MUNICIPAL ASSISTANCE CORPORATION

FOR THE

CITY OF NEW YORK

$1,769,273,000

Aggregate Principal Amount of Bonds

Delivered Pursuant to the Amended And

Restated Agreement Made As Of

November 26, 1975, as follows:

$1,479,318,000
1976 Series BB Bonds

$126,250,000 Adjusted 1975
Series C, D, E and J Bonds

$163,705,000 Deposited 1975
Series C, D, E and J Bonds

RECORD OF PROCEEDINGS
MUNICIPAL ASSISTANCE CORPORATION FOR

THE CITY OF NEW YORK

$1,479,18,000

1976 Series BB Bonds

TABLE OF CONTENTS

1. General certificate of the Corporation as to members, officers, terms of office and other details of the Corporation including by-laws, minutes, certain resolutions, specimen bonds, litigation, signatures and certificates required by Section 202 of the Resolution (including certificate showing compliance with Paragraph 5(c) of the November 26 Agreement).

2. Extracts of the Minutes of Board of Directors Meetings held November 25, 1975, May 18, 1976 and July 6, 1976, showing (i) authorization for officials of the Corporation to execute the November 26 Agreement; (ii) adoption, subject to the required Bondholder consents, of amendments to Sections 203 and 902 of the Resolution; (iii) approval of the publication, mailing and delivery of the Notice, Additional Information and Form of Consent, (iv) adoption of the Series BB Resolution; (v) the determination that the issuance of the Series BB Bonds is in fulfillment of one or more of the Corporation's purposes; and (vi) authorization of the issuance and delivery of the Series BB Bonds.

3. Copy of the Resolution, as amended and supplemented, and copy of the Series BB Resolution.

4. Copy of an executed counterpart of the November 26 Agreement.

5. Copy of the Notice, Additional Information and Form of Consent.

6. Copy of the proofs of publication of the Notice and Form of Consent.
7. Copy of the written statements of the Trustee as to the receipt of the consents from at least 2/3 in principal amount of Outstanding Bonds under the Resolution to the amendments to Sections 203 and 902 of the Resolution.

8. Copy of the proof of publication of the Notice of Receipt of Consents.

9. The certificate of the Commissioner of Taxation of the State required by Section 202 of the Resolution.

10. The opinion of General Counsel required pursuant to Section 202 of the Resolution together with reliance opinion to the Trustee.

11. The opinion of General Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.

12. The approving opinion of Bond Counsel required pursuant to the November 26 Agreement and pursuant to Section 202 of the Resolution together with reliance opinion to the Trustee.

13. The opinion of Bond Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.


15. Opinion of Bond Counsel as to Arbitrage.

16. Written order of the Corporation as to the delivery and authentication of the Series BB Bonds.

17. Supplemental order of the Corporation as to the delivery and authentication of the Series BB Bonds.

18. Trustee's certificate with attached copy of an excerpt of the By-laws showing authority for officers to authenticate the Series BB Bonds.

19. Opinion of counsel for the Trustee with respect to the Trustee's authority to act as Trustee.

20. Certificate of the Comptroller of the City as to compliance with certain provisions of the November 26 Agreement.


23. Receipts for $1,479,318,000 aggregate principal amount of Series BB Bonds executed by the Banks, Pension Funds and Sinking Funds.

GENERAL CERTIFICATE OF THE  
MUNICIPAL ASSISTANCE CORPORATION  
FOR THE CITY OF NEW YORK  

I, JAMES R. KEEGAN, 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 III 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 the 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>Felix G. Rohatyn, Chairman</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>Donna E. Shalala, Treasurer</td>
<td>December 31, 1978</td>
</tr>
<tr>
<td>Francis J. Barry</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>John A. Coleman</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>Thomas D. Flynn</td>
<td>December 31, 1976</td>
</tr>
<tr>
<td>George D. Gould</td>
<td>December 31, 1977</td>
</tr>
<tr>
<td>Dick Netzer</td>
<td>December 31, 1979</td>
</tr>
<tr>
<td>Robert C. Weaver</td>
<td>December 31, 1976</td>
</tr>
<tr>
<td>George M. Brooker</td>
<td>December 31, 1977</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. All litigation of any nature now pending restraining or enjoining the issuance, sale, execution or delivery of the 1976 Series BB 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, or the existence or powers of the Corporation, is set forth in Schedule W attached hereto and by this reference made a part hereof.
8. The General Bond Resolution of the Corporation adopted July 2, 1975, as amended and supplemented, and the 1976 Series BB Resolution of the Corporation adopted July 6, 1976 (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 principal 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 Meetings of the Corporation held November 25, 1975, May 18, 1976 and July 6, 1976 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 principal 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 Amended and Restated Agreement made as of the 26th day of November, 1975, among the Corporation, certain Banks and New York City Sinking and Pension Funds, attached to this Record of Proceedings as document number 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 principal 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 specimen of the 1976 Series BB Bonds, attached hereto as Exhibit A, is identical in all respects, except as to number, denomination and name of registered owner with the Bonds this day delivered to the Tenderers referred to in the 1976 Series BB Bond Resolution (the "Tenderers") and said specimen is substantially in the form required by the Resolutions.

12. The Extracts of Minutes referred to in paragraph 9 hereinbefore recorded therein the determination of the Corporation required pursuant to Section 203 of the General Bond Resolution.

We, FELIX ROHATYN and JAMES R. KEEGAN, Chairman and Secretary of the Corporation, HEREBY CERTIFY as follows:

1. The Bonds delivered to the Tenderers on this date, a specimen of which is attached hereto, which Bonds are more fully described in the 1976 Series BB Bond Resolution, 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 Felix Rohatyn, Chairman of the Corporation, who did, and does hereby adopt such signature and the affixing thereon of the official seal of the Corporation attested by the facsimile signature of James R. Keegan, 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 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.

4. The Corporation is not in default in the performance of
any of the covenants, conditions, agreements or provisions con-
tained in the Resolutions.

5. The aggregate amount of the principal on Serial Bonds,
the Sinking Fund Installments, maturities of Term Bonds not re-
quired to be paid from Sinking Fund Installments and interest on
all Outstanding Bonds, excluding the 1976 Series BB Bonds and the
1975 C, D, E and J Bonds as amended pursuant to the 1975 Series
C, D, E and J Resolutions, as amended, respectively, but including
the principal of and interest on the Notes and the interest on Other
Obligations (the "Debt Service Before Restructuring") for each
Fiscal Year is as set forth in Schedule Y affixed hereto and by
this reference made a part hereof.

6. The aggregate amount of the principal on Serial Bonds,
the Sinking Fund Installments, maturities of Term Bonds not re-
quired to be paid from Sinking Fund Installments and interest on
all Outstanding Bonds, including the 1976 Series BB Bonds and the
1975 C, D, E and J Bonds as amended pursuant to the 1975 Series
C, D, E and J Resolutions, as amended, and the principal of and
interest on the Notes and the interest on Other Obligations (but excluding the Refunded Bonds as defined in the 1976 Series BB Resolution and the 1975 C, D, E and J Bonds prior to the amendments referred to above) (the "Debt Service After Restructuring") for each Fiscal Year is as set forth in Schedule Z affixed hereto and by this reference made a part hereof.

7. The aggregate amount of Operating Expenses as estimated for the Fiscal Year ending June 30, 1977 is $4,000,000.

8. 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. 9 (the "Commissioner's Certificate"), as representing the Sales Tax and Stock Transfer Tax, 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 or amount certified in lieu of such collections in the Commissioner's Certificate, less the Operating Expenses set forth in paragraph 7 hereinbefore is at least two (2) times the amount of Debt Service Before Restructuring and Debt Service After Restructuring for each Fiscal Year as set forth in Schedule Y and Schedule Z.
9. 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 paragraph 7 hereinbefore is at least one and one half (1.50) times the amount of Debt Service Before Restructuring and Debt Service After Restructuring for each Fiscal Year as set forth in Schedule Y and Schedule Z.

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of the Corporation this 23rd day of July, 1976.

Signature  Official Title  Term of Office Expires
Felix R. Richey  Chairman  Indefinite

(SEAL)

Secretary  Indefinite

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.

Signature  Title  Name of Bank
G. B. Sorensen  Vice President  UNITED STATES TRUST COMPANY OF NEW YORK
On July 3, 1975, an individual purporting to be a taxpayer of The City of New York (the "City") brought an action in the State of New York (the "State") Supreme Court against the City, the State, the Corporation and other defendants, seeking, among other things, (i) a declaratory judgment determining that the establishment of the Corporation, its sale of debt obligations and transfer of the proceeds to the City are illegal and unconstitutional and (ii) an injunction prohibiting continuation of such acts. On July 4, 1975, the plaintiff served a notice of discontinuance of the action, without prejudice to his right to reinstitute his claim.

On July 18, 1975, the same individual reinstituted the action, which, as to the Corporation, is substantially identical to his prior action. 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 appealed directly to the State Court of Appeals. On December 4, 1975, plaintiff entered into a stipulation dismissing his appeal to the Court of Appeals with prejudice.

On November 3, 1975, a national bank purporting to represent all holders of the City's bonds acquired before
June 10, 1975 served a summons and complaint in the State Supreme Court addressed to the Corporation, the City, the State and certain officers of the City and State. The suit seeks, among other things, a declaratory judgment that the sections of the State Tax Law and the State Finance Law enacted as part of the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for the city of New York Act, both as further amended (the "Act") are unconstitutional under Article 8, Section 2 of the State Constitution in depriving such holders of amounts to be received by the Corporation from State sales and compensating use taxes within the City (the "Sales Tax"), which the plaintiff alleges would otherwise have constituted revenues of the City pledged for the payment of principal of and interest on such holders' City bonds. On November 19, 1975, plaintiff served an amended complaint, which added allegations that the sections of the State Tax Law and State Finance Law enacted as part of the Act are also unconstitutional under Article 1, Section 10 of the United States Constitution, the due process and equal protection clauses of the Fourteenth Amendment of the United States Constitution and the equal protection guarantee of Article 1, Section 11 of the State Constitution. Bond counsel has given its opinion to the Corporation that in a suit brought by a holder of any bonds or notes of the City, including the plaintiff in this lawsuit, asserting a
right to revenues derived from the tax imposed pursuant to the State Tax Law on sales or transfers of stock and certain other certificates (the "Stock Transfer Tax") or the Sales Tax superior or equal to the rights of holders of bonds of the Corporation, including the Bonds, such holder will not prevail in the court of final jurisdiction.

The plaintiff bank in this suit also seeks a declaratory judgment that the City's publicly announced plan, upon any default, "to give priority of payment from the City's revenues to certain selected City employees, selected vendors, welfare recipients and certain other selected persons" before paying principal of and interest on bonds of the City is unconstitutional under Article 8, Section 2 of the State Constitution in that the holders of City bonds are to be paid the principal of and interest on such bonds from the first revenues received by the City and is illegal and unconstitutional under the Federal Bankruptcy Act and the supremacy clause of the United States Constitution. The suit further asks for a declaratory judgment that the provisions of Title 6-A of the Local Finance Law are illegal and unconstitutional under the State Constitution the Federal Bankruptcy Act and the United States Constitution. Finally, the suit also seeks a declaratory judgment that the Financial Emergency Act "unconstitutionally diverts and expropriates to the [Emergency Financial Control Board] all of the City revenues mandated for application to
payment of plaintiff's City bonds, and unconstitutionally abrogates the duty of the City Comptroller, as the City's fiscal officer," in violation of the State Constitution.

On December 3, 1975, motions for summary judgment made by the Corporation and by the State Tax Commission and the State Comptroller were granted by the State Supreme Court (i) holding that neither the State Constitution nor the United States Constitution was violated by the provisions of the legislation that (a) suspended the City's right to collect the sales and use tax imposed by the City and (b) imposed the Sales Tax and (ii) declaring that the State Tax Commission may collect the Sales Tax and remit the proceeds to the Corporation as prescribed by the statute. Plaintiff appealed this judgment to the State Court of Appeals, which has transferred the case to the Appellate Division on the ground that the judgment appealed from does not finally determine the entire controversy between the parties.
### SCHEDULE Y

**TOTAL DEBT SERVICE**

**FIRST GENERAL RESOLUTION BONDS**

**AND PROMISSORY NOTES**

**PRIOR TO RESTRUCTURE**

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>First general resolution bonds</th>
<th>Promissory notes</th>
<th>Total debt service</th>
</tr>
</thead>
<tbody>
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<td>$472,062,087.50</td>
<td>$296,932,500.03</td>
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<td>465,638,137.50</td>
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<td>1980</td>
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<td>1981</td>
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<td>1982</td>
<td>384,434,750.00</td>
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<td>1983</td>
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<td>1984</td>
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<td>1985</td>
<td>381,167,587.50</td>
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<td>1986</td>
<td>406,711,787.50</td>
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<td>1992</td>
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<td>1993</td>
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<td>1994</td>
<td>60,542,450.00</td>
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<td>60,542,450.00</td>
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<tr>
<td>1995</td>
<td>44,666,400.00</td>
<td></td>
<td>44,666,400.00</td>
</tr>
</tbody>
</table>

**Basis of preparation:**

1. Debt service on a "payment" basis.
2. Fiscal years ending June 30.
3. Debt service includes principal and interest, and excludes Capital Reserve Fund requirements.
SCHEDULE Z

TOTAL DEBT SERVICE
FIRST GENERAL RESOLUTION BONDS
AND PROMISSORY NOTES
AFTER RESTRUCTURE

<table>
<thead>
<tr>
<th>Fiscal year June 30</th>
<th>First general resolution bonds</th>
<th>Promissory notes</th>
<th>Total debt service</th>
</tr>
</thead>
<tbody>
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<td>1982</td>
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<td>1983</td>
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<td>1988</td>
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<tr>
<td>1995</td>
<td>44,666,400.00</td>
<td>44,666,400.00</td>
<td></td>
</tr>
</tbody>
</table>

Basis of preparation:

1. Debt service on a "payment" basis.
2. Fiscal years ending June 30.
3. Debt service includes principal and interest, and excludes Capital Reserve Fund requirements.
Omnibus Agreement

Mr. Gould then reported on the status of the negotiations with the Trustees of the Pension Funds and Sinking Funds and the representatives of the Clearing House banks. He reported that agreement had not yet been reached with the Trustees of the Teachers' Retirement System or the Clearing House banks but that he contemplated reaching an agreement with them by the end of the day.

Chairman Rohatyn reported on the status of his discussions with members of President Ford's staff. He pointed out that it was imperative that agreement be reached with all parties to the Omnibus Agreement by the end of the day so that the President could make a statement by November 26, 1975.

At this point copies of the draft Omnibus Agreement prepared by Counsel were distributed.

Chairman Rohatyn indicated that certain Pension Fund Trustees were conditioning acceptance of the terms of the Omnibus Agreement on passage of indemnification legislation which would protect them from liability for
actions taken in accordance with the provisions of the Agreement. He pointed out that this request raised a number of legal issues and that counsel was discussing the specifics of the request with attorneys for the Trustees.

Following discussion it was determined as the sense of the Meeting that the Exchange Offer would not be made until an agreement in principal had been reached with all parties to the proposed Omnibus Agreement.

Mr. Rohatyn informed the Board that he had agreed at a meeting with representatives of the Pension Funds that the interest rate on securities to be purchased by the funds in accordance with the terms of the Omnibus Agreement would bear interest at the rate of 9 percent per annum (rather than the previously agreed 8 percent) to help make up the projected loss in yield to maturity. Following a discussion of this matter, upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Board approves of and authorizes the increase in interest to 9 percent per annum on the securities to be purchased by the City Pension Funds pursuant to the Omnibus Agreement.

(At this point Donna Shalala arrived at the meeting).

Copies of the proposed Omnibus Agreement were distributed to the Board members and representatives. Mr. Thomas reviewed its provisions.

Mr. Goldberg asked about the timing of the Revenue Ruling called for by subparagraph (c)(vi) and
Mr. Thomas stated that if there is a timing problem the Pensions could purchase MAC bonds until the problem is resolved.

Following further discussion, and upon motion duly made and seconded and unanimously carried it was

RESOLVED, that an agreement substantially in the form of the Omnibus Agreement before the meeting is hereby authorized, and that counsel are authorized to make such technical changes in the Agreement as may be required by the other parties to the agreement.
RESTRUCTURING

Mrs. Thoyer, at the request of Mr. Rohatyn, outlined to the Board the provisions of a "Notice to Holders of Bonds Issued under the First General Bond Resolution," a proof of which dated May 14, 1976 was submitted to the Board. Mrs. Thoyer explained that the Notice was to be used to request Bondholder consent to certain amendments to the Corporation's First General Bond Resolution, as well as amendments to certain of the Series Resolutions, which amendments would be necessary or useful to carrying out the restructuring of the Corporation's bonds held by certain New York City banks, pension funds and sinking funds pursuant to the Agreement of November 26, 1975. Mrs. Thoyer said that the Notice to Bondholders would be available through U.S. Trust Company, as well as mailed to registered holders of MAC bonds and delivered to various brokerage houses for distribution to persons they believed held MAC bonds in bearer form. In addition, as required by the General Bond Resolution, the Notice would be published in the New York Times once a week for two weeks.

Mrs. Thoyer then described the particular amendments referred to in the Notice. Section 902 of the General Bond Resolution presently contains the provision which does not permit the Corporation to agree to an extension of the maturity on any of its bonds. As the November 26 Agreement would require
the extension of the maturities of certain of the bonds in carrying out the restructuring, Mrs. Thoyer stated that an amendment to Section 902 would be required to permit such extensions. The amendment to Section 902 contains certain safeguards so that maturities of bonds of the Corporation cannot be changed unless (1) the extensions are in fulfillment of the Corporation’s corporate purposes, (2) the debt service coverage tests for the issuance of bonds are met, treating for this purpose the bonds on which the maturities are extended as if they were newly issued bonds, (3) there is a publication in a newspaper of general circulation of the fact that maturities on certain bonds are being extended, and (4) the extensions are consented to by the bondholder whose bonds are affected.

Mrs. Thoyer then stated that Section 203 of the General Bond Resolution was also proposed to be amended as a means by which the Corporation could carry out the November 26 Agreement through the exchange of old bonds held by certain of the banks, pension funds and sinking funds for new bonds without having the new bonds counted against the Corporation’s statutory debt limits. The new bonds would be "refunding bonds" under the amended Section 203. Such refunding bonds could be issued only in furtherance of the Corporation’s corporate purposes and only if the debt service coverage tests for issuance of bonds are met.

Mrs. Thoyer reported that the consent required for the Section 203 and 902 amendments to become effective was 2/3
in principal amount of the Corporation's bonds issued under the First General Bond Resolution. She said that the banks, pension funds and sinking funds, together with the State of New York as a holder of $250,000,000 in MAC bonds, had over 2/3 in principal amount of such bonds. She reported on the status of the consents from those persons and said that the State's approval to the inclusion of a statement in the Notice of its intention to vote in favor of the amendments would be sought before the Notice was released.

Mrs. Thoyer next stated that the amendments to the Series A and B resolutions would permit the Series A and B Bonds held by the banks to be restructured in accordance with the November 26 Agreement. She noted that the Series A and Series B Bonds are also held by members of the public and that the required vote for the adoption of the amendments could not be accomplished without the consents of public bondholders. However, she noted that the November 26 Agreement could be carried out even if the amendments to the Series A and Series B Resolutions were not adopted, but that the consents were being requested because the Corporation was required to try to obtain them. Mrs. Thoyer then discussed the so-called Series A Option referred to in the Notice under which the Banks may continue to hold their Series A Term Bonds due 1985 and 1990 with their original maturities and sinking fund provisions and with just the interest thereon reduced to 6%. She pointed out that if all of the banks took the Series A Option, the overall interest
savings described in the Notice from 1977 to 1990 would be reduced from $753,000,000 to $619,000,000, but there would be a savings to the City in the earlier years because the debt service on the Corporation's bonds would be less in the earlier years on those Series A Bonds as to which the option was exercised than on the restructured bonds. Mrs. Thoyer stated that under the November 26 Agreement the Series A Option was available if the Corporation did not obtain the consents to the amendments to the Series A Resolution by February 1, 1976. As previously noted, it is these consents that are being requested now pursuant to the Notice. She reported that certain of the Banks had taken the position that under the November 26 Agreement, even if consents to the Series A amendments were now obtained, the Series A Option was still available to them. Mrs. Thoyer said she had informed the Banks that, subject to the Board's approval, the Corporation would agree with that interpretation of the November 26 Agreement because it had the effect of debt service savings to the City in the earlier years. Following discussion, the Board agreed to this interpretation of the November 26 Agreement.

