordinate Lien Obligations.

The remedies available under the Master Debt Resolution are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law, such remedies may not be readily available. In addition, enforcement of such remedies (i) may be subject to general principles of equity which may permit the exercise of judicial discretion and (ii) are subject, in part, to the provisions of the United States Bankruptcy Act and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Further, under current State law, we are prohibited from waiving sovereign immunity from suit or liability with respect to our obligations relating to the Bonds and, therefore, Holders of the Bonds are prevented from bringing a suit against us to adjudicate a claim to enforce our obligations under the Master Debt Resolution or for damages for breach of our obligations under the Master Debt Resolution. However, State courts have held that mandamus proceedings against a governmental unit, such as DART, are not prohibited by sovereign immunity.

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CONTINUING DISCLOSURE AND ACCESS TO INFORMATION

We have agreed voluntarily to replace the Disclosure Statement annually, to update it after the second and third quarters of our fiscal year with unaudited financial information, and to prepare a Supplemental Official Statement or Supplemental Disclosure Statement and Offering Memorandum in connection with each issue of Bond Obligations. These disclosure documents and each Supplemental Debt Resolution will be filed with the Municipal Securities Rulemaking Board (the “MSRB”). All of these documents will also be posted on the Internet at our website, www.dart.org. We reserve the right to stop postings on the Internet of annual and quarterly updates at any time.

In the Master Debt Resolution and the Eleventh Supplemental Resolution, DART has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. Pursuant to the requirements of Rule 15c2-12 (the “Rule”) promulgated by the United States Securities and Exchange Commission (the “SEC”), DART is obligated to provide certain updated financial information and operating data annually, and notice of specified events (listed below) to the MSRB. This information will be available free of charge from the MSRB via the Electronic Municipal Market Access (“EMMA”) system at www.emma.mrsb.org. The updated information to be provided by DART includes information contained in the charts set forth under “DART’S FINANCIAL PRACTICES AND RESOURCES” in the 2014 Annual Disclosure Statement. The updated information also includes audited financial statements, if DART commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, DART will provide unaudited financial statements by the required time and audited financial statements when and if they become available. Any such financial statements will be prepared in accordance with the accounting principles described in the 2014 Annual Disclosure Statement or such other accounting principles DART may be required to employ.

DART’s current fiscal year end is September 30. Accordingly, it must provide updated information by March 31 in each year, unless DART changes its fiscal year. If DART changes its fiscal year, it will notify the MSRB of the change.

DART is required to notify the MSRB, in a timely manner and in not more than ten (10) business days after the occurrence of any one of the following events with respect to the Bonds: (i) principal and interest payment delinquencies; (ii) nonpayment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TED) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to the rights of Owners, if material; (viii) bond calls, if material and tender offers; (ix) defeasance; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership, or similar event of DART, which shall occur as described below; (xiii) the consummation of a merger, consolidation, or acquisition involving DART or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (xiv) appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for DART in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of DART, or if such jurisdiction has been assumed by leaving the existing governing body, and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of DART.

DART will notify the MSRB, in a timely manner, of any failure by DART to provide financial statements and other financial information or operating data in accordance with its agreement by the required time.

Compliance with Prior Undertakings

For the last five years, DART has complied in all material respects with its continuing disclosure agreements made in accordance with the Rule, except that on March 21, 2012, DART timely electronically filed with EMMA its 2012 Annual Disclosure Statement for the year ended September 30, 2011; however, DART's Audited Financial Statements for the year ended September 30, 2011 that are part of the Annual Disclosure Statement as Appendix A were inadvertently omitted from the electronically filed 2012 Annual Disclosure Statement as a result of an error that occurred during the electronic submission process. As a result, the Audited Financial Statements were not filed with the Annual Disclosure Statement. DART Financial staff corrected the submission by filing the Audited Financial Statements for the period ended September 30, 2011 on October 10, 2012. DART has modified its procedures for future submissions to EMMA. Under its new procedures, DART will electronically transmit to EMMA the Annual Disclosure Statement and the Audited Financial Statements to EMMA as separate documents.

