MUNICIPAL ASSISTANCE CORPORATION FOR
THE CITY OF NEW YORK

1975 Series 9 Bonds

TABLE OF CONTENTS

BASIC DOCUMENTS, APPROVALS AND CERTIFICATES

1. General Certificate of the Municipal Assistance Corporation For The City of New York (the "Corporation") as to Members, Officers, Terms of Office and other details of the Corporation including by-laws; minutes; certain resolutions; approval of the State Comptroller as to the terms of sale and system of accounts; and specimen bonds.

2. Extract of the Minutes of a Meeting of the Corporation held on October 16, 1975, showing adoption of the 1975 Series 9 Resolution (the "Series Resolution") of the Corporation authorizing: (i) the issuance of the 1975 Series 9 Bonds (the "Bonds"); and (ii) the execution of a Bond Purchase Agreement (the "Purchase Agreement") dated October 17, 1975, between the Corporation and the purchasers named therein providing for the sale of the Bonds.


4. Copy of an executed counterpart of the Purchase Agreement.

5. The certificate of approval of the Comptroller of the State required pursuant to Sections 3012 and 3013 of the Act.


OPINIONS

7. The opinion, dated the date of Closing, of Messrs. Paul Weiss, Rifkind, Wharton & Garrison, General Counsel to
GENERAL CERTIFICATE OF SECRETARY OF THE
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

I, DANIEL B. GOLDBERG, Secretary of the Municipal Assistance Corporation For The City of New York (the "Corporation"), a corporate governmental agency and instrumentality of the State of New York (the "State"), constituting a public benefit corporation, created and existing under and pursuant to the Constitution and statutes of the State, including the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation For The City of New York Act, being Titles I, II and I'-I of Article 10 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State, as amended (the "Act"), 
HEREBY CERTIFY as follows:

1. That I am a duly appointed and qualified Secretary of the Corporation, acting as such, and in such capacity I am familiar with its organization, membership and activities.

2. The members of the Board of Directors of the Corporation (the "Board"), the date of their terms' expiration, and their Corporation offices are as follows:

<table>
<thead>
<tr>
<th>Names</th>
<th>Date of Expiration of Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donna E. Shalala, Treasurer</td>
<td>December 31, 1978</td>
</tr>
<tr>
<td>Thomas D. Flynn</td>
<td>December 31, 1977</td>
</tr>
<tr>
<td>Francis J. Barry</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>John A. Coleman</td>
<td>December 31, 1976</td>
</tr>
<tr>
<td>George D. Gould</td>
<td>December 31, 1978</td>
</tr>
<tr>
<td>Dick Netzer</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>Felix G. Rohatyn, Chairman</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>Robert C. Weaver</td>
<td>December 31, 1976</td>
</tr>
<tr>
<td>(one vacancy)</td>
<td></td>
</tr>
</tbody>
</table>
3. Each of the said persons named in paragraph 2 is the duly elected or appointed, designated, qualified and acting Director or officer of the Corporation holding the position indicated above.

4. The firm of Paul, Weiss, Rifkind, Wharton & Garrison, New York, New York, was appointed General Counsel to the Corporation on June 10, 1975.

5. The seal of the Corporation, an impression of which appears below, was duly adopted by the Corporation as its official seal, and is the legally adopted, proper and only official seal of the Corporation.

6. The By-Laws of the Corporation adopted June 10, 1975 are in full force and effect on the date hereof and have not been repealed, modified or amended.

7. Except as set forth in the Official Statement of the Corporation, dated August 15, 1975, with respect to the 1975 Series B Bonds of the Corporation, as supplemented by a Supplement dated September 24, 1975, and as further set forth in the Description of Developments in Litigation which appears in this transcript as Document Number 20, there is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 1975 Series U Bonds (the "Bonds") or in any way contesting or affecting the validity of the Bonds, any proceedings of the Corporation taken with respect to the issuance or sale thereof, the pledge or application of any revenues, moneys or securities provided for the payment of the Bonds, the existence or powers of the Corporation, or the application of the proceeds of the sale of such Bonds as contemplated by the Resolution.
8. The General Bond Resolution of the Corporation adopted July 2, 1975 and the 1975 Series U Resolution of the Corporation adopted October 16, 1975 (the "Resolutions"), attached to this Record of Proceedings as document No. 3, copies of each of which are being delivered contemporaneously herewith to the Trustee named in such Resolutions, which I hereby certify pursuant to Section 202 of the General Bond Resolution are true and correct copies of the duly adopted originals thereof in their entireties on file and of record in the office of the Corporation and that the same are in full force and effect on the date hereof and have not been repealed, modified or amended.

9. The Extracts of Minutes of a Meeting of the Corporation held on October 16, 1975, attached to this Record of Proceedings as document No. 2, are true and correct copies of the duly adopted originals thereof on file and of record in the office of the Corporation and that the same are in full force on the date hereof and have not been repealed, modified or amended.

10. The certificate of approval of the Comptroller of the State as to the terms of sale required pursuant to Section 3012 and as to the system of accounts required pursuant to Section 3013 of the Act attached to this Record of Proceedings as document No. 5, is a true and correct copy of the original thereof in its entirety on file and of record in the office of the Corporation and that the same is in full force on the date hereof and has not been repealed, modified or amended.
11. The Bond Purchase Agreement among the Corporation and the purchaser named therein attached to this Record of Proceedings as document No. 4 is a true and correct copy of an executed counterpart of the original thereof in its entirety duly approved by the Corporation and on file and of record in the office of the Corporation and that the same is in full force on the date hereof and has not been repealed, modified or amended.

12. A specimen of the 1975 Series U Bonds of the Corporation, attached hereto as Exhibit A, is identical in all respects, except as to number, maturity and authentication signature with the 1975 Series U Bonds of the Corporation this day delivered to the purchasers designated under the Bond Purchase Agreement with the Corporation and said specimen is substantially in the form required by the Resolution.

13. That each of the representations of the Corporation set forth in Section 1 of the Agreement is true, accurate and complete in all material respects as though made with respect to and as of the date hereof except the representation contained in Section 1(c) of the Agreement, which is true, accurate and complete in all material respects with regard to the Official Statement (as therein defined) as of August 15, 1975, with regard to the Supplement (as therein defined) as of September 24, 1975 and with regard to the description of litigation referred to in Section 1(c) of the Agreement as of the close of business on October 19, 1975.

14. That each of the agreements of the Corporation set forth in Section 1 of the Agreement to be complied with at or prior to the date hereof has been complied with as of the date hereof.
IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Corporation this 20th day of October, 1975.

(SEAL)

[Signature]
Secretary
ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address of transferee)

the within 1975 Series U Bond, and all rights thereunder, and hereby irrevocably constitutes
and appoints ____________________________ Attorney

to transfer the within 1975 Series U Bond on the books kept for registration thereof,

with full power of substitution in the premises.

__________________________

Dated: _____________________

NOTICE: The signature to this assignment must correspond with the name as it appears upon
the face of the within 1975 Series U Bond in every particular, without alteration
or enlargement or any change whatever.
Adoption of Various Bond Resolutions

The Chairman stated that it was necessary for the Board to adopt the 1975 Series S Resolutions, the 1975 Series T Resolutions and the 1975 Series U Resolutions in connection with the Corporation's sale and issuance of an aggregate of approximately $30,000,000 of its 1975 Series S Bonds, approximately $177,000,000 of its 1975 Series T Bonds, and approximately $40,000,000 of its Series U Bonds. (The 1975 Series S Resolutions, the 1975 Series T Resolutions and the 1975 Series U Resolutions are hereinafter collectively referred to as the "Series Resolutions" and the bonds issued pursuant to the Resolutions are hereinafter referred to as the "Bonds"). Mr. Thomas stated that the forms of the Series Resolutions with respect to the issuance of the Bonds would be substantially similar to those of earlier resolutions. Mr. Thomas also stated that the terms of the Bonds would be substantially as set forth below:

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal Amount</th>
<th>Rate of Interest</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 1986</td>
<td>$10,250,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1987</td>
<td>12,500,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1988</td>
<td>7,250,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$30,000,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Series S Bonds are to be sold to various sinking funds of The City of New York (the "City"). The 1975 Series S Bonds will be
redeemable at the Corporation's option on or after February 1, 1985, in whole at any time or in part on any interest payment date at a price of 100%.

**1975 Series T Bonds**

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal Amount</th>
<th>Rate of Interest</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 1990</td>
<td>$177,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The 1975 Series T Bonds are to be sold to various City pension and retirement systems. The 1975 Series T Bonds will be redeemable at the Corporation's option on or after February 1, 1985, in whole at any time or in part on any interest payment date at a price of 102%. The 1975 Series T Bonds are also subject to mandatory sinking fund payments of $18,090,000 in 1984, $20,085,000 in 1985, $22,290,000 in 1986, $24,745,000 in 1987, $27,465,000 in 1988, $30,485,000 in 1989 and $33,840,000 at maturity.

**1975 Series U Bonds**

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal Amount</th>
<th>Rate of Interest</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 1986</td>
<td>$10,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1987</td>
<td>5,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1988</td>
<td>10,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1989</td>
<td>10,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
<tr>
<td>February 1, 1990</td>
<td>5,000,000</td>
<td>11%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total $40,000,000
The 1975 Series U Bonds are to be sold to the State Insurance Fund. The 1975 Series U Bonds will be redeemable at the Corporation's option on and after February 1, 1985, in whole at any time or in part on any interest payment date at a price of 102%. After discussion of each of the Series Resolutions and the terms of the Bonds, it was on motion duly made and seconded, unanimously resolved that each of the Series Resolutions, in the form presented to the meeting with the respective terms of the Bonds to be included therein, such terms to be substantially the same as those presented to the meeting, are hereby adopted and ordered filed with the minutes of the Corporation.

It was further unanimously resolved, on motion duly made and seconded, that the Chairman of the Board, the Treasurer, the Secretary or any Assistant Secretary of the Corporation be, and each of them hereby is, authorized to execute and deliver on behalf of the Corporation such documents and other instruments as may be necessary or appropriate to complete the transactions contemplated by this resolution and the Series Resolutions, including the execution and delivery of bond purchase agreements relating to the sale of the Bonds, as described to the meeting, the execution and delivery of such documents to constitute the approval of the Board of Directors of the Corporation of the terms contained therein.

Approval of City Borrowing

The Chairman stated that, pursuant to Section 3038(9d) of the Financial Emergency Legislation (as defined in the Supplement), it was necessary for the Board to approve the issue and sale by the City on October 17, 1975 of certain Bond
Anticipation Notes (the "BAN's"), due as set forth below in the aggregate principal amount of $309,875,000. The BAN's are being issued to provide funds with which the City will pay a portion of the principal amount due on certain bond anticipation notes maturing on October 17, 1975. The terms of the BAN's will be as set forth below:

<table>
<thead>
<tr>
<th>Purchaser</th>
<th>Maturity Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of New York</td>
<td>October 1, 1976</td>
<td>$250,000,000</td>
</tr>
<tr>
<td>Various Banks</td>
<td>October 15, 1976</td>
<td>$59,875,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong> $309,875,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate of Interest</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 7/8%</td>
<td>100%</td>
</tr>
<tr>
<td>7 1/2%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The banks purchasing $59,875,000 aggregate principal amount of BAN's are all members of the New York Clearing House Association.

After discussion of the terms of the BAN's, it was, on motion duly made and seconded, unanimously resolved that the issue and sale of the BAN's on substantially the terms submitted is hereby approved and such approval ordered filed with the minutes of the Corporation.
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

1975 SERIES U RESOLUTION

AUTHORIZING
$40,000,000
1975 SERIES U BONDS

Adopted October 16, 1975
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1975 SERIES U RESOLUTION AUTHORIZING
$40,000,000 1975 SERIES U BONDS

BE IT RESOLVED by the Board of Directors of the Municipal Assistance Corporation For The City of New York, as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

SECTION 101. 1975 Series U Resolution. This Resolution is supplemental to, and constitutes a Series Resolution within the meaning of and is adopted in accordance with Article X of, the resolution adopted by the Corporation on July 2, 1975, entitled "General Bond Resolution".

SECTION 102. Definitions. (a) All terms which are defined in Section 101 of the General Bond Resolution shall have the same meanings, respectively, in this 1975 Series U Resolution Authorizing $40,000,000 1975 Series U Bonds, as such terms are given in said Section 101 of the General Bond Resolution.

(b) In addition, as used in this 1975 Series U Resolution Authorizing $40,000,000 1975 Series U Bonds, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"1975 Series U Bonds" shall mean the Bonds authorized by Article II of this 1975 Series U Resolution.

"1975 Series U Bond Proceeds Fund" means the fund by that name established by Section 301 hereof.
"1975 Series U Resolution" shall mean this 1975 Series U Resolution Authorizing $40,000,000 1975 Series U Bonds.

"Short Term Obligations" shall mean tax anticipation notes, revenue anticipation notes, bond anticipation notes, budget notes and urban renewal notes of the City.

(c) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

(d) The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, as used in this 1975 Series U Resolution, refer to the 1975 Series U Resolution.

SECTION 103. Authority for the 1975 Series U Resolution. This 1975 Series U Resolution is adopted pursuant to the provisions of the Act and the Resolution.
ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF
1975 SERIES U BONDS


Principal Amount, Designation and Series. The 1975 Series U
Bonds are hereby authorized to be issued in the aggregate prin-
cipal amount of $40,000,000 pursuant to and subject to the
terms, conditions and limitations established in the Resolution
and this 1975 Series U Resolution. In addition to the title
"Bonds", such Series of Bonds shall bear the additional desig-
nation of "1975 Series U" and each as so designated shall be
entitled "1975 Series U Bond". The 1975 Series U Bonds may be
issued either in coupon form payable to bearer and registrable
as to principal only or in fully registered form.

SECTION 202. Purposes. The 1975 Series U Bonds are
being issued for either or both of the following purposes,
which purposes are purposes authorized by the Act:

   (a) Payment to the City of the amount required by the
   City to enable it to pay, at maturity, the principal of
   and interest on any Short Term Obligations, as hereinafter
   provided; and

   (b) Payment to the City of the amount required by the
   City to enable it to pay operating expenses of the City,
   as hereinafter provided.

SECTION 203. Issue Date. The 1975 Series U Bonds
shall be dated October 20, 1975, except as otherwise provided in Section 301 of the Resolution with respect to certain registered 1975 Series U Bonds. Registered 1975 Series U Bonds issued prior to the first interest payment date thereof shall be dated October 20, 1975.

SECTION 204. Maturities and Interest Rates. The 1975 Series U Bonds shall mature:

<table>
<thead>
<tr>
<th>February</th>
<th>Amount Maturing</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>$10,000,000</td>
<td>11%</td>
</tr>
<tr>
<td>1987</td>
<td>$5,000,000</td>
<td>11%</td>
</tr>
<tr>
<td>1988</td>
<td>$10,000,000</td>
<td>11%</td>
</tr>
<tr>
<td>1989</td>
<td>$10,000,000</td>
<td>11%</td>
</tr>
<tr>
<td>1990</td>
<td>$5,000,000</td>
<td>11%</td>
</tr>
</tbody>
</table>

SECTION 205. Interest Payments. The 1975 Series U Bonds in coupon form shall bear interest from October 20, 1975, payable semi-annually on February 1 and August 1, in each year, commencing February 1, 1976, until the Corporation's obligation with respect to the payment of the principal sum on said Series U Bonds is discharged. Registered 1975 Series U Bonds shall bear interest from their date, payable semi-annually on February 1 and August 1 in each year.

SECTION 206. Denominations, Numbers, Letters and Exchangeability. The 1975 Series U Bonds shall be issued in the denomination of $5,000 in the case of 1975 Series U Bonds in coupon form payable to bearer and in the denomination of $5,000 or an integral multiple thereof, not exceeding the aggregate principal amount of 1975 Series U Bonds maturing in the year
of maturity of the 1975 Series U Bond for which the deno-
mation is to be specified, with respect to fully registered 1975
Series U Bonds without coupons. The 1975 Series U Bonds in
coupon form payable to bearer shall be lettered U and the 1975
Series U Bonds in fully registered form without coupons shall
be lettered UR, in each case followed by two digits, being the
last two digits of the year in which such 1975 Series U Bonds
mature, and the number of the 1975 Series U Bond. 1975 Series
U Bonds in coupon form payable to bearer so lettered and bearing
such digits shall be numbered consecutively from one (1) upwards
for such year and 1975 Series U Bonds in fully registered form
so lettered and bearing such digits shall be numbered consecu-
tively from one (1) upwards in order of issuance for each such
year of maturity.