Finally, Mrs. Thoyer noted that amendments to certain other Series Resolutions, the bonds of which were all held by the banks, were being requested to allow amendments to the bonds of those series as required by the November 26 Agreement.
Mrs. Thoyer then pointed out that the Notice also contained information regarding the debt service coverage on the Corporation's bonds before and after the restructuring. She noted that the Notice described the interest savings to the City of the restructuring and pointed out the effect of the restructuring on the sinking fund payments of the Series A and Series B Bonds to be continued to be held by members of the public.

Mrs. Thoyer then stated that the following formal resolutions would be submitted to the Board:

1. A resolution that Section 902 and Section 203 of the General Bond Resolution be amended as described in the Notice and in the Supplemental Resolution submitted to the Board.

2. A resolution authorizing amendments to the Series A Resolution and the Series B Resolution, as described in the Notice, and in the Supplemental Resolution submitted to the Board.

3. A resolution authorizing the distribution of the Notice and the Form of Consent.

4. A resolution authorizing an officer of the Corporation to execute certain instructions to the Trustee regarding the Consents.
RESOLUTIONS

Mr. Keohane then explained the terms of certain resolutions required in connection with the restructuring and the terms of the Series 5 resolution. Mr. Thomas explained the terms of certain resolutions required in connection with the Exchange Offer.

Following discussion the following resolutions were upon motion duly made and seconded, unanimously adopted:

RESOLVED, that the 1976 Series 5 Resolution, substantially in the form as presented to the meeting, with such non-substantive changes as General Counsel and Bond Counsel, may in their discretion decide are required, is hereby adopted; and

FURTHER RESOLVED, that the Official Statement for the Exchange Officer substantially in the form before the Meeting, but with the modifications previously approved at the meeting is hereby adopted; and

FURTHER RESOLVED, that a Committee consisting of Dr. Shalala and Messrs. Rohatyn and Gould, may by unanimous decision made such non-substantive changes to the Official Statement as in their discretion may be required; and

FURTHER RESOLVED, that it is determined that the terms of the Exchange Officer will not prejudice the rights of holder of other bonds and notes of the City; and

FURTHER RESOLVED, that the agreement with United States Trust Company of New York to serve as Exchange Agent in connection with the Exchange Offer is adopted in the form before the Meeting; and

FURTHER RESOLVED, that the agreements with the Chase Manhattan Bank, N.A., First National City Bank, Morgan Guaranty Trust Company of New York and Bank of America, N.T., and S.A. pertaining to their services as Forwarding Agents in connection with the Exchange Offer and with Chase Manhattan Bank, First National City Bank, Morgan Guaranty Trust Company, Merrill Lynch, Pierce Fenner & Smith, Kidder Peabody & Co. and Salomon Brothers to distribute Exchange Offer materials and the form of Acknowledgement of Interest Right are adopted in the form before the Meeting; and
FURTHER RESOLVED, that the form of Letter of Transmittal to be used in connection with the Exchange Offer is hereby approved; and

FURTHER RESOLVED, that the Supplemental Resolution of The Municipal Assistance Corporation for the City of New York regarding amendments to the 1975 Series A Resolution and the 1975 Series B Resolution of such Corporation, in the form as presented to the Meeting, is hereby adopted; and

FURTHER RESOLVED, that the Supplemental Resolution of The Municipal Assistance Corporation for the City of New York supplemental to and amendatory of the General Bond Resolution of such Corporation, in the form as presented to the Meeting, is hereby adopted; and

FURTHER RESOLVED, that the Notice to the Holders of Bonds Issued Under the General Bond Resolution Adopted July 2, 1975 (the "Notice to Bondholders"), substantially in the form of the May 14, 1976 proof, as amended, which was presented before the Meeting, is hereby adopted and approved for distribution to Bondholders; and

FURTHER RESOLVED, that the Finance Committee may, by unanimous decision, make such changes in the Notice to Bondholders as in their discretion may be required; and

FURTHER RESOLVED, that the Form of Consent to be used in connection with the Notice to Bondholders, substantially in the form of the May 17, 1976 proof, which was presented to the Meeting, is hereby adopted and approved; and

FURTHER RESOLVED, that the form of the Instructions to the Trustee Concerning Consents, a draft of which was presented to the Meeting, is hereby approved, with such changes therein as the officer of the Corporation executing the same may approve, his or her execution thereof to be conclusive evidence of such approval.

There being no further business to come before the meeting, it was, upon motion, adjourned.

__________________________
James R. Keegan
Secretary
SUPPLEMENTAL RESOLUTION OF THE MUNICIPAL
ASSISTANCE CORPORATION FOR THE CITY OF
NEW YORK SUPPLEMENTAL TO AND AMENDATORY
OF THE GENERAL BOND RESOLUTION OF SUCH
CORPORATION

WHEREAS, the Municipal Assistance Corporation for The
City of New York (the "Corporation") has adopted on July 2, 1975
a General Bond Resolution of such Corporation (the "First General
Bond Resolution") and has issued bonds and notes of the Corporation
pursuant to the First General Bond Resolution and other resolutions
of the Corporation (the "Obligations"); and

WHEREAS, the Corporation has determined that it is nec-
essary to amend the First General Bond Resolution in order for the
Corporation more effectively to fulfill its corporate purposes as
set forth in the statute establishing the Corporation while
providing for the rights of all holders and those who may become
holders of Obligations either now or to be issued.

NOW, THEREFORE BE IT RESOLVED, Section 1. The Board of the
Corporation hereby adopts the following amendments to the First
General Bond Resolution:

**First Amendment.** Section 203 of the First General Bond Re-
solution is hereby amended and supplemented by the addition thereto
of the following subsections—

"(3) Not withstanding any other provision or restriction
contained in this Section 203 or elsewhere in this Resolution, the
Corporation by Series Resolution may authorize, cause to be authen-
ticated and deliver Refunding Bonds, being refunding bonds as defined
in the Act as amended to the date of delivery of such Refunding Bonds,
in exchange for Outstanding Bonds of one or more Series or portion thereof including any maturity or portion of a maturity (the "Refunded Bonds"), with the consent of the Holder or Holders thereof, whether or not the Refunded Bonds are subject to redemption prior to their stated maturity and, if so, without regard to the redemption provisions thereof, including, but not limited to, the time of redemption and redemption premium, if any, provided that (i) the Board determines such refunding to be in fulfillment of one or more of the Corporation's purposes, (ii) the Refunded Bonds are upon the exchange thereof cancelled and no longer Outstanding, and (iii) the Trustee receives the documents required by Section 202."

"(4) The Bonds being refunded pursuant to this Section 203 shall not be deemed Outstanding for the purposes of the documents required by Section 202 deliverable pursuant to this Section 203."

Second Amendment. Section 902 of the First General Bond Resolution is hereby amended and supplemented (deleted matter is bracketed out and new matter is underlined) to read as follows:

"902. Extension of Payment of Bonds and Coupons. Except as hereinafter permitted, the [The] Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement unless (i) the Board determines such extension to be in fulfillment of one or more of the Corporation's purposes, (ii) the Holder of such Bonds, coupon or claim for interest
consents thereto, (iii) the Trustee receives the documents that
would be required by Section 202 (excluding a Series Resolution
if not applicable) in the event of an issuance of Bonds, assuming for
such purpose that for all computations required for the issuance of
a Series of Bonds under Section 202(3) of this Resolution, all Bonds,
coupons and claims for interest to be so extended or otherwise modified,
at a particular time, as extended or modified constitute a Series of
Bonds to be authenticated and delivered and that the Bonds, coupons
and claims for interest as they existed prior to such extension or
modification are not to be deemed Outstanding for the purposes of docu-
ments required to be delivered by Section 202, and (iv) the Corpora-
tion publishes within 90 days after the Board shall have taken the
action referred to in (i) hereof in an Authorized Newspaper, a notice
of such extension or proposed extension. In case the maturity of any
of the Bonds or the time for payment of any such coupons or claims for
interest shall be extended, except as permitted in the foregoing
sentence, such Bonds, coupons or claims for interest shall not be
entitled in case of any default under this Resolution to the benefit of
this Resolution or to any payment out of any assets of the Corporation
or the funds (except funds held in trust for the payment of parti-
cular Bonds, coupons or claims for interest pursuant to this Resolu-
tion) held by the Trustee or any Paying Agent, except subject to the
prior payment of the principal of all Bonds issued and outstanding the
maturity of which has not been extended and of such portion of the
accrued interest on the Bonds as shall not be represented by such
extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue Bonds of a Refunding Issue as provided in Section 203 and such issuance shall not be deemed to constitute an extension of maturity of Bonds or the time of payment of any of the coupons or claims for interest."

Section 2. Both such amendments are independent and not conditioned upon each other. Failure to receive consents as required by the First General Bond Resolution to either amendment shall not prevent adoption of the other.

Section 3. The Chairman of the Finance Committee, Treasurer, Executive Director, Secretary and any Assistant Secretary are authorized to execute and deliver to the Trustee appointed pursuant to the First General Bond Resolution all such documents and certifications as may be necessary to give effect to this Resolution.

Section 4. The amendments set forth in this Resolution shall take effect upon the filing with the Trustee of the respective consents required by the First General Bond Resolution and a copy hereof certified by an Authorized Officer.

Adopted: May 18, 1976
Restructuring - Series BB Resolution

Ms. Thoyer, at the request of Mr. Rohatyn, outlined to the Board members and representatives the provisions of the 1976 Series BB Resolution, copies of which had been previously distributed.

After discussion of the provisions of the Resolution and the terms of the Bonds, it was, on motion duly made and seconded, unanimously resolved that the 1976 Series BB Resolution is adopted in the form presented to the meeting and ordered annexed to the minutes.
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

GENERAL BOND RESOLUTION

Adopted July 2, 1975

Sections 203 & 902 of this Bond
on pages 11, 12, & 37 have
amended, effective July 17, 1975
Amendments to Sections 203 and 902, adopted by Supplemental Resolution of the Board of Directors on May 18, 1976, became effective as of July 17, 1976. The following text sets forth each of those sections as so amended:

**SECTION 203**

(3) Notwithstanding any other provision or restriction contained in this Section 203 or elsewhere in this Resolution, the Corporation by Series Resolution may authorize, cause to be authenticated and deliver Refunding Bonds, being refunding bonds as defined in the Act as amended to the date of delivery of such Refunding Bonds, in exchange for Outstanding Bonds of one or more Series or portion thereof including any maturity or portion of a maturity (the "Refunded Bonds"), with the consent of the Holder or Holders thereof, whether or not the Refunded Bonds are subject to redemption prior to their stated maturity and, if so, without regard to the redemption provisions thereof, including, but not limited to, the time of redemption and redemption premium, if any, provided that (i) the Board determines such refunding to be in fulfillment of one or more of the Corporation's purposes, (ii) the Refunded Bonds are upon the exchange thereof cancelled and no longer Outstanding, and (iii) the Trustee receives the documents required by Section 202.

(4) The Bonds being refunded pursuant to this Section 203 shall not be deemed Outstanding for the purposes of the documents required by Section 202 deliverable pursuant to this Section 203.

**SECTION 902**

**Extension of Payment of Bonds and Coupons.** Except as hereinafter permitted, the Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement unless (i) the Board determines such extension to be in fulfillment of one or more of the Corporation's purposes, (ii) the Holder of such Bonds, coupon or claim for interest consents thereto, (iii) the Trustee receives the documents that would be required by Section 202 (excluding a Series Resolution if not applicable) in the event of an issuance of Bonds, assuming for such purpose that for all computations required for the issuance of a Series of Bonds under Section 202(3) of this Resolution, all Bonds, coupons and claims for interest to be so extended or otherwise modified, at a particular time, as extended or modified constitute a Series of Bonds to be authenticated and delivered and that the Bonds, coupons and claims for interest as they existed prior to such extension or modification are not to be deemed Outstanding for the purposes of documents required to be delivered by Section 202, and (iv) the Corporation publishes within 90 days after the Board shall have taken the action referred to in (i) hereof in an Authorized Newspaper a notice of such extension or proposed extension. In case the maturity of any of the Bonds or the time for payment of any such coupons or claims for interest shall be extended, except as permitted in the foregoing sentence, such Bonds, coupons or claims for interest shall not be entitled in case of any default under this Resolution to the benefit of this Resolution or to any payment out of any assets of the Corporation or the funds (except funds held in trust for the payment of particular Bonds, coupons or claims for interest pursuant to this Resolution) held by the Trustee or any Paying Agent, except subject to the prior payment of the principal of all Bonds issued and outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue Bonds of a Refunding Issue as provided in Section 203 and such issuance shall not be deemed to constitute an extension of maturity of Bonds or the time of payment of any of the coupons or claims for interest.
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

GENERAL BOND RESOLUTION

TABLE OF CONTENTS*

ARTICLE I
Definitions and Statutory Authority

SECTION 101. Definitions ........................................ 1
SECTION 102. Authority for this Resolution .................... 5
SECTION 103. Resolution to Constitute Contract ............... 5

ARTICLE II
Authorization and Issuance of Bonds and
Limitations on Issuance of Notes and Other Obligations

SECTION 201. Authorization of Bonds ............................ 6
SECTION 202. Provisions for Issuance of Bonds and Limitations on Issuance of Notes and Other Obligations ...... 6
SECTION 203. Provisions for Refunding Bonds .................. 11
SECTION 204. Additional Obligations .............................. 12

ARTICLE III
General Terms and Provisions of Bonds

SECTION 301. Medium of Payment; Form and Date ............ 12
SECTION 302. Legends .............................................. 13
SECTION 303. Execution and Authentication ................... 13
SECTION 304. Interchangeability of Bonds ..................... 15
SECTION 305. Negotiability, Transfer and Registry .......... 15
SECTION 306. Transfer and Registration of Coupon Bonds ..... 15
SECTION 307. Transfer of Registered Bonds ..................... 17
SECTION 308. Regulations with Respect to Exchanges and Transfers ...... 17
SECTION 309. Bonds Mutilated, Destroyed, Stolen or Lost ....... 18
SECTION 310. Preparation of Definitive Bonds; Temporary Bonds .... 18

ARTICLE IV
Redemption of Bonds

SECTION 401. Privilege of Redemption and Redemption Price ........ 19
SECTION 402. Redemption at the Election or Direction of the Corporation ... 20
SECTION 403. Redemption Other Than at Corporation’s Election or Direction ........................................ 20
SECTION 404. Selection of Bonds to Be Redeemed by Lot .......... 20
SECTION 405. Notice of Redemption ................................ 21
SECTION 406. Payment of Redeemed Bonds ........................ 22

*This Table of Contents was not part of the Resolution as adopted.
ARTICLE V
CUSTODY AND APPLICATION OF CERTAIN PROCEEDS OF BONDS
SECTION 501. Application of Certain Proceeds .......................... 23

ARTICLE VI
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF
SECTION 601. The Pledge Effected by the Resolution ................. 23
SECTION 602. Establishment of Funds .................................. 24
SECTION 603. Application of Payments ................................. 24
SECTION 604. Operating Fund .......................................... 24
SECTION 605. Debt Service Fund ....................................... 24
SECTION 606. Capital Reserve Fund .................................... 26
SECTION 607. Certificate to the State Comptroller and to the Mayor of the City of New York ........................................... 27

ARTICLE VII
SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS
SECTION 701. Security for Deposits .................................... 28
SECTION 702. Investment of Funds and Accounts Held by the Trustee ................................................................. 28
SECTION 703. Liability of Trustee for Investments ...................... 31

ARTICLE VIII
THE TRUSTEE AND THE PAYING AGENTS
SECTION 801. Appointment and Acceptance of Duties of Trustee ...... 31
SECTION 802. Appointment and Acceptance of Duties of Paying Agents ................................................................. 31
SECTION 803. Responsibilities of Trustee and Paying Agents .......... 32
SECTION 804. Evidence on Which Fiduciaries May Act ............... 33
SECTION 805. Compensation .............................................. 33
SECTION 806. Permitted Acts and Functions ............................ 34
SECTION 807. Resignation of Trustee ................................... 34
SECTION 808. Removal of Trustee ....................................... 34
SECTION 809. Appointment of Successor Trustee ....................... 34
SECTION 810. Transfer of Rights and Property to Successor Trustee ... 35
SECTION 811. Merger, Conversion or Consolidation ..................... 36
SECTION 812. Resignation or Removal of the Paying Agents and Appointment of Successors ........................................... 36
# ARTICLE IX
Covenants of the Corporation

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>901</td>
<td>Payment of Bonds</td>
<td>36</td>
</tr>
<tr>
<td>902</td>
<td>Extension of Payment of Bonds and Coupons</td>
<td>37</td>
</tr>
<tr>
<td>903</td>
<td>Offices for Payment and Registration of Bonds and Coupons</td>
<td>37</td>
</tr>
<tr>
<td>904</td>
<td>Further Assurances</td>
<td>38</td>
</tr>
<tr>
<td>905</td>
<td>Power to Issue Bonds and Make Pledges</td>
<td>38</td>
</tr>
<tr>
<td>906</td>
<td>Agreement of the State</td>
<td>38</td>
</tr>
<tr>
<td>907</td>
<td>Creation of Liens</td>
<td>39</td>
</tr>
<tr>
<td>908</td>
<td>Accounts and Reports</td>
<td>39</td>
</tr>
<tr>
<td>909</td>
<td>General</td>
<td>39</td>
</tr>
</tbody>
</table>

# ARTICLE X
Series Resolutions and Supplemental Resolutions

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1001</td>
<td>Modification and Amendment Without Consent</td>
<td>40</td>
</tr>
<tr>
<td>1002</td>
<td>Supplemental Resolutions Effective With Consent of Bondholders</td>
<td>41</td>
</tr>
<tr>
<td>1003</td>
<td>General Provisions Relating to Series Resolutions and Supplemental Resolutions</td>
<td>41</td>
</tr>
</tbody>
</table>

# ARTICLE XI
Amendments of Resolutions

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1101</td>
<td>Powers of Amendment</td>
<td>42</td>
</tr>
<tr>
<td>1102</td>
<td>Consent of Bondholders</td>
<td>43</td>
</tr>
<tr>
<td>1103</td>
<td>Modifications by Unanimous Consent</td>
<td>45</td>
</tr>
<tr>
<td>1104</td>
<td>Mailing and Publication</td>
<td>45</td>
</tr>
<tr>
<td>1105</td>
<td>Exclusion of Bonds</td>
<td>45</td>
</tr>
<tr>
<td>1106</td>
<td>Notation on Bonds</td>
<td>46</td>
</tr>
</tbody>
</table>

# ARTICLE XII
Defaults and Remedies

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1201</td>
<td>Trustee to Exercise Powers of Statutory Trustee</td>
<td>46</td>
</tr>
<tr>
<td>1202</td>
<td>Events of Default</td>
<td>46</td>
</tr>
<tr>
<td>1203</td>
<td>Remedies</td>
<td>47</td>
</tr>
</tbody>
</table>
### PAGE IV

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1204</td>
<td>Priority of Payments After Default</td>
<td>49</td>
</tr>
<tr>
<td>1205</td>
<td>Termination of Proceedings</td>
<td>50</td>
</tr>
<tr>
<td>1206</td>
<td>Bondholders' Direction of Proceedings</td>
<td>51</td>
</tr>
<tr>
<td>1207</td>
<td>Limitation on Rights of Bondholders</td>
<td>51</td>
</tr>
<tr>
<td>1208</td>
<td>Possession of Bonds by Trustee Not Required</td>
<td>52</td>
</tr>
<tr>
<td>1209</td>
<td>Remedies Not Exclusive</td>
<td>52</td>
</tr>
<tr>
<td>1210</td>
<td>No Waiver of Default</td>
<td>53</td>
</tr>
<tr>
<td>1211</td>
<td>Notice of Event of Default</td>
<td>53</td>
</tr>
</tbody>
</table>

**ARTICLE XIII**

**Execution of Instruments by Bondholders and Proofs of Ownership of Bonds**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1301</td>
<td>Evidence of Signatures of Bondholders and Ownership of Bonds</td>
<td>53</td>
</tr>
</tbody>
</table>

**ARTICLE XIV**

**Defeasance**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1401</td>
<td>Defeasance</td>
<td>55</td>
</tr>
</tbody>
</table>

**ARTICLE XV**

**Miscellaneous**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1501</td>
<td>Preservation and Inspection of Documents</td>
<td>57</td>
</tr>
<tr>
<td>1502</td>
<td>Parties of Interest</td>
<td>57</td>
</tr>
<tr>
<td>1503</td>
<td>No Recourse Under Resolution or on Bonds</td>
<td>57</td>
</tr>
<tr>
<td>1504</td>
<td>Severability</td>
<td>58</td>
</tr>
<tr>
<td>1505</td>
<td>Headings</td>
<td>58</td>
</tr>
<tr>
<td>1506</td>
<td>Conflict</td>
<td>58</td>
</tr>
<tr>
<td>1507</td>
<td>Effective Date</td>
<td>58</td>
</tr>
</tbody>
</table>
GENERAL BOND RESOLUTION

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

101. Definitions. The following terms shall, for all purposes of this Resolution, except as otherwise defined, have the following meanings:

"Act" shall mean 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, both as amended to the date of adoption of this General Bond Resolution.