RATINGS OF BONDS

The respective ratings that have been assigned to the Bonds by S&P and Moody's are stated on the cover page of this Supplemental Official Statement. We furnished S&P and Moody's with certain information not included in this Supplemental Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies.

An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations. We make no representation as to the appropriateness of the ratings. We can provide no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by any or all rating companies, if in the judgment of any or all companies, circumstances so warrant. Any downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price or marketability of the Bonds.

TAX MATTERS

The following discussion describes certain U.S. federal income tax considerations of United States persons that are beneficial owners ("*Owners*") of the Bonds.

Tax-Exemption of Series 2014A Bonds

In the opinion of our Co-Bond Counsel, under existing law (i) interest on the Series 2014A Bonds is excludable from gross income for federal income tax purposes under existing law, and (ii) the Series 2014A Bonds are not "private activity bonds" under the Internal Revenue Code of 1986, as amended (the "*Code*"), and, as such, interest on the Series 2014A Bonds is not subject to the alternative minimum tax on individuals and corporations except as described below in the discussion regarding the current earnings adjustment for corporations

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Series 2014A Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of the Series 2014A Bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States, and a requirement that the issuer file an information report with the Internal Revenue Service. DART has covenanted in the Master Debt Resolution and in the Eleventh Supplemental Debt Resolution that it will comply with these requirements.

Co-Bond Counsel's opinions will assume continuing compliance with the covenants of the Master Debt Resolution and in the Eleventh Supplemental Debt Resolution and all other Supplemental Resolutions pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Series 2014A Bonds for federal income tax purposes and, in addition, will rely on representations by us, by our Co-Financial Advisors and the Underwriters with respect to matters solely within our knowledge, the knowledge of our Co-Financial Advisors and the Underwriters, respectively, which Co-Bond Counsel has not independently verified. Co-Bond Counsel will further rely on the report (the "*Report*") of Grant Thornton LLC, certified public accountants, regarding the

mathematical accuracy of certain computations. If DART should fail to comply with the covenants in the Master Debt Resolution and the Supplemental Resolutions or if the foregoing representations or Report should be determined to be inaccurate or incomplete, interest on the Series 2014A Bonds could become includable in gross income from the date of delivery of the Series 2014A Bonds, regardless of the date on which the event causing such includability occurs.

The Code also imposes a 20% alternative minimum tax on the “alternative minimum taxable income” of a corporation if the amount of such alternative minimum tax is greater than the amount of the corporation’s regular income tax. Generally the alternative minimum taxable income of corporation (other than any S corporation, regulated investment company, REIT, or REMIC), includes 75% of the amount by which its “adjusted current earnings” exceeds its other “alternative minimum taxable income.” Because interest on tax-exempt obligations, such as the Series 2014A Bonds, is included in a corporation’s “adjusted current earnings,” ownership of the Series 2014A Bonds could subject a corporation to alternative minimum tax consequences.

Except as stated above, Co-Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Series 2014A Bonds.

Co-Bond Counsel’s opinions are based on existing law, which is subject to change. Such opinions are further based on Co-Bond Counsel’s knowledge of facts as of the date thereof. Co-Bond Counsel assume no duty to update or supplement their opinions to reflect any facts or circumstances that may thereafter come to Co-Bond Counsel’s attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Co-Bond Counsel’s opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the “Service”); rather, such opinions represent Co-Bond Counsel’s legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Series 2014A Bonds. If an audit is commenced in accordance with its current published procedures, the Service is likely to treat DART as the taxpayer and the Owners of Series 2014A Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Series 2014A Bonds could adversely affect the value and liquidity of the Series 2014A Bonds regardless of the ultimate outcome of the audit.

Additional Federal Income Tax Considerations Relating to the Series 2014A Bonds

- Collateral Tax Consequences

Prospective purchasers of the Series 2014A Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for health insurance premium assistance credit and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the “branch profits tax” on their effectively-connected earnings and profits, including tax-exempt interest such as interest on the Series 2014A Bonds. These categories of prospective purchasers should consult their own tax advisors as to the applicability of these consequences. Prospective purchasers should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Series 2014A Bonds, received or accrued during the year.