SECTION 207. CUSIP Numbers. The Corporation is hereby
authorized, in its discretion, to provide for the assignment of
CUSIP numbers for the 1975 Series U Bonds and to have such CUSIP
numbers printed thereon.

SECTION 208. Places of Payment and Paying Agents.
The principal of, and interest on, the 1975 Series U Bonds in
coupon form payable to bearer shall be payable at the corporate
trust office of the Trustee, in the Borough of Manhattan, City
and State of New York,
The interest on all registered 1975 Series U Bonds and the principal of all registered 1975 Series U Bonds and of all 1975 Series U Bonds issued in coupon form payable to bearer and subsequently registered as to principal, shall be payable at the corporate trust office of the Trustee.

SECTION 209. Redemption of 1975 Series U Bonds and Terms. The 1975 Series U Bonds are subject to redemption prior to maturity, at the option of the Corporation, on or after February 1, 1985, as a whole, at any time, or in part, on any interest payment date, at a redemption price of 102% of the principal amount thereof, plus accrued interest to the date of redemption.

SECTION 210. Sale of 1975 Series U Bonds. The 1975 Series U Bonds authorized to be issued herein shall be sold to the purchaser (the "Purchaser") identified in the Bond Purchase Agreement, dated October 17, 1975 (the "Bond Purchase Agreement"), at an aggregate price of $40,000,000 and accrued interest, if any, on the 1975 Series U Bonds from October 20, 1975, to the date of delivery thereof and payment therefor and the Chairman or Treasurer of the Corporation is hereby authorized to execute the Bond Purchase Agreement in
the name and on behalf of the Corporation and to deliver the same to the Purchaser.
ARTICLE III

DISPOSITION OF 1975 SERIES U BOND PROCEEDS AND ACCRUED INTEREST

SECTION 301. Establishment of 1975 Series U Bonds Proceeds Fund. There is hereby established the 1975 Series U Bonds Proceeds Fund to be held by the Trustee. There shall be deposited into such Fund the balance of the proceeds of sale of the 1975 Series U Bonds after deducting therefrom the amount, if any, of accrued interest received at the time of delivery of the 1975 Series U Bonds, which amount shall be deposited into the Debt Service Fund pursuant to Section 303 hereof.

SECTION 302. Payments from 1975 Series U Bonds Proceeds Fund. The moneys deposited in the 1975 Series U Bonds Proceeds Fund shall be expended by the Trustee only pursuant to the written order of the Corporation signed by an Authorized Officer for the following purposes:

(a) Payment to the City of the amount required by the City to enable it to pay, at maturity, the principal of and interest on any Short Term Obligations, as certified to the Corporation by the Mayor, a copy of which certification shall be attached to said written order; and

(b) Payment to the City of the amount required by the City to enable it to pay operating expenses of the City, as certified to the Corporation by the Mayor, a copy of which certification shall be attached to said written order.
Trustee shall deposit therefrom into the Debt Service Fund an amount equal to the amount of the accrued interest on the 1975 Series U Bonds, if any, from October 20, 1975, to the date of delivery of and payment for the 1975 Series U Bonds.
ARTICLE IV
FORMS AND EXECUTION OF 1975 SERIES U BONDS AND COUPONS

SECTION 401. Form of Bonds and Coupons of 1975 Series U Bonds. Subject to the provisions of the Resolution, the 1975 Series U Bonds in coupon form and coupons to be attached thereto and the 1975 Series U Bonds in registered form, together with the form of assignment therefor, and the Trustee's Certificate of Authentication, shall be in substantially the following form and tenor with such changes and modifications as are required herein:

(FORM OF COUPON 1975 SERIES U BOND)

No. ______                  $5,000

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

1975 SERIES BOND

The MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK (hereinafter sometimes called the "Corporation"), a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation, organized and existing under and pursuant to the laws of the State of New York, acknowledges itself indebted to, and for value received, hereby promises to pay to the bearer or, if this Bond be registered as herein provided, to the registered owner hereof, upon presentation and surrender of this Bond, the principal sum of FIVE THOUSAND DOLLARS ($5,000) on the first day of ___, unless redeemed prior thereto as hereinafter provided, and to pay interest thereon from
to the extent of the moneys available to the State of New York in such Funds from time to time and the State of New York shall incur no liability on account thereof beyond such moneys.

As provided in the General Bond Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the General Bond Resolution. The aggregate principal amount of Bonds which may be issued pursuant to the General Bond Resolution is not limited except as provided in the General Bond Resolution or as may be limited by law and all Bonds issued and to be issued pursuant to the General Bond Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the General Bond Resolution.

This Bond is one of a series of Bonds designated "1975 Series Bonds" (herein called the "1975 Series Bonds"), issued in the aggregate principal amount of $ pursuant to the General Bond Resolution and the series resolution of the Corporation adopted September 1975, entitled "1975 Series Resolution Authorizing $1975 Series Bonds" (said resolutions being herein collectively called the "Resolutions"), for purposes authorized by the Act. Copies of the Resolutions are on file at the office of the Corporation and at the corporate trust office of the Trustee and reference to the Resolutions and any and all
supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 1975 Series Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the bearers or registered owners of the 1975 Series Bonds with respect thereto and the terms and conditions upon which the 1975 Series Bonds are issued and may be issued thereunder.

To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Corporation with the written consent of the holders of at least two-thirds in principal amount of the Bonds then Outstanding (as defined in the General Bond Resolution), or, in case less than all of the series of Bonds would be affected thereby, with such consent of the holders of at least two-thirds in principal amount of the Bonds of each series so affected then Outstanding, or, in case of a Sinking Fund Installment (as defined in the General Bond Resolution) change, with such consent of the holders of at least two-thirds in principal amount of the Outstanding Bonds affected thereby; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like series and maturity remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of the calculation of Outstanding Bonds.
This Bond is transferable by delivery except when registered as to principal otherwise than to bearer. It may be registered as to principal in the name of the owner on the books of the Corporation kept for that purpose at the corporate trust office of the Trustee, such registration to be noted hereon, after which no transfer hereof shall be valid unless made on said books by the registered owner in person, or by his attorney duly authorized in writing, and similarly noted hereon; but this Bond may be discharged from registration by being in like manner transferred to bearer, after which it shall again become transferable by delivery; and this Bond may again and from time to time be registered or discharged from registration in the same manner. Registration of this Bond shall not affect the negotiability of the coupons, which shall continue to be payable to bearer and transferable by delivery.

The 1975 Series Bonds are issuable in the form of coupon Bonds payable to bearer in the denomination of $5,000 and in the form of registered Bonds without coupons in the denomination of $5,000 or an integral multiple thereof, not exceeding the aggregate principal amount of the 1975 Series Bonds maturing in the year of maturity of the 1975 Series Bond for which the denomination of the 1975 Series Bond is to be specified. Coupon 1975 Series Bonds, upon surrender thereof at the corporate trust office of the Trustee, with all unmatured coupons attached, may, at the option of the holder thereof, be exchanged for an equal
aggregate principal amount of registered 1975 Series Bonds of the same maturity of any of the authorized denominations, in the manner, subject to the conditions, and upon the payment of the charges, if any, provided in the Resolutions. In like manner, subject to such conditions and upon the payment of such charges, if any, registered 1975 Series Bonds, upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of 1975 Series Bonds, with appropriate coupons attached, or of 1975 Series Bonds without coupons of any other authorized denominations, of the same maturity.

In the event that any or all of the 1975 Series Bonds are to be redeemed, notice of such redemption (a) shall be given by publication once a week for at least two (2) successive weeks in a newspaper customarily published at least once a day for at
least five (5) days (other than legal holidays) in each calendar
week, printed in the English language and of general circulation
in the Borough of Manhattan, City and State of New York, as pro-
vided in the Resolutions, the first such publication to be not
less than thirty (30) days nor more than sixty (60) days prior to
the redemption date, and (b) shall be mailed, postage prepaid, not
less than thirty (30) days before the redemption date to the regis-
tered owners of any 1975 Series Bonds or portions of the 1975
Series Bonds to be redeemed; provided, however, that such mail-
ing shall not be a condition precedent to such redemption and
failure so to mail any such notice shall not affect the validity
of the proceedings for the redemption of the 1975 Series Bonds.
Notice of redemption having been given, as aforesaid, the 1975
Series Bonds or portions thereof so called for redemption, shall
become due and payable at the applicable Redemption Price herein
provided, and from and after the date so fixed for redemption,
interest on the 1975 Series Bonds, or portions thereof so called
for redemption, shall cease to accrue and become payable and the
coupons for interest appertaining to coupon 1975 Series Bonds
maturing subsequent to the redemption date shall be void.

The 1975 Series Bonds shall not be a debt of either the
State of New York or The City of New York, and neither the State of
New York nor The City of New York shall be liable thereon, nor shall
the 1975 Series Bonds be payable out of any funds other than those
of the Corporation.

This 1975 Series Bond is fully negotiable for all pur-
poses of the Uniform Commercial Code (Chapter 38 of said Consoli-
dated Laws), and each holder or owner of this 1975 Series Bond, or of any coupon appurtenant hereto, by accepting this 1975 Series Bond or coupon shall be conclusively deemed to have agreed that this 1975 Series Bond or coupon is fully negotiable for those purposes.

Neither this 1975 Series Bond nor any coupon for interest hereon shall be entitled to any security, right or benefit under the Resolutions or be valid or obligatory for any purpose unless the Certificate of Authentication hereon has been duly executed by the Trustee.

Neither the Directors of the Corporation nor any person executing the 1975 Series Bonds shall be subject to any personal liability or accountability by reason of the issuance thereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of New York and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this 1975 Series Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 1975 Series Bonds, together with all other indebtedness of the Corporation, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK has caused this 1975 Series Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be af-
fixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary and the interest coupons hereto attached to be executed by the facsimile signature of said Chairman, all as of the

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By ____________________________ Chairman

Attest:

By ____________________________ Secretary

[SEAL]
CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 1975 Series Bonds of the Municipal Assistance Corporation For The City of New York.

UNITED STATES TRUST COMPANY
OF NEW YORK, Trustee

By ____________________________
Authorized Signature

(FORM OF COUPON)

No. _______ $ _______

The MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK on (unless the Bond hereinafter mentioned shall have been duly called for previous redemption and payment of the Redemption Price made or duly provided for), will pay to bearer the amount shown hereon in any coin or currency of the United States of America which, on the date of payment hereof, shall be legal tender for the payment of public and private debts, at the corporate trust office of the Trustee, in the Borough of Manhattan, City and State of New York, or, at the option of the holder, at the corporate trust office of

, in the City of , State of , or, at the option of the holder, at the corporate trust office of

, in the City and County of

upon presentation and surrender of this
coupon, being the interest then due on its 1975 Series Bond, dated 1975, No.

By

Chairman, Municipal Assistance Corporation For The City of New York

Registration

(No writing below except by the Trustee as Registrar.)

Date of Registration

Name of Registered Holder

Authorized Signature
(FORM OF REGISTERED 1975 SERIES U BOND)

No. R: $________

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

1975 SERIES U BOND

The MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK (herein sometimes called the "Corporation"), a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation, organized and existing under and pursuant to the laws of the State of New York, acknowledges itself indebted to, and for value received, hereby promises to pay to

or registered assigns, upon presentation and surrender of this Bond, the principal sum of ________________

Dollars ($________) on the first day of ____________, _______ unless redeemed prior thereto as hereinafter provided, and to pay to the registered owner hereof interest thereon from the date hereof to the date of maturity or earlier redemption of this Bond, at the rate of ____________ per centum ( %) per annum, payable semi-annually on ____________, ______ and ____________, ______ in each year, commencing ____________, ______ until the Corporation's obligation with respect to the payment of such principal sum shall be discharged, at the corporate trust office in the Borough of Manhattan, City and State of New York, of the Trustee hereinafter mentioned.
Both principal and redemption premium, if any, of and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of a duly authorized issue of bonds of the Corporation designated as its "Bonds" (herein called the "Bonds"), issued and to be issued in various series under and pursuant to the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, said Acts being Titles I, II and III of Article 10 of the Public Authorities Law (Chapter 43-A of the Consolidated Laws of the State of New York), as amended (herein called the "Act"), and under and pursuant to the resolution of the Corporation adopted July 2, 1975, entitled "General Bond Resolution" (herein called the "General Bond Resolution") and the series resolution authorizing each such series.

The Bonds are general obligations of the Corporation payable out of any revenues of the Corporation and are entitled to a first lien created by the pledge under the General Bond Resolution of all revenues, moneys and securities in the Debt Service Fund and the Capital Reserve Fund (as defined therein), subject to the right of the Corporation to grant an equal lien on all revenues, moneys and securities in the Debt Service Fund to secure payment of principal of and interest on Notes and interest on Other Obligations (as defined in the General Bond Resolution). The General Bond Resolution provides for the application of the amounts in the
Capital Reserve Fund and in the Debt Service Fund to the payment, when due, of the principal or redemption price, if any, of and interest on the Bonds, and the application of amounts in the Debt Service Fund to the payment, when due, of the principal of and interest on Notes and interest on Other Obligations. Pursuant to the General Bond Resolution, such revenues, moneys and securities include each of the following: (i) all amounts received by the Corporation for deposit into the Debt Service Fund and into the Capital Reserve Fund, as payments from the Municipal Assistance Tax Fund established by the State Finance Law (Chapter 56 of said Consolidated Laws), which are required to be made only if and to the extent that moneys from the sales and compensating use taxes as imposed by Section 1107 of Article 28 of the Tax Law (Chapter 60 of said Consolidated Laws) and, effective April 1, 1976, if required, the stock transfer tax imposed by Article 12 of said Tax Law, have been appropriated by the Legislature of the State of New York from the Special Account established within such Municipal Assistance Tax Fund for the Corporation or that revenues shall have otherwise been made available therefor by the State of New York; (ii) all amounts received by the Corporation from the State of New York as payments for deposit into the Capital Reserve Fund (pursuant to the Act by certification annually on or before December 1, of the Chairman to the Governor and the Director of the Budget of the State of New York, of the amount necessary to restore the Capital Reserve Fund to its required amount); and (iii) investment earnings of moneys
in such Funds; provided, however, that pursuant to the Act, any provision therein or in the Resolutions or in any other agreement between the Corporation and the holders of Bonds or Notes, relating to said taxes and such Municipal Assistance Tax Fund, the Special Account and the Stock Transfer Tax Fund established by the State Finance Law, shall be deemed executory only to the extent of the moneys available to the State of New York in such Funds from time to time and the State of New York shall incur no liability on account thereof beyond such moneys.

As provided in the General Bond Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the General Bond Resolution. The aggregate principal amount of Bonds which may be issued pursuant to the General Bond Resolution is not limited except as provided in the General Bond Resolution or as may be limited by law and all Bonds issued and to be issued pursuant to the General Bond Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the General Bond Resolution.

This Bond is one of a series of Bonds designated "1975 Series Bonds" (herein called the "1975 Series Bonds"), issued in the aggregate principal amount of $ pursuant to the General Bond Resolution and the series resolution of the Corporation,
1975, entitled "1975 Series Resolution Authorizing $1975 Series Bonds" (said resolutions being herein collectively called the "Resolutions"), for purposes authorized by the Act. Copies of the Resolutions are on file at the office of the Corporation and at the corporate trust office of United States Trust Company of New York, in the Borough of Manhattan, City and State of New York, as trustee under the General Bond Resolution (said trustee and any successor thereto under the General Bond Resolution being herein called the "Trustee"), and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 1975 Series Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the bearers or registered owners of the 1975 Series Bonds with respect thereto and the terms and conditions upon which the 1975 Series Bonds are issued and may be issued thereunder.

To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Corporation with the written consent of the holders of at least two-thirds in principal amount of the Bonds then Outstanding (as defined in the General Bond Resolution), or, in case less than all of the series of Bonds would be affected thereby, with such consent of the holders of at least two-thirds in principal
amount of the Bonds of each series so affected then Outstanding, or, in case of a Sinking Fund Installment (as defined in the General Bond Resolution) change, with such consent of the holders of at least two-thirds in principal amount of the Outstanding Bonds affected thereby; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like series and maturity remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of the calculation of Outstanding Bonds.