"Authorized Newspaper" shall mean a newspaper customarily published at least once a day for at least five 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.

"Authorized Officer" shall mean any member of the Corporation, its Treasurer, Secretary, any Assistant Secretary, its Executive Director, and any other person authorized by resolution of the Corporation to perform the act or sign the document in question.

"Board" shall mean the Board of Directors of the Corporation, the members of which are appointed and qualified pursuant to the Act.

"Bond" or "Bonds" shall mean any Bond or the issue of Bonds, as the case may be, established and created by this Resolution and issued pursuant to a Series Resolution.

"Bondholders" or "Holder of Bonds" or "Holder" (when used with reference to Bonds) or any similar term, shall mean any person or party who shall be the bearer of any Outstanding Bond or Bonds registered to bearer or not registered or the registered owner of any Outstanding Bond or Bonds which shall at the time be registered other than to bearer and "Holder" (when used with reference to coupons) shall mean any person who shall be the bearer of such coupons.
"Capital Reserve Fund" means the fund by that name established by Section 602.

"Capital Reserve Fund Requirement" shall mean, as of any date of calculation, the amount referred to as the capital reserve fund requirement in subdivision 5 of Section 3036 of the Act, including, as provided in Section 901 hereof, for such purposes any unpaid and matured amounts of principal and interest on the Bonds, or such larger amount as may hereafter be authorized pursuant to the Act as amended from time to time.

"Chairman" shall mean the Chairman of the Board of the Corporation.

"City" shall mean The City of New York.

"Corporation" shall mean 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 created by the Act, or any body, agency or instrumentality of the State which shall hereafter succeed to the rights, powers, duties and functions of the Corporation.

"Counsel’s Opinion" shall mean an opinion signed by an attorney or firm of attorneys selected by or satisfactory to the Corporation (who may be counsel to the Corporation); provided, however, that for the purposes of Article II of this Resolution such term shall mean an opinion signed by an attorney or firm of attorneys of recognized standing in the field of law relating to municipal bonds (who may be counsel to the Corporation) selected by the Corporation.

"Debt Service Fund" means the fund by that name established by Section 602.

"Fiduciary" or "Fiduciaries" shall mean the Trustee, any Paying Agent, or any or all of them, as may be appropriate.

"Fiscal Year" shall mean any twelve (12) consecutive calendar months commencing with the first day of July and ending on the last day of the following June.

"Governor" shall mean the Governor of the State.

"Mayor" shall mean the Mayor of the City.

"Notes" shall mean any obligations issued by the Corporation, other than Bonds or Other Obligations, within the limitations set forth
under Section 202 hereof, the principal of and interest on which is payable from the Debt Service Fund.

“Operating Expenses” shall mean the Corporation’s expenses of carrying out and administering its powers, duties and functions, as authorized by the Act, as then in effect, and shall include, without limiting the generality of the foregoing: administrative expenses, legal, accounting and consultant’s services and expenses, payments to pension, retirement, health and hospitalization funds, and any other expenses required or permitted to be paid by the Corporation under the provisions of the Act, as then in effect, or this Resolution or otherwise.

“Operating Fund” shall mean the fund by that name established by Section 602.

“Other Obligations” shall mean any obligations, other than Bonds or Notes, issued by the Corporation, in contemplation of the issuance of Bonds or Notes, with the limitations set forth under Section 202 hereof, the interest on which is payable from the Debt Service Fund.

“Outstanding,” when used with reference to Bonds, other than Bonds referred to in Section 1105 hereof, shall mean, as of any date, Bonds theretofore or then being delivered under the provisions of this Resolution, except: (i) any Bonds cancelled by the Trustee at or prior to such date, (ii) any Bonds for the payment or redemption of which monies equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held by the Trustee or the Paying Agents in trust (whether at or prior to the maturity or redemption date), provided that if such Bonds are to be redeemed, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, (iii) any Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Article III or Section 406 or Section 1106, and (iv) Bonds deemed to have been paid as provided in subsection 2 of Section 1401.

“Paying Agent” for the Bonds of any Series shall mean the bank or trust company and its successor or successors, appointed pursuant to the provisions of this Resolution and a Series Resolution or any other resolution of the Corporation adopted prior to authentication and
delivery of the Series of Bonds for which such Paying Agent or Paying Agents shall be so appointed.

"Redemption Price" shall mean, with respect to any Bond, the principal amount thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to this Resolution and the Series Resolution pursuant to which the same was issued.

"Refunding Bonds" shall mean all Bonds constituting the whole or a part of a Series of Bonds delivered on original issuance pursuant to Section 203.

"Resolution" shall mean this General Bond Resolution as from time to time amended or supplemented by Supplemental Resolutions or Series Resolutions in accordance with the terms and provisions hereof.

"Revenues" shall mean all payments to the Corporation pursuant to Section 3036 of the Act except payments to the Corporation for credit to the Operating Fund.

"Sales Tax" shall mean the sales and compensating use taxes imposed by Section 1107 of Article 28 of the Tax Law of the State.

"Serial Bonds" shall mean the bonds so designated in a Series Resolution.

"Series of Bonds" or "Bonds of a Series" or words of similar meaning shall mean the Series of Bonds authorized by a Series Resolution.

"Series Resolution" shall mean a resolution of the Corporation authorizing the issuance of a Series of Bonds in accordance with the terms and provisions hereof adopted by the Corporation in accordance with Article X.

"Sinking Fund Installment" shall mean as of any date of calculation and with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, the amount of money required by a Series Resolution, pursuant to which such Bonds were issued, to be paid at all events by the Corporation on a single future February 1 for the retirement of any Outstanding Bonds of said Series which mature after said future February 1, but does not include any amount payable by the Corporation by reason only of the maturity of a Bond, and said future February 1 is deemed to be the date when a Sinking Fund Install-
ment is payable and the date of such Sinking Fund Installment and said Outstanding Bonds are deemed to be the Bonds entitled to such Sinking Fund Installment.

"State" shall mean the State of New York.

"Stock Transfer Tax" shall mean the tax on the sale or transfer of stock or other certificates imposed by Sections 270 and 270-a of Article 12 of the Tax Law of the State.

"Supplemental Resolution" shall mean a resolution supplemental to or amendatory of this Resolution, adopted by the Corporation in accordance with Article X.

"Term Bonds" shall mean the bonds so designated in a Series Resolution and payable from Sinking Fund Installments.

"Trustee" shall mean the bank or trust company appointed pursuant to Section 801 to act as trustee hereunder, and its successor or successors and any other bank or trust company at any time substituted in its place pursuant to this Resolution.

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.

The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, as used in this Resolution, refer to this Resolution.

102. Authority for this Resolution. This General Bond Resolution is adopted pursuant to the provisions of the Act.

103. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Corporation and the Holders from time to time of the Bonds and coupons; and the pledge made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Corporation shall be for the equal benefit, protection and security of the
Holders of any and all of the Bonds and coupons, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds or coupons over any other thereof except as expressly provided in or permitted by this Resolution.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS AND LIMITATIONS ON ISSUANCE OF NOTES AND OTHER OBLIGATIONS

201. Authorization of Bonds. There is hereby established and created an issue of Bonds of the Corporation to be known and designated as "Bonds," which Bonds may be issued as hereinafter provided without limitation as to amount except as provided in this Resolution or as may be limited by law. There is hereby created by this Resolution, in the manner and to the extent provided herein, a continuing pledge and lien to secure the full and final payment of the principal, Sinking Fund Installments, if any, and Redemption Price of and interest on all of the Bonds issued pursuant to this Resolution. The Bonds shall be general obligations of the Corporation payable out of any revenues of the Corporation and are additionally secured by the pledge effected pursuant to Section 601 hereof.

The Notes, Bonds or Other Obligations of the Corporation shall not be a debt of either the State or The City, and neither the State nor The City shall be liable thereon, nor shall they be payable out of any funds other than those of the Corporation; and such Notes, and Bonds or Other Obligations shall contain on the face thereof a statement to such effect.

Any provision hereof relating to taxes imposed under Article 12 or Section 1107 of the Tax Law of the State (such taxes herein defined as the Stock Transfer Tax and Sales Tax, respectively), or the funds created by Sections 92-b and 92-d of the State Finance Law (such funds being the funds into which the Stock Transfer Tax and Sales Tax are paid) shall be deemed executory only to the extent of the moneys available to the State in such funds from time to time and no liability on account thereof shall be incurred by the State beyond the moneys available in such funds.

202. Provisions for Issuance of Bonds and Limitations on Issuance of Notes and Other Obligations. 1. The issuance of the Bonds shall be
authorized by a Series Resolution or Series Resolutions of the Corporation adopted subsequent hereto and the Bonds may be issued in one or more Series. The Bonds of each Series, including Refunding Bonds, shall, in addition to the title "Bonds," contain an appropriate Series designation.

Each Series Resolution authorizing the issuance of a Series of Bonds shall also specify:

(1) The authorized principal amount of said Series of Bonds;

(2) The purposes for which such Series of Bonds are being issued, which shall be purposes authorized by the Act, as then in effect;

(3) The date or dates of issue, maturity date or dates and amounts of each maturity of the Bonds of said Series;

(4) The interest rate or rates, or the manner of determining such rate or rates of the Bonds of said Series, and the interest payment dates thereof;

(5) The denomination or denominations of, and the manner of numbering and lettering, the Bonds of such Series, provided that each Bond shall be of the denomination of $5,000 (or such lesser amount as shall be specified in the Series Resolution) or a multiple thereof not exceeding the aggregate principal amount of the Bonds of such Series maturing in the year of maturity of the Bond for which the denomination is to be specified;

(6) The Paying Agent or Paying Agents and, subject to the provisions of Section 802, the place or places of payment of the principal, Sinking Fund Installments, if any, and Redemption Price, if any, of and interest on the Bonds of such Series; provided, however, that such Paying Agent or Paying Agents may be appointed by resolution of the Corporation adopted prior to authentication and delivery of such Series of Bonds in accordance with the provision of Section 802;

(7) The Redemption Price or Redemption Prices, if any, and, subject to Article IV, the redemption terms, if any, for the Bonds of such Series;

(8) If so determined by the Corporation, provisions for the sale of the Bonds of such Series;
(9) The form or forms of the Bonds of such Series and the coupons to be attached to the coupon Bonds, if any, of such Series and of the Trustee's certificate of authentication;

(10) The officer or employee of the Corporation directed to attest by manual or facsimile signature, the seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced on the Bonds of such Series; and

(11) Any other provisions deemed advisable by the Corporation, not in conflict with the provisions of this Resolution.

2. All (but not less than all) of the Bonds of such Series shall be executed by the Corporation for issuance under the Resolution and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the Corporation or upon its order, but only upon the receipt by the Trustee of:

(1) A Counsel's Opinion dated as of the date of such delivery by the Trustee to the effect that (i) the Corporation has the right and power under the Act as amended to the date of such Opinion to adopt the Resolution (with such approvals as may be required by the Act as so amended), and the Resolution has been duly and lawfully adopted by the Corporation and such approvals given, is in full force and effect and is valid and binding upon the Corporation and enforceable in accordance with its terms, and no other authorization for the Resolution is required; (ii) the Resolution creates the valid pledge which it purports to create of the Revenues, moneys, securities and funds held or set aside under the Resolution, subject to the application thereof to the purposes and on the conditions permitted by the Resolution; and (iii) the Bonds of such Series are valid and binding obligations of the Corporation as provided in the Resolution, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Resolution and of the Act as amended to the date of such Opinion, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such Opinion, and in accordance with the Resolution;

(2) A written order as to the delivery of such Bonds, signed by an Authorized Officer of the Corporation;
(3) A copy of the Series Resolution authorizing such Bonds, certified by an Authorized Officer of the Corporation;

(4) Except in the case of Refunding Bonds, a certificate of an Authorized Officer of the Corporation stating that the Corporation is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Resolution; and

(5) Such further documents, moneys and securities as are required by the provisions of this Section 202, and Section 203, or Article X or any Supplemental Resolution adopted pursuant to Article X.

3. No Series of Bonds other than the first Series of Bonds issued under the Resolution shall be authenticated and delivered by the Trustee and no Notes or Other Obligations will be issued by the Corporation except upon receipt by the Trustee of:

(1) A certificate by the New York State Commissioner of Taxation and Finance setting forth the most recent collections for the 12 consecutive calendar months ended not more than two months prior to the date of such certificate, of the Sales Tax and Stock Transfer Tax, and such other taxes, which as of the date of issuance of any such Series of Bonds, Notes or Other Obligations, are levied and collected by New York State and are payable into the special account in the Municipal Assistance Tax Fund established for the Corporation.

Where the amount for such 12 consecutive calendar months is greater than the revenue expected by said Commissioner for the next succeeding 12 months from such Sales Tax, Stock Transfer Tax and such other taxes, the certificate shall set forth the estimated amount which is expected to be levied and collected in such next succeeding 12 months and paid into such special account. Any distortion for any such prior 12 consecutive month period occasioned by a change in payment dates, prepayments, and late payments of such Sales Tax, Stock Transfer Tax or such other taxes shall be taken into account in such certification by increasing or decreasing the estimated amount of Sales Tax, Stock Transfer Tax or such other taxes to be levied and collected. In the event the Sales Tax or such other taxes have not been in effect for 12 calendar months
said Commissioner shall use, respectively, collections of the sales and compensating use taxes previously imposed by the City or collections of the tax similarly based to the other taxes referred to above if such tax was previously imposed by the City, as the amount to be certified in lieu of actual collections of the Sales Tax or other taxes, for those months the Sales Tax or other taxes were not in effect;

(2) A certificate by an Authorized Officer setting forth (a) 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 such Series, and the principal of and interest on Notes, and the interest on Other Obligations for each Fiscal Year and (b) the aggregate amount of Operating Expenses as estimated by an Authorized Officer for the current Fiscal Year;

(3) A certificate by an Authorized Officer stating that the amounts set forth pursuant to paragraph (1) above after deducting the Operating Expenses set forth pursuant to paragraph (2) (b) above, will be at least 2 times such aggregate amount set forth in 2(a) above for each Fiscal Year set forth pursuant to paragraph (2) (a) above; and

(4) A certificate by an Authorized Officer stating that the amount of Sales Tax collections or the amount to be certified in lieu of such collections set forth pursuant to paragraph (1) above after deducting the Operating Expenses set forth pursuant to paragraph (2)(b) above, will be at least 1.50 times the aggregate amount set forth in (2)(a) above for each Fiscal Year set forth pursuant to paragraph (2)(a) above.

Provided further that prior to the issuance of any Notes or Other Obligations, the Trustee shall receive, in conjunction with the certificate hereinbefore referred to, a certificate of an Authorized Officer identifying such securities as either Notes or Other Obligations and setting forth the terms and provisions thereof, including the date or dates of payment of principal and interest on the Notes and the date or dates of payment of the interest on the Other Obligations and stating that such date or dates and amounts of payments due for principal and interest on the Notes to be issued or interest on the Other Obligations to be issued have not been so scheduled as to mate-
rially adversely affect the ability of the Corporation to pay the principal of or interest on its Outstanding Bonds when due or the coverages set forth hereinbefore as affected by the quarterly payments provided for in Section 607 hereof.

203. Provisions for Refunding Bonds. (1) All or any part of one or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund all Outstanding Bonds or any part of one or more Series of Outstanding Bonds. No part of a Series of Bonds may be refunded if the Bonds being refunded bear interest at a rate lower than the Bonds of such Series not being refunded. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits required by the provisions of the Act, this Section and of the Series Resolution authorizing said Series of Refunding Bonds.

(2) A Series of Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by it of the documents required by Section 202) of:

(a) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on the redemption date specified in such instructions;

(b) Irrevocable instructions to the Trustee, satisfactory to it, to make due publication of the notice provided for in Section 1401 to the Holders of the Bonds and coupons being refunded;

(c) Either (i) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Holders of the Bonds to be refunded, or (ii) direct obligations of the United States of America in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection 2 of Section 1401 and any moneys required pursuant to said subsection 2, which direct obligations of the
United States of America and moneys shall be held in trust and used only as provided in said subsection 2; and

(d) A certificate of an Authorized Officer containing such additional statements as may be reasonably necessary to show compliance with the requirements of subsection 1 and this subsection 2 of this Section 203.

204. Additional Obligations. The Corporation reserves the right to issue bonds, notes or any other obligations, other than Bonds, Notes or Other Obligations, under another and separate resolution so long as the same are not entitled to a charge or lien or right prior or equal to the charge or lien created by, or prior or equal to the rights of the Corporation and Holders of the Bonds provided by, this Resolution and the Act, or with respect to the monies pledged under the Resolution or with respect to proceeds from the Sales Tax or the Stock Transfer Tax or the sources set forth in the Act.

ARTICLE III
GENERAL TERMS AND PROVISIONS OF BONDS

301. Medium of Payment; Form and Date. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Bonds of each Series shall be issued in the form of coupon Bonds, registrable as to principal only, or in the form of fully registered Bonds without coupons, or in both such forms.

Coupon Bonds of each Series shall be dated as of the date specified in the Series Resolution authorizing the issuance thereof. Coupon Bonds of each Series shall bear interest from their date, payable in accordance with, and upon surrender of, the appurtenant interest coupons as they severally mature. Registered Bonds of each Series issued prior to the first interest payment date thereof shall be dated as of the date specified in the Series Resolution authorizing the issuance thereof. Registered Bonds issued on or subsequent to the first interest payment date thereof shall be dated as of the date six months preceding the interest payment date next following the date of delivery thereof,
unless such date of delivery shall be an interest payment date, in
which case they shall be dated as of such date of delivery; provided,
however, that if, as shown by the records of the Trustee, interest on
the Bonds of any Series shall be in default, the registered Bonds of
such Series issued in lieu of Bonds surrendered for transfer or ex-
change may be dated as of the date to which interest has been paid in
full on the Bonds surrendered. Registered Bonds of each Series shall
bear interest from their date.

For all purposes of the Act relating to or dealing with the date of
the Bonds, registered Bonds of any Series shall be deemed to be dated
as of the date specified for the Bonds of such Series in the Series
Resolution authorizing the issuance thereof.

All Bonds of each Series shall mature on February 1 of each year
in which a maturity is fixed by a Series Resolution. Interest on all
Bonds of each Series, except the first installment of interest due on the
Bonds of a Series, shall be payable semi-annually on February 1 and
August 1 of each year in which an installment of interest becomes due
as fixed by a Series Resolution. The first installment of interest due on
the Bonds of a Series may be for such period as the Corporation shall
fix by Series Resolution provided that the due date thereof shall be Feb-
uary 1 or August 1.