- Tax Accounting Treatment of Original Issue Discount

The issue price of all or a portion of the Series 2014A Bonds (the “*Original Issue Discount Series 2014A Bonds*”) may be less than the stated redemption price payable at maturity of such Series 2014A Bonds. In such event, the difference between (i) the amount payable at the maturity of each Original Issue Discount Series 2014A Bond, and

(ii) the initial offering price to the public of such Original Issue Discount Series 2014A Bond constitutes original issue discount with respect to such Original Issue Discount Series 2014A Bonds in the hands of any Owner who has purchased such Original Issue Discount Series 2014A Bonds in the initial public offering of the Series 2014A Bonds. Generally, such initial Owner is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Series 2014A Bonds equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Series 2014A Bonds continues to be owned by such Owner. Because original issue discount is treated as interest for federal income tax purposes, the discussion regarding interest on the Series 2014A Bonds under the captions “Tax Exemption of Series 2014A Bonds” and “Collateral Tax Consequences” above generally applies, and should be considered in connection with the discussion of, this portion of the Official Statement.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Series 2014A Bond prior to stated maturity, however, the amount realized by such Owner in excess of the basis of such Original Issue Discount Series 2014A Bond in the hands of such Owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Series 2014A Bond was held by such initial Owner) is includable in gross income.

The foregoing discussion assumes that (i) the Underwriters have purchased the Series 2014A Bonds for contemporaneous sale to the public and (ii) all of the Original Issue Discount Series 2014A Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm’s-length transaction for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the inside cover page of this Official Statement. Neither DART nor Co-Bond Counsel has made any investigation or offers any comfort that the Original Issue Discount Series 2014A Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Series 2014A Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Series 2014A Bonds and ratably within each such six-month period) and the accrued amount is added to an initial Owner’s basis for such Original Issue Discount Series 2014A Bond for purposes of determining the amount of gain or loss recognized by such Owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (i) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (ii) the amounts payable as current interest during such accrual period on such Original Issue Discount Series 2014A Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Series 2014A Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All Owners of Original Issue Discount Series 2014A Bonds should consult their own tax advisors with respect to the determination of federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Series 2014A Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Series 2014A Bonds.

- Tax Accounting Treatment of Original Issue Premium

The issue price of all or a portion of the Series 2014A Bonds may exceed the stated redemption price payable at maturity of such Series 2014A Bonds. Such Series 2014A Bonds (the “*Premium Series 2014A Bonds*”) will be considered for federal income tax purposes to have “bond premium” equal to the amount of such excess. The basis of a Premium Series 2014A Bond in the hands of an initial Owner is reduced by the amount of such excess that is amortized during the period such initial Owner holds such Premium Series 2014A Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Series 2014A Bond by the initial Owner. No corresponding deduction is allowed for federal income tax purposes, however, for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a

Premium Series 2014A Bond which is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Series 2014A Bond) is determined using the yield to maturity on the Premium Series 2014A Bond based on the initial offering price of such Series 2014A Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Series 2014A Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All Owners of Premium Series 2014A Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Series 2014A Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Series 2014A Bonds.

Tax Legislative Changes

Current law may change so as to directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Series 2014A Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Series 2014A Bonds. Prospective purchasers of the Series 2014A Bonds should consult with their own tax advisors with respect to any proposed, pending or future legislation.

LITIGATION

See “LITIGATION” in our 2014 Annual Disclosure Statement, and “QUARTERLY DISCLOSURE UPDATE-Litigation” in each of the Quarterly Disclosure Updates for a discussion of pending litigation or claims affecting DART.

No significant changes have occurred in the status of pending litigation involving DART since the date of the Quarterly Disclosure Update for the Nine-Month Period Ended June 30, 2014. We continue to accrue and estimate losses on claims that are asserted in pending litigation and have included this accrual in accounts payable and accrued liabilities in the unaudited statement of our principal accounts attached as Exhibit A to each of the Quarterly Disclosure Updates.