This Bond is transferable as provided in the Resolutions, only upon the books of the Corporation kept for that purpose at the corporate trust office of the Trustee, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such duly authorized attorney, and thereupon the Corporation shall issue in the name of the transferee a new registered 1975 Series Bond or Bonds or, at the option of the transferee, a coupon 1975 Series Bond or Bonds with appropriate coupons attached, of the same aggregate principal amount and series, maturity and interest rate as the surrendered 1975 Series Bond, as provided in the Resolutions and upon the payment of the charges, if any, therein prescribed. The Corporation and the Trustee may treat and consider the person in whose name this 1975 Series
1975 Series Bonds without coupons of any other authorized denominations, of the same maturity.

In the event that any or all of the 1975 Series Bonds are to be redeemed, notice of such redemption (a) shall be given by publication once a week for at least two (2) successive weeks in a newspaper customarily published at least once a day for at least five (5) days (other than legal holidays) in each calendar week, printed in the English language and of general circulation in the Borough of Manhattan, City and State of New York, as provided in the Resolutions, the first such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, and (b) shall be mailed, postage prepaid, not less than thirty (30) days before the redemption date to the registered owners of any 1975 Series Bonds or portions of the 1975 Series Bonds to be redeemed; provided, however, that such mailing
shall not be a condition precedent to such redemption and failure to mail any such notice shall not affect the validity of the proceedings for the redemption of the 1975 Series Bonds. Notice of redemption having been given, as aforesaid, the 1975 Series Bonds or portions thereof so called for redemption shall become due and payable at the applicable Redemption Price hereinabove provided and, from and after the date so fixed for redemption, interest on the 1975 Series Bonds, or portions thereof so called for redemption, shall cease to accrue and become payable, and the coupons for interest appertaining to coupon 1975 Series Bonds maturing subsequent to the redemption date shall be void.

The 1975 Series Bonds shall not be a debt of either the State of New York or The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the 1975 Series Bonds be payable out of any funds other than those of the Corporation.

This 1975 Series Bond shall not be entitled to any security, right or benefit under the Resolutions or be valid or obligatory for any purpose unless the Certificate of Authentication hereon has been duly executed by the Trustee.

Neither the Directors of the Corporation nor any person executing the 1975 Series Bonds shall be subject to any personal liability or accountability by reason of the issuance thereof.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of
the State of New York and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this 1975 Series Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 1975 Series Bonds, together with all other indebtedness of the Corporation, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK has caused this 1975 Series Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary, all as of the __________ day of __________.

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

By ___________________________ Chairman

[SEAL]

Attest:

____________________________ Secretary
CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 1975 Series Bonds of the Municipal Assistance Corporation For The City of New York.

UNITED STATES TRUST COMPANY
OF NEW YORK, Trustee

By __________________________ Authorized Signature

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received the undersigned hereby sells, assigns, and transfers unto

(Please print or typewrite name and address of transferee)

the within 1975 Series Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints

______________________________ Attorney

to transfer the within 1975 Series Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ________________________

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within 1975 Series Bond in every particular, without alteration or enlargement or any change whatever.
SECTION 402. No Recourse on 1975 Series U Bonds. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the 1975 Series U Bonds or for any claim based thereon or on the 1975 Series U Resolution against any member or officer of the Corporation or any person executing the 1975 Series U Bonds and neither the Directors of the Corporation nor any other person executing the 1975 Series U Bonds of the Corporation shall be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 403. Execution of 1975 Series U Bonds. Pursuant to the provisions of Section 303 of the Resolution, the Treasurer of the Corporation is hereby authorized and directed to execute by his manual or facsimile signature the 1975 Series U Bonds in the name of the Corporation and the corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. The Secretary or an Assistant Secretary of the Corporation is hereby authorized and directed to attest by his manual or facsimile signature the execution of the 1975 Series U Bonds.
ARTICLE V

MISCELLANEOUS

SECTION 501. When Effective. This 1975 Series U Resolution shall become effective immediately upon the filing with the Trustee of a copy hereof certified by an Authorized Officer.
The State Insurance Fund

Gentlemen:

Subject to the terms and conditions herein, the undersigned, Municipal Assistance Corporation For The City of New York (the "Corporation"), hereby confirms its agreement with you (the "Purchaser") with respect to the purchase by you from the Corporation of $40,000,000 aggregate principal amount of the Corporation's 1975 Series U Bonds, more fully described in Schedule X hereto (the "Bonds"). The Bonds which the Purchaser herein agrees to purchase are to be issued pursuant to the General Bond Resolution adopted by the Board of Directors of the Corporation on July 2, 1975 (the "General Bond Resolution"), and the 1975 Series U Resolution adopted by the Board of Directors of the Corporation on October 16, 1975 (the "Series Resolution"; the General Bond Resolution and the Series Resolution being herein sometimes collectively called the "Resolution").
SECTION 1.  Representations and Agreements of the Corporation.

The Corporation hereby represents to and agrees with the Purchaser that:

(a) The Corporation is a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation created and validly existing under the provisions of the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, and as further amended by Chapters 868 and 870 of the Laws of 1975 (herein as so amended to the date hereof referred to as the "Act"), its corporate purposes being to assist the City of New York (the "City") in providing essential services to its inhabitants without interruption and in creating investor confidence in the soundness of the obligations of the City; and the Act has been validly adopted and is in full force and effect.

(b) The applicable specimen Bond, a copy of this Agreement executed by the Corporation, a copy of the Series Resolution and the General Bond Resolution certified by an appropriate officer of the Corporation and a definitive copy of the Official Statement of the Corporation with respect to the 1975 Series B Bonds, dated August 15, 1975 (the "Official Statement"), as supplemented by Supplement dated September 24, 1975 (the "Supplement"), shall be delivered to you at or prior to the Closing Time (hereinafter defined).

(c) The information concerning the Corporation in the Official Statement and the Supplement was true as of the respective dates thereof in all material respects and with respect to the Corporation, the Official Statement as of its date and the Supplement as of its date did not contain any untrue statement of any material fact (or omit any statement of a material fact necessary to make the Official Statement and the Supplement, and the statements and information therein contained, as of the respective dates thereof, not misleading). Since September 24, 1975, there have been developments in litigation affecting the financial plan described in the Supplement, a description of which will be furnished to you at the Closing Time.

(d) The Corporation will apply the proceeds from the sale of the Bonds substantially as set forth in the Resolution.
(e) When delivered to and paid for by the Purchaser in accordance with the terms of this Agreement and the Resolution, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and legally binding direct and general obligations of the Corporation enforceable in accordance with their terms and the terms of the Resolution and will be entitled to the benefits of the Resolution.

(f) Except as set forth in the Official Statement, the Supplement or the description of litigation referred to in Section 1(c) hereof, there is no action, suit, proceeding or investigation at law or in equity before or by any court or public board or body pending (or to the knowledge of the Corporation threatened) against the Corporation, wherein an unfavorable decision, ruling or finding might in any material respect adversely affect the transactions contemplated by this Agreement or the Resolution, or which in any way might adversely affect provisions for the payment of principal of or interest on the Bonds or the validity of the Bonds, the Resolution, this Agreement, or any agreement or instrument to which the Corporation is a party which is used or contemplated for use in connection with consummation of the transactions contemplated hereby.

(g) The execution, delivery and receipt of this Agreement, the Bonds and the Resolution, under the circumstances contemplated hereby, and compliance with the provisions thereof, will not conflict with or constitute on the part of the Corporation a breach of, or a default under, any existing law, court or administrative regulation, decree, order, or any agreement, indenture, mortgage, lease or other instrument to which the Corporation is subject or by which it is bound.

(h) Any certificate signed by any officer of the Corporation and delivered to the Purchaser shall be deemed a representation by the Corporation to the Purchaser as to the truth of the statements therein made.

(i) The execution, delivery and performance of this Agreement and the Bonds provided for herein have been duly authorized by proper proceedings and will not contravene any provisions of law or regulation or By-laws of the Corporation or any agreement, decree or instrument binding upon the Corporation or any of its property. This Agreement constitutes a legal, valid and binding agreement of the Corporation enforceable in accordance with its terms.
(j) Except for liens created by the issuance of any series of "Bonds" of the Corporation pursuant to and as defined in the General Bond Resolution or liens subordinated to the lien of such Bonds or other liens created by the General Bond Resolution, there is no lien on the revenues or property of the Corporation.

(k) By adoption of the Series Resolution the Corporation has duly authorized the execution, delivery and performance of this Agreement and the issuance of the Bonds. The Corporation hereby agrees to pay punctually the Bonds and the interest thereon when the same shall become due. To that end the Corporation covenants and warrants that it will take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under this Agreement, the Resolution and the Bonds and in order to provide for and to assure payment of the Bonds at maturity.

(l) All authorizations, consents, licenses or approvals of, or filings or registrations with, any court or governmental department, commission, board, bureau, agency or instrumentality, which are or will be necessary to the valid execution, delivery or performance by the Corporation of this Agreement, the Resolution or the Bonds, will have been duly obtained by the Closing Time. All acts, conditions and things required by the Constitution and statutes of the State of New York and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds, exist, have happened and have been performed in due time, form and manner as required by law.

SECTION 2. Purchase, Sale and Delivery of the Bonds.

On the basis of the representations and agreements herein contained, and subject to the terms and conditions herein set forth, the Corporation agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Corporation, at the Closing Time, Bonds in the aggregate principal amount set forth opposite the Purchaser's name in Schedule X hereto at the purchase price set forth opposite the Purchaser's name in Schedule X hereto, plus accrued interest from the dates set forth on Schedule X hereto to the date of payment and delivery. The Bonds shall be issued under and secured by the Resolution to the extent therein provided. The Bonds shall mature and bear interest as set forth in Schedule X hereto and in the Series Resolution and shall be redeemable if so provided in the Series Resolution. Payment for the Bonds shall be made by certified or official bank check or checks, in immediately available funds, payable to the order of the Corporation,
at the Closing Time, at the offices of Hawkins, Delafield & Wood, 67 Wall Street, New York, New York. The Closing Time shall be 2:00 P.M., New York City time, on October 20, 1975, or such other time and place as may otherwise be mutually agreed to by the Purchaser and the Corporation. The Bonds delivered to the Purchaser at the Closing Time shall be in definitive form, fully registered and in the respective principal amounts set forth opposite the Purchaser's name in Schedule X hereto.

SECTION 3. Conditions of the Purchaser's Obligations.

The Purchaser's obligations hereunder shall be subject to the performance by the Corporation of its obligations and agreements to be performed hereunder at or prior to the Closing Time, to the accuracy of and compliance with the representations and agreements of the Corporation contained herein, as of the date hereof and as of the Closing Time, and to the following further conditions:

(a) At the Closing Time, you shall receive:

   (1) Opinions, dated the Closing Time, of (A) Paul, Weiss, Rifkind, Wharton & Garrison, General Counsel for the Corporation, in the form attached hereto as Exhibit A, (B) Hawkins, Delafield & Wood, Bond Counsel, in the form attached hereto as Exhibits B and C; and (C) such General Counsel and Bond Counsel, substantially to the effect set forth in the Official Statement and the Supplement under the captions "litigations"; in each case with such changes, and with such annexed opinions of other counsel referred to therein, if any, as counsel for the Purchaser shall reasonably approve.

   (2) A certificate, reasonably satisfactory in form to you, of an appropriate officer of the Corporation reasonably satisfactory to you, dated the Closing Time, to the effect that (i) each of the representations of the Corporation set forth in Section 1 hereof is true, accurate and complete in all material respects as though made with respect to and as of the Closing Time except the representation contained in Section 1(c) hereof, which is true, accurate and complete
in all material respects with regard to the Official Statement as of August 15, 1975, with regard to the Supplement as of September 24, 1975, and with regard to the description of litigation referred to in Section 1(c) hereof as of the close of business on the day preceding the day in which the Closing Time takes place, and (ii) each of the agreements of the Corporation set forth in Section 1 hereof to be complied with at or prior to the Closing Time has been complied with as of such time.

(3) Such additional certificates, instruments and other documents as you may reasonably request to evidence the truth and accuracy, as of the Closing Time, of the representations of the Corporation herein contained, and the due performance and satisfaction by the Corporation at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it in connection with the transactions contemplated hereby.

(b) No order, decree or injunction of any court of competent jurisdiction, and no order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced, and no legislation shall have been enacted by the Congress, with the purpose or effect of prohibiting the issuance or sale of any of the Bonds as contemplated hereby.

(c) The Comptroller of the State of New York shall have approved in writing the sale of the Bonds and the terms thereof as provided in this Agreement.

(d) The State of New York shall have purchased $250,000,000 aggregate principal amount of obligations of the City.


The Corporation's obligations hereunder are subject to:

(a) the performance by the Purchaser of its obligations hereunder;

(b) the satisfaction of the conditions set forth above in (b), (c), and (d) of Section 3 hereof;

(c) the receipt at the Closing Time of the opinions described in Sections 3(a)(1) hereof; and
(d) the receipt of an opinion of the Attorney General of the State of New York in the form attached hereto as Exhibit D.

SECTION 5. **Representations and Agreements to Survive Delivery.**

All representations and agreements of the Corporation shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Purchaser and shall survive delivery of the Bonds to the Purchaser.

SECTION 6. **Payment of Expenses.**

The Corporation shall pay all costs and expenses incident to the performance of its obligations under this Agreement including all expenses incident to the delivery of the Bonds to the Purchaser, the fees and expenses of Bond Counsel and General Counsel for the Corporation, the costs and expenses incident to the preparing of this Agreement, the Official Statement, the Supplement, the Resolution and related documents; it being understood that the Purchaser will pay all its own costs and expenses including fees and expenses of its counsel.

SECTION 7. **Parties in Interest.**

This Agreement has been and is made solely for the benefit of the Purchaser and the Corporation, and their respective successors and assigns, and no other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement. The terms "successors" and "assigns" shall not include any purchaser of Bonds from the Purchaser merely because of such purchase.

Any provisions of Article 10 of the Public Authorities Law of the State of New York or in this Agreement which relate to taxes imposed under Article 12 or Section 1107 or 1108 of Article 28 of the Tax Law of the State of New York or to the funds created by Sections 92-b and 92-d of the State Finance Law of the State of New York shall be deemed executory only to the extent of the moneys available to the State of New York in such funds from time to time and no liability on account thereof shall be incurred by the State of New York beyond the moneys available in such funds.
SECTION 8. Notice.

All communications hereunder shall be in writing and, if sent to the Corporation, shall be mailed, delivered or telegraphed and confirmed to it at 2 World Trade Center, New York, N.Y., with a copy to Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, New York 10022, and, if sent to the Purchaser, shall be mailed, delivered or telegraphed and confirmed to it at 199 Church Street, New York, New York 10007.


This Agreement shall be governed by the laws of the State of New York and may not be assigned by the Corporation or the Purchaser.

SECTION 10. Execution in Counterparts.

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

SECTION 11. Successors and Assigns.

This Agreement shall be binding upon and enure to the benefit of the Corporation and the Purchaser and their respective successors and assigns.

SECTION 12. Acceptance of the Agreement.

This Agreement shall not become effective until accepted and confirmed by the Purchaser.

IN WITNESS WHEREOF, the Corporation and the Purchaser have caused this Agreement to be duly executed by
October 20, 1975

The State Insurance Fund

Gentlemen:

We have been requested by our client, Municipal Assistance Corporation For The City of New York, a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation (the "Corporation"), to furnish you our opinion as to the matters herein set forth in connection with the execution of a bond purchase agreement, dated October 17, 1975 (the "Agreement"), by and between the Corporation and you as purchaser, and the issuance and sale to you thereunder of $40,000,000 aggregate principal amount of the Corporation's 1975 Series U Bonds (the "Bonds").

In this connection, we have examined the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, and as further amended by Chapters 868 and 870 of the Laws of 1975 (the "Act"), the Official Statement of the Corporation, dated August 15, 1975, with respect to the 1975 Series B Bonds (the "Official Statement"), as supplemented by a Supplement dated September 24, 1975 (the "Supplement"), the By-laws of the Corporation, records of its corporate proceedings, including the General Bond Resolution and the 1975 Series U Resolution adopted by the Board of Directors of the Corporation on July 2, 1975, and October 16, 1975, respectively (the "Resolutions"), and the Agreement and the exhibits attached
thereto, and have made such further examination of law and fact as we considered necessary in order to form the opinions herein expressed.

Based on the foregoing, we are of the opinion that:

1. The Corporation is a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation, duly created by and validly existing under the Act, with the right and power under the Act to execute and deliver and to perform its obligations under the Agreement, to adopt the Resolutions and to issue and sell the Bonds thereunder.