302. **Legends.** The Bonds of each Series may contain or have
endorsed thereon such provisions, specifications and descriptive words
not inconsistent with the provisions of this Resolution as may be neces-
sary or desirable to comply with custom, or otherwise, as may be
determined by the Corporation prior to the delivery thereof.

303. **Execution and Authentication.** (1) The Bonds shall be ex-
cuted in the name of the Corporation by the manual or facsimile
signature of its Chairman or other Authorized Officer and its corporate
seal (or a facsimile thereof) shall be thereunto affixed, imprinted, en-
graved or otherwise reproduced, and attested by the manual or a fac-
simile signature of such officer or employee of the Corporation as
shall be authorized and directed pursuant to the Series Resolution
authorizing the issuance thereof, or in such other manner as may be
required by law. In case any one or more of the officers or employees
who shall have signed or sealed any of the Bonds shall cease to be such
officer or employee before the Bonds so signed and sealed shall have
been actually authenticated and delivered by the Trustee, such Bonds
may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices or be so employed. Any Bond of a Series may be signed and sealed on behalf of the Corporation by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in or employment by the Corporation, although at the date of the Bonds of such Series such persons may not have been so authorized or have held such office or employment.

(2) The coupons to be attached to the coupon Bonds of each Series shall be signed by the facsimile signature of the present or any future Chairman of the Corporation, or in such other manner as may be required by law, and the Corporation may adopt and use for that purpose the facsimile signature of any person or persons who shall have been Chairman of the Corporation at any time on or after the date of the Bonds of such Series, notwithstanding that he may not have been such Chairman at the date of any such Bond or may have ceased to be such Chairman at the time when any such Bond shall be actually authenticated and delivered.

(3) The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the Series Resolution authorizing such Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Bond and no coupon thereunto appertaining shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Corporation shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the Holder thereof is entitled to the benefits thereof.

(4) Except as otherwise provided in Section 309, the Trustee, before authenticating and delivering any coupon Bonds, shall cut off, cancel and destroy all matured coupons thereto attached, except matured coupons for which payment in full has not been provided; provided, however, that when coupon Bonds are issued in exchange for registered Bonds of any Series upon which interest is in default, as shown by the records of the Trustee, such coupon Bonds shall have attached thereto
all coupons maturing after the date to which interest has been paid in full, as shown by the records of the Trustee, and in case any interest installments shall have been paid in part, appropriate notation shall be made on the coupons to evidence such fact.

304. **Interchangeability of Bonds.** Coupon 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 Bonds of the same Series and maturity of any of the authorized denominations.

Registered 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 coupon Bonds of the same Series and maturity with appropriate coupons attached, or of registered Bonds of the same Series and maturity of any other authorized denominations.

305. **Negotiability, Transfer and Registry.** All the Bonds issued under this Resolution shall be negotiable as provided in the Act, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Corporation shall maintain and keep, at the corporate trust office of the Trustee, books for the registration and transfer of Bonds; and, upon presentation thereof for such purpose at said office, the Corporation shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any Bond entitled to registration or transfer. So long as any of the Bonds remain Outstanding, the Corporation shall make all necessary provisions to permit the exchange of Bonds at the corporate trust office of the Trustee.

306. **Transfer and Registration of Coupon Bonds.** All coupon Bonds shall pass by delivery, unless registered as to principal other than to bearer in the manner provided in this Section 306. Any coupon Bond may be registered as to principal on the books of the Corporation at the corporate trust office of the Trustee, upon presentation
thereof at said office and the payment of a charge sufficient to reimburse the Corporation or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such registration, and such registration shall be noted on such Bond. After said registration no transfer thereof 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 on such Bond; but such Bond may be discharged from registration by being in like manner transferred to bearer, after which it shall again become transferable by delivery. Thereafter such Bond may again, from time to time, be registered or discharged from registration in the same manner. Registration of any coupon Bond as to principal, however, shall not affect the negotiability by delivery of the coupons appertaining to such Bond, but every such coupon shall continue to pass by delivery and shall remain payable to bearer.

As to any coupon Bond registered as to principal other than to bearer the person in whose name the same shall be registered upon the books of the Corporation may be deemed and treated as the absolute owner thereof, whether such Bond shall be overdue or not, for all purposes, except for the purpose of receiving payment of coupons; and payment of, or on account of, the principal or Redemption Price, if any, of such Bond shall be made only to, or upon the order of, such registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Corporation, the Trustee and any Paying Agent may deem and treat the bearer of any coupon as the absolute owner thereof, whether such coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and may deem and treat the bearer of any coupon Bond which shall not at the time be registered as to principal other than to bearer, or the person in whose name any coupon Bond for the time being shall be registered upon the books of the Corporation, as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal or Redemption Price thereof and for all other purposes whatsoever except for the purpose of receiving payment of coupons, and neither the Corporation, nor the Trustee nor any Paying Agent shall be affected by any notice to the contrary. The Corporation agrees to indemnify and save the Trustee and each Paying Agent harmless from
and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such bearer or registered owner.

307. Transfer of Registered Bonds. Each registered Bond shall be transferable only upon the books of the Corporation, which shall be kept for the purpose at the corporate trust office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such registered Bond, the Corporation shall issue in the name of the transferee a new registered Bond or Bonds or, at the option of the transferee, coupon Bonds, with appropriate coupons attached, of the same aggregate principal amount and Series and maturity as the surrendered Bond.

The Corporation and the Trustee may deem and treat the person in whose name any Outstanding registered Bond shall be registered upon the books of the Corporation as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary. The Corporation agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

308. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Bonds or transferring registered Bonds is exercised, the Corporation shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All Bonds and coupons surrendered in any such exchanges or transfers shall forthwith be cancelled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, the Corporation or the Trustee may make a charge sufficient to re-
imburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Resolution, the cost of preparing each new coupon Bond or registered Bond upon each exchange or transfer, and any other expenses of the Corporation or the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the Corporation as an Operating Expense. The Corporation shall not be obliged to make any such exchange or transfer of Bonds of any Series during the ten (10) days next preceding an interest payment date on the Bonds of such Series or, in the case of any proposed redemption of Bonds of such Series, next preceding the date of the selection of Bonds to be redeemed.

309. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Corporation shall execute and the Trustee shall authenticate and deliver a new Bond (with appropriate coupons attached in the case of coupon Bonds) of like Series, maturity and principal amount as the Bond and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and coupons, if any, destroyed, stolen or lost, upon filing with Corporation evidence satisfactory to the Corporation and the Trustee that such Bond and attached coupons, if any, have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Corporation and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Corporation and the Trustee may prescribe and paying such expenses as the Corporation and the Trustee may incur in connection therewith. All Bonds and coupons so surrendered to the Trustee shall be cancelled by it and evidence of such cancellation shall be given to the Corporation.

310. Preparation of Definitive Bonds; Temporary Bonds. The definitive Bonds of each Series shall be lithographed or printed on steel engraved borders. Until the definitive Bonds of any Series are prepared, the Corporation may execute, in the same manner as is provided in Section 303, and upon the request of the Corporation, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the
same provisions, limitations and conditions as the definitive coupon Bonds, except as to the denominations thereof and as to exchangeability for registered Bonds, one or more temporary Bonds (which may be registrable as to principal and interest), substantially of the tenor of the definitive coupon Bonds in lieu of which such temporary Bond or Bonds are issued, but with or without coupons, in authorized denominations or any whole multiples thereof authorized by the Corporation, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds in bearer form shall be payable only upon the presentation and surrender of the coupons therefor attached thereto or, if no coupons for such interest are attached thereto, then only upon presentation of such temporary Bonds for notation thereon of the payment of such interest. The Corporation at its own expense shall prepare and execute and, upon the surrender at the corporate trust office of the Trustee of such temporary Bonds, with all unmatured coupons, if any, and all matured coupons, if any, for which no payment or only partial payment has been provided, attached, for exchange and the cancellation of such surrender temporary Bonds and coupons, the Trustee shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, at the corporate trust office of the Trustee, definitive coupon Bonds, with appropriate coupons attached, or, at the option of the Holder, definitive registered Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Resolution.

All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

ARTICLE IV
Redemption of Bonds

401. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to the provisions of a Series Resolution shall be redeemable, upon published notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms as may be specified in the Series Resolution authorizing such Series.
402. **Redemption at the Election or Direction of the Corporation.** In the case of any redemption of Bonds other than as provided in Section 403, the Corporation shall give written notice to the Trustee of its election or direction so to redeem, of the redemption date, of the Series, of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained in the Act or this Resolution and any Series Resolution) and of the monies to be applied to the payment of the Redemption Price. Such notice shall be given at least sixty (60) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 405 provided, the Trustee, if it holds the monies to be applied to the payment of the Redemption Price, or otherwise the Corporation, shall, prior to the redemption date, pay to the Trustee and the appropriate Paying Agent or Paying Agents an amount in cash which, in addition to other monies, if any, available therefor held by the Trustee and such Paying Agent or Paying Agents, will be sufficient to redeem, on the redemption date at the Redemption Price thereof, together with interest accrued to the redemption date, all of the Bonds to be redeemed. The Corporation shall promptly notify the Trustee in writing of all such payments made by the Corporation to a Paying Agent.

403. **Redemption Other Than at Corporation’s Election or Direction.** Whenever by the terms of this Resolution the Trustee is required to redeem Bonds other than at the election or direction of the Corporation, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay the Redemption Price thereof, together with interest accrued to the redemption date, to itself and the appropriate Paying Agents in accordance with the terms of this Article IV and, to the extent applicable, the provisions of Section 605.

404. **Selection of Bonds to Be Redeemed by Lot.** In the event of redemption of less than all of the Outstanding Bonds of like Series and maturity, the Trustee shall assign to each such Outstanding registered Bond of the Series and maturity to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest
denomination of the coupon Bonds of such Series and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers of all such coupon Bonds then Outstanding and the numbers assigned to such registered Bonds as many numbers as, at such unit amount equal to the lowest denomination of coupon Bonds of such Series for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (a) individually or (b) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination of the coupon Bonds of such Series, by the numbers assigned thereto as in this Section 404 provided) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed shall be the coupon Bonds bearing the numbers so selected and the registered Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such registered Bond of a denomination of more than the lowest denomination of the coupon Bonds of such Series shall be redeemed as shall equal the lowest denomination of the coupon Bonds of such Series for each number assigned to it and so selected.

405. Notice of Redemption. When the Trustee shall receive notice from the Corporation of its election or direction to redeem Bonds pursuant to Section 402, and when redemption of Bonds is required by this Resolution pursuant to Section 403, the Trustee shall give notice, in the name of the Corporation, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of registered Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed. Such notice shall further state
that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of registered Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be given by publication once a week for at least two (2) successive weeks in an Authorized Newspaper, the first such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. In case, by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible to make publication of any required notice as herein provided, then such publication or other notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice, provided that such publication or other notice shall, so far as may be possible, approximate the terms and conditions of the publication in lieu of which it is given. The Trustee shall also mail a copy of such notice, postage prepaid, not less than thirty (30) days before the redemption date, to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books, but such mailing 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 Bonds.

406. Payment of Redeemed Bonds. Notice having been given by publication in the manner provided in Section 405, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the offices specified in such notice, together with, in the case of Bonds registered other than to bearer presented by other than the registered owner, a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, and, in the case of coupon Bonds, all appurtenant coupons maturing subsequent to the redemption date, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date not represented by coupons for matured interest installments. All interest installments represented by coupons which shall have matured on or prior to the redemption date shall continue to be payable to the bearers of such coupons. If there
shall be drawn for redemption less than all of a registered Bond, the Corporation shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the registered Bond so surrendered, at the option of the owner thereof, either coupon Bonds or registered Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, monies for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the redemption date, shall be held by the Trustee and Paying Agents so as to be available therefor on said date and if notice of redemption shall have been published as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue, and the coupons for interest appertaining thereto maturing subsequent to the redemption date shall be void. If said monies shall not be available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE V

CUSTODY AND APPLICATION OF CERTAIN PROCEEDS OF BONDS

501. Application of Certain Proceeds. (1) The Corporation shall apply the amount of the proceeds derived from the sale of each Series of Bonds as shall be specified in the Series Resolution authorizing such Series.

(2) Accrued interest, if any, received upon the delivery of such Series of Bonds shall be deposited in the Debt Service Fund. The amount received as a premium over the principal amount of such Series of Bonds, if any, upon the delivery of such Series shall be applied as provided in the Series Resolution authorizing such Series.

ARTICLE VI

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

601. The Pledge Effectuated by the Resolution. The proceeds of sale of the Bonds, the Revenues, and all funds (other than the Operating Fund) established by the Resolution, and other monies and securities referred to herein (other than monies and securities in the Operating
Fund) are hereby pledged for the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, provided, however, nothing aforesaid shall be construed to preclude, subject to the provisions of Section 605 and Section 607, the right of the Corporation to grant an equal lien on all revenues, moneys and securities in the Debt Service Fund to secure the payment of principal of and interest on Notes and interest on Other Obligations. This pledge shall be valid and binding from and after the time of adoption of this Resolution, and the proceeds of sale of the Bonds, the Revenues as received by the Corporation, all funds and other monies and securities herein pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Corporation irrespective of whether such parties have notice thereof.

602. Establishment of Funds. The following funds are hereby established:

(1) Operating Fund, to be held by the Corporation,
(2) Debt Service Fund, to be held by the Trustee,
(3) Capital Reserve Fund, to be held by the Trustee.

603. Application of Payments. The payments received in accordance with subdivision 1 of Section 3036 of the Act shall be applied to the Operating Fund, the Debt Service Fund and to the Capital Reserve Fund in accordance with certificates of the Chairman pursuant to which the payment is made, provided, however, that if the amount of the payment is less than the amount certified, the payment shall be applied pro rata to the respective Funds on the basis of the respective amounts certified. No Revenues received as such payments shall be deposited in the Operating Fund.

604. Operating Fund. The Corporation shall pay out of the Operating Fund the amounts required for the payment of Operating Expenses.

605. Debt Service Fund.

1. The Trustee shall on or before the business day preceding each interest payment date for any of the Bonds or any of the outstanding Notes pay, out of the amounts then held in the Debt Service Fund, to
itself and the Paying Agents, the amounts respectively required for the payment of principal, Sinking Fund Installments, if any, and Redemption Price of, if any, and interest on any Bonds or Notes due and payable on such date, and shall at the direction of an Authorized Officer pay to itself or the Paying Agents or paying agents for payment of interest on Other Obligations such amount as shall be necessary, in the opinion of the Corporation, to pay such interest on Other Obligations becoming due and payable and such amounts so paid out shall be irrevocably pledged to and applied to such payments; provided, however, in the event that amounts are withdrawn from the Capital Reserve Fund pursuant to paragraph 2 of this Section and deposited in the Debt Service Fund, such amounts shall be used only for the purpose of paying principal of and interest on the Bonds.

2. In the event that on the business day preceding any interest payment date, the amount in the Debt Service Fund shall be less than the amounts respectively required for payment of interest on the Outstanding Bonds and for the payment of the principal and Sinking Fund Installments of the Outstanding Bonds of any Series due and payable on such interest payment date, the Trustee shall withdraw from the Capital Reserve Fund and deposit into the Debt Service Fund such amounts as will increase the amount in the Debt Service Fund to an amount sufficient to make such payment or payments.

3. As soon as practicable after the 45th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, pursuant to Section 403 hereof on such due date, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established in such amount as shall be necessary to complete the retirement of the principal amount specified for such Sinking Fund Installment of the Term Bonds of such Series and maturity. The Trustee shall so call such Term Bonds for redemption whether or not it then has monies in the Debt Service Fund sufficient to pay the applicable principal amount thereof, together with interest thereon to the redemption date. The Trustee shall pay out of the Debt Service Fund to the appropriate Paying Agents, on the day preceding each such redemption date, the amount required for the redemption of the Term Bonds so called for redemption, and such amount shall be applied by such Paying Agents to such redemption.

4. The Corporation may, at any time subsequent to the second day of February of any year but in no event less than forty-five (45) days prior to the succeeding first day of February on which a Sinking Fund Installment is scheduled to be due, direct the Trustee to purchase, with
monies in the Debt Service Fund, at a price not in excess of par, plus unpaid interest accrued to the date of such purchase, Term Bonds payable from such Sinking Fund Installment and any Term Bonds so purchased prior to the first day of February shall be cancelled by the Trustee and the aggregate principal amount of the Term Bonds so purchased shall be credited against the Sinking Fund Installment due on such first day of February.

606. Capital Reserve Fund.

1. The Corporation shall deposit into the Capital Reserve Fund (i) all monies paid to the Corporation pursuant to subdivisions 1 and 4 of Section 3036 of the Act for the purpose of maintaining or restoring the amount in the Capital Reserve Fund to the amount of the Capital Reserve Fund Requirement; (ii) such portion of the proceeds of sale of Bonds, if any, as shall be prescribed by Series Resolution; and (iii) any other monies which may be made available to the Corporation for the purposes of the Capital Reserve Fund from any other source or sources.

2. Monies and securities held for the credit of the Capital Reserve Fund shall be withdrawn by the Trustee and deposited to the credit of the Debt Service Fund at the times and in the amounts required to comply with the provisions of paragraph 2 of Section 605. At any time after December 31, 1980, monies and securities in the Capital Reserve Fund in excess of the Capital Reserve Fund Requirement, upon direction of the Corporation, may be withdrawn by the Trustee and deposited to the credit of the Debt Service Fund.

3. In order further to assure the maintenance of the Capital Reserve Fund in an amount equal to the Capital Reserve Fund Requirement and in compliance with the requirements of subdivision 4 of Section 3036 of the Act, the Chairman shall annually, on or before December 1, make and deliver to the Governor and Director of the Budget of the State (with a copy to the Trustee) his certificate stating the sum, if any, required to restore the Capital Reserve Fund to an amount equal to the Capital Reserve Fund Requirement. All monies received by the Corporation from the State pursuant to any such certification, in accordance with the provisions of subdivision 4 of Section 3036 of the Act, as amended, shall be deposited in the Capital Reserve Fund, as required by paragraph 1 of this Section 606.
607. Certificate to the State Comptroller and to the Mayor of The City of New York. In order to assure the maintenance of the Operating Fund, the Debt Service Fund and the Capital Reserve Fund, not less than one hundred and twenty days before the beginning of each Fiscal Year (but prior to February 12 in each calendar year) (but not later than July 1, 1975 for the Fiscal Year ending June 30, 1976), the Chairman shall certify to the State Comptroller and to the Mayor (with a copy to the Trustee) a schedule setting forth the cash requirements of the Corporation for such Fiscal Year and the time or times when such cash is required, which certification shall be revised from time to time as required. The total amount so certified by such Chairman for such Fiscal Year shall be equal to: (i) the amounts which are required to be deposited in the Capital Reserve Fund during such Fiscal Year in order to maintain the Capital Reserve Fund at the Capital Reserve Fund Requirement; (ii) the amounts required to be deposited in the Debt Service Fund to pay all interest on and all payments of principal, Sinking Fund Installments, if any, and Redemption Price, if any, of Bonds or Notes maturing or otherwise coming due during such Fiscal Year and the interest on Other Obligations maturing or otherwise becoming due during such Fiscal Year; and (iii) the amounts required to be deposited in the Operating Fund as determined by the Corporation, to meet the Operating Expenses of the Corporation during such Fiscal Year. In order further to secure the obligations of the Corporation, including the Bonds, each quarterly payment (to be made on or before April 12, June 30, October 12 and January 12) by the State Comptroller to the Corporation in accordance with such certification, shall be an amount, after taking into account monies then in the Debt Service Fund and available for the purposes of such Fund during such Fiscal Year, not less than the sum of (A) 50% of the interest on all outstanding Bonds, Notes or Other Obligations the interest on which is payable from the Debt Service Fund of the Corporation payable within six months after the end of the quarterly period for which such payment is made plus (B) 25% of the principal and premium, if any, on all Bonds, Notes and Sinking Fund Installments of the Corporation payable within one year after the end of the quarterly period for which such payment is made and of such amount, if any, as may be required to be paid into the Capital Reserve Fund during the Fiscal Year of which such quarterly period is a part. If any increase shall occur in the cash requirements specified above, or if payments are
required at a time or times earlier than previously certified or if the City shall for any reason fail to make timely payment of the principal and accrued interest due on any obligation issued by the City to the Corporation and maturing within the same Fiscal Year, the Chairman shall certify a revised schedule of cash requirements for such Fiscal Year to the State Comptroller and to the Mayor (with a copy to the Trustee). The schedule accompanying each certification (or revision thereof) shall provide for such payment dates as the Corporation deems appropriate to assure that sufficient funds will be available to meet the obligations of the Corporation as they become due. The Chairman shall exclude from consideration in making any such certification with respect to the funds required by the Corporation for payment of principal of or interest on the Bonds or Notes, or interest on Other Obligations, any amounts due to be received as payment of principal of or interest on obligations of the City held by the Corporation.