APPROVALS AND LEGAL OPINIONS

We will not issue any of the Series 2014A Bonds unless and until we have received an opinion of the Attorney General of the State of Texas approving the issuance of the Bonds pursuant to the Master Debt Resolution and the Eleventh Supplemental Debt Resolution.

All legal matters incident to the legality and enforceability of the Bonds, including their authorization, issuance and sale, are subject to the approval of Bracewell & Giuliani LLP, Dallas, Texas, and West & Associates L.L.P., Dallas, Texas, our Co-Bond Counsel.

The initial delivery of the Bonds to the Underwriters is subject to our receipt from Co-Bond Counsel of their opinions substantially to the effect set forth in the form and substance attached hereto as Appendix A.

Our Co-Bond Counsel have reviewed the information describing the Obligations in the Disclosure Statement, and the information describing the Bonds contained in this Official Statement to verify that such information conforms to the provisions of the Master Debt Resolution, the Fourth Supplemental Debt Resolution, the Fifth Supplemental Debt Resolution, the Sixth Supplemental Debt Resolution, the Seventh Supplemental Debt Resolution, the Eighth Supplemental Debt Resolution, the Ninth Supplemental Debt Resolution, the Tenth Supplemental Debt Resolution and the Eleventh Supplemental Debt Resolution.

Portions of the fees paid by us to Co-Bond Counsel for services rendered in connection with the issuance of the Bonds under the Master Debt Resolution and the Eleventh Supplemental Debt Resolution are contingent on the issuance and sale of the Bonds.

VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS

Grant Thornton LLP, a firm of independent public accountants, will deliver to us, on or before the delivery date of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Federal Securities, to pay, when due, the maturing principal of and interest on the Refunded Bonds and (b) the mathematical computations of yield used by Co-Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes.

The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the Co-Financial Advisors on our behalf. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by Co-Financial Advisors on our behalf and has not evaluated or examined the assumptions or information used in the computations.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any jurisdiction. We assume no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

CO-FINANCIAL ADVISORS

We have retained Estrada Hinojosa & Company, Inc., Dallas, Texas, and First Southwest Company, Inc., Dallas, Texas, as our Co-Financial Advisors to assist us in the issuance of the Bonds. The Co-Financial Advisors have not independently verified any of the data contained in the Official Statement or conducted a detailed investigation of the affairs of DART to determine the accuracy or completeness of those documents. In the normal course of business, the Co-Financial Advisors may also from time to time, for fees to be paid by DART or by others, sell to DART or arrange for the purchase by DART of investment securities for the investment of debt proceeds or other funds of DART upon our request.

UNDERWRITING

The Underwriters have agreed, subject to certain conditions, to purchase the Series 2014A Bonds at a purchase price of \$442,313,192.41 (representing the principal amount of the Series 2014A Bonds plus a reoffering premium of \$64,193,376.75 and less an underwriters' discount of \$1,360,184.34). The Underwriters are obligated to purchase all of the Series 2014A Bonds if any Bonds of such series are purchased.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and nonfinancial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and to persons and entities with relationships with the Issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their of their customers, and such investment and trading activities may involve or

relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2014A Bonds, has entered into a negotiated dealer agreement (the “*Dealer Agreement*”) with Charles Schwab & Co., Inc. (“CS&Co.”) for the retail distribution of certain securities offerings, including the Bonds, at the original issue prices. Pursuant to the Dealer Agreement, CS&Co. will purchase Series 2014A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2014A Bonds that CS&Co. sells.

Goldman, Sachs & Co. (“*Goldman Sachs*”), one of the Underwriters of the Series 2014A Bonds, has entered into a master dealer agreement (the “*Master Dealer Agreement*”) with Incapital LLC (“*Incapital*”) for the distribution of certain municipal securities offerings, including the Series 2014A Bonds, to Incapital’s retail distribution network at the initial public offering prices. Pursuant to the Master Dealer Agreement, Incapital will purchase Series 2014A Bonds from Goldman Sachs at the initial public offering price less a negotiated portion of the selling concession applicable to any Series 2014A Bonds that Incapital sells.