2. Under the Act, it is a purpose of the Corporation to assist The City of New York (hereinafter called the "City") in providing essential services to its inhabitants without interruption and in creating investor confidence in the soundness of the obligations of the City.

3. The execution and delivery of, and the performance of the obligations under, the Agreement and the issuance of the Bonds have been duly authorized by proper corporate proceedings of the Corporation. The Agreement constitutes the legal, valid and binding agreement of the Corporation enforceable in accordance with its terms. The Resolutions have been duly and lawfully adopted by the Corporation and both are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms, and no other authorization for, or filing or recording of, the Resolutions is required.

4. The Bonds have been duly authorized, executed, authenticated, issued and delivered and constitute legal, valid, binding, direct and general obligations of the Corporation and are entitled to the benefits of the Resolutions.

5. The execution, delivery and receipt of the Agreement, the Bonds and the Resolutions, under the circumstances contemplated by the Agreement, and compliance with the provisions thereof, will not conflict with or constitute on the part of the Corporation, a breach of, or a default under any existing law, court or administrative regulation, decree, order, or any agreement, indenture, mortgage, lease or other instrument to which the Corporation is subject or by which it is bound.
6. Except as set forth in the Official Statement, the Supplement or the description dated October 19, 1975 of developments in litigation affecting the financial plan (described in the Supplement), attached to this opinion as Exhibit A (the "Description of Litigation"), to the best of our knowledge, as of the close of business on October 19, 1975, there was no action, suit, proceeding or investigation at law or in equity before or by any court or public board or body pending or threatened against the Corporation wherein an unfavorable decision, ruling or finding would in any material respect adversely affect the transactions contemplated by the Agreement, or which in any way would adversely affect provisions for the payment of principal or interest on the Bonds or the validity of the Bonds, the Resolutions, the Agreement, or any agreement or instrument to which the Corporation is a party which is used or contemplated for use in connection with consummation of the transactions contemplated by the Agreement.

7. The issuance and sale to you of the Bonds, pursuant to and as contemplated by the Agreement is exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) of such Act and there is no requirement for the qualification of the Resolutions or any indenture with respect to the Bonds pursuant to the Trust Indenture Act of 1939, as amended. The Bonds constitute exempted securities within the meaning of the Securities Exchange Act of 1934, as amended.

8. To the best of our knowledge, neither the Official Statement nor the Supplement, as of their respective dates, contained any untrue statement of a material fact or, as of such respective dates, omitted any statement of a material fact necessary to make the Official Statement and the Supplement, and the statements and information therein contained, not misleading as of such respective dates. To the best of our knowledge, the Description of Litigation does not, as of its date, contain any untrue statement of a material fact with respect to the litigation therein described, or, as of its date, omit any statement of a material fact with respect to the litigation therein described necessary to make such description, and the statements and information therein contained, not misleading as of such date.

9. The statements set forth in the Official Statement under the headings "Functions of the Corporation with Respect to the City" and "Agreement of the State of New York" are accurate statements or summaries, as of the dates of the Official Statement and the Supplement, of the statutory provisions, documents or matters therein set forth.
All opinions rendered herein relating to the effect of the Constitution of the State of New York, or state or local finance laws, upon the validity, binding effect or enforceability of the Resolutions, the Agreement or the Bonds are rendered in reliance upon the opinion of Hawkins, Delafield & Wood, Bond Counsel to the Corporation, of even date herewith addressed to the Corporation and delivered to you in accordance with the Agreement, and, although we have made no independent investigation with respect thereto, such opinion is in form and substance satisfactory to us, and we believe that you and we are justified in relying thereon.

Very truly yours,

[TO BE SIGNED: PAUL, WEISS, RIFKIND, WHARTON & GARRISON]
October 20, 1975

Municipal Assistance Corporation
For The City of New York
New York, New York

Dear Sirs:

We have examined a record of proceedings relating to the issuance of $40,000,000 aggregate principal amount of 1975 Series U Bonds (the "1975 Series U Bonds") of the Municipal Assistance Corporation For The City of New York (the "Corporation"), a corporate governmental agency and instrumentality of the State of New York (the "State") constituting a public benefit corporation, created and existing under and pursuant to the Constitution and statutes of the State, including the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State, as amended to the date hereof (the "Act").

The 1975 Series U Bonds are authorized and issued under and pursuant to the Act and a General Bond Resolution of the Corporation (the "General Bond Resolution") and the 1975 Series U Resolution (the "Series Resolution"), adopted July 2, 1975 and October 16, 1975, respectively. Said resolutions are herein collectively called the "Resolutions".

The 1975 Series U Bonds are part of an issue of bonds of the Corporation (the "Bonds") which the Corporation has established and created under the terms of the General Bond Resolution and is authorized to issue from time to time for the corporate purposes of the Corporation authorized by the Act, as then in effect and without limitation as to amount except as provided in the General Bond Resolution or as may be limited by law. The 1975 Series U Bonds are being issued for the purpose of providing funds to The City of New York, New York ("The City") to enable The City to pay certain of its operating expenses or the principal of and interest on certain of its short term obligations.

The Corporation is authorized to issue Bonds, in addition to the 1975 Series U Bonds, only upon the terms and conditions set forth in the General Bond Resolution and
such Bonds, when issued, shall with the 1975 Series U Bonds and with all other such Bonds theretofore issued, be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Bond Resolution.

The 1975 Series U Bonds are dated October 20, 1975, except as otherwise provided in the Resolutions with respect to fully registered 1975 Series U Bonds and will mature on the dates and will bear interest payable February 1, 1976 and August 1, 1976 and semi-annually thereafter on February 1 and August 1 in each year at the respective rates per annum shown below:

<table>
<thead>
<tr>
<th>February 1 Maturing</th>
<th>Interest Rate</th>
</tr>
</thead>
</table>

The 1975 Series U Bonds are issued either in coupon form in the denomination of $5,000, registrable as to principal only, or in fully registered form without coupons in the denomination of $5,000 or an integral multiple of $5,000. Coupon and fully registered 1975 Series U Bonds are interchangeable as provided in the Resolutions. Coupon 1975 Series U Bonds are lettered U and fully registered 1975 Series U Bonds are lettered UR, in each case followed by the last two digits of the year in which each of such 1975 Series U Bonds matures and its number. Coupon 1975 Series U Bonds are numbered consecutively from one upward for each year of maturity and fully registered 1975 Series U Bonds are numbered consecutively from one upward in order of issuance for each year of maturity.

The 1975 Series U Bonds maturing prior to February 1, 1986 are not subject to redemption.

The 1975 Series U Bonds maturing on and after February 1, 1985 are [ADD PROVISION ON REDEMPTION].

Chapters 168 and 169 of the Laws of 1975 each enacted by the People of the State, represented in Senate and Assembly of the State and signed into law by the Governor of the State (the "Enabling Legislation") provides, among other things, for the insertion of the Act in the Public Authorities Law creating
the Corporation as aforesaid, suspending the power of The City to adopt local laws for the imposition of certain sales and compensating use taxes pursuant to sections 1210 and 1212-A of Article 29 of the Tax Law, constituting Chapter 60 of such Consolidated Laws, and the taxes imposed pursuant to said sections, until all notes and bonds of the Corporation, including the 1975 Series U Bonds, and interest thereon have been fully paid and discharged, adding a new section 92-d to Article 6 of the State Finance Law constituting Chapter 56 of such Consolidated Laws, establishing a municipal assistance tax fund (the "Assistance Fund") and a special account for the Corporation within the Assistance Fund (the "Special Account"), adding a new section 1107 to Article 28 of said Tax Law imposing sales and compensating use taxes in the City at a rate of four percent (4%) on certain items therein described and at a rate of six percent (6%) on the sale of certain parking services (the "Sales Tax"), the revenues derived from which, less such amounts as the Commissioner of Taxation and Finance determines to be necessary for reasonable costs in administering, collecting and distributing such taxes, are required to be paid into the Special Account together with, after deducting such costs, such amounts, beginning with the fiscal year of the State commencing April 1, 1976, as may be required under the Enabling Legislation to be transferred from the Stock Transfer Tax Fund established by section 92-b of Article 6 of said State Finance Law, into which the revenues derived from a tax imposed by Article 12 of the Tax Law (the "Stock Transfer Tax") are deposited.

We are of the opinion that:

1. The Corporation is duly created and validly exists as a corporate governmental agency and instrumentality of the State constituting a public benefit corporation under the laws of the State, including the Constitution of the State and the Act, with the good right and lawful authority and power to adopt the Resolutions, to issue the Bonds including the 1975 Series U Bonds thereunder, and to perform the obligations and covenants contained in the Resolutions and the 1975 Series U Bonds. Under the laws of the State, including the Constitution of the State, the Enabling Legislation, including the Act, is valid with respect to all provisions thereof material to the subject matters of this opinion letter.
2. The Series Resolution has been duly and lawfully adopted in accordance with the provisions of the General Bond Resolution and is authorized and permitted by the General Bond Resolution. The Resolutions have been duly and lawfully adopted by the Corporation and both are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms, and no other authorization for the Resolutions is required. The Resolutions create the valid pledge and lien which they purport to create of the revenues, moneys, securities and funds held or set aside under the Resolutions, subject only to the application thereof to the purposes and on the conditions permitted by the Resolutions. The lien created by the Resolutions on such revenues, moneys and securities is and will be prior to all other liens thereon. All revenues, moneys and securities, as and when received, in the Debt Service Fund and the Capital Reserve Fund in accordance with the Resolutions, will be validly subjected to the pledge and lien created by the Resolutions.

3. The 1975 Series U Bonds have been duly and validly authorized and issued by the Corporation in accordance with the laws of the State, including the Constitution of the State and the Act, and in accordance with the Resolutions. The 1975 Series U Bonds are valid and binding general obligations of the Corporation payable as provided in the Resolutions, are enforceable in accordance with their terms, respectively, and the terms of the Resolutions, and are entitled, together with additional Bonds issued under the General Bond Resolution, to the equal benefit, protection and security of the provisions, covenants and obligations of the General Bond Resolution and of the Act.

4. Pursuant to the Act and the General Bond Resolution, the Corporation has validly covenanted that the Chairman of the Corporation shall annually, on or before December 1, make and deliver to the Governor and Director of the Budget of the State his certificate stating such sum, if any, as shall be necessary to restore the amount in such Capital Reserve Fund to an amount equal to the capital reserve fund requirement under the General Bond Resolution. Subdivision 4 of Section 3036 of the Act providing for the appropriation and payment to the Corporation for deposit in the Capital Reserve Fund of such sum as shall be so certified by the Chairman, does not constitute an enforceable obligation or debt of the State, the amount of such sum being subject to annual appropriation for such purpose by the Legislature of the State, which is empowered, but is not bound or obligated, to appropriate such amount.
5. Pursuant to the Act and the General Bond Resolution, the Corporation has validly covenanted that the Chairman of the Corporation shall certify to the State Comptroller and the Mayor of The City, the amounts required, pursuant to subdivision 1 of Section 3036 of the Act, for deposit in the funds established by the General Bond Resolution at the time or times and in the manner provided therein, including the amounts required for deposit in the Debt Service fund to pay all interest and all principal and redemption premium, if any, on notes and bonds maturing or otherwise coming due and for deposit in the Capital Reserve Fund to maintain such Fund at such capital reserve fund requirement. Said subdivision provides for the State Comptroller to pay such amounts to the Corporation for deposit as aforesaid, the source of such payments being the Assistance Fund into which is paid the Sales Tax and, to the extent required, out of the Stock Transfer Tax Fund, the Stock Transfer Tax. The amount of such payments to the Corporation are subject to annual appropriation for such purpose by the Legislature of the State which is empowered, but is not bound or obligated, to appropriate the amount so certified by the Chairman, as aforesaid.

6. The 1975 Series U Bonds do not constitute a debt either of the State or The City, and neither the State nor The City shall be liable thereon, nor shall the 1975 Series U Bonds be payable out of any funds other than those of the Corporation.

7. The State has the good right and lawful authority:

(a) to suspend the power of The City to adopt local laws for the imposition of certain sales and compensating use taxes and the taxes levied thereunder, in accordance with the Enabling Legislation;

(b) to impose and to increase or decrease the Sales Tax and the Stock Transfer Tax but the State is not bound or obligated to continue the imposition of said taxes;

(c) to establish the Stock Transfer Tax Fund, the Assistance Fund and the Special Account within the Assistance Fund but the State is not bound or obligated to maintain the existence of said funds or account;

(d) to provide for the appropriation of, and at least annually to appropriate to, the Corporation, from the Special Account for the Corporation in the Assistance Fund and
commencing with the fiscal year of the State commencing April 1, 1976 from the Stock Transfer Tax Fund, amounts sufficient to enable the Corporation to fulfill the terms of the Resolution and to carry out its corporate purposes, but the State is not bound or obligated to make such appropriations.

8. Neither the Corporation nor the holders of the Bonds have or will have a lien on the Stock Transfer Tax or the Stock Transfer Tax Fund, the Sales Tax, or the Special Account for the Corporation in the Assistance Fund.

9. Under existing statutes and court decisions, interest on the 1975 Series U Bonds is exempt from Federal income taxes and shall at all times be free from New York State and New York City personal income taxes.

10. No registration with, consent of, or approval by any governmental agency or commission is necessary for the execution and delivery and the issuance of the 1975 Series U Bonds.

11. The adoption and performance of, and compliance with, all of the terms and conditions of the Resolutions and the 1975 Series U Bonds, and the execution and delivery of the 1975 Series U Bonds, will not result in a violation of or be in conflict with any term or provision of any existing law.

We have examined the executed 1975 Series U Bond numbered and, in our opinion, the form of said Bond and its execution are regular and proper.

Very truly yours,

[TO BE SIGNED: HAWKINS, DELAFIELD & WOOD]
October 20, 1975

The State Insurance Fund

Gentlemen:

We are bond counsel to the Municipal Assistance Corporation For The City of New York (the "Corporation") and are this day rendering our final approving opinion (the "Opinion") relating to the authorization and issuance of the Corporation's 1975 Series U Bonds, dated October 20, 1975 and authorized by the General Bond Resolution, adopted by the Corporation on July 2, 1975, and the 1975 Series U Bond Resolution, adopted October 16, 1975. The Opinion is being rendered in connection with the delivery of the Bonds to you pursuant to the Bond Purchase Agreement for the Bonds (the "Bond Purchase Agreement") by and between you and the Corporation.

In connection with the rendering of the Opinion, we have reviewed records of the acts taken by the Corporation in connection with the authorization, sale and issuance of the Bonds, including a record of proceedings of the Corporation relating to the authorization, execution and delivery of the Bond Purchase Agreement, were present at various meetings in connection therewith and have participated with others in the preparation of various parts of the Official Statement with respect to the 1975 Series B Bonds dated August 15, 1975 (the "Official Statement") as supplemented by a Supplement dated September 24, 1975 (the "Supplement").

In connection with the sale of the 1975 Series B Bonds and the 1975 Series U Bonds, at the request of the Corporation, we participated and assisted as bond counsel in the preparation of the Official Statement and the Supplement and have reviewed
the information and representations contained therein. Rendering such assistance involved, among other things, discussions and inquiries concerning various and related subjects, and reviews of and reports on certain documents and proceedings. We also participated in conferences with the board of directors of the Corporation and its officers, agents and employees, the State Comptroller and his deputy, and Paul, Weiss, Rifkind, Wharton & Garrison, general counsel for the Corporation, at which the contents of the Official Statement and the Supplement and related matters were discussed and revised.

The statements set forth in the Official Statement or the Supplement under the headings PROVISIONS FOR PAYMENT OF THE BONDS (other than the statistical and financial information and other information under the headings "State Collections of New York City Sales and Compensating Use Taxes", "State Collections of Stock Transfer Tax" and "Estimated Amounts Available for Debt Service and Debt Service Coverage"), DESCRIPTION OF 1975 SERIES B BONDS, SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL BOND RESOLUTION, and AGREEMENT OF THE STATE OF NEW YORK and the statements set forth in the Supplement under the headings INTRODUCTION, DESCRIPTION OF THE 1975 SERIES M BONDS, PROVISIONS FOR PAYMENT OF BONDS - RECENT DEVELOPMENTS (other than the statistical and financial information and other information under the heading "Estimated Amounts Available for Debt Service and Debt Service Coverage") and NOTE ISSUED TO STATE are accurate statements or summaries of the statutory provisions, documents or matters therein set forth.