ARTICLE VII

Security for Deposits and Investment of Funds

701. Security for Deposits. All moneys held hereunder by the Trustee shall be continuously and fully secured, for the benefit of the Corporation and the Holders of the Bonds by direct obligations of the State or of the United States of America or obligations the principal and interest of which are guaranteed by the State or the United States of America of a market value equal at all times to the amount of the deposit so held by the Trustee; provided, however, (a) that if the securing of such moneys is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, and (b) that it shall not be necessary for the Trustee or any Paying Agent to give security for the deposit of any moneys with them held in trust for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any moneys which shall be represented by obligations purchased under the provisions of this Resolution as an investment of such moneys.

702. Investment of Funds and Accounts Held by the Trustee.

(1) Moneys in the Debt Service Fund and the Capital Reserve Fund shall, as nearly as may be practicable, be invested by the Trustee
upon direction of the Corporation in writing, signed by an Authorized Officer (which direction shall specify the amount thereof to be so invested and the Corporation in issuing such direction shall take into consideration the dates and times when monies in such Fund will be required for the purposes of this Resolution) in (a) direct obligations of the United States of America, direct obligations of the State or obligations the principal and interest of which are guaranteed by the United States of America or the State, (b) any bond, debenture, note, participation or other similar obligation issued by any of the following Federal agencies: Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Tennessee Valley Authority, Farmers’ Home Administration and Export-Import Bank, (c) if permitted by law, any bond, debenture, note, participation or other similar obligation issued by the Federal National Mortgage Association to the extent such obligations are guaranteed by the Government National Mortgage Association, and (d) any other obligation of the United States of America or any Federal agencies which may then be purchased with funds belonging to the State of New York or held in the State treasury. The maturity or redemption date at the option of the holder of any such investment shall coincide as nearly as practicable with but in no event later than the times at which monies in the Debt Service Fund and Capital Reserve Fund will be required for the purposes in this Resolution provided.

(2) Obligations purchased as an investment of monies in any fund or account held by the Trustee under the provisions of this Resolution shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be retained in, credited or charged, as the case may be, to such fund or account.

(3) In computing the amount in any fund or account held by the Trustee under the provisions of this Resolution, excepting the Capital Reserve Fund, obligations purchased as an investment of monies therein shall be valued at the cost or market price thereof, whichever is lower, inclusive of accrued interest. In computing the amount of the Capital Reserve Fund, obligations purchased as an investment of monies therein shall be valued at par if purchased at par or at Amortized Value if purchased at other than par. Amortized Value, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by
dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated for each interest payment date after such purchase from the purchase price in the case of an obligation purchased at a premium and adding the amount thus calculated for each interest payment date after such purchase to the purchase price in the case of an obligation purchased at a discount. Valuation on any particular date shall include the amount of interest then earned or accrued to such date on any monies or investments in the Capital Reserve Fund.

(4) Except as otherwise provided in the Resolution, the Trustee shall sell at the best price obtainable, or present for redemption or exchange, any obligation purchased by it as an investment pursuant to this Resolution whenever it shall be necessary in order to provide monies to meet any payment or transfer from the fund or account for which such investment was made. The Trustee shall advise the Corporation in writing, on or before the twentieth day of each calendar month, of the details of all investments held for the credit of each fund and account in its custody under the provisions of this Resolution as of the end of the preceding month.

(5) In lieu of the investments of monies in obligations authorized in paragraph (1) above, the Trustee shall, to the extent permitted by the Act then in effect, upon direction of the Corporation in writing, signed by an Authorized Officer, deposit monies from any fund or account held by the Trustee under the terms of this Resolution, in interest-bearing time deposits, or shall make other similar banking arrangements, with itself or a member bank or banks of the Federal Reserve System or banks the deposits of which are insured by the Federal Deposit Insurance Corporation; provided, that no monies in such funds or accounts shall be so deposited unless the recipient of such deposit shall certify in writing to the Corporation and the Trustee, upon the making of each such deposit or arrangement, that the interest to be earned thereon will be in excess of the interest, income or increment that would be earned by the investment of such monies in accordance with the requirements of paragraph (1) above in direct obligations of the United States of America or of the State or obligations the principal and interest of which are guaranteed by the United States of America or by the State at the then current mar-
ket prices; provided further, that each such interest-bearing time deposit or other similar banking arrangement shall permit the monies so placed to be available for use at the times provided with respect to the investment or reinvestment of such monies; and provided further, that all monies in each such interest-bearing time deposit or other similar banking arrangement shall be continuously and fully secured by direct obligations of the United States of America or of the State or obligations the principal and interest of which are guaranteed by the United States of America or by the State, of a market value equal at all times to the amount of the deposit or of the other similar banking arrangement.

(6) No part of the proceeds of any Series of Bonds or any other funds of the Corporation shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an “arbitrage bond” as defined in subsection (d)(2) of section 103 of the Internal Revenue Code of 1954 [Title 26 of the United States Code] as then in effect and to be subject to treatment under subsection (d)(1) of said section as an obligation not described in subsection (a) of said section.

703. Liability of Trustee for Investments. The Trustee shall not be liable or responsible for the making of any investment authorized by the provisions of this Article, in the manner provided in this Article, or for any loss resulting from any such investment so made.

ARTICLE VIII
THE TRUSTEE AND THE PAYING AGENTS

801. Appointment and Acceptance of Duties of Trustee. United States Trust Company of New York, in the City, County and State of New York, is hereby appointed as Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by written instrument of acceptance deposited with the Corporation.

802. Appointment and Acceptance of Duties of Paying Agents. The Corporation shall appoint one or more Paying Agents for the Bonds of any Series in the Series Resolution authorizing such Bonds or shall appoint such Paying Agent or Paying Agents by resolution of
the Corporation adopted prior to the authentication and delivery of such Bonds, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 812 for the appointment of a successor Paying Agent. The Trustee may be appointed to act as Paying Agent notwithstanding that it may then be acting in the capacity of Trustee.

Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by written instrument of acceptance deposited with the Corporation and the Trustee.

The corporate trust offices of the Paying Agents are hereby designated as the respective agencies of the Corporation for the payment of the interest on and principal or Redemption Price of the Bonds, except that interest on all registered Bonds and the principal and Redemption Price of all registered Bonds and of all coupon Bonds registered as to principal shall be payable at the corporate trust office of the Trustee.

803. Responsibilities of Trustee and Paying Agents. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Corporation and neither the Trustee nor any Paying Agent assumes any responsibility for the correctness of the same. Neither the Trustee nor any Paying Agent shall be deemed to make any representations as to the validity or sufficiency of this Resolution or of any Bonds or coupons issued hereunder or in respect of the security afforded by this Resolution, and neither the Trustee nor any Paying Agent shall incur any responsibility in respect thereof. Neither the Trustee nor any Paying Agent shall be under any responsibility or duty with respect to the issuance of the Bonds for value or the application of the proceeds thereof or the application of any monies paid to the Corporation. Neither the Trustee nor any Paying Agent shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own monies, unless properly indemnified. Neither the Trustee nor any Paying Agent shall be liable in connection with the performance of its duties hereunder except for its own negligence or default. Neither the Trustee nor any Paying Agent shall be under any responsibility or duty with respect to the application of any monies paid to any one of the others.
804. Evidence on Which Fiduciaries May Act. The Trustee and any Paying Agent shall be protected in acting upon any notice, direction, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee and any Paying Agent may consult with counsel, who may or may not be of counsel to the Corporation, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

Whenever the Trustee or any Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Resolution, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Resolution upon the faith thereof, but in its discretion the Trustee or any Paying Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

Except as otherwise expressly provided in this Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Corporation to the Trustee or any Paying Agent shall be sufficiently executed if executed in the name of the Corporation by an Authorized Officer.

805. Compensation. The Corporation shall pay to the Trustee and to each Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution, and the Trustee and each Paying Agent shall have a lien thereon on any and all monies in the Operating Fund. The Corporation further agrees to indemnify and save the Trustee and each Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or default.
806. **Permitted Acts and Functions.** The Trustee and any Paying Agent may become the owner of any Bonds and coupons, with the same rights it would have if it were not such Trustee or Paying Agent. The Trustee and any Paying Agent may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

807. **Resignation of Trustee.** The Trustee may at any time resign and be discharged of the duties and obligations created by this Resolution by giving not less than sixty (60) days' written notice to the Corporation and publishing notice thereof, specifying the date when such resignation shall take effect, once in an Authorized Newspaper, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed, as provided in Section 809, in which event such resignation shall take effect immediately on the appointment of such successor.

808. **Removal of Trustee.** The Trustee shall be removed by the Corporation if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Corporation, and signed by the Holders of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Corporation.

809. **Appointment of Successor Trustee.** In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, the Corporation covenants and agrees that it will thereupon appoint a successor Trustee. The Corporation shall publish notice of any such appointment made by it in an Authorized Newspaper, such publication to be made within twenty (20) days after such appointment.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Corpo-
ration written notice, as provided in Section 807, or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee appointed under the provisions of this Section 809 in succession to the Trustee shall be a bank or trust company organized under the laws of the State of New York, or a national banking association doing business and having its principal office in such State, and having a capital and surplus aggregating at least Fifty Million Dollars ($50,000,000) if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

810. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Corporation, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all monies, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Corporation, or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Corporation be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Corporation. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.
811. **Merger, Conversion or Consolidation.** Any company into which the Trustee or any Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee or any Paying Agent may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Trustee or Paying Agent without the execution or filing of any paper or the performance of any further act, provided with respect to the Trustee that such company shall be a bank or trust company organized under the laws of any states of the United States or the District of Columbia or a national banking association and shall have an office for the transaction of its business in any of such states or the District of Columbia and shall be authorized by law to perform all the duties imposed upon it by this Resolution.

812. **Resignation or Removal of the Paying Agents and Appointment of Successors.** Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' written notice to the Corporation and Trustee. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the Corporation. Any successor Paying Agent shall be appointed by the Corporation and (subject to the requirements of Section 903) shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association, having a capital and surplus aggregating at least Three Million Dollars ($3,000,000), and willing and able to accept the office of Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Resolution.

In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any monies held by it to its successor, or if there be no successor then appointed, to the Trustee until such successor be appointed.

**ARTICLE IX**

**Covenants of the Corporation**

The Corporation covenants and agrees with the Holders of the Bonds and coupons as follows:

901. **Payment of Bonds.** The Corporation shall duly and punctually pay or cause to be paid the principal or Redemption Price, if any,
of every Bond and the interest thereon, at the dates and places and in
the manner provided in the Bonds and in the coupons thereunto apper-
taining, according to the true intent and meaning thereof, and shall
duly and punctually pay or cause to be paid all Sinking Fund Install-
ments, if any, becoming payable with respect to any Series of Bonds.
All such payments, to the extent not paid when due and payable, shall
continue to be due and payable and, accordingly, shall be deemed to be
becoming due until the same shall be paid.

902. Extension of Payment of Bonds and Coupons. The Corpor-
oration shall not directly or indirectly extend or assent to the extension
of the maturity of any of the Bonds or the time of payment of any of
the coupons or claims for interest by the purchase or funding of such
Bonds, coupons or claims for interest or by any other arrangement and
in case the maturity of any of the Bonds or the time for payment of
any such coupons or claims for interest shall be extended, such Bonds,
coupons or claims for interest shall not be entitled in case of any
default under this Resolution to the benefit of this Resolution or to
any payment out of any assets of the Corporation or the funds (except
funds held in trust for the payment of particular Bonds, coupons or
claims for interest pursuant to this Resolution) held by the Trustee or
any Paying Agent, except subject to the prior payment of the principal
of all Bonds issued and Outstanding the maturity of which has not been
extended and of such portion of the accrued interest on the Bonds as
shall not be represented by such extended coupons or claims for inter-
est. Nothing herein shall be deemed to limit the right of the Corpora-
tion to issue Bonds of a Refunding Issue as provided in Section 203
and such issuance shall not be deemed to constitute an extension of
maturity of Bonds or the time of payment of any of the coupons or
claims for interest.

903. Offices for Payment and Registration of Bonds and Coupons.
The Corporation shall at all times maintain an office or agency in the
Borough of Manhattan, City and State of New York where Bonds and
coupons may be presented for payment. The Corporation may pur-
suant to a Series Resolution or pursuant to resolution adopted in
accordance with Section 802 designate an additional Paying Agent or
Paying Agents where Bonds and coupons of the Series authorized
thereby or referred to therein may be presented for payment. The
Corporation shall at all times maintain an office or agency in the Bor-
ough of Manhattan, City and State of New York, where Bonds may be
presented for registration, transfer or exchange and the Trustee is hereby appointed as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds.

904. Further Assurances. At any and all times the Corporation shall, so far as it may be authorized or permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning, confirming and effecting all and singular the rights, Revenues and other monies, securities and funds hereby pledged or assigned, or intended so to be, or which the Corporation may hereafter become bound to pledge or assign. The Corporation further covenants that it shall cause the Chairman to make and deliver the certificates referred to in sub-section 3 of Section 606 and Section 607 hereof at the times required therein and shall cause the amounts received to be deposited in the appropriate Funds, respectively.

905. Power to Issue Bonds and Make Pledges. The Corporation is duly authorized pursuant to law to create and issue the Bonds and to adopt this Resolution and to pledge the Revenues and other monies, securities and funds purported to be pledged by this Resolution in the manner and to the extent provided in this Resolution. The Revenues and other monies, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by this Resolution, and all corporate action on the part of the Corporation to that end has been duly and validly taken. The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms of this Resolution. The Corporation shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other monies, securities and funds pledged under this Resolution and all the rights of the Bondholders under this Resolution against all claims and demands of all persons whomsoever.

906. Agreement of the State. In accordance with the provisions of Section 3015 of the Act, the Corporation hereby includes in this Resolution the pledge of and agreement with the Holders of the Bonds that the State will not limit or alter the rights vested pursuant to the Act in the Corporation to fulfill the terms of any agreements made with
Bondholders, or in any way impair the rights and remedies of such Holders until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully paid and discharged.

907. Creation of Liens. The Corporation shall not issue any bonds or other evidences of indebtedness, other than the Bonds, secured by a pledge of the revenues, monies and securities in the Capital Reserve Fund, and shall not create or cause to be created any lien or charge prior to the Bonds on revenues, monies and securities in the Debt Service Fund.

908. Accounts and Reports. The Corporation shall keep or cause to be kept proper books of record and account in which complete and correct entries shall be made for its transactions relating to all Funds established by this Resolution which shall at all reasonable times be subject to the inspection of the Holders of an aggregate of not less than five per cent (5%) in the principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

909. General. The Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions of the Act as then in effect and the Resolution in accordance with the terms of such provisions.

Upon the date of issuance of any of the Bonds, all conditions, acts 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 such Bonds, shall exist, have happened and have been performed and the issue of such Bonds, together with all other indebtedness of the Corporation, shall be within every debt and other limit prescribed by the laws of said State.

If the Corporation shall exercise its power to limit the implementation of the conditions set forth in Section 3038 of the Act or thereafter to permit such conditions to be further limited, any such action shall be taken by resolution of the Board. When so acting the Board shall make a determination that any such limitation is not so substantial as effectively to constitute a waiver of any of the conditions in Section 3038, or shall make a determination that the conditions shall impose a further condition on the City which determination shall be conclusive and binding upon the holders of the Bonds and the Trustee. A copy
of such resolution shall promptly be delivered to the Trustee and to the Governor, the State Legislature, the State Comptroller, the Mayor, the Board of Estimate, the City Council and the City Comptroller and promptly be published by the Corporation.

ARTICLE X

SERIES RESOLUTIONS AND SUPPLEMENTAL RESOLUTIONS

1001. Modification and Amendment Without Consent. Notwithstanding any other provisions of this Article X, or Article XI, the Corporation may adopt at any time or from time to time Series Resolutions or Supplemental Resolutions for any one or more of the following purposes, and any such Series Resolution or Supplemental Resolution shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer:

(1) To provide for the issuance of a Series of Bonds pursuant to the provisions of this Resolution and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;

(2) To add additional covenants and agreements of the Corporation for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Corporation contained in this Resolution;

(3) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Corporation which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(4) To surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms of this Resolution, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in this Resolution;

(5) To confirm as further assurance any pledge under and the subjection to any lien, claim or pledge created or to be created by the provisions of this Resolution, of the Revenues or of any other monies, securities or funds;

(6) To modify any of the provisions of this Resolution or any previously adopted Series Resolution in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the date of adop-
tion of such Series Resolution or Supplemental Resolution shall cease to be Outstanding, and all Bonds issued under such resolutions shall contain a specific reference to the modifications contained in such subsequent resolutions; or

(7) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in this Resolution or to insert such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable in the event any such modifications are not contrary to or inconsistent with this Resolution as theretofore in effect.

1002. Supplemental Resolutions Effective With Consent of Bondholders. The provisions of this Resolution may also be modified or amended at any time or from time to time by a Supplemental Resolution, subject to the consent of Bondholders in accordance with and subject to the provisions of Article XI hereof, such Supplemental Resolution to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer.

1003. General Provisions Relating to Series Resolutions and Supplemental Resolutions. This Resolution shall not be modified or amended in any respect except in accordance with and subject to the provisions of this Article X and Article XI. Nothing contained in this Article X or Article XI shall affect or limit the rights or obligations of the Corporation to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of Section 904 or the right or obligation of the Corporation to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in this Resolution provided or permitted to be delivered to the Trustee or any Paying Agent.

A copy of every Series Resolution and Supplemental Resolution adopted by the Corporation when filed with the Trustee shall be accompanied by a Counsel’s Opinion stating that such Series Resolution or Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of this Resolution, is authorized or permitted by this Resolution and is valid and binding upon the Corporation and enforceable in accordance with its terms.

The Trustee is hereby authorized to accept delivery of a certified copy of any Series Resolution or Supplemental Resolution permitted or authorized pursuant to the provisions of this Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying
on Counsel’s Opinion that such Series Resolution or Supplemental Resolution is authorized or permitted by the provisions of this Resolution.

No Series Resolution or Supplemental Resolution changing, amending or modifying any of the rights or obligations of the Trustee or of any Paying Agent may be adopted by the Corporation without the written consent of the Trustee or Paying Agent affected thereby.

ARTICLE XI

AMENDMENTS OF RESOLUTIONS

1101. Powers of Amendment. Any modification or amendment of this Resolution and of the rights and obligations of the Corporation and of the Holders of the Bonds and coupons hereunder, in any particular, may be made by a Supplemental Resolution, with the written consent given as hereinafter provided in Section 1102, (a) of the Holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least two-thirds in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, or (c) in case the modification or amendment changes the amount or date of any Sinking Fund Installment, of the Holders of at least two-thirds in principal amount of the Bonds of the particular Series, maturity and interest rate entitled to such Sinking Fund Installment Outstanding at the time such consent is given; 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 any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of this Section, a Series shall be deemed to be affected
by a modification or amendment of this Resolution if the same adversely affects or diminishes the rights of the Holders of Bonds and coupons of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing provisions Bonds of any particular Series or maturity would be affected by any modification or amendment of this Resolution and any such determination shall be binding and conclusive on the Corporation and all Holders of Bonds. The Trustee may receive an opinion of counsel, including Counsel's Opinion, as conclusive evidence as to whether Bonds of any particular Series or maturity would be so affected by any such modification or amendment of this Resolution.