Academy Securities, Inc., Co-Managing Underwriter of the DART Series 2014A Bonds, intends to enter into Distribution Agreements (the “*Distribution Agreements*”) with IFS Securities, World First Financial Services, Landenburg Thalman, Bonwick Capital Partners LLC, TD Ameritrade Inc, Winslow, Evans and Crocker, Commonwealth Equity Services Inc., R. Seelaus & Co, The ISC Group Inc., Maxim Group LLC, and Newbridge Securities, for the retail distribution of certain municipal securities offerings, at the original issue prices. Pursuant to these Distribution Agreements (if applicable for this transaction), Academy Securities, Inc. may share a portion of its underwriting compensation with these firms.

One of the Underwriters is BOSC, Inc., which is not a bank, and the Series 2014A Bonds are not deposits of any bank and are not insured by the Federal Deposit Insurance Corporation.

Loop Capital Markets LLC (“*LCM*”), one of the Underwriters of the Series 2014A Bonds, has entered into distribution agreements (each a “*Distribution Agreement*”) with each of UBS Financial Services Inc. (“*UBSFS*”) and Deutsche Bank Securities Inc. (“*DBS*”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Distribution Agreement, each of UBSFS and DBS will purchase Series 2014A Bonds from LCM at the original issue prices less a negotiated portion of the selling concession applicable to any Series 2014A Bonds that such firm sells.

Rice Financial has entered into agreements with Gates Capital Management Inc. and Winslow, Evans & Crocker, Inc. for the distribution of municipal securities offerings, for those firm’s retail distribution network at the initial offering prices. Pursuant to such agreements, those firms may purchase Series 2014A Bonds from Rice Financial at initial offering prices less a negotiated selling concession applicable to any Series 2014A Bonds those firms sell.

Siebert Brandford Shank & Co., L.L.C., one of the Underwriters of the Series 2014A Bonds, has entered into a separate agreement with Credit Suisse Securities USA LLC for retail distribution of certain municipal securities offerings, at the original issue prices. Pursuant to said agreement, if applicable to the Series 2014A Bonds, Siebert Brandford Shank & Co., L.L.C. will share a portion of its underwriting compensation with respect to the Series 2014A Bonds, with Credit Suisse Securities USA LLC.

This Supplemental Official Statement was approved and adopted by the Board of Directors of DART as the Supplemental Official Statement relating to the Bonds in accordance with the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

/s/ Robert Strauss
Chair, Board of Directors

ATTEST:

/s/ Richard Carrizales
Secretary, Board of Directors

/s/ Gary Thomas
President/Executive Director

SCHEDULE I

BONDS REFUNDED BY SERIES 2014A BONDS

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Sales Tax Rev & Ref Bds, Series 2007					
SERIALS	12/01/2017	5.000%	12,755,000.00	12/01/2016	100.000
	12/01/2018	5.000%	13,640,000.00	12/01/2016	100.000
	12/01/2019	5.000%	6,125,000.00	12/01/2016	100.000
	12/01/2020	5.000%	12,995,000.00	12/01/2016	100.000
	12/01/2021	5.000%	13,665,000.00	12/01/2016	100.000
	12/01/2022	5.000%	14,360,000.00	12/01/2016	100.000
	12/01/2023	5.000%	5,075,000.00	12/01/2016	100.000
	12/01/2024	4.500%	18,360,000.00	12/01/2016	100.000
	12/01/2025	4.500%	19,205,000.00	12/01/2016	100.000
	12/01/2026	4.500%	20,090,000.00	12/01/2016	100.000
	12/01/2027	4.500%	21,015,000.00	12/01/2016	100.000
TERM2032	12/01/2028	5.000%	6,845,000.00	12/01/2016	100.000
	12/01/2029	5.000%	7,210,000.00	12/01/2016	100.000
	12/01/2030	5.000%	7,600,000.00	12/01/2016	100.000
	12/01/2031	5.000%	8,005,000.00	12/01/2016	100.000
	12/01/2032	5.000%	23,990,000.00	12/01/2016	100.000
TERM2036	12/01/2033	5.000%	25,800,000.00	12/01/2016	100.000
	12/01/2034	5.000%	27,130,000.00	12/01/2016	100.000
	12/01/2035	5.000%	28,520,000.00	12/01/2016	100.000
	12/01/2036	5.000%	<u>29,985,000.00</u>	12/01/2016	100.000
			322,370,000.00		
Sales Tax Revenue Bonds, Series 2008					
SERIALS	12/01/2019	5.000%	9,880,000.00	12/01/2018	100.000
	12/01/2020	5.000%	10,385,000.00	12/01/2018	100.000
	12/01/2021	5.000%	10,920,000.00	12/01/2018	100.000
	12/01/2022	5.000%	11,480,000.00	12/01/2018	100.000
	12/01/2023	5.000%	12,070,000.00	12/01/2018	100.000
	12/01/2024	5.000%	12,685,000.00	12/01/2018	100.000
	12/01/2025	5.000%	<u>13,335,000.00</u>	12/01/2018	100.000
			80,755,000.00		
			403,125,000.00		