In the course of the preparation of the Official Statement and the Supplement and in rendering the Opinion and this opinion we have received and relied upon the certificate of no-litigation of the Corporation including statements to the effect that, except as noted therein, there is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds, any proceedings of the Corporation taken with respect to the issuance or sale thereof, the pledge or application of any revenues, moneys or securities provided for the payment of the Bonds or the existence or powers of the Corporation, or the application of the proceeds of the sale of such Bonds as contemplated by the Official Statement and the Supplement. In such connection, we have also received and relied upon the opinion of Paul, Weiss, Rifkind, Wharton & Garrison, dated the date hereof, with respect to the absence of litigation against the Corporation. In so acting, we have necessarily
assumed the correctness and completeness of the statements and material set forth therein. While, except as above stated with respect to information under certain specific headings, we have not undertaken to verify independently and take no responsibility for the correctness or completeness of the statements made in the Official Statement and the Supplement (or in the statistical and financial information and other information set forth in the headings excluded above, as to which we express no opinion) we can and do advise you that in the course of our participation in the preparation of the Official Statement and the Supplement in our review thereof in the light of the discussions, inquiries and conferences, referred to above, nothing has come to our attention which would lead us to believe, and we do not believe, that either the Official Statement or the Supplement contained, as of the dates thereof any untrue statement of a material fact or as of their respective dates omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

We are further of the opinion that the Bond Purchase Agreement has been duly authorized, executed and delivered by, and constitutes a binding agreement of, the Corporation, enforceable in accordance with its terms.

We are further of the opinion that the issuance and sale to you of the Bonds pursuant to and as contemplated by the Agreement is exempt from registration under the Securities Act of 1933, as amended, and there is no requirement for the qualification of the Resolutions or any indenture with respect to the Bonds pursuant to the Trust Indenture Act of 1939, as amended; and the Bonds constitute "exempted securities" within the meaning of the Securities Exchange Act of 1934, as amended.

We are further of the opinion that the 1975 Series U Bonds are legal investments, under present provisions of New York law, for all public officers and bodies of the State and political subdivisions of the State and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations,
investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the State.

Very truly yours,

[TO BE SIGNED: HAWKINS, DELAFIELD & WOOD]
Hon. Daniel B. Goldberg  
Secretary  
Municipal Assistance Corporation  
For The City of New York  
2 World Trade Center  
New York, New York

Dear Mr. Goldberg:

This is to acknowledge receipt of your letter of October __, 1975, enclosing the draft of a proposed Bond Purchase Agreement between the Municipal Assistance Corporation For The City of New York (the "Corporation") and The State Insurance Fund (the "Purchaser") together with other related documents.

You have requested my opinion, on behalf of the Purchaser, regarding the validity of the Bond Purchase Agreement (the "Agreement") dated October 17, 1975, between the Corporation and the Purchaser as well as other subsidiary and collateral questions, all of which are covered below.

I have examined the Constitution and statutes of The State of New York, the Agreement and the provisions therein for the purchase of certain bonds (the "Bonds") by the Purchaser, and have made such other examinations of law and fact as I deemed necessary for the opinions set forth herein.
Based upon the foregoing, it is my opinion that:

1. The execution and delivery of, and the performance of the obligations under, the Agreement by the Purchaser have been duly authorized by all necessary action by the Purchaser and The State of New York.

2. The Agreement has been duly and validly executed and delivered by the Purchaser and constitutes the legal, valid and binding agreement of the Purchaser enforceable in accordance with its terms.

3. The execution, delivery and receipt of the Agreement and the Bonds by the Purchaser under the circumstances contemplated by the Agreement and compliance by the Purchaser with the provisions thereof will not conflict with or constitute on the part of the Purchaser a breach of, or a default under, existing law.

Very truly yours,

[To be signed: LOUIS J. LEFKOWITZ]
Attorney General
**SCHEDULE X**

Amount and Designation: 1975 Series U Bonds of the Municipal Assistance Corporation for the City of New York, in the aggregate principal amount of $40,000,000.

<table>
<thead>
<tr>
<th>Purchaser</th>
<th>Maturity Date</th>
<th>Rate of Interest</th>
<th>Aggregate Principal Amount to be Purchased</th>
<th>Price</th>
<th>Date from Which Interest Accrues</th>
<th>Mandatory Redemption Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Insurance Fund</td>
<td>Feb. 1, 1986</td>
<td>11%</td>
<td>$10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1987</td>
<td>11%</td>
<td>5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1988</td>
<td>11%</td>
<td>10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1989</td>
<td>11%</td>
<td>10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1990</td>
<td>11%</td>
<td>5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
</tbody>
</table>

Aggregate Principal Amount to be Purchased: $40,000,000

* Callable on or after February 1, 1985, in a whole at any time or in part on any interest payment date, at a price of 102%. 
Honorable Arthur Levitt  
Comptroller of the State of New York  
Alfred E. Smith Office Building  
Albany, New York

October 17, 1975

Dear Mr. Comptroller:

We have negotiated the sale of bonds of the Municipal Assistance Corporation For The City of New York, 1975 Series U (the "Bonds"), with the Purchaser in the aggregate amount and on the terms set forth in Schedule X attached hereto.

Your approval of this sale, pursuant to Section 3012(1)(e) of the Municipal Assistance Corporation Act, as amended, is respectfully requested.

We further hereby respectfully request your approval, pursuant to Section 3013(4) of the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation For The City of New York Act, being Title I, II and III of Article 10 of the Public Authorities Law, of the system of accounts of the Corporation to the extent same are prescribed in the General Bond Resolution adopted by the Corporation on July 2, 1975 and the 1975 Series U Bond Resolution of the Corporation, adopted by the Corporation on October 16, 1975.

Your approval is respectfully requested.

Very truly yours,

[Signature]

The sale of the above described bonds of the Municipal Assistance Corporation For The City of New York upon the terms above described and the system of accounts of the Corporation to the extent same are prescribed in the General Bond Resolution adopted by the Corporation on July 2, 1975 and the 1975 Series U Bond Resolution of the Corporation, adopted by the Corporation on October 16, 1975, are hereby approved.

[Signature]

Arthur Levitt, Comptroller of the State of New York
### SCHEDULE X

**Amount and Designation:** 1975 Series U Bonds of the Municipal Assistance Corporation For the City of New York, in the aggregate principal amount of $40,000,000.

<table>
<thead>
<tr>
<th>Purchaser</th>
<th>Maturity Date</th>
<th>Rate of Interest</th>
<th>Aggregate Principal Amount to be Purchased</th>
<th>Price</th>
<th>Date from Which Interest Accrues</th>
<th>Mandatory Redeemable?</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Insurance Fund</td>
<td>Feb. 1, 1986</td>
<td>11%</td>
<td>$10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1987</td>
<td>11%</td>
<td>5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1988</td>
<td>11%</td>
<td>10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1989</td>
<td>11%</td>
<td>10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1990</td>
<td>11%</td>
<td>5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
</tbody>
</table>

**Aggregate Principal Amount to be Purchased:** $40,000,000

*Callable on or after February 1, 1985, in a whole at any time or in part on any interest payment date, at a price of 102%.*
CERTIFICATE OF THE COMMISSIONER
OF TAXATION AND FINANCE

I, James H. Tully, Jr., Commissioner of Taxation and Finance of the State of New York, do HEREBY CERTIFY as follows:

A. Reference is made to the General Bond Resolution (the "Resolution") adopted July 2, 1975 by the Municipal Assistance Corporation for the City of New York (the "Corporation"). All terms defined in the Resolution are used in this certificate with the meanings ascribed to them at the indicated page in the Resolution.

B. 1. The most recent collections for the 12 consecutive calendar months ended August 31, 1975 of the sales and compensating use taxes imposed by the City of New York prior to July 1, 1975 and imposed by the State of New York subsequent thereto pursuant to Section 1107 of the Tax Law was $786,531,578.

2. The most recent collections for the 12 consecutive calendar months ended August 31, 1975 of the Stock Transfer Tax (p. 5) was $198,555,846.

3. The most recent collections for the 12 consecutive calendar months ended August 31, 1975 of other taxes which, as of the date hereof, are levied and collected by New York State and are payable into the special account in the Municipal Assistance Tax Fund described in Section 92-d of the State Finance Law established for the Corporation was $0. Total of $985,087,424.

C. 1. The total amount of $786,531,578 for the 12 consecutive calendar months ended August 31, 1975 set forth at clause 1 of paragraph B above is not greater than the revenue expected by me for the next succeeding 12 months from the Sales Tax (p. 4).

2. The total amount of $198,555,846 for the 12 consecutive calendar months ended August 31, 1975 set forth above as the amount collected
from the Stock Transfer Tax may be reduced during the next succeeding 12 months by an amount of up to $45,000,000 as a result of the Federal Securities Acts Amendments of 1975. It should further be noted that as a result of the 25% surcharge imposed by Chapter 395 of the Laws of 1975, there should be an estimated increase in collections during the next succeeding 12 months of approximately $45,000,000.

The foregoing figures take into account any distortion for the 12 consecutive months period ended August 31, 1975 occasioned by a change in payment dates, prepayments and late payments of the taxes set forth in clauses 1, 2 and 3 of paragraph B next above.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of October, 1975.

[Signature]

COMMISSIONER OF TAXATION AND FINANCE

To: United States Trust Company of New York as Trustee under the Resolution (as defined above).
October 20, 1975

Commissioner Harold V. Gleason
Chairman, board of Commissioners
The State Insurance Fund
199 Church Street
New York, New York 10007

Dear Commissioner Gleason:

We have been requested by our client, Municipal Assistance Corporation For The City of New York, a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation (the "Corporation"), to furnish you our opinion as to the matters herein set forth in connection with the execution of a bond purchase agreement, dated October 17, 1975 (the "Agreement"), by and between the Corporation and you as purchaser, and the issuance and sale to you thereunder of $40,000,000 aggregate principal amount of the Corporation's 1975 Series U Bonds (the "Bonds").

In this connection, we have examined the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, and as further amended by Chapters 868 and 870 of the Laws of 1975 (the "Act"), the Official Statement of the Corporation, dated August 15, 1975, with respect to the 1975 Series B Bonds (the "Official Statement"), as supplemented by a Supplement dated September 24, 1975 (the "Supplement"), the By-Laws of the Corporation, records of its corporate proceedings, including the General Bond Resolution and the 1975 Series U Resolution adopted by the Board of Directors of the Corporation on July 2, 1975, and October 16, 1975, respectively (the "Resolutions"), and the Agreement and the exhibits attached
thereto, and have made such further examination of law and fact as we considered necessary in order to form the opinions herein expressed.

Based on the foregoing, we are of the opinion that:

1. The Corporation is a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation, duly created by and validly existing under the Act, with the right and power under the Act to execute and deliver and to perform its obligations under the Agreement, to adopt the Resolutions and to issue and sell the Bonds thereunder.

2. Under the Act, it is a purpose of the Corporation to assist The City of New York (hereinafter called the "City") in providing essential services to its inhabitants without interruption and in creating investor confidence in the soundness of the obligations of the City.

3. The execution and delivery of, and the performance of the obligations under, the Agreement and the issuance of the Bonds have been duly authorized by proper corporate proceedings of the Corporation. The Agreement constitutes the legal, valid and binding agreement of the Corporation enforceable in accordance with its terms. The Resolutions have been duly and lawfully adopted by the Corporation and both are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms, and no other authorization for, or filing or recording of, the Resolutions is required.

4. The Bonds have been duly authorized, executed, authenticated, issued and delivered and constitute legal, valid, binding, direct and general obligations of the Corporation and are entitled to the benefits of the Resolutions.

5. The execution, delivery and receipt of the Agreement, the Bonds and the Resolutions, under the circumstances contemplated by the Agreement, and compliance with the provisions thereof, will not conflict with or constitute on the part of the Corporation, a breach of, or a default under any existing law, court or administrative regulation, decree, order, or any agreement, indenture, mortgage, lease or other instrument to which the Corporation is subject or by which it is bound.
6. Except as set forth in the Official Statement, the Supplement or the description dated October 19, 1975 of developments in litigation affecting the financial plan (described in the Supplement), attached to this opinion as Exhibit A (the "Description of Litigation"), to the best of our knowledge, as of the close of business on October 19, 1975, there was no action, suit, proceeding or investigation at law or in equity before or by any court or public board or body pending or threatened against the Corporation wherein an unfavorable decision, ruling or finding would in any material respect adversely affect the transactions contemplated by the Agreement, or which in any way would adversely affect provisions for the payment of principal or interest on the Bonds or the validity of the Bonds, the Resolutions, the Agreement, or any agreement or instrument to which the Corporation is a party which is used or contemplated for use in connection with consummation of the transactions contemplated by the Agreement.

7. The issuance and sale to you of the Bonds, pursuant to and as contemplated by the Agreement is exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) of such Act and there is no requirement for the qualification of the Resolutions or any indenture with respect to the Bonds pursuant to the Trust Indenture Act of 1939, as amended. The Bonds constitute exempted securities within the meaning of the Securities Exchange Act of 1934, as amended.

8. To the best of our knowledge, neither the Official Statement nor the Supplement, as of their respective dates, contained any untrue statement of a material fact or, as of such respective dates, omitted any statement of a material fact necessary to make the Official Statement and the Supplement, and the statements and information therein contained, not misleading as of such respective dates. To the best of our knowledge, the Description of Litigation does not, as of its date, contain any untrue statement of a material fact with respect to the litigation therein described, or, as of its date, omit any statement of a material fact with respect to the litigation therein described necessary to make such description, and the statements and information therein contained, not misleading as of such date.

9. The statements set forth in the Official Statement under the headings "Functions of the Corporation with Respect to the City" and "Agreement of the State of New York" are accurate statements or summaries, as of the dates of the Official Statement and the Supplement, of the statutory provisions, documents or matters therein set forth.
All opinions rendered herein relating to the effect of the Constitution of the State of New York, or state or local finance laws, upon the validity, binding effect or enforceability of the Resolutions, the Agreement or the Bonds are rendered in reliance upon the opinion of Hawkins, Delafield & Wood, Bond Counsel to the Corporation, of even date herewith addressed to the Corporation and delivered to you in accordance with the Agreement, and, although we have made no independent investigation with respect thereto, such opinion is in form and substance satisfactory to us, and we believe that you and we are justified in relying thereon.

Very truly yours,

Paul, Weiss, Rifkind, Wharton & Garrison

Paul, Weiss, Rifkind, Wharton & Garrison
October 20, 1975

United States Trust Company
of New York
130 John Street
New York, New York

Gentlemen:

We have delivered to the State Insurance Fund an opinion dated the date hereof, with respect to the issuance of 1975 Series U Bonds of the Corporation, a copy of which is annexed hereto. You are entitled to rely on said opinion as if the same were addressed to you.

Very truly yours,

PAUL, WEISS, RIFKIND, WHARTON & GARRISON
October 20, 1975

Commissioner Harold V. Gleason
Chairman, board of Commissioners
The State Insurance Fund
199 Church Street
New York, New York 10007

Dear Commissioner Gleason:

We are General Counsel to Municipal Assistance Corporation For The City of New York (the "Corporation") and in this capacity have examined a summons and complaint served upon the Corporation on July 18, 1975. It appears therefrom that the action was commenced in the Supreme Court of the State of New York, County of New York and entitled "Robert Sasso v. The City of New York, et al." The Corporation has authorized us to represent it in this litigation.

On July 29, 1975, the Corporation's motion for summary judgment, based on the grounds that the cause of action as to the Corporation has no merit, was granted. On September 10, 1975 the plaintiff served notice of appeal to the Appellate Division from the order granting the Corporation's motion for summary judgment. On September 12, 1975, the plaintiff in the action served a further notice of appeal directly to the Court of Appeals from such order.
We are of the opinion that:

(1) The complaint is without merit as to the claim therein asserted against the Corporation.

(2) The Corporation will prevail in any final adjudication of the claim asserted in the complaint against the Corporation.

(3) No final adjudication of the claim asserted in the complaint will result in a judgment enjoining the issuance, sale, execution or delivery of the Series U Bonds of the Corporation proposed to be issued and sold on October 20, 1975 or in any way affecting the validity of such Bonds, any proceedings of the Corporation taken with respect to the issuance or sale thereof, the pledge or application of any revenues, monies or securities provided for the payment of such Bonds, the existence or powers of the Corporation, or the application of the proceeds of the sale of such Bonds as contemplated by the Series Resolution adopted by the Corporation in connection with such Bonds.