1102. Consent of Bondholders. The Corporation may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 1101 to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Corporation to Bondholders and be published at least once a week for two (2) successive weeks (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (a) there shall have been filed with the Trustee (i) the written consents of Holders of the percentages of Outstanding Bonds specified in Section 1101 and (ii) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Corporation in accordance with the provisions of this Resolution, is authorized or permitted by this Resolution, and is valid and binding upon the Corporation and enforceable in accordance with its terms, and (b) a notice shall have been published as hereinafter in this Section 1102 provided. Each such consent shall be effective only if accompanied by proof of the holding at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1301. A certificate or certificates by the Trustee filed with the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 1301 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such
consent and, anything in Section 1301 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 1102 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 1301. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Corporation and the Trustee a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Corporation on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this Section 1102, shall be given to Bondholders by the Corporation by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 1102 provided) and by publishing the same at least once not more than ninety (90) days after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Trustee hereinabove provided for is filed. The Corporation shall file with the Trustee proof of the publication of such notice, and, if the same shall have been mailed to Bondholders, of the mailing thereof. A transcript, consisting of the papers required or permitted by this Section 1102 to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Corporation, the Trustee, each Paying Agent and the Holders of all Bonds and coupons at the expiration of thirty (30) days after the filing with the
Trustee of the proof of the first publication of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such thirty (30) day period; provided, however, that the Corporation, the Trustee and any Paying Agent during such thirty (30) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their reasonable discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

1103. Modifications by Unanimous Consent. The terms and provisions of this Resolution and the rights and obligations of the Corporation and of the Holders of the Bonds and coupons thereunder may be modified or amended in any respect upon the adoption and filing with the Trustee by the Corporation of a copy of a Supplemental Resolution certified by an Authorized Officer and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in Section 1102, except that no notice to Bondholders either by mailing or publication shall be required.

1104. Mailing and Publication. (1) Any provision in this Article for the mailing of a notice or other document to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Corporation, (ii) to each Holder of any Bond payable to bearer who shall have filed with the Trustee within two (2) years preceding such mailing an address for notices, and (iii) to the Trustee.

(2) Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in an Authorized Newspaper.

1105. Exclusion of Bonds. Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Resolution, and the Corporation shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Resolution. At the time of any consent
or other action taken under this Resolution, the Corporation shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

1106. Notation on Bonds. Bonds delivered after the effective date of any action taken as in Article X or this Article XI provided may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Corporation and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and upon presentation of his Bond for such purpose at the corporate trust office of the Trustee suitable notation shall be made on such Bond by the Trustee as to any such action. If the Corporation or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Corporation to conform to such action shall be prepared and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds with all unpaid coupons, if any, appertaining thereto.

ARTICLE XII

Defaults and Remedies

1201. Trustee to Exercise Powers of Statutory Trustee. The Trustee shall be and hereby is vested with all of the rights, powers and duties of a trustee appointed by Bondholders pursuant to Section 3017 of the Act and the right of Bondholders to appoint a trustee pursuant to Section 3017 of the Act is hereby abrogated in accordance with the provision of subdivision 2(g) of Section 3012 of the Act.

1202. Events of Default. Each of the following events is hereby declared an "event of default," that is to say; if

(a) the Corporation shall default in the payment of the principal, Sinking Fund Installments, if any, or Redemption Price of any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise; or

(b) the Corporation shall default in the payment of interest on any of the Bonds and such default shall continue for a period of thirty (30) days; or

(c) the Corporation shall fail or refuse to comply with the provisions of subdivision 1 of Section 3036 of the Act, or the State Comptroller shall fail to pay to the Corporation, as and
when required by such Section, for deposit in the Capital Reserve Fund, the Debt Service Fund or the Operating Fund any amount or amounts as shall be certified by the Chairman pursuant to such provisions of the Act or the Corporation shall fail or refuse to deposit in the Capital Reserve Fund or the Debt Service Fund the amount or amounts received by the Corporation for deposit in such Funds, respectively; or

(d) the Corporation shall fail or refuse to comply with the provisions of subdivisions 3 and 4 of Section 3036 of the Act, or the State shall fail to appropriate and pay to the Corporation, as and when required by such Section, for deposit in the Capital Reserve Fund any amount or amounts as shall be certified by the Chairman pursuant to such provisions of the Act or the Corporation shall fail or refuse to deposit in the Capital Reserve Fund the amount or amounts received by the Corporation for deposit in such Fund; or

(e) the Corporation shall fail or refuse to comply with the provisions of the Act, other than as provided in (c) or (d) above, or shall default in the performance or observance of any other of the covenants, agreements or conditions on its part contained in this Resolution, any Series Resolution, any Supplemental Resolution, or in the Bonds, and such failure, refusal or default shall continue for a period of forty-five (45) days after written notice thereof by the Holders of not less than five per centum (5%) in principal amount of the Outstanding Bonds; or

(f) the State shall for any reason fail or refuse to continue the imposition of either the Sales Tax imposed by Section 1107 of Article 28 of the Tax Law as the same may be from time to time amended or the Stock Transfer Tax imposed by Sections 270 and 270-a of Article 12 of such Law as the same may be from time to time amended or if the rates of such taxes shall be reduced to rates less than those in effect on the date of this Resolution; or

(g) the State shall fail to maintain the existence of either the special account for the Corporation in the municipal assistance tax fund established pursuant to Section 92-d of the State Finance Law or the stock transfer fund established by Section 92-b of said Law.

1203. Remedies. (1) Upon the happening and continuance of any event of default specified in paragraph (a) or (b) of Section 1202, the Trustee shall proceed, or upon the happening and continuance of any
event of default specified in paragraphs (e), (d), (e), (f) or (g) of Section 1202, the Trustee may proceed, and upon the written request of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds shall proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(a) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondholders, and to require the Corporation to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;

(b) by bringing suit upon the Bonds;

(c) by action or suit in equity, to require the Corporation to account as if it were the trustee of an express trust for the Holders of the Bonds;

(d) by action or suit in equity, to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds;

(e) in accordance with the provisions of the Act, to declare all Bonds due and payable, and if all defaults shall be made good, then, with the written consent of the Holders of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds, to annul such declaration and its consequences.

(2) In the enforcement of any remedy under this Resolution, the Trustee shall be entitled to sue for, enforce payment on and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Corporation for principal, Redemption Price, interest or otherwise, under any provision of this Resolution or a Series Resolution or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce a judgment or decree against the Corporation for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect from any monies available for such purpose, in any manner provided by law, the monies adjudged or decreed to be payable.
1204. *Priority of Payments After Default.* In the event that the funds held by the Trustee and Paying Agents shall be insufficient for the payment of interest and principal, Sinking Fund Installments or Redemption Price then due on the Bonds, such funds (other than funds held for the payment or redemption of particular Bonds or coupons which have theretofore become due at maturity or by call for redemption) and any other monies received or collected by the Trustee acting pursuant to the Act and this Article XII, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds, and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee or any Paying Agents in the performance of their respective duties under this Resolution, shall be applied as follows:

(a) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal, Sinking Fund Installments or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal
and interest, to the persons entitled thereto without any discrimi-
nation or preference except as to any difference in the respective
rates of interest specified in the Bonds and coupons.

The provisions of this Section 1204 are in all respects subject to
the provisions of Section 902.

Whenever monies are to be applied by the Trustee pursuant to
the provisions of this Section, such monies shall be applied by the
Trustee at such times, and from time to time, as the Trustee in its sole
discretion shall determine, having due regard to the amount of such
monies available for application and the likelihood of additional money
becoming available for such application in the future; the deposit of
such monies with the Paying Agents, or otherwise setting aside such
monies in trust for the proper purpose, shall constitute proper applica-
tion by the Trustee; and the Trustee shall incur no liability whatsoever
to the Corporation, to any Bondholder or to any other person for any
delay in applying any such monies, so long as the Trustee acts with
reasonable diligence, having due regard for the circumstances, and
ultimately applies the same in accordance with such provisions of this
Resolution as may be applicable at the time of application by the
Trustee. Whenever the Trustee shall exercise such discretion in apply-
ing such monies, it shall fix the date (which shall be an interest pay-
ment date unless the Trustee shall deem another date more suitable)
upon which such application is to be made and upon such date interest
on the amounts of principal to be paid on such date shall cease to
accrue. The Trustee shall give such notice as it may deem appro-
priate for the fixing of any such date. The Trustee shall not be
required to make payment to the Holder of any unpaid coupon or
any Bond unless such coupon or such Bond shall be presented to the
Trustee for appropriate endorsement or for cancellation if fully paid.

1205. Termination of Proceedings. In case any proceeding taken
by the Trustee on account of any event of default shall have been dis-
continued or abandoned for any reason, then in every such case the
Corporation, the Trustee and the Bondholders shall be restored to their
former positions and rights hereunder, respectively, and all rights,
remedies, powers and duties of the Trustee shall continue as though no
such proceeding had been taken.
1206. **Bondholders’ Direction of Proceedings.** Anything in this Resolution to the contrary notwithstanding, the Holders of the majority in principal amount of the Bonds then Outstanding shall have the right by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Resolution, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

1207. **Limitation on Rights of Bondholders.** No Holder of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law hereunder, or for the protection or enforcement of any right under this Resolution or any right under law unless such Holder shall have given to the Trustee written notice of the event of default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the Holders of not less than twenty-five per centum (25%) in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under this Resolution or for any other remedy hereunder or under law. It is understood and intended that no one or more Holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Resolution, or to enforce any right hereunder or under law with respect to the Bonds or this Resolution, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in
the manner herein provided and for the benefit of all Holders of the Outstanding Bonds and coupons. Notwithstanding the foregoing provisions of this Section or any other provisions of this Article XII, the obligation of the Corporation shall be absolute and unconditional to pay the principal and Redemption Price of and interest on the Bonds to the respective Holders thereof and the coupons pertaining thereto at the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such Holders to enforce such payment.

Anything to the contrary notwithstanding contained in this Section 1207, or any other provision of this Resolution, each Holder of any Bond by his acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under this Resolution or any Series Resolution, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys’ fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding at least twenty-five per centum (25%) in principal amount of the Bonds Outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal or Redemption Price of or interest on any Bond on or after the respective due date thereof expressed in such Bond.

1208. Possession of Bonds by Trustee Not Required. All rights of action under this Resolution or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Bonds and coupons, subject to the provisions of this Resolution.

1209. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such
remedy shall be cumulative and shall be in addition to any other remedy
given hereunder or now or hereafter existing at law or in equity or
by statute.

1210. No Waiver of Default. No delay or omission of the Trustee
or of any Holder of the Bonds to exercise any right or power accruing
upon any default shall impair any such right or power or shall be
construed to be a waiver of any such default or an acquiescence therein;
and every power and remedy given by this Resolution to the Trustee
and the Holders of the Bonds, respectively, may be exercised from
time to time and as often as may be deemed expedient.

1211. Notice of Event of Default. The Trustee shall give to the
Bondholders notice of each event of default hereunder known to the
Trustee within ninety (90) days after knowledge of the occurrence
thereof, unless such event of default shall have been remedied or cured
before the giving of such notice; provided that, except in the case of
default in the payment of the principal, Sinking Fund Installment, or
Redemption Price of or interest on any of the Bonds, or in the making
of any payment required to be made into the Operating Fund, the Debt
Service Fund or the Capital Reserve Fund, the Trustee shall be
protected in withholding such notice if and so long as the board of
directors, the executive committee, or a trust committee of directors or
responsible officers of the Trustee in good faith determines that the
withholding of such notice is in the interests of the Bondholders. Each
such notice of event of default shall be given by the Trustee by mailing
written notice thereof: (1) to all registered Holders of Bonds, as the
names and addresses of such Holders appear upon the books for
registration and transfer of Bonds as kept by the Trustee; (2) to such
Bondholders as have filed their names and addresses with the Trustee
for that purpose; and (3) to such other persons as is required by law.

ARTICLE XIII

Execution of Instruments By Bondholders and
Proofs of Ownership of Bonds

1301. Evidence of Signatures of Bondholders and Ownership of
Bonds. Any request, direction, consent, revocation of consent, or other
instrument in writing required or permitted by this Resolution to be
signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Bondholders in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or, in the case of coupon Bonds, by any bank, trust company, or other depository of such Bonds. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the holding and ownership of Bonds shall be sufficient for any purpose of this Resolution (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Bondholder or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by delivery of a certificate, which need not be acknowledged or verified, of an officer of any bank, trust company, or other depository, or of any notary public, or other officer authorized to take acknowledgements. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(b) The fact of the holding of coupon Bonds by any Bondholder and the amount and the numbers of such Bonds and the date of his holding the same (unless such Bonds be registered as to principal other than to bearer) may be proved by a certificate executed by an officer of any bank, trust company, or other depository, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such bank, trust company, or other depository the Bonds described in such certificate. The Trustee may conclusively assume that such ownership continues until written notice of the contrary is served upon the Trustee. The ownership of registered Bonds shall be proved by the registry books kept by the Trustee under the provisions of this Resolution.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which may seem sufficient. Any request or consent of the Holder of any Bond shall bind every future Holder of the same Bond in respect of anything done or suffered to be done by the Corporation, the Trustee or any Paying Agent in pursuance of such request or consent.
ARTICLE XIV

Deferasance

1401. Defeasance. 1. If the Corporation shall pay or cause to be paid to the Holders of all Bonds and coupons then Outstanding, the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then, at the option of the Corporation, expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Corporation to the Bondholders shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Corporation, execute and deliver to the Corporation all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the Corporation all money, securities and funds held by them pursuant to the Resolution which are not required for the payment or redemption of Bonds or coupons not theretofore surrendered for such payment or redemption.

2. Bonds or coupons or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Fiduciaries (through deposit by the Corporation of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section. All Outstanding Bonds of any Series and all coupons appertaining to such Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee in form satisfactory to it irrevocable instructions to publish as provided in Article IV of the Resolution notice of redemption on said date of such Bonds, (b) there shall have been deposited with the Trustee either monies in an amount which shall be sufficient, or direct obligations of the United States of America the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient, to pay, when due, the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not
by their terms subject to redemption within the next succeeding 60
days, the Corporation shall have given the Trustee in form satisfactory
to it irrevocable instructions to publish, as soon as practicable, at least
twice, at an interval of not less than seven days between publications,
in an Authorized Newspaper a notice to the Holders of such Bonds
and coupons that the deposit required by (b) above has been made with
the Trustee and that said Bonds and coupons are deemed to have been
paid in accordance with this Section and stating such maturity or
redemption date upon which monies are to be available for the pay-
ment of the principal or Redemption Price, if applicable, on said
Bonds. Neither direct obligations of the United States of America or
monies deposited with the Trustee pursuant to this Section nor prin-
cipal or interest payments on any such securities shall be withdrawn
or used for any purpose other than, and shall be held in trust for, the
payment of the principal or Redemption Price, if applicable, and in-
terest on said Bonds; provided that any cash received from such prin-
cipal or interest payments on such direct obligations of the United
States of America deposited with the Trustee, if not then needed for
such purpose, shall, to the extent practicable, be reinvested in direct
obligations of the United States of America maturing at times and in
amounts sufficient to pay when due the principal or Redemption Price,
if applicable, and interest to become due on said Bonds on and prior to
such redemption date or maturity date thereof, as the case may be,
and interest earned from such reinvestment shall be paid over to the
Corporation, as received by the Trustee, free and clear of any trust, lien
or pledge.

3. Anything in the Resolution to the contrary notwithstanding,
any monies held by a Fiduciary in trust for the payment and discharge
of any of the Bonds or coupons which remain unclaimed for six years
after the date when such Bonds have become due and payable, either
at their stated maturity dates or by call for earlier redemption, if such
monies were held by the Fiduciary at such date, or for six years after
the date of deposit of such monies if deposited with the Fiduciary
after the said date when such Bonds became due and payable, shall, at
the written request of the Corporation, be repaid by the Fiduciary to the
Corporation, as its absolute property and free from trust, and the
Fiduciary shall thereupon be released and discharged with respect
thereto and the Bondholders shall look only to the Corporation for the
payment of such Bonds and coupons; provided, however, that before being required to make any such payment to the Corporation, the Fiduciary shall, at the expense of the Corporation, cause to be published at least twice, at an interval of not less than seven days between publications, in an Authorized Newspaper, a notice that said monies remain unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the first publication of such notice, the balance of such monies then unclaimed will be returned to the Corporation.

ARTICLE XV

MISCELLANEOUS

1501. Preservation and Inspection of Documents. All documents received by the Trustee or any Paying Agent under the provisions of this Resolution or any Series Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Corporation, the Trustee or any Paying Agent and after written request received by the Trustee at least five business days prior to the date of inspection, by any Holder of Outstanding Bonds and their agents and representatives, any of whom may make copies thereof.

1502. Parties of Interest. Nothing in this Resolution or in any Series Resolution adopted pursuant to the provisions hereof, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or party other than the Corporation, Trustee, Paying Agents and the Holders of the Bonds and coupons pertaining thereto any rights, remedies or claims under or by reason of this Resolution or any Series Resolution or any covenants, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this Resolution and any Series Resolution contained by or on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, Trustee and Paying Agents and the Holders from time to time of the Bonds and the coupons pertaining thereto.

1503. No Recourse Under Resolution or on Bonds. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in this Resolution shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and
not of any member, officer or employee of the Corporation in his individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this Resolution against any member, officer or employee of the Corporation or any natural person executing the Bonds.

1504. *Severability.* If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this Resolution on the part of the Corporation, Trustee or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements, obligation or obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this Resolution.

1505. *Headings.* Any headings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Resolution, nor shall they affect its meaning, construction or effect.

1506. *Conflict.* All resolutions or parts of resolutions or other proceedings of the Corporation in conflict herewith be and the same are repealed insofar as such conflict exists.

1507. *Effective Date.* This Resolution shall take effect immediately upon its adoption. Any resolutions of the Corporation authorizing the issuance of notes of the Corporation and the establishment of a debt service fund is hereby rescinded effective upon payment in full of such notes.
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

1976 SERIES BB RESOLUTION

Authorizing
$1,479,318,000
1976 SERIES BB BONDS

Adopted July 6, 1976

[Adopted subject to such corrections, modifications and completions as General Counsel or Bond Counsel shall advise subject to the approval of the Finance Committee of the Corporation]
1976 SERIES BB RESOLUTION AUTHORIZING
$1,479,318,000 1976 SERIES BB 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. 1976 Series BB 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, as amended and supplemented to the date of adoption hereof, 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 1976 Series BB Resolution Authorizing $1,479,318,000 1976 Series BB Bonds, as such terms are given in said Section 101 of the General Bond Resolution.

(b) In addition, as used in this 1976 Series BB Resolution Authorizing $1,479,318,000 1976 Series BB Bonds, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"1976 Series BB Bonds" shall mean the Bonds authorized by Article II of this 1976 Series BB Resolution.


"Refunded Bonds" shall mean the bonds of the Corporation referred to in Section 210 hereof and delivered to or for the
account of the Trustee on behalf of the Corporation as consideration for the 1976 Series BB Bonds.

"Tenderers" shall mean each or all, as the context shall imply, of the Banks and Funds as defined and identified in the Amended and Restated Agreement made as of the 26th day of November, 1975, among the Corporation, certain Banks and New York City Sinking and Pension Funds.

(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 1976 Series BB Resolution, refer to the 1976 Series BB Resolution.

Section 103. Authority for the 1976 Series BB Resolution. This 1976 Series BB Resolution is adopted pursuant to the provisions of the Act, as amended, and the Resolution, as amended (in particular Section 203 thereof), and the Corporation hereby determines that the adoption of this 1976 Series BB Resolution and the issuance of the 1976 Series BB Bonds in exchange for the Refunded Bonds is in fulfillment of its Corporate purposes.
ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF
1976 SERIES BB BONDS

Section 201. Authorization of 1976 Series BB Bonds, Principal Amount, Designation and Series. The 1976 Series BB Bonds are hereby authorized to be issued in the aggregate principal amount of $1,479,318,000 pursuant to and subject to the terms, conditions and limitations established in the Resolution and this 1976 Series BB Resolution. In addition to the title "Bonds", such Series of Bonds shall bear the additional designation of "1976 Series BB" and each as so designated shall be entitled "1976 Series BB Bond". The 1976 Series BB Bonds may be issued either in coupon form payable to bearer and registrable as to principal only or in fully registered form.