SCHEDULE II

BONDS REFUNDED BY 2014B BONDS

Bond	Maturity Date	Interest Rate	Par Amount	Refunded Amount Payment Date
Sales Tax Rev & Ref Bonds, Series 2007				
TERM2036	12/01/2033	5.000%	4,630,000.00	12/11/2014
	12/01/2034	5.000%	4,870,000.00	12/11/2014
	12/01/2035	5.000%	5,120,000.00	12/11/2014
	12/01/2036	5.000%	<u>5,380,000.00</u>	12/11/2014
			20,000,000.00	
Sales Tax Rev Bonds, Series 2008				
TERM2043	12/01/2039	5.250%	5,385,000.00	12/11/2014
	12/01/2040	5.250%	5,675,000.00	12/11/2014
	12/01/2041	5.250%	5,985,000.00	12/11/2014
	12/01/2042	5.250%	6,305,000.00	12/11/2014
	12/01/2043	5.250%	<u>6,650,000.00</u>	12/11/2014
			30,000,000.00	
			50,000,000.00	

APPENDIX A

FORM OF OPINIONS OF CO-BOND COUNSEL

[Closing Date]

**DALLAS AREA RAPID TRANSIT
SENIOR LIEN SALES TAX REVENUE REFUNDING BONDS
SERIES 2014A**

We have represented Dallas Area Rapid Transit (“DART”) as its Co-Bond Counsel in connection with the authorization and issuance of its Dallas Area Rapid Transit Senior Lien Sales Tax Revenue Refunding Bonds, Series 2014A (the “Series 2014A Bonds”) in the principal amount of \$379,480,000. The Series 2014A Bonds are being issued pursuant to the Master Debt Resolution adopted January 23, 2001, as such Master Debt Resolution has been amended and supplemented from time to time (as amended and supplemented, the “Master Debt Resolution”), and the Eleventh Supplemental Debt Resolution (the “Eleventh Supplemental Debt Resolution”), adopted October 7, 2014. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Master Debt Resolution and the Eleventh Supplemental Debt Resolution.

We have represented DART as its Co-Bond Counsel, for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2014A Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Series 2014A Bonds from gross income for federal income tax purposes.

We have examined the relevant provisions of the Constitution and laws of the State of Texas as we have deemed necessary, including Chapter 452, Texas Transportation Code (the “Act”), pursuant to which DART was created and functions as a subregional transportation authority and public body corporate and politic of the State of Texas, and Chapter 1207, Texas Government Code, as amended. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of proceedings described in the following paragraph. We have not assumed any responsibility with respect to the financial condition or capabilities of DART, or the disclosure thereof in connection with the offering and sale of the Series 2014A Bonds.