(4) Such final adjudication would not in any way contravene any of the matters to which our opinion letter, to which this opinion letter is annexed, relates.

Very truly yours,

Paul Weiss, Rifkind, Wharton & Garrison
Municipal Assistance Corporation  
For The City of New York  
New York, New York

Dear Sirs:

We have examined a record of proceedings relating to the issuance of $40,000,000 aggregate principal amount of 1975 Series U Bonds (the "1975 Series U Bonds") of the Municipal Assistance Corporation For The City of New York (the "Corporation"), a corporate governmental agency and instrumentality of the State of New York (the "State") constituting a public benefit corporation, created and existing under and pursuant to the Constitution and statutes of the State, including the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State, as amended to the date hereof (the "Act").

The 1975 Series U Bonds are authorized and issued under and pursuant to the Act and a General Bond Resolution of the Corporation (the "General Bond Resolution") and the 1975 Series U Resolution (the "Series Resolution"), adopted July 2, 1975 and October 16, 1975, respectively. Said resolutions are herein collectively called the "Resolutions".

The 1975 Series U Bonds are part of an issue of bonds of the Corporation (the "Bonds") which the Corporation has established and created under the terms of the General Bond Resolution and is authorized to issue from time to time for the corporate purposes of the Corporation authorized by the Act, as then in effect and without limitation as to amount except as provided in the General Bond Resolution or as may be limited by law. The 1975 Series U Bonds are being issued for the purpose of providing funds to The City of New York, New York ("The City") to enable The City to pay certain of its operating expenses and the principal of and interest on certain of its short term obligations.
The Corporation is authorized to issue Bonds, in addition to the 1975 Series U Bonds, only upon the terms and conditions set forth in the General Bond Resolution and such Bonds, when issued, shall with the 1975 Series U Bonds and with all other such Bonds theretofore issued, be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the General Bond Resolution.

The 1975 Series U Bonds are dated October 20, 1975, except as otherwise provided in the Resolutions with respect to fully registered 1975 Series U Bonds and will mature on the dates and will bear interest payable February 1, 1976 and August 1, 1976 and semi-annually thereafter on February 1 and August 1 in each year at the rate of eleven per centum (11%) per annum, shown below:

<table>
<thead>
<tr>
<th>February 1</th>
<th>Amount Maturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>1987</td>
<td>5,000,000</td>
</tr>
<tr>
<td>1988</td>
<td>10,000,000</td>
</tr>
<tr>
<td>1989</td>
<td>10,000,000</td>
</tr>
<tr>
<td>1990</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

The 1975 Series U Bonds are issued either in coupon form in the denomination of $5,000, registrable as to principal only, or in fully registered form without coupons in the denomination of $5,000 or an integral multiple of $5,000. Coupon and fully registered 1975 Series U Bonds are interchangeable as provided in the Resolutions. Coupon 1975 Series U Bonds are lettered U and fully registered 1975 Series U Bonds are lettered UR, in each case followed by the last two digits of the year in which each of such 1975 Series U Bonds matures and its number. Coupon 1975 Series U Bonds are numbered consecutively from one upward for each year of maturity and fully registered 1975 Series U Bonds are numbered consecutively from one upward in order of issuance for each year of maturity.

The 1975 Series U Bonds are subject to redemption at the election of the Corporation on and after February 1, 1985, as a whole at any time, and in part by lot as provided in the Resolutions on any interest payment date, at 102% of the principal amount thereof, plus accrued interest to the date of redemption.
Chapters 168 and 169 of the Laws of 1975, as amended to the date hereof, each enacted by the People of the State, represented in Senate and Assembly of the State and signed into law by the Governor of the State (the "Enabling Legislation") provides, among other things, for the insertion of the Act in the Public Authorities Law creating the Corporation as aforesaid, suspending the power of the City to adopt local laws for the imposition of certain sales and compensating use taxes pursuant to sections 1210 and 1212-A of Article 29 of the Tax Law, constituting Chapter 60 of such Consolidated Laws, and the taxes imposed pursuant to said sections, until all notes and bonds of the Corporation, including the 1975 Series U Bonds, and interest thereon have been fully paid and discharged, adding a new section 92-d to Article 6 of the State Finance Law constituting Chapter 56 of such Consolidated Laws, establishing a municipal assistance tax fund (the "Assistance Fund") and a special account for the Corporation within the Assistance Fund (the "Special Account"), adding a new section 1107 to Article 28 of said Tax Law imposing sales and compensating use taxes in The City at a rate of four percent (4%) on certain items therein described and at a rate of six percent (6%) on the sale of certain parking services (the "Sales Tax"), the revenues derived from which, less such amounts as the Commissioner of Taxation and Finance determines to be necessary for reasonable costs in administering, collecting and distributing such taxes, are required to be paid into the Special Account together with, after deducting such costs, such amounts, beginning with the fiscal year of the State commencing April 1, 1976, as may be required under the Enabling Legislation to be transferred from the Stock Transfer Tax Fund established by section 92-b of Article 6 of said State Finance Law, into which the revenues derived from a tax imposed by Article 12 of the Tax Law (the "Stock Transfer Tax") are deposited.

We are of the opinion that:

1. The Corporation is duly created and validly exists as a corporate governmental agency and instrumentality of the State constituting a public benefit corporation under the laws of the State, including the Constitution of the State and the Act, with the good right and lawful authority and power to adopt the Resolutions, to issue the Bonds including the 1975 Series U Bonds hereunder, and to perform the obligations and covenants contained in the Resolutions and the 1975 Series U Bonds. Under the laws of the State, including the Constitution of the State, the Enabling Legislation, including the Act, is valid with respect to all provisions thereof material to the subject matters of this opinion letter.
2. The Series Resolution has been duly and lawfully adopted in accordance with the provisions of the General Bond Resolution and is authorized and permitted by the General Bond Resolution. The Resolutions have been duly and lawfully adopted by the Corporation and both are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms, and no other authorization for the Resolutions is required. The Resolutions create the valid pledge and lien which they purport to create of the revenues, moneys, securities and funds held or set aside under the Resolutions, subject only to the application thereof to the purposes and on the conditions permitted by the Resolutions. The lien created by the Resolutions on such revenues, moneys, securities and funds in the Debt Service Fund and the Capital Reserve Fund is and will be prior to all other liens thereon. All revenues, moneys, securities and funds as and when received, in the Debt Service Fund and the Capital Reserve Fund in accordance with the Resolutions, will be validly subjected to the pledge and lien created by the Resolutions.

3. The 1975 Series U Bonds have been duly and validly authorized and issued by the Corporation in accordance with the laws of the State, including the Constitution of the State and the Act, and in accordance with the Resolutions. The 1975 Series U Bonds are valid and binding general obligations of the Corporation payable as provided in the Resolutions, are enforceable in accordance with their terms, respectively, and the terms of the Resolutions, and are entitled, together with additional Bonds issued under the General Bond Resolution, to the equal benefit, protection and security of the provisions, covenants and obligations of the General Bond Resolution and of the Act.

4. Pursuant to the Act and the General Bond Resolution, the Corporation has validly covenanted that the Chairman of the Corporation shall annually, on or before December 1, make and deliver to the Governor and Director of the Budget of the State his certificate stating such sum, if any, as shall be necessary to restore the amount in such Capital Reserve Fund to an amount equal to the capital reserve fund requirement under the General Bond Resolution. Subdivision 4 of Section 3036 of the Act providing for the appropriation and payment to the Corporation for deposit in the Capital Reserve Fund of such sum as shall be so certified by the Chairman, does not constitute an enforceable obligation or debt of the State, the amount of such sum being subject to annual appropriation for such purpose by the Legislature of the State, which is empowered, but is not bound or obligated, to appropriate such amount.
5. Pursuant to the Act and the General Bond Resolution, the Corporation has validly covenanted that the Chairman of the Corporation shall certify to the State Comptroller and the Mayor of The City, the amounts required, pursuant to subdivision 1 of Section 3036 of the Act, for deposit in the funds established by the General Bond Resolution at the time or times and in the manner provided therein, including the amounts required for deposit in the Debt Service Fund to pay all interest and all principal and redemption premium, if any, on notes and bonds maturing or otherwise coming due and for deposit in the Capital Reserve Fund to maintain such Fund at such capital reserve fund requirement. Said subdivision provides for the State Comptroller to pay such amounts to the Corporation for deposit as aforesaid, the source of such payments being the Assistance Fund into which is paid the Sales Tax and, to the extent required, out of the Stock Transfer Tax Fund, the Stock Transfer Tax. The amount of such payments to the Corporation are subject to annual appropriation for such purpose by the Legislature of the State which is empowered, but is not bound or obligated, to appropriate the amount so certified by the Chairman, as aforesaid.

6. The 1975 Series U Bonds do not constitute a debt either of the State or The City, and neither the State nor The City shall be liable thereon, nor shall the 1975 Series U Bonds be payable out of any funds other than those of the Corporation.

7. The State has the good right and lawful authority:

(a) to suspend the power of The City to adopt local laws for the imposition of certain sales and compensating use taxes and the taxes levied thereunder, in accordance with the Enabling Legislation;

(b) to impose and to increase or decrease the Sales Tax and the Stock Transfer Tax but the State is not bound or obligated to continue the imposition of said taxes;

(c) to establish the Stock Transfer Tax Fund, the Assistance Fund and the Special Account within the Assistance Fund but the State is not bound or obligated to maintain the existence of said funds or account;

(d) to provide for the appropriation of, and at least annually to appropriate to, the Corporation, from the Special Account for the Corporation in the Assistance Fund and commencing with the fiscal year of the State commencing April 1, 1976 from the Stock Transfer Tax Fund, amounts sufficient to enable the Corporation to fulfill the terms of the Resolution and to carry out its corporate purposes, but the State is not bound or obligated to make such appropriations.
8. Neither the Corporation nor the holders of the Bonds have or will have a lien on the Stock Transfer Tax or the Stock Transfer Tax Fund, the Sales Tax, or the Special Account for the Corporation in the Assistance Fund.

9. Under existing statutes and court decisions, interest on the 1975 Series U Bonds is exempt from Federal income taxes and shall at all times be free from New York State and New York City personal income taxes.

10. No registration with, consent of, or approval by any governmental agency or commission is necessary for the execution and delivery and the issuance of the 1975 Series U Bonds.

11. The adoption and performance of, and compliance with, all of the terms and conditions of the Resolutions and the 1975 Series U Bonds, and the execution and delivery of the 1975 Series U Bonds, will not result in a violation of or be in conflict with any term or provision of any existing law.

We have examined the executed 1975 Series U Bond numbered UR66-1 and, in our opinion, the form of said Bond and its execution are regular and proper.

Very truly yours,

[Signature]

[Signature]
Municipal Assistance Corporation
For The City of New York
New York, New York

Dear Sirs:

You have asked us to supplement our opinions concerning bonds issued under the General Bond Resolution referred to in our opinions rendered to the Municipal Assistance Corporation For The City of New York (the "Corporation"), a corporate governmental agency and instrumentalit of the State of New York constituting a public benefit corporation, created and existing under and pursuant to the Constitution and statutes of the State.

Supplementing paragraph 8 of such opinions, we are of the opinion that no holder of any bonds or notes of The City of New York has a lien on the Stock Transfer Tax, the Stock Transfer Tax Fund, the Sales Tax or the Special Account for the Corporation in the Assistance Fund, which Taxes and Funds are defined in such opinions.

We are further of the opinion that, in any suit, action or other proceeding brought by the holder of any bonds or notes of The City of New York (whether under Chapter 9 of the Federal Bankruptcy Act or otherwise) asserting a right to any such Taxes, such Stock Transfer Tax Fund or such Special Account superior or equal to the rights of holders of bonds issued under said General Bond Resolution, such holder will not prevail in the court of final jurisdiction.

Very truly yours,

[Signature]
October 20, 1975

Municipal Assistance Corporation
For The City of New York
New York, New York

Dear Sirs:

You have requested us to advise you with respect to an action instituted pursuant to a summons and complaint, both dated July 18, 1975, in the Supreme Court of the State of New York, County of New York, entitled Robert Sasso v. The City of New York, et al., as it relates to the Corporation, and to the proposed sale and delivery of $40,000,000 aggregate principal amount of the Corporation's 1975 Series U Bonds (the "Bonds"). On July 29, 1975, the Corporation's motion for summary judgment, based on the grounds that the cause of action as to the Corporation has no merit, was granted. On September 10, 1975, plaintiff served notice of appeal.

We are of the opinion that the Corporation, as to any relief sought by the plaintiff against the Corporation in such action which is without merit as to the Corporation, would prevail in any final adjudication of the issues in such action. We are further of the opinion that no final adjudication of the issues in such action would result in the enjoining of the issuance, sale, execution or delivery of the Bonds, or in any way affecting the validity of the Bonds, any proceedings of the Corporation taken with respect to the issuance or sale thereof, the pledge or application of any revenues, monies or securities provided for the payment of the Bonds, or the existence or powers of the Corporation, or the application of the proceeds of the sale of the Bonds as contemplated by the Series U Resolution of the Corporation adopted in connection with the Bonds, nor would such final adjudication in any way contravene any of the matters to which our approving opinion of even date herewith relates.

Very truly yours,

[Signature]
October 20, 1975

United States Trust Company of New York
130 John Street
New York, New York 10038

Dear Sirs:

We have delivered to the Municipal Assistance Corporation For The City of New York our approving opinion with respect to the $40,000,000 1975 Series U Bonds of the Corporation together with an opinion delivered to the purchaser of such 1975 Series U Bonds named under the Bond Purchase Agreement dated October 17, 1975, both such opinions being dated the date hereof, copies of which are annexed hereto.

You are entitled to rely on said opinions as if the same were addressed to you.

Very truly yours,

[Signature]

Hawkins, Delafield & Wood
October 17, 1975

Honorable Felix Rohatyn
Chairman
Municipal Assistance Corporation
For The City of New York
Two World Trade Center
New York, New York

Dear Mr. Rohatyn:

This is to acknowledge receipt of the letter dated October 15, 1975, from Daniel B. Goldberg, Secretary of the Corporation, enclosing the draft of a proposed bond purchase agreement between The Municipal Assistance Corporation For The City of New York (the "Corporation") and The State Insurance Fund (the "Purchaser") together with other related documents.

You have requested my opinion on behalf of the Purchaser, regarding the validity of the Bond Purchase Agreement (the "Agreement") dated October 17, 1975 between the Corporation and the Purchaser as well as other subsidiary and collateral questions, all of which are covered below.

I have examined the Constitution and statutes of The State of New York, specifically Article 6 of the Workmen's Compensation Law, including sections 87 and 87-a thereof, the Agreement and the provisions thereof for the purchase of certain bonds (the "Bonds") by the Purchaser, and have made such other examinations of law and fact as I deemed necessary for the opinions set forth herein.
Based upon the foregoing, and upon the assumption that the Purchaser has not adopted rules and regulations to the contrary, it is my opinion that:

1. The execution and delivery of, and the performance of the obligations under, the Agreement by the Purchaser have been duly authorized by all necessary action by the Purchaser and The State of New York.

2. The Agreement has been duly and validly executed and delivered by the Purchaser and constitutes the legal, valid and binding agreement of the Purchaser enforceable in accordance with its terms.

3. The execution, delivery and receipt of the Agreement and the Bonds by the Purchaser under the circumstances contemplated by the Agreement and compliance by the Purchaser with the provisions thereof will not conflict with or constitute on the part of the Purchaser a breach of, or a default under existing law.

Very truly yours,

[Signature]
LOUIS J. LEFKOWITZ
Attorney General
CERTIFICATE OF THE CORPORATION AS TO SIGNATURES, NO DEFAULTS AND DEBT SERVICE

We, the undersigned Treasurer and Secretary of the Municipal Assistance Corporation For The City of New York (herein called the "Corporation"), HEREBY CERTIFY AS FOLLOWS:

1. The 1975 Series U Bonds of the Corporation (herein called the "Bonds"), which Bonds are more fully described in Schedule X annexed hereto and by this reference made a part hereof, have been duly and completely executed in the name of the Corporation and on its behalf by the affixing thereon of the facsimile signature of Donna E. Shalala, Treasurer of the Corporation, who did, and does hereby adopt such signature, and by the affixing thereon of the official seal of the Corporation attested by the facsimile signature of Daniel B. Goldberg, Secretary of the Corporation, who did, and does hereby adopt such signature.