Section 202. Purpose. The 1976 Series BB Bonds are being issued to refund the Refunded Bonds.

Section 203. Issue Date. The 1976 Series BB Bonds shall be dated February 1, 1976, except as otherwise provided in Section 301 of the Resolution with respect to certain registered 1976 Series BB Bonds. Registered 1976 Series BB Bonds issued prior to the first interest payment date thereof shall be dated February 1, 1976.

Section 204. Maturities and Interest Rates. The 1976 Series BB Bonds shall bear interest from their date at the rate of six per centum (6%) per annum and shall mature:
<table>
<thead>
<tr>
<th>February 1</th>
<th>Amount Maturing</th>
<th>Amount Maturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>$112,255,000</td>
<td>1983</td>
</tr>
<tr>
<td>1978</td>
<td>118,970,000</td>
<td>1984</td>
</tr>
<tr>
<td>1979</td>
<td>126,080,000</td>
<td>1985</td>
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<tr>
<td>1980</td>
<td>133,675,000</td>
<td>1986</td>
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<tr>
<td>1981</td>
<td>141,700,000</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>150,180,000</td>
<td></td>
</tr>
</tbody>
</table>

Section 205. **Interest Payments.** The 1976 Series BB Bonds in coupon form shall bear interest from February 1, 1976, payable semi-annually thereafter on February 1 and August 1, in each year, commencing August 1, 1976, until the Corporation's obligation with respect to the payment of the principal sum on said 1976 Series BB Bonds is discharged. Registered 1976 Series BB 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 Exchange-ability.** The 1976 Series BB Bonds shall be issued in the denomination of $1,000 or $5,000 in the case of 1976 Series BB Bonds in coupon form payable to bearer and in the denomination of $1,000 or $5,000 or an integral multiple of either thereof, not exceeding the aggregate principal amount of 1976 Series BB Bonds maturing in the year of maturity of the 1976 Series BB Bond for which the denomination is to be specified, with respect to fully registered 1976 Series BB Bonds without coupons. The 1976 Series BB Bonds in coupon form payable to bearer in the denomination of $1,000 shall be lettered BBM, the 1976 Series BB Bonds in coupon form payable to bearer in the denomination of $5,000 shall be lettered BBV and 1976 Series BB Bonds in fully registered form without coupons shall be lettered BBR, in each case followed by the last two digits of the year in which
such 1976 Series BB Bond matures and the number of the 1976 Series BB Bond. 1976 Series BB Bonds in coupon form payable to bearer so lettered and bearing the same digits of the year of maturity shall be numbered consecutively from one (1) upwards for each such year of maturity and 1976 Series BB Bonds in fully registered form so lettered and bearing the same digits of the year of maturity shall be numbered consecutively from one (1) upwards in order of issuance for each such year of maturity. The 1976 Series BB Bonds are exchangeable in accordance with the provisions of the Resolution and, in addition, 1976 Series BB Bonds presented for exchange in coupon form payable to bearer in the denomination of $1,000, may, when the aggregate principal amount thereof within a year of maturity is $5,000 or an integral multiple of $5,000, upon surrender thereof at the corporate trust office of the Trustee with all unmatured coupons attached, be exchanged for an equal aggregate principal amount of 1976 Series BB Bonds in coupon form payable to bearer, in the denomination of $5,000 of the same maturity; provided, however, that in no event shall 1976 Series BB Bonds presented for exchange in the denomination of $5,000 or an integral multiple of $5,000 be exchanged for an equal aggregate principal amount of 1976 Series BB Bonds in the denomination of $1,000.

Section 207. CUSIP Numbers. The Corporation is hereby authorized, in its discretion, to provide for the assignment of CUSIP numbers for the 1976 Series BB Bonds and to have such CUSIP numbers printed thereon, and the Corporation may direct the Trustee to use such CUSIP numbers in notices of redemption and on checks payable to registered Bondholders as a convenience to Bondholders, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption.
Section 208. Places of Payment and Paying Agents.
The principal of, premium, if any, and interest on, the 1976 Series BB Bonds in coupon form payable to bearer shall be payable at the following, hereby appointed Paying Agents hereunder, at the corporate trust office of Citibank, N.A., in the Borough of Manhattan, City and State of New York, or, at the option of the holder, at the corporate trust office of the Northern Trust Company, in the City of Chicago, State of Illinois, or, at the corporate trust office of Bank of America National Trust and Savings Association, in the City and County of San Francisco, California. The interest on all registered 1976 Series BB Bonds and the principal of and premium, if any, on all registered 1976 Series BB Bonds and of all 1976 Series BB 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.

The 1976 Series BB Bonds maturing on and before February 1, 1985 are not subject to redemption prior to maturity. The 1976 Series BB Bonds maturing on February 1, 1986, are subject to redemption at the election of the Corporation, at any time on or after February 1, 1985, as whole but not in part, at a Redemption Price of 100% of the principal amount thereof, plus accrued interest to the date of redemption.

Section 210. Delivery of 1976 Series BB Bonds. The 1976 Series BB Bonds authorized to be issued herein shall be delivered to the Tenderers, upon the order of the Corporation, at such times as the Trustee shall be directed in writing by an Authorized Officer, and upon delivery, as consideration therefor, to or for the account of the Trustee on behalf of
the Corporation of the Refunded Bonds as described in a certificate of an Authorized Officer delivered to such Trustee.
ARTICLE III

TREATMENT OF REFUNDED BONDS

Section 301. Disposition of Refunded Bonds. Upon delivery to the Trustee of any Refunded Bonds pursuant to Section 210 of the 1976 Series BB Resolution, all such Refunded Bonds shall be deemed cancelled, and the Trustee shall record the numbers of all Refunded Bonds so delivered and no further payments of principal of, premium, if any, or interest are to be made thereon. The Trustee shall thereafter destroy such Refunded Bonds.
ARTICLE IV
FORMS AND EXECUTION OF 1976 SERIES BB BONDS AND COUPONS

Section 401. Form of Bonds and Coupons of 1976 Series BB Bonds. 1. Subject to the provisions of the Resolution, the 1976 Series BB Bonds in coupon form and coupons to be attached thereto and the 1976 Series BB 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:

(FORM OF COUPON 1976 SERIES BB BOND)

No. BB____ $5,000

[$1,000]

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

1976 SERIES BB 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 February, , unless redeemed prior thereto as hereinafter provided, and to pay interest thereon from the date hereof to the date of maturity or earlier redemption of this Bond, at the
rate of six per centum (6%) per annum, payable semi-annually on
February 1 and on August 1, in each year, commencing August 1, 1976,
until the Corporation's obligation with respect to the payment of
such principal sum shall be discharged, but only with respect to
interest due on or before the maturity of this Bond according to the
tenor and upon presentation and surrender of the attached coupons as
they respectively become due and payable. Both principal and redemp-
tion 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 respec-
tive dates of payment thereof, shall be legal tender for the payment
of public and private debts, at the corporate trust office of Citibank,
N.A. in the Borough of Manhattan, City and State of New York, or, at
the option of the holder, at

. The principal of
this Bond, if registered, is payable only 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 resolution of the Cor-
poration adopted July 2, 1975, as supplemented and amended, entitled
"General Bond Resolution" (herein called the "General Bond Resolu-
tion"), or its successor as trustee (herein called the "Trustee"),
in like coin or currency.

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 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 or Other Obligations, 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 "1976 Series BB Bonds" (herein called the "1976 Series BB Bonds"), issued in the aggregate principal amount of $1,479,318,000 as Refunding Bonds as defined in and pursuant to the General Bond Resolution and the series resolution of the Corporation adopted July 6, 1976, entitled "1976 Series BB Resolution Authorizing $1,479,318,000 1976 Series BB Bonds" (said resolutions being herein collectively called the "Resolutions"), in exchange for other Bonds pursuant to the Amended and Restated Agreement dated as of November 26, 1975, by and among the Corporation and the other parties thereto. 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 1976 Series BB Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the bearers or registered owners of the 1976 Series BB Bonds with respect thereto
and the terms and conditions upon which the 1976 Series BB 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 1976 Series BB Bonds are issuable in the form of coupon Bonds payable to bearer in the denomination of $1,000 or $5,000 and in the form of registered Bonds without coupons in the denomination of $1,000 or $5,000, or an integral multiple thereof, not exceeding the aggregate principal amount of the 1976 Series BB Bonds maturing in the year of maturity of the 1976 Series BB Bond for which the denomination of the 1976 Series BB Bond is to be specified. Coupon 1976 Series BB 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 coupon 1976 Series BB Bonds or registered 1976 Series BB 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 1976 Series BB Bonds, upon surrender thereof at
the corporate trust office of the Trustee with a written instru-
ment 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 1976 Series BB Bonds, with
appropriate coupons attached, or of 1976 Series BB Bonds without
coupons of any other authorized denominations, of the same maturity;
provided, however, that in no event shall 1976 Series BB Bonds in
the denomination of $5,000 or an integral multiple of $5,000 be ex-
changed for an equal aggregate principal amount of 1976 Series BB
Bonds in the denomination of $1,000.

The 1976 Series BB Bonds maturing on or before February
1, 1985 are not subject to redemption prior to maturity. The 1976
Series BB Bonds maturing on February 1, 1986 are subject to redemp-
tion at the election of the Corporation, at any time on and after
February 1, 1985, as a whole but not in part, at a Redemption Price
of 100% of the principal amount thereof, plus accrued interest to
the date of redemption.

In the event that any or all of the 1976 Series BB 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 1976 Series BB Bonds or portions of the 1976 Series BB Bonds to be redeemed, provided, however, that such mailing 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 1976 Series BB Bonds. Notice of redemption having been given, as aforesaid, the 1976 Series BB 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 1976 Series BB Bonds, or portions thereof so called for redemption, shall cease to accrue and become payable and the coupons for interest appertaining to coupon 1976 Series BB Bonds maturing subsequent to the redemption date shall be void.

The 1976 Series BB 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 1976 Series BB Bonds be payable out of any funds other than those of the Corporation.

This 1976 Series BB Bond is fully negotiable for all purposes of the Uniform Commercial Code (Chapter 38 of said Consolidated Laws), and each holder or owner of this 1976 Series BB Bond, or of any coupon appurtenant hereto, by accepting this 1976 Series BB Bond or coupon shall be conclusively deemed to have agreed that
this 1976 Series BB Bond or coupon is fully negotiable for those purposes.

Neither this 1976 Series BB 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 1976 Series BB 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 1976 Series BB Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 1976 Series BB 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 1976 Series BB 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 and the interest coupons hereto attached to be executed by the facsimile signature of said Chairman, all as of the first day of February, 1976.

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[SEAL]
Attest:

By ____________________________
Chairman

______________________________
Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 1976 Series BB 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 1, 19, (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 Citibank, N.A., in the Borough of Manhattan, City and State of New York, or, at the option of the holder, at __________, upon presentation and surrender of this coupon, being the interest then due on its 1976 Series BB Bond, dated February 1, 1976, No. BB ___.

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
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

1976 SERIES BB 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

($)  ) on the first day of February, 19           unless redeemed prior

thereof 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 six per centum (6%) per annum, payable on August 1, 1976 and semi-annually thereafter on February 1 and August 1, in each year, until the Corporation's obligation with respect to the payment of such principal sum shall be discharged, at the corporate 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, as amended and supplemented 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 of 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 or Other Obligations, 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 "1976 Series BB Bonds" (herein called the "1976 Series BB Bonds"), issued in the aggregate principal amount of $1,479,318,000 as Refunding Bonds as defined in and pursuant to the General Bond Resolution and the series' resolution of the Corporation adopted July 6, 1978, entitled "1976 Series BB Resolution Authorizing $1,479,318,000 1976 Series BB Bonds" (said resolutions being herein collectively called the "Resolutions"), in exchange for other Bonds pursuant to the Amended and Restated Agreement dated as of November 26, 1975, by and among the Corporation and the other parties thereto. 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 1976 Series BB Bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the bearers or registered owners of the 1976 Series BB Bonds with respect thereto and the terms and conditions upon which the 1976 Series BB 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 transferee 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 1976 Series BB Bond or Bonds or, at the option of the transferee, a coupon 1976 Series BB Bond or Bonds with appropriate coupons attached, of the same aggregate principal amount and series, maturity and interest rate as the surrendered 1975 Series BB 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 1976 Series BB Bond is registered as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price (as defined in the General Bond Resolution) hereof and interest due hereon and for all other purposes whatsoever.
The 1976 Series BB Bonds are issuable in the form of coupon Bonds payable to bearer in the denomination of $1,000 or $5,000 and in the form of registered Bonds without coupons in the denomination of $1,000 or $5,000, or an integral multiple thereof, not exceeding the aggregate principal amount of the 1976 Series BB Bonds maturing in the year of maturity of the 1976 Series BB Bond for which the denomination of the 1976 Series BB Bond is to be specified. Coupon 1976 Series BB 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 coupon 1976 Series BB Bonds or registered 1976 Series BB 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 1976 Series BB 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 1976 Series BB Bonds, with appropriate coupons attached, or of 1976 Series BB Bonds without coupons of any other authorized denominations, of the same maturity, provided, however, that in no event shall 1976 Series BB Bonds in the denomination of $5,000 or an integral multiple of $5,000 be exchanged for an equal aggregate principal amount of 1976 Series BB Bonds in the denomination of $1,000.

The 1976 Series BB Bonds maturing on or before February 1, 1986 are not subject to redemption prior to maturity. The 1976 Series BB Bonds maturing on February 1, 1986 are subject to redemption at the election of the Corporation at any time on and after February 1, 1985, as a whole but not in part, at a Redemption Price of 100% of the principal amount thereof plus accrued interest to the date of redemption.

In the event that any or all of the 1976 Series BB 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 1976 Series BB Bonds or portions of the 1976 Series BB Bonds to be redeemed, provided, however, that such mailing 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 1976 Series BB Bonds. Notice of redemption having been given, as aforesaid, the 1976 Series BB 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 1976 Series BB Bonds, or portions thereof so called for redemption, shall cease to accrue and become payable and the coupons for interest appertaining to coupon 1976 Series BB Bonds maturing subsequent to the redemption date shall be void.

The 1976 Series BB 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 1976 Series BB Bonds be payable out of any funds other than those of the Corporation.

This 1976 Series BB 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 1976 Series BB 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 1976 Series BB Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 1976 Series BB 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 1976 Series BB 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 first day of February, 1976.
CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 1978 Series BB Bonds of the Municipal Assistance Corporation For The City of New York.

UNITED STATES TRUST COMPANY OF NEW YORK,
Trustee

By

Authorized Signature

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By

Chairman

Attest:

Secretary
[Form of Assignment]

ASSIGNMENT

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

(Please print or type name and address of transferee)

the within 1976 Series BB Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within 1976 Series BB 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 1976 Series BB Bond in every particular, without alteration or enlargement or any change whatever.

Section 402. No Recourse on 1976 Series BB Bonds. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the 1976 Series BB Bonds or for any claim based thereon or on the 1976 Series BB Resolution against any member or officer of the Corporation or any person executing the 1976 Series BB Bonds and neither the Directors of the Corporation nor any other person executing the 1976 Series BB Bonds of the Corporation shall be subject to any personal liability or accountability by reason of the issuance thereof.
Section 403. **Execution of 1976 Series BB Bonds.** Pursuant to the provisions of Section 303 of the Resolution, the Chairman of the Corporation is hereby authorized and directed to execute by his manual or facsimile signature the 1976 Series BB 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 1976 Series BB Bonds.

**ARTICLE V**

**MISCELLANEOUS**

Section 501. **When Effective.** This 1976 Series BB Resolution shall become effective immediately upon the filing with the Trustee of a copy hereof certified by an Authorized Officer.
AMENDED AND RESTATATED AGREEMENT

AGREEMENT made as of the 26th day of November, 1975, among the Municipal Assistance Corporation For The City of New York (the “Corporation”) and each of the undersigned New York City Commercial Banks (the “Banks”), New York City Pension Funds (the “Pension Funds”) and the New York City Sinking Funds (the “Sinking Funds”) is hereby amended and restated to provide as follows:

The Corporation is proposing to offer to exchange (the “Exchange Offer”) certain of its bonds (the “MAC Bonds”) for certain outstanding short-term obligations of The City of New York, listed on Schedule A attached hereto (the “City Notes”).

The Governor of the State of New York on November 25, 1975 made the following public announcement:

I wish to compliment the Legislative Leaders and the members of the New York Assembly and Senate on their work today. We have met, I believe, all the conditions laid down by the President as a prerequisite to his consideration of Federal involvement in the fiscal crisis facing New York City. We fully anticipate a favorable Federal response in recognition of the unusual and difficult steps taken by the people of New York.

While those achievements are a source of great satisfaction to all of us concerned about the potential default of New York City, for the State of New York it is only the first step. I shall ask the Legislature to return to Albany on December 3 to meet the problem of the State's own budget gap and to fully dispose of that matter through legislation during this extraordinary session. I am calling upon Comptroller Arthur Levitt to certify the existence and size of the gap on or about November 30th using the latest revenue figures available to him at that time. In addition, the Legislature will be asked to complete its work on the “moral obligation” agencies of the State—strengthening their reserves and removing those programs that will not pass the most rigorous credit test. This action is necessary to the long term build-out program that I shall then propose.

In my letter of November 14th to the Secretary of the Treasury Simon I committed myself to this legislative program. That commitment remains.

In reliance on the foregoing announcement, each of the Banks, Pension Funds and Sinking Funds, severally and not jointly, agrees with the Corporation as follows:

1. Each of the Banks and Pension Funds hereby agrees, severally and not jointly, not to tender or otherwise accept any offer for exchange of any City Notes held by it for MAC Bonds pursuant to the Exchange Offer. Each of the Banks and Pension Funds understands that, as a result of its not tendering or otherwise accepting any offer for exchange for its City Notes pursuant to the Exchange Offer, under the provisions of the New York State Emergency Moratorium Act for the City of New York enacted by the State Legislature at an extraordinary session and signed by the Governor on November 15, 1975 (the “Moratorium Act”), its City Notes will be subject to the moratorium therein provided for (the “Moratorium”).

2. Notwithstanding any determination by any court of competent jurisdiction or by the State Legislature, which determination is applicable generally to all City Notes subject to the Moratorium and is not by its specific terms made applicable to the Banks or Pension Funds, that results in an increase in the rate of interest paid upon City Notes subject to the Moratorium (but does not affect the validity of the Moratorium on payment of principal), each of the Banks and Pension Funds hereby agrees that, after the scheduled date of maturity thereof, no interest need be paid on City Notes held by it subject to the Moratorium in excess of a rate of 6% a year.

3. Each of the Banks and Pension Funds hereby agrees (a) at the termination of the “moratorium period” under the Moratorium Act and any renewal or extension thereof to do one of the following: (i) to exchange City Notes held by it on the date hereof for short-term notes of the City, to renew
identified as its schedule referred to in this Paragraph and which bonds consist of either Series C, D, E, H or J Bonds of the Corporation (hereafter called “Bank Series Bonds”), and each of the Pension Funds and Sinking Funds may at its election agree with respect to any of the bonds of the Corporation it holds (hereinafter called the “Fund Bonds”) that commencing February 1, 1976 (i) such Bank Series Bonds and such Fund Bonds will, notwithstanding the terms thereof, bear interest at the rate of 6% a year payable on February 1 and August 1 in each year; (ii) each such Bank Series Bond and Fund Bond will mature on February 1, 1986, subject to redemption, in part, on February 1, in each of the years 1977 through 1985 in the respective principal amounts calculated to provide for level debt service on such Bank Series Bond and Fund Bond held by it to February 1, 1986; (iii) such Bank Series Bonds and Fund Bonds will be stamped by such holder with a stamp reading: “Principal of and Interest on this Bond are payable in accordance with an Agreement dated as of the 26th day of November, 1975 among the Municipal Assistance Corporation for The City of New York and certain Pension Funds, Sinking Funds and Banks”; (iv) no such Bank Series Bond and Fund Bond will be transferred, assigned or delivered by such holder unless the same is first exchanged for a newly issued bond of the Corporation, in an amount equal to the unpaid principal amount of such exchanged Bank Series Bond and Fund Bond which newly issued bond shall be issued pursuant to the first General Bond Resolution of the Corporation dated July 2, 1975 and shall bear interest and mature (subject to redemption in accordance with the first General Bond Resolution) as hereinabove provided in this paragraph.