In our capacity as Co-Bond Counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Series 2014A Bonds on which we have relied in giving our opinion. The transcript contains certified copies of certain proceedings of DART: (i) the Master Debt Resolution and the Eleventh Supplemental Debt Resolution; (ii) customary certificates of officers, agents and representatives of DART, and other public officials, and other certified showings relating to the authorization and issuance of the Series 2014A Bonds; and (iii) an escrow agreement (the “Escrow Agreement”), between DART and Amegy Bank National Association, as escrow agent (the “Escrow Agent”); (iv) a report (the “Report”) of Grant Thornton LLP, Certified Public Accountants (the “Verification Agent”) regarding the mathematical accuracy of certain computations and verifying the sufficiency of the deposits made with the Escrow Agent for defeasance of the bonds being refunded (the

“Refunded Bonds”). We have further examined such applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), court decisions, United States Department of Treasury Regulations, and rulings of the Internal Revenue Service (the “Service”) as we have deemed relevant. We have also examined executed Bond No. 1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION THAT:

- (A) The transcript of certified proceedings evidences complete legal authority for the issuance of the Series 2014A Bonds;
- (B) The Series 2014A Bonds constitute valid and binding special obligations of DART, secured by and payable from a first and senior lien on and pledge of the Pledged Revenues; and
- (C) Firm banking and financial arrangements have been made for the discharge and final payment of the Refunded Bonds pursuant to the Escrow Agreement, and therefore, the Refunded Bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from funds provided therefor in such Escrow Agreement.

The rights of the owners of the Series 2014A Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally and may be limited by general principles of equity which permit the exercise of judicial discretion. Owners of the Series 2014A Bonds shall never have the right to demand payment of principal or interest out of any funds raised or to be raised by taxation other than the Gross Sales Tax Revenues.

DART has reserved the right to issue additional debt, subject to the restrictions contained in the Master Debt Resolution, that is secured by liens on the Pledged Revenues that are on a parity with or that are junior and subordinate to the lien on Pledged Revenues securing the Series 2014A Bonds.

IT IS OUR FURTHER OPINION THAT, under existing law:

1. Interest on the Series 2014A Bonds is excludable from gross income of the owners for federal income tax purposes; and
2. The Series 2014A Bonds are not “private activity bonds” within the meaning of the Code, and, as such, interest on the Series 2014A Bonds is not subject to the alternative minimum tax on individuals and corporations, except that interest on the Series 2014A Bonds will be included in the “adjusted current earnings” of a corporation (other than any S corporation, regulated investment company, REIT or REMIC) for purposes of computing its alternative minimum tax liability.

In rendering such opinions, we have relied on representations of DART, the Co-Financial Advisors and the Underwriters, respectively, with respect to matters solely within the knowledge of DART, the Co-Financial Advisors and the Underwriters which we have not independently verified, and we have assumed continuing compliance with the covenants in the Master Debt

Resolution and the Eleventh Supplemental Debt Resolution and the representations in the Federal Tax Certificate pertaining to those sections of the Code that affect the exclusion of interest on the Series 2014A Bonds from the gross income of the owners for federal income tax purposes. We have further relied on the Report of the Verification Agent regarding the mathematical accuracy of certain computations and verifying the sufficiency of the deposit made with the Escrow Agent for the defeasance of the Refunded Bonds. If such representations or the Report are determined to be inaccurate or incomplete or DART fails to comply with the foregoing covenants of the Master Debt Resolution and the Eleventh Supplemental Debt Resolution, interest on the Series 2014A Bonds could become includable in the gross income of the owners from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, we express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Series 2014A Bonds.

Owners of the Series 2014A Bonds should be aware that the ownership of tax-exempt obligations, such as the Series 2014A Bonds, may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income credit. In addition, certain foreign corporations doing business in the United States may be subject to the “branch profits tax” on their effectively-connected earnings and profits (including tax-exempt interest such as interest on the Series 2014A Bonds).

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Series 2014A Bonds. If an audit is commenced, in accordance with its current published procedures, the Service is likely to treat DART as the taxpayer. We observe that DART has covenanted in the Eleventh Supplemental Debt Resolution not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Series 2014A Bonds as includable in gross income for federal income tax purposes.

APPENDIX B

2014 ANNUAL DISCLOSURE STATEMENT

APPENDIX C

**QUARTERLY DISCLOSURE UPDATE FOR THE
NINE-MONTH PERIOD ENDED JUNE 30, 2014**