2. At the time of the signing and execution of the Bonds and on the date hereof we were and are the duly chosen, qualified and acting officers of the Corporation authorized to execute the Bonds, and held and now hold the respective offices indicated by the official titles set opposite our signatures below.

3. The aggregate amount of the principal on Serial Bonds, the Sinking Fund Installments, maturities of Term Bonds not required to be paid from Sinking Fund Installments and interest on all Outstanding Bonds, including the 1975 Series U Bonds, and including delivery of the 1975 Series S and T Bonds on October 17, 1975, and the principal of and interest on the Notes, and the interest on Other Obligations (the "Debt Service") for each Fiscal Year is as set forth in Schedule Y affixed hereto and by this reference made a part hereof.

4. The aggregate amount of Operating Expenses as estimated for the Fiscal Year ending June 30, 1976 is $4,000,000.

5. The amount set forth in the certificate of the New York State Commissioner of Taxation and Finance, a copy of which is attached to this Transcript of Proceedings as document No. 6 (the "Commissioner's Certificate"), as representing the Sales Tax and Stock Transfer Tax, and such other taxes, which as of this date, are levied and collected by New York State and are payable into the special account in the Municipal Assistance Tax Fund, less the Operating Expenses set forth in 4 hereinbefore is at least two (2) times the amount of Debt Service for each Fiscal Year as set forth in Schedule Y.
The amount of Sales Tax Collections or amount certified in lieu of such collections in the Commissioner's Certificate less the Operating Expenses set forth in 4 hereinbefore is at least one and a half (1.50) times the amount of Debt Service for each Fiscal Year as set forth in Schedule Y.

6. The seal, an impression of which appears below, has been imprinted on the Bonds and it is the legally adopted, proper and only official corporate seal of the Corporation.

7. The Corporation is not in default in the performance of any of the covenants, conditions, or provisions contained in the Resolution as defined in the General Bond Resolution of the Corporation adopted July 2, 1975.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of the Corporation this 20th day of October, 1975.

<table>
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<tr>
<th>Signature</th>
<th>Official Title</th>
<th>Term of Office Expires</th>
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</thead>
<tbody>
<tr>
<td>Donna C. M.</td>
<td>Treasurer</td>
<td>Indefinite</td>
</tr>
<tr>
<td>David C. J.</td>
<td>Secretary</td>
<td>Indefinite</td>
</tr>
</tbody>
</table>

(SEAL)

I HEREBY CERTIFY that the signatures of the officers of the Municipal Assistance Corporation For The City of New York, which appear above are true and genuine and that I know said officers and know them to hold said offices set opposite their signatures.

<table>
<thead>
<tr>
<th>Signature</th>
<th>Title</th>
<th>Name of Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Signature]</td>
<td>V.P. President</td>
<td>United States Trust Company</td>
</tr>
</tbody>
</table>
SCHEDULE X

$40,000,000

1975 Series U Bonds of the Municipal Assistance Corporation For The City of New York

Amount: $40,000,000
Interest Rate: 11%
Purchase Price: Par
Dated: October 20, 1975

Maturity Dates and Amounts:

<table>
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<th>Date</th>
<th>Amount</th>
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<td>$10,000,000</td>
</tr>
<tr>
<td>February 1, 1987</td>
<td>5,000,000</td>
</tr>
<tr>
<td>February 1, 1988</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1989</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1990</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

Redemption: The 1975 Series U Bonds are redeemable on or after February 1, 1985, at the election of the Corporation as a whole, at any time, or in part on any interest payment date at a redemption price of 102% of the principal amount plus interest accrued to the date of redemption.

<table>
<thead>
<tr>
<th>February 1</th>
<th>Total Debt Service</th>
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</thead>
<tbody>
<tr>
<td>1976</td>
<td>$116,928,400.97</td>
</tr>
<tr>
<td>1977</td>
<td>428,122,087.50</td>
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<tr>
<td>1978</td>
<td>426,622,512.50</td>
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<tr>
<td>1979</td>
<td>421,698,137.50</td>
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<tr>
<td>1980</td>
<td>411,147,962.50</td>
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<td>1981</td>
<td>346,725,400.00</td>
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<tr>
<td>1982</td>
<td>342,579,750.00</td>
</tr>
<tr>
<td>1983</td>
<td>343,707,575.00</td>
</tr>
<tr>
<td>1984</td>
<td>354,435,400.00</td>
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<tr>
<td>1985</td>
<td>329,551,187.50</td>
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<td>340,147,237.50</td>
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<td>250,198,412.50</td>
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<tr>
<td>1988</td>
<td>223,762,487.50</td>
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<tr>
<td>1989</td>
<td>198,413,950.00</td>
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<tr>
<td>1990</td>
<td>200,313,475.00</td>
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<td>7,784,000.00</td>
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<tr>
<td>1992</td>
<td>7,223,000.00</td>
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<tr>
<td>1993</td>
<td>7,662,000.00</td>
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<tr>
<td>1994</td>
<td>6,991,000.00</td>
</tr>
<tr>
<td>1995</td>
<td>2,220,000.00</td>
</tr>
</tbody>
</table>
ORDER AS TO DELIVERY AND AUTHENTICATION OF THE BONDS

October 20, 1975

United States Trust Company
of New York
130 John Street
New York, New York

Gentlemen:

We have heretofore delivered to you, duly printed and executed, the 1975 Series U Bonds, in definitive form (the "Bonds"), of the Municipal Assistance Corporation For The City of New York, a corporate governmental agency, constituting a public benefit corporation of the State of New York (the "Corporation"), created by the New York Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation For The City of New York Act, being Titles I, II and III of Article 10 of the Public Authorities Law, constituting Chapter 43-A of the Consolidated Laws of the State of New York, as amended (the "Act"), and authorized pursuant to the General Bond Resolution of the Corporation adopted July 2, 1975 (herein called "General Resolution"), and the 1975 Series U Resolution of the Corporation adopted October 16, 1975, all otherwise as described in the Bond Purchase Agreement attached to this transcript of proceedings as document No. 4.

You are hereby requested, authorized and ordered to authenticate the Bonds and when so authenticated to deliver them, upon receipt of the documents and opinions which with this order constitute all the conditions precedent to the delivery of the Bonds pursuant to the General Resolution and payment of the purchase price therefor, to or in accordance with the order of the Purchasers identified in the Bond Purchase Agreement.

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By

[Signature]
ARBITRAGENCY CERTIFICATE

I, DONNA F. SHALALA, being the Treasurer of the Municipal Assistance Corporation For The City of New York, a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation existing under the laws of the State of New York (hereinafter called the "Issuer") DO HEREBY CERTIFY with respect to the issuance of the 1975 Series U Bonds of the Issuer as more fully described in Schedule X attached hereto (hereinafter called the "Bonds"), dated October 20, 1975, (a) that this certification is made in accordance with Section 1.103-13(a)(2)(ii) of the proposed regulations published in the Federal Register on May 3, 1973 relating to "arbitrage bonds" under Section 103(d) of the Internal Revenue Code of 1954, as amended, and is executed and delivered as part of the record of proceedings and accompanying certificates with respect to and on the date of issue of the Bonds, and unless a different meaning clearly appears from the context, each word or term which is herein used and underlined shall have the meaning ascribed thereto by the applicable section of said proposed regulations as set opposite such word or term in Schedule A attached hereto, and (b) that I am one of the officers of the Issuer charged by the General Bond Resolution adopted on July 2, 1975 and the 1975 Series U Resolution adopted October 16, 1975 of the Issuer with responsibility for issuing the Bonds and as such I am such an official as is referred to in Section 1.103-13(a)(2)(ii) of said proposed regulations whose certification may be relied upon as the certification of the Issuer, and I DO HEREBY FURTHER CERTIFY and reasonably expect as of the date of issue of the Bonds that:

(1) The proceeds of the Bonds will be used for one or both of the following: (i) to purchase from the City of New York (the "City") certain short-term obligations of the City, all of which obligations are described in Section 103(a)(1) of the Internal Revenue Code of 1954, as amended, and (ii) to pay to the City part or all of such amounts as the Mayor of the City from time to time certifies to the Issuer as the amounts required by the City to enable it to pay either the principal of and interest on, at maturity, any short-term obligations of the City or certain operating expenses of the City;

(2) All of the original proceeds of the Bonds, except for accrued interest on the Bonds, will be expended within three months of the day received and the balance, if any, will be expended on February 1, 1976;

(3) The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the Bond issue;
(4) The obligations acquired from the City will not be sold or otherwise disposed of prior to their maturity, in whole or in part, prior to the maturity or prepayment of the Bonds; and

(5) Funds received from the City in respect of maturing short-term obligations of the City acquired by the Issuer will, within six months of the receipt of such funds, be used for one or more of the purposes set forth in clauses (i) or (ii) of paragraph (1) above, or to pay principal of or interest on the Bonds.

On the basis of the foregoing it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" under Section 103(d) of the Internal Revenue Code of 1954, as amended, and the regulations prescribed under that section. To the best of my knowledge and belief there are no other facts, estimates or circumstances that would materially change the foregoing conclusion.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 20th day of October, 1975, being the date of delivery of the Bonds referred to herein.

[Signature]

[Name]
SCHEDULE X

$40,000,000

1975 Series U Bonds of the Municipal Assistance Corporation For The City of New York

Amount: $40,000,000

Interest Rate: 11%

Purchase Price: Par

Dated: October 20, 1975

Maturity Dates and Amounts:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 1986</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>February 1, 1987</td>
<td>5,000,000</td>
</tr>
<tr>
<td>February 1, 1988</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1989</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1990</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

Redemption: The 1975 Series U Bonds are redeemable on or after February 1, 1985, at the election of the Corporation as a whole, at any time, or in part on any interest payment date at a redemption price of 102% of the principal amount plus interest accrued to the date of redemption.

October 20, 1975

Municipal Assistance Corporation
For The City of New York
New York, New York

Dear Sirs:

We have reviewed the accompanying arbitrage certificate of Donna E. Shalala, Treasurer of the Municipal Assistance Corporation For The City of New York, a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation (hereinafter called the "Corporation"), relating to the reasonable expectation as of the date of issuance of the 1975 Series U Bonds of the Corporation, dated October 20, 1975 (hereinafter called the "Bonds"), that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 103(d)(2) of the Internal Revenue Code of 1954, as amended.

Based upon our examination of law and review of such certification, it is our opinion that the facts, estimates and circumstances set forth in such certification are sufficient to satisfy the criteria which are necessary under said Section 103(d), and Sections 1.103-13 and 1.103-14 of the proposed regulations thereunder, published in the Federal Register of May 3, 1973, to support the conclusion that the Bonds will not be "arbitrage bonds" within the meaning of said Section of the Code. No matters have come to our attention which, in our opinion, make unreasonable or incorrect the representations made in such certification.

Very truly yours,

Hawkins, Delafield & Wood
TRUSTEE'S ACCEPTANCE AND CERTIFICATE

The undersigned, United States Trust Company of New York, Trustee (the "Trustee"), appointed by the Municipal Assistance Corporation for The City of New York (the "Corporation"), a corporate governmental agency, constituting a public benefit corporation of the State of New York, under and pursuant to the General Bond Resolution dated July 2, 1975 and the 1975 Series U Resolution dated October 16, 1975 of the Corporation, (collectively, the "Resolutions") HEREBY CERTIFIES that:

1. The Trustee hereby accepts the duties and obligations of Trustee under the Resolutions.

2. The Trustee is duly empowered by law to do and to perform all acts and things required of it by the Resolutions.

3. Pursuant to the provisions of the Resolutions, the Trustee has authenticated and delivered $40,000,000 principal amount of 1975 Series U Bonds (the "Bonds") of the Corporation.

4. Each person who authenticated the Bonds was duly elected or appointed, qualified and acting as an officer of the Trustee and empowered to perform such
act, and the attached copy of an excerpt of the By-Laws of the Trustee conferring such authority is a true and correct copy of the original thereof on file in the principal office of the undersigned Trustee and said document as of the date hereof is in full force and effect in accordance with its tenor.

5. The Trustee has this day received from the Corporation copies of the Resolutions, certified to by an Assistant Secretary of the Corporation, as required by Section 202 of the General Bond Resolution.

IN WITNESS WHEREOF, United States Trust Company of New York has caused this certificate to be executed by the officers thereunto duly authorized this 20th day of October, 1975.

UNITED STATES TRUST COMPANY OF NEW YORK

By [Signature]
Malcolm J. Hood, Vice President

(SEAL)

Attest:

[Signature]
Assistant Secretary
SECTION 10. Execution of Checks and Other Documents. Any officer except the Auditor shall have authority to sign checks on behalf of the Company, to certify checks against funds on deposit with the Company, and to endorse checks, drafts, notes and any orders payable to the Company.

The Chairman of the Board, the President, a Vice Chairman of the Board, or any Executive Vice President, Senior Vice President, the Treasurer or any Vice President or Assistant Vice President shall have authority to transfer stocks, mortgages and personal securities owned by the Company or in its custody in any capacity and to execute deeds of real, estate owned by the Company or in its custody in any capacity.

The Chairman of the Board, the President, a Vice Chairman of the Board, or any Executive Vice President, Senior Vice President, the Treasurer or any Vice President or Assistant Vice President shall have authority to execute on behalf of the Company indentures and all other instruments under which the Company is to act in a fiduciary capacity, and to execute on behalf of the Company all contracts, releases, forms, assignments, security documents and agreements relating thereto.

The Chairman of the Board, the President, a Vice Chairman of the Board, or any Executive Vice President, Senior Vice President, the Treasurer or any Vice President or Assistant Vice President shall, to the extent permitted by law, have authority to execute any agreements, contracts or other documents pertaining to the commitment, investment, or loaning of funds of the Company, or as agent for funds in its custody.

Any officer except the Auditor shall have authority to authenticate, execute, countersign or certify on behalf of the Company bonds, debentures and other evidences of indebtedness, coupons, certificate, warrants and proxies with respect to which the Company is trustee, registrar, transfer agent, or fiscal agent, depositary and agent as the case may be and to certify as to the incumbency and specimen signature of any of the officers of the Company. The President or a Vice Chairman of the Board or an Executive Vice President or such Senior Vice Presidents as may be authorized by the Executive Committee may from time to time designate clerks who shall be authorized, for and under the supervision of an officer of the Company, to authenticate, execute, countersign or certify such bonds, debentures, other evidences of indebtedness, coupons, certificates or warrants and proxies and to certify checks, using the title “Authorized Officer” or “Authorized Signature.” The President or a Vice Chairman of the Board or an Executive Vice President or such Senior Vice Presidents as may be authorized by the Executive Committee may also from time to time designate clerks who may, for and under the supervision of an officer of the Company, and subject in each case to such conditions or limitations as the President or a Vice Chairman of the Board or an Executive Vice President or such Senior Vice Presidents as may be authorized by the Executive Committee may prescribe, sign advice, receipts, and other documents in connection with the transfer, receipt, delivery, subscription, redemption or exchange of securities, guarantee signatures upon sale, transfer or assignment of stock and bonds, and endorses in connection therewith, execute assignments or endorsement of subscription warrants, and execute attestations required with respect to securities issued by the United States of America, using the title “Authorized Officer” or “Authorized Signature.” The President or a Vice Chairman of the Board shall report all such designations of clerks to the Executive Committee for approval.

The Executive Committee may authorize the use of facsimile signatures on any instrument to be authenticated, executed, countersigned or certified on behalf of the Company.
CERTIFICATE OF TRUSTEE AS TO RECEIPT
OF CERTAIN AMOUNTS OF PROCEEDS OF SALE

October 20, 1975

The undersigned, the Trustee, under and pursuant to the General Bond Resolution adopted July 2, 1975 and the 1975 Series U Resolution adopted October 16, 1975 (the "Resolutions") of the Municipal Assistance Corporation for the City of New York (the "Corporation"), hereby acknowledges receipt from the proceeds of sale of the $40,000,000 principal amount 1975 Series U Bonds (the "Bonds"), in the aggregate amount of $40,000,000 for deposit in the amount of $0.00 into the Debt Service Fund and for deposit in the amount of $40,000,000 into the 1975 Series U Bond Proceeds Fund as established pursuant to the Resolutions and in accordance therewith.

UNITED STATES TRUST COMPANY
OF NEW YORK, as Trustee

By

[Signature]
Vice President
October 20, 1975

Commissioner Harold V. Gleason
Chairman of the Board of Commissioners
The State Insurance Fund
199 Church Street
New York, New York 10007

Dear Commissioner Gleason:

We have acted as counsel to United States Trust Company of New York, as Trustee, in connection with the issuance today by the Municipal Assistance Corporation for The City of New York (the Corporation) of the 1975 Series U Bonds in the aggregate principal amount of $40,000,000.

We are delivering to you herewith our opinion dated today rendered to the Corporation. You are authorized to rely upon this opinion as fully and to the same extent as if it had been addressed to you.

Very truly yours,

Carter, Ledyard & Milburn

RGMcC:ch
October 20, 1975

Municipal Assistance Corporation
for The City of New York
New York, New York

Dear Sirs:

Our client, United States Trust Company of New York, has requested that we furnish you with our opinion as to its authority to act as Trustee pursuant to its appointment by the Municipal Assistance Corporation for The City of New York (the Corporation) in the General Bond Resolution adopted by the Corporation on July 2, 1975 and as to its due authentication and delivery of the Corporation's 1975 Series U Bonds issued today in the aggregate principal amount of $40,000,000 (the Bonds) pursuant to the 1975 Series U Resolution adopted by the Corporation on October 16, 1975 and the General Bond Resolution (the Resolutions) and sold today pursuant to the Series U Bond Purchase Agreement dated October 17, 1975 between the Corporation and the State Insurance Fund.

We have examined the Resolutions and such other documents as we have deemed necessary in order to render this opinion.

We are of the opinion that United States Trust Company of New York is a duly organized and existing corporation having the powers of a trust company under the laws of the State of New York and is authorized to act as Trustee under the Resolutions and to exercise all of the rights, powers and obligations as Trustee.
Municipal Assistance Corporation
for The City of New York

We have examined the certificate dated today of the
Trustee as to the due authentication and delivery of the Bonds
and, relying upon said certificate and such other material as
we deem necessary, it is our opinion that the Trustee has duly
authenticated and delivered the Bonds.

Very truly yours,

Carter, Ledyard & Milburn

Carter, Ledyard & Milburn

RGMcc:ch
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation for The City of New York (the "Corporation") on July 2, 1975 and the 1975 Series U Resolution of the Corporation, adopted by the Board of Directors of the Corporation on October 16, 1975. The undersigned has taken all necessary corporate action to authorize its acceptance of the appointment as Paying Agent for the Bonds pursuant to the Resolutions referred to above.

UNITED STATES TRUST COMPANY OF NEW YORK

By: [Signature]
Vice President

Attest:

[Signature]
Assistant Secretary

Dated: October 20, 1975
RECEIPT FOR BONDS AND DOCUMENTS
REQUIRED BY BOND PURCHASE AGREEMENT

On the date hereof the undersigned on behalf of the Purchaser(s) identified in Schedule X annexed hereto and by this reference made a part hereof and pursuant to the Bond Purchase Agreement with the Municipal Assistance Corporation For The City of New York (the "Corporation"), for the 1975 Series U Bonds of the Corporation (the "Bonds"), acknowledges receipt from the United States Trust Company of New York, as Trustee, of the Bonds in definitive form as described in such Schedule issued pursuant to the General Bond Resolution and the 1975 Series U Resolution of the Corporation, adopted on July 2, 1975 and October 16, 1975, respectively.

In connection with the purchase of the Bonds, the undersigned acknowledges receipt of all of the documents required to be delivered to the undersigned pursuant to such Bond Purchase Agreement.

IN WITNESS WHEREOF, this receipt has been executed this 20th day of October, 1975.

By [Signature]
SCHEDULE X

$40,000,000

1975 Series U Bonds of the Municipal Assistance Corporation for The City of New York

Amount: $40,000,000
Interest Rate: 4½%
Purchase Price: Par
Dated: October 20, 1975

Maturity Dates and Amounts:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>February 1, 1986</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>February 1, 1987</td>
<td>5,000,000</td>
</tr>
<tr>
<td>February 1, 1988</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1989</td>
<td>10,000,000</td>
</tr>
<tr>
<td>February 1, 1990</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

Redemption: The 1975 Series U Bonds are redeemable on or after February 1, 1985, at the election of the Corporation as a whole, at any time, or in part on any interest payment date at a redemption price of 102% of the principal amount plus interest accrued to the date of redemption.

THE CITY OF NEW YORK

Certificate of Mayor

I, ABRAHAM D. BEAME, Mayor of the City of New York (the "City"), pursuant to the provisions of Section 3037 of the Municipal Assistance Corporation For The City of New York Act, being Title III of Article 10 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended to the date thereof, DO HEREBY CERTIFY to the Municipal Assistance Corporation (the "Corporation") For The City of New York, as follows:

That in order to pay the principal of and interest on any short-term obligations of the City as of October 17, 1975, there will be required from the Corporation the amount of $139,125,000.

WITNESS MY signature and seal of the City this 17th day of October, 1975.

[SEAL]

ABRAHAM D. BEAME,
Mayor of The City of New York

Approved as to form:

Corporation Counsel of The
City of New York
October 19, 1975

Description of Developments in Litigation Affecting the Financial Plan Since September 24, 1975

1. Lawsuits affecting the State Pension Funds. On September 29, 1975, the Court of Appeals of the State of New York declared unconstitutional under the New York Constitution (the "Constitution") those portions of the Financial Emergency Legislation (as defined in the Supplement) (the "Legislation") which mandated the investment by certain State pension funds of a portion of their assets in securities of the Corporation.

The State Attorney General, as counsel for the defendant State Comptroller, and the Corporation, as amicus curiae, have filed a joint motion for leave to reargue the matter before the Court of Appeals, contending that, in rendering its decision, the court overlooked or misapprehended material questions of law and fact. This motion came before the Court on October 14, 1975, and a decision is expected in the near future.

Appeals respecting two of the three State pension funds subject to the mandate of the Legislation were before the Court of Appeals when it rendered its September 29, 1975 decision. An action involving the third fund was brought after the two suits, which were the subject of the September 29, 1975
decision, had been commenced. A permanent injunction barring the third fund from making the investment pursuant to the mandate was issued by the trial court on or about October 2, 1975. The injunction was based upon the September 29, 1975 decision of the Court of Appeals and may be appealed by the State Attorney General.

2. Lawsuit alleging the State has Loaned its Credit. With respect to the suit alleging that the Legislation violates Article VII, Section 8 of the Constitution by causing the State to give or loan its credit to or in aid of the City of New York, the State Attorney General, as counsel for the defendants, filed a motion to dismiss the action and that motion was granted on October 15, 1975. The ruling may be appealed to the Court of Appeals.

3. Lawsuit challenging Investment in State Securities. On October 17, 1975, the State Comptroller, as trustee of certain State pension funds, purchased $250,000,000 in State notes. On the same day, the State advanced $250,000,000 to the City to meet the State's obligation to make an advance to the City of New York as required by the Legislation. Certain plaintiffs in the suits described in paragraph 1 of this description had challenged the purchase of State notes but had been unsuccessful in obtaining a court order to
prevent the sale from going forward. On October 17, 1975, the Court of Appeals affirmed the lower court's decision denying the plaintiffs motion for a preliminary injunction barring that purchase.

4. **Lawsuits affecting the City Pension Funds.**

Relying upon the decision of the Court of Appeals referred to in paragraph 1, an association purporting to represent retired New York City civil service employees had sought to prevent the trustees of certain New York City pension funds from investing assets of those funds in securities of the Corporation pursuant to the mandate contained in the Legislation. On October 17, 1975, a motion by those plaintiffs for a preliminary injunction barring the trustees of the City pension funds from making the proposed investments pursuant to the Legislation was denied by the State Supreme Court. The plaintiffs may appeal this ruling.
CERTIFICATE

October 17, 1975

The undersigned hereby certifies that the Resolutions of the Emergency Financial Control Board (the "Board") attached hereto are true and correct copies of the duly adopted Resolutions of the Board and that the same are in full force and effect on the date hereof and have not been repealed, modified or amended.

[Signature]
Hugh L. Carey
Governor of the State of New York and Member of the Financial Emergency Control Board
RESOLVED, that the following schedule with respect to purchases of bonds (the "Bonds") of the Municipal Assistance Corporation For The City of New York (the "Corporation") required by Section 87-a of the Workmen's Compensation Law (the "Law") and not heretofore scheduled is hereby established.

(a) The State Insurance Fund shall purchase $40,000,000 principal amount of Bonds on or about October 20, 1975;

(b) All other purchases required to be made pursuant to the Law shall be in accordance with such schedule to be subsequently established by the Board but in no event later than December 1, 1975.

RESOLVED, that the terms and conditions of the purchases of the Bonds on or about October 20, 1975 referred to in the immediately preceding resolution, including the rates of interest thereon, as determined by the Corporation, after consultation with the commissioners of The State Insurance Fund, as set out in Schedule X annexed hereto, are hereby found to be fair and reasonable.
Amount and Designation: 1975 Series U Bonds of the Municipal Assistance Corporation For the City of New York, in the aggregate principal amount of $40,000,000.

<table>
<thead>
<tr>
<th>Purchaser</th>
<th>Maturity Date</th>
<th>Rate of Interest</th>
<th>Aggregated Principal Amount to be Purchased</th>
<th>Price</th>
<th>Date from Which Interest Accrues</th>
<th>Mandatory Redemption Provision</th>
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</thead>
<tbody>
<tr>
<td>State Insurance</td>
<td>Feb. 1, 1986</td>
<td>11%</td>
<td>$10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td>Fund</td>
<td>Feb. 1, 1987</td>
<td>11%</td>
<td>$5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1988</td>
<td>11%</td>
<td>$10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1989</td>
<td>11%</td>
<td>$10,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
<tr>
<td></td>
<td>Feb. 1, 1990</td>
<td>11%</td>
<td>$5,000,000</td>
<td>100%</td>
<td>Oct. 20, 1975</td>
<td>None*</td>
</tr>
</tbody>
</table>

**Aggregate Principal Amount to be Purchased:** $40,000,000

* Callable on or after February 1, 1985, in a whole at any time or in part on any interest payment date, at a price of 102%.
On recommendation of the Chairman, and motion by Commissioner Hendrickson, duly seconded by Commissioner Tollefsen, it was unanimously

RESOLVED that low-interest U.S. Treasury Bonds, 3-1/4% to 4-1/8%, be sold to provide funds to purchase an additional $75 million of MAC securities as mandated by Section 87a of the Workmen's Compensation Law and that this transaction be done on a private negotiated basis as soon as possible, and it is further

RESOLVED that the sale of $16,000,000 par - 3-1/4% U.S. Treasury Bonds of June 15, 1983-78, $9,135,000 par - 3-1/4% U.S. Treasury Bonds of May 15, 1985 and $3,000,000 par - 3-1/2% U.S. Treasury Bonds of November 15, 1998, and the purchase of $25,000,000 par - 11% Municipal Assistance Corporation Bonds be and hereby is approved and it is further

RESOLVED that the Executive Director be and is hereby authorized to sign all documents and commitments relating to the required purchase
Hand Delivered

October 17, 1975

Honorable Albert J. Millus
Executive Director
The State Insurance Fund
199 Church Street
New York, NY 10007

Dear Mr. Millus:

This will acknowledge receipt of your letter dated October 17, 1975 attaching a certification executed by Harold Gleason, Chairman of the Commissioners of the State Insurance Fund attesting that at a meeting of the Commissioners on September 29, 1975, it was resolved that funds of the State Insurance Fund available for investment may be invested in securities eligible for investment under Section 87-a of the Workmen's Compensation Law. Your letter and the certification refer to the purchase of the following securities for the State Insurance Fund:

$40,000,000 par - 11% Municipal Assistance Corporation Bonds, dated October 20, 1975 at par as follows:

$10,000,000 maturing February 1, 1986
$5,000,000 maturing February 1, 1987
$10,000,000 maturing February 1, 1988
$10,000,000 maturing February 1, 1989
$5,000,000 maturing February 1, 1990

I have reviewed the various documents and note that they conform with the requirements of Section 87-a and are thereby authorized purchases of the State Insurance Fund.

Very truly yours,

[Signature]

Thomas A. Harnett
Superintendent of Insurance
Specialists in Workmen's Compensation and Disability Benefits Insurance

INVESTMENT FOR THE STATE INSURANCE FUND

To the Superintendent of Insurance
State of New York:

Approval is requested of the following purchase of securities for The State Insurance Fund:

$40,000,000 par - 11% Municipal Assistance Corporation Bonds, dated October 20, 1975 at par as follows:

$10,000,000 maturing February 1, 1986
$10,000,000 maturing February 1, 1987
$5,000,000 maturing February 1, 1988
$10,000,000 maturing February 1, 1989
$5,000,000 maturing February 1, 1990

This request is made pursuant to Section 87a of the Workmen's Compensation Law (as amended by Chapters 868 and 870 of the Laws of 1975), mandating the purchase of securities of the Municipal Assistance Corporation for the City of New York in the aggregate principal amount of $100,000,000; provided however that the City of New York has not defaulted in the payment of any of its outstanding bonds. Terms and conditions of such bonds purchased including the rates of interest shall be determined by agreement between The State Insurance Fund and the Municipal Assistance Corporation for the City of New York. Section 87a finds and declares that obligations of the Municipal Assistance Corporation for the City of New York are reasonable, prudent, proper and legal investments for The State Insurance Fund.

This purchase is made pursuant to a Bond Purchase Agreement dated October 17, 1975 between the Municipal Assistance Corporation for the City of New York and The State Insurance Fund for purchase of $40,000,000 aggregate principal amount of the Corporation's 1975 Series U Bonds.

This is to certify that at a meeting of the Commissioners of The State Insurance Fund held in New York City September 29, 1975, it was unanimously resolved that subject to the approval of the Superintendent of Insurance of the City of New York, funds of The State Insurance Fund available for investment may be invested in securities eligible for investment under Section 87a of the Workmen's Compensation Law, including the reinvestment or roll-over of such funds at the best available market price at the time such reinvestment or roll-over is made for the purpose of meeting requirements of working funds or for other statutory and/or lawful purposes and/or pending FHA loans subject to closing and/or betterment of portfolio.

Date OCT 17 1975

Chairman of the Commissioners
INVESTMENT FOR THE STATE INSURANCE FUND

Approval of Superintendent of Insurance:

The foregoing purchase as authorized and approved by the Commissioners of The State of Insurance Fund in accordance with Section 87a of the Workmen's Compensation Law is hereby approved.

Date: 6/17/1975

Superintendent of Insurance

Bond House: Municipal Assistance Corporation

Date: October 17, 1975
Certificate of the Chairman of the board of Commissioners of
The State Insurance Fund

I, HAROLD V. CLEASON do hereby certify as follows:

1. I am the Chairman of the board of
   Commissioners of the State Insurance
   Fund (the "Fund") and am authorized
   to execute and deliver this Certificate
   on behalf of the Fund; and

2. Albert J. Millus, Executive Director
   of the Fund, is hereby authorized to
   execute and deliver on behalf of the
   Fund certain bond purchase agreement
   between the Fund and the Municipal
   Assistance Corporation for the City
   of New York (the "Corporation"), dated
   October 17, 1975, pertaining to the
   purchase by the Fund of $40,000,000
   of the Corporation's 1975 series U
   bonds.

   [Signature]

   Harold V. Cleason
   Board of Commissioners
   The State Insurance Fund

October 16, 1975
RECEIPT

UNITED STATES TRUST COMPANY OF NEW YORK, Trustee,
hereby acknowledges receipt from The Municipal Assistance Corporation
For The City of New York, of blank 1975 Series U Bonds in registered
form without coupons, dated October 20, 1975 and bearing interest at the
rate of 11% per annum of The Municipal Assistance Corporation For The
City of New York.

UNITED STATES TRUST COMPANY,
OF NEW YORK, Trustee

By
Authorized Officer

Dated: October 17, 1975
MANUFACTURERS HANOVER TRUST COMPANY

New York, N.Y. OCT 20, 1975

PAY TO THE ORDER OF THE MUNICIPAL ASSISTANCE CORPORATION $40,000,000.00

FORTY MILLION DOLLARS

TO THE
RE: PURCHASE M A C BONDS A/C STATE INSURANCE FUND
FEDERAL RESERVE BANK OF NEW YORK
NEW YORK, N.Y.

Authorized Signature