(b) Each of the Banks, Pension Funds and Sinking Funds hereby agrees to exchange on February 1, 1976, in the case of Banks, Series A and B bonds of the Corporation, in an amount at least equal to the amount of Series A and B bonds listed on the above-referred to schedule by such Bank and, in the case of such Funds, bonds of the Corporation equal to the amount of bonds of the Corporation that were here-tofore purchased by such Funds from the Corporation less Fund Bonds with respect to which an election has been made under clause (a) above, for newly issued bonds of the Corporation issued pursuant to the first General Bond Resolution of the Corporation, dated July 2, 1975, bearing interest at the rate of 6% a year and maturing on February 1, 1986, subject to mandatory sinking fund payments calculated to provide for level debt service from February 1, 1977 to February 1, 1986; provided, however, that if prior to February 1, 1976 the consent of the requisite holders of Series A or B bondholders in the case of the Series A or Series B Bonds, respectively, of the Corporation is obtained to a revised amortization schedule for either or both of such Series held by the Banks (the Corporation agreeing to solicit such consents) resulting in a maturity on February 1, 1986 and mandatory sinking fund payments calculated to provide for level debt service from February 1, 1977 to February 1, 1986, such bonds so held by the Banks shall be treated in the same manner as in the case of and for purposes of this Paragraph 5 shall be deemed to be Bank Series Bonds; provided, further, however, that if in the case of the Series A term bonds such consent is not obtained prior to February 1, 1976, each Bank, unless, prior to August 1, 1976, it effects the exchange required by this clause (b) with respect to the Series A term bonds, shall continue to hold its Series A term bonds, and hereby agrees to a reduction of the interest rate on the Series A term bonds held by it to 6% per annum, commencing February 1, 1976, payable February 1 and August 1 in each year, and may not otherwise elect to modify the sinking fund or redemption provision of such bonds.

(c) The Corporation hereby agrees not to issue any new bonds of the Corporation based upon debt service savings to the Corporation resulting from the operation of this Paragraph 5.

(d) Notwithstanding anything to the contrary in this paragraph 5, the undertaking of each such holder under this paragraph shall be subject to the following: (A) the Corporation shall adopt a Series Bond Resolution and take such other steps on or before February 1, 1976 to permit the transactions provided for in clauses (a) and (b) above; (B) the Corporation shall have paid interest on the bonds held by such holder on February 1, 1976 at the respective rates of interest stated in such bonds; (C) on February 1, 1976, the City shall not be in default in the payment of the principal of or interest on any debt obligations of the City; (D) there shall be no failure of any condition (which has not been
waived) to the performance of any obligation of the Pension Funds under Paragraph 7; and (E) there
shall be delivered to and for the benefit of holders of bonds of the Corporation affected by this paragraph
an unqualified approving opinion as to legality from recognized bond counsel and such other documents
as counsel for such holders shall reasonably request in form and substance satisfactory to such counsel.

6. Each of the agreements referred to in Paragraphs 3 and 5 is subject to agreement to and fulfill-
ment of such agreements by all other parties referred to in such Paragraphs 3 and 5 and to enactment
prior to February 1, 1976 of Federal Legislation that would provide, by way of guarantees or otherwise,
for the seasonal financing needs of the City, over the period from the effective date thereof through a date
not earlier than June 30, 1978, in a maximum amount of not less than $2,300,000,000 at any time
outstanding.

7. The Pension Funds hereby agree, severally and not jointly, to purchase serial bonds of the City,
substantially in the proportions set out in Schedule B, in the principal amount of $2,330,000,000 as follows:

   (a) Prior to January 1, 1976, $30,000,000 serial bonds of City bearing interest at the rate of
       6% a year and maturing on such date or dates as shall be mutually agreed upon; (it being
       understood that urban renewal notes of the City in the amount of $30,000,000, dated April 18, 1975
       and maturing December 17, 1975, and held by the Pension Funds, are to be paid with proceeds of
       federal grant funds segregated therefor);

   (b) As soon as possible but prior to June 30, 1976, up to $500,000,000 serial bonds of the
       City; during the 1976-1977 fiscal year of the City up to $1,500,000,000 principal amount of
       serial bonds of the City; during the 1977-1978 fiscal year of the City up to $500,000,000 principal
       amount of serial bonds of the City; all such bonds shall bear interest at the rate of 9% a year
       and shall mature on such date or dates as shall be mutually agreed upon;

   (c) To the extent the City is required by law to amortize, prior to June 30, 1978, any principal
       of the bonds of the City purchased by the Pension Funds pursuant to this Paragraph 7, the Pension
       Funds agree to purchase additional serial bonds of the City in an amount equal to such principal
       amortization and bearing interest at the rate of 9% a year and maturing on such date or dates
       as shall be mutually agreed upon;

   (d) Any Pension Fund may, at its election, purchase MAC Bonds (issued pursuant to its
       second General Bond Resolution), up to an amount equal to its proportionate share of the difference
       between $1,600,175,000 and the principal amount of MAC Bonds issued pursuant to the Exchange
       Offer, in fulfillment of its obligation to purchase an equal amount of bonds of the City pursuant to
       this Paragraph 7, and any such MAC Bonds so purchased shall bear interest at the rate of 8% a year
       and mature July 1, 1986, subject to mandatory sinking fund payments calculated to provide for level
       debt service to July 1, 1986;

   (e) The obligations of the Pension Funds to purchase bonds pursuant to this Paragraph 7
       shall be subject to agreement to and fulfillment of such agreements by all parties referred to in
       this Paragraph 7 and shall be conditioned upon each of the following facts being true on the date
       of each such purchase: (i) the City shall have timely paid when due principal and interest on all
       bonds of the City outstanding at such time, (ii) the City shall not be under the jurisdiction of
       any court pursuant to any proceedings under the federal bankruptcy laws or pursuant to title 5A
       of the Local Finance Law (or any statute analogous in purpose or effect to any such laws or such
       Law), (iii) a State law containing provisions with respect to the legal status of the Pension Funds
       and their Trustees' responsibilities, satisfactory to such Trustees, shall have been enacted and
       shall be effective, (iv) the City shall have made to the Pension Funds all contributions and
       other payments required by law, (v) the City shall, in connection with each purchase prior to
       February 1, 1976, or the first date on which the first seasonal financing moneys have been received
by the City pursuant to the Federal Legislation referred to in Paragraph 6 (whichever is earlier),
deliver to any Pension Fund so requesting a report of essential facts of the City in the form
promulgated by the State Department of Audit & Control, and in connection with each purchase
thereafter shall deliver to any Pension Fund so requesting an official statement with respect to
the City in form and substance satisfactory to the Trustees of the Pension Funds, each of which
shall include a current status of the City's financial plan as required and approved by the Emergency
Financial Control Board, (vi) the Internal Revenue Service shall have ruled, or the Congress
of the United States shall have provided, that such purchases of obligations by the Pension
Funds pursuant to this Agreement shall not constitute prohibited transactions or otherwise adversely
affect the qualified status of the Pension Funds for the purposes of the Internal Revenue Code
of 1954, as amended, (vii) the Federal Legislation referred to in Paragraph 6 above shall have
been enacted and shall be in force, (viii) at the time of any such purchase, there shall have
been delivered to and for the benefit of each Pension Fund an unqualified approving opinion
as to legality from recognized bond counsel and such other documents as counsel for the Pension
Funds shall reasonably request in form and substance satisfactory to such counsel, and (ix) no
other party to this Agreement shall be in breach of any provision hereof.

(f) If any of the Pension Funds elects not to make any purchases of bonds of the City as a
result of a failure of any conditions set forth in clause (v), (vi) or (vii) of Paragraph 7(e), such
Pension Fund shall nevertheless, as soon as possible but prior to June 30, 1976, purchase its
proportionate share of $500,000,000 of MAC Bonds pursuant to Paragraph 7(d) above provided
that the President of the United States has announced publicly that he will support or not veto the
Federal legislation referred to in Paragraph 6 above.

8. This Agreement shall become effective upon its execution by the Corporation and by each of
the Banks, Pension Funds and Sinking Funds.

9. Any reference herein to “City Notes held” or “short-term notes of the City held” by a Bank
shall refer only to City Notes or short-term notes of the City, respectively, owned by such Bank for its
own account.

10. Any Bank or Pension Fund which is the holder of a City Note subject to Paragraph 3(a)(ii)
hereof may sell, assign or transfer any such Note provided that the transferee shall be satisfactory to the
City and shall have agreed in writing in form and substance satisfactory to the City to exercise the same
options and on the same terms and conditions as the Bank or Pension Fund so selling, assigning or trans-
ferring such Note has agreed to exercise under Paragraph 3.

11. No waiver by a party hereto of any provision of this Agreement shall operate as a waiver by
such waiving party of any other provision hereof, and then such waiver shall be effective only in the
instance and for the purpose for which it was expressed to be given.

IN WITNESS WHEREOF, each of the parties has caused this instrument to be executed by its duly
authorized officer as of the date first above written.

MUNICIPAL ASSISTANCE CORPORATION FOR THE
CITY OF NEW YORK

By: [Signature]
Chairman, Finance Committee

5
Banks

First National City Bank
By

Morgan Guaranty Trust Company of New York
By

Bankers Trust Company
By

Irving Trust Company

United States Trust Company of New York
By

The Bank of New York
By

The Chase Manhattan Bank, N.A.
By

Manufacturers Trust Company
By

Marine Midland Bank—New York
By

Chemical Bank
By

National Bank of North America
By

Pension Funds

New York City Employees’ Retirement System
By

Teachers’ Retirement System for the City of New York
By

Board of Education Retirement System for the City of New York
By

New York City Police Pension Fund, Article 2
By

New York City Fire Department Pension Fund, Article 1-B
By
Sinking Funds

Sinking Fund of the City of New York
By

Water Sinking Fund of the City of New York
By

Rapid Transit Sinking Fund of the City of New York
By

Transit Unification Sinking Fund of the City of New York
By
**SCHEDULE A**

(amounts in millions)

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
<th>Date of Issue</th>
<th>Date of Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>R.A.N.</td>
<td>$400.0</td>
<td>12/13/74</td>
<td>12/11/75</td>
</tr>
<tr>
<td>R.A.N.</td>
<td>500.0</td>
<td>1/13/75</td>
<td>1/12/76</td>
</tr>
<tr>
<td>R.A.N.</td>
<td>120.0</td>
<td>1/13/75</td>
<td>1/12/76</td>
</tr>
<tr>
<td>R.A.N.</td>
<td>290.0</td>
<td>2/14/75</td>
<td>2/13/76</td>
</tr>
<tr>
<td>B.A.N.</td>
<td>341.270</td>
<td>3/14/75</td>
<td>3/12/76</td>
</tr>
<tr>
<td>B.A.N.</td>
<td>150.0</td>
<td>3/14/75</td>
<td>3/12/76</td>
</tr>
<tr>
<td>B.A.N.</td>
<td>220.0</td>
<td>6/30/75</td>
<td>5/28/76</td>
</tr>
<tr>
<td>T.A.N.</td>
<td>90.0</td>
<td>6/11/75</td>
<td>6/10/76</td>
</tr>
<tr>
<td>T.A.N.</td>
<td>190.0</td>
<td>6/11/75</td>
<td>6/10/76</td>
</tr>
<tr>
<td>B.A.N.</td>
<td>51.5</td>
<td>6/11/75</td>
<td>6/11/76</td>
</tr>
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<td>B.A.N.</td>
<td>250.0</td>
<td>10/17/75</td>
<td>10/ 1/76</td>
</tr>
<tr>
<td>B.A.N.</td>
<td>59.875</td>
<td>10/17/75</td>
<td>10/15/76</td>
</tr>
<tr>
<td>R.A.N.</td>
<td>6.750</td>
<td>11/10/75</td>
<td>11/ 9/76</td>
</tr>
</tbody>
</table>
SCHEDULE B

(amounts in millions)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York City Employees' Retirement System</td>
<td>$1,175</td>
</tr>
<tr>
<td>Teachers' Retirement System for The City of New York</td>
<td>860</td>
</tr>
<tr>
<td>New York City Police Pension Fund, Article 2</td>
<td>365</td>
</tr>
<tr>
<td>New York City Fire Department Pension Fund, Article 1-B</td>
<td>50</td>
</tr>
<tr>
<td>Board of Education Retirement System for The City of New York</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,500</strong></td>
</tr>
</tbody>
</table>

The Pension Funds owning the urban renewal notes referred to in Paragraph 7(a) shall purchase an additional $30,000,000 of bonds of the City pursuant to such Paragraph 7(a) (in proportion to their holdings of such urban renewal notes).
Municipal Assistance Corporation  
For The City of New York  
Two World Trade Center  
New York, N. Y. 10047

Notice To The Holders Of Bonds Issued  
Under The First General Bond Resolution

May 23, 1976

To All Holders of Bonds Issued Under The First General Bond Resolution:

The Municipal Assistance Corporation For The City of New York (the “Corporation”) is requesting the consents of holders of bonds of the Corporation issued under the First General Bond Resolution of the Corporation adopted July 2, 1975 to amendments of the First General Bond Resolution and to amendments of certain Series Resolutions of the Corporation adopted pursuant to the First General Bond Resolution.

Enclosed herewith are the following documents relating to the request for consents:

1. Notice to the Holders of Bonds Issued Under the First General Bond Resolution Adopted July 2, 1975.

2. Additional Information as to the Effects of the Adjustment described in the Notice (attached to the above Notice).

3. Form of Consent (center-fold in the above Notice — should be detached before being returned).

4. Return Envelope to the Trustee.

You are urged to review the Notice and the Additional Information most carefully.

Completed consents should be mailed or delivered to the Trustee at the address set forth in the Notice so as to be received by June 10, 1976.

Very truly yours,

MUNICIPAL ASSISTANCE CORPORATION  
FOR THE CITY OF NEW YORK
Municipal Assistance Corporation  
For The City of New York  
Two World Trade Center  
New York, N. Y. 10047

Notice To The Holders Of Bonds Issued  
Under The First General Bond Resolution

May 25, 1976

To ALL HOLDERS OF BONDS ISSUED UNDER THE FIRST GENERAL BOND RESOLUTION:

The Municipal Assistance Corporation For The City of New York (the "Corporation") is requesting the consents of holders of bonds of the Corporation issued under the First General Bond Resolution of the Corporation adopted July 2, 1975 to amendments of the First General Bond Resolution and to amendments of certain Series Resolutions of the Corporation adopted pursuant to the First General Bond Resolution.

Enclosed herewith are the following documents relating to the request for consents:

1. Notice to the Holders of Bonds Issued Under the First General Bond Resolution Adopted July 2, 1975.

2. Additional Information as to the Effects of the Adjustment described in the Notice (attached to the above Notice).

3. Form of Consent (center-fold in the above Notice — should be detached before being returned).

4. Return Envelope to the Trustee.

You are urged to review the Notice and the Additional Information most carefully.

Completed consents should be mailed or delivered to the Trustee at the address set forth in the Notice so as to be received by June 10, 1976.

Very truly yours,

MUNICIPAL ASSISTANCE CORPORATION  
FOR THE CITY OF NEW YORK
MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

NOTICE TO THE HOLDERS OF BONDS ISSUED UNDER
THE FIRST GENERAL BOND RESOLUTION
ADOPTED JULY 2, 1975

The Municipal Assistance Corporation For The City of New York (the “Corporation”) hereby requests the consent of holders of bonds of the Corporation (the “Bonds”) issued under the First General Bond Resolution of the Corporation adopted July 2, 1975, as amended and supplemented to the date hereof (the “Resolution”), to amendments of Sections 203 and 902 of the Resolution, as described herein.

The Corporation hereby further requests the consent of holders of 1975 Series A Bonds and 1975 Series B Bonds of the Corporation issued under the Resolution and the 1975 Series A Resolution adopted July 2, 1975 and the 1975 Series B Resolution adopted August 15, 1975 (the “Series A and B Resolutions”), respectively, to amendments of the Series A and B Resolutions, as described herein. The following constitute 1975 Series A Bonds:

<table>
<thead>
<tr>
<th>Due</th>
<th>Rate</th>
<th>Due</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>6½%</td>
<td>1980</td>
<td>7¾%</td>
</tr>
<tr>
<td>1978</td>
<td>7</td>
<td>1981</td>
<td>8</td>
</tr>
<tr>
<td>1979</td>
<td>7½</td>
<td>1982</td>
<td>8¼</td>
</tr>
</tbody>
</table>

Term Bonds due 1985 9 %
Term Bonds due 1990 9¾ %

The following constitute 1975 Series B Bonds:

<table>
<thead>
<tr>
<th>Due</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>10 %</td>
</tr>
<tr>
<td>1981</td>
<td>10¼%</td>
</tr>
<tr>
<td>Term Bonds due 1983</td>
<td>11</td>
</tr>
</tbody>
</table>

Forms of consent to the amendments to the Resolution and to the Series A and B Resolutions are attached hereto and may also be obtained from United States Trust Company of New York, the Trustee under the Resolution, at the address set forth below. Instructions for completion of the consent form are set forth therein. Completed consents should be mailed or delivered by June 10, 1976 to the Trustee at the following address:

United States Trust Company of New York
Attn: Corporate Trust and Agency Services
130 John Street, Third Floor
New York, New York 10038
Telephone (212) 344-5105

*Debt service on Bonds issued under the First General Bond Resolution is to be paid from revenues received by the Corporation from the Sales Tax and Stock Transfer Tax. These Bonds are different from the bonds issued (in December 1975 in exchange for certain notes of The City of New York) under the Second General Bond Resolution on which debt service is to be paid from revenues received by the Corporation from Per Capita State Aid, and from the Sales Tax and Stock Transfer Tax only on a subordinated basis to the Bonds issued under the Resolution and to the outstanding notes of the Corporation.

May 25, 1976
The Corporation also hereby requests the consents of holders of 1975 Series C, D, E, H and J Bonds to amendments of each of the Series C, D, E, H and J Series Resolutions under which such Bonds were issued. All of such Bonds are held by certain New York City commercial banks referred to under "Purpose of the Amendments". Such banks may obtain consent forms as to these Series directly from the Corporation.

Although the Corporation has requested that consents be given by June 10, 1976, the Corporation reserves the right from time to time to extend the time for receipt of the requested consents. Consents which have been given may be revoked in the manner set forth below under "Revocation of Consents".

Purpose of the Amendments

The purpose of the amendments hereby requested is to permit the Corporation to carry out certain terms and conditions of the Amended and Restated Agreement dated as of November 26, 1975 (the "Agreement") among the Corporation, certain New York City commercial banks (the "Banks"), the New York City Pension Funds (the "Pension Funds") and New York City Sinking Funds (the "Sinking Funds"), pursuant to which the Banks, the Pension Funds and Sinking Funds agreed to reduce the rate of interest on certain of the Bonds held by them and to reschedule certain of the maturities thereof. Without such amendments, the Corporation could not carry out certain terms of the Agreement without being in default under the Resolution. See "Proposed Adjustment." The Agreement was entered into in part in order to reduce the debt service costs to the Corporation on its Bonds and thus indirectly to assist The City of New York (the "City") in meeting its fiscal problems. The total interest savings to the Corporation over the period from 1976 to 1990 that will result from the adjustment described below will range from $753,055,535, if none of the Banks elect the Series A Option described below under "Proposed Adjustment", to a savings of $619,383,660 if all of the Banks elect the Series A Option. See "Additional Information—Effect of Adjustment on the Corporation’s Debt Service."

The adjustments in interest rates and maturities, as described below, will not be made in any Bonds except those held by the Banks, Pension Funds and Sinking Funds which are subject to the Agreement.

Proposed Adjustment

Under the Agreement, the Banks, Pension Funds and Sinking Funds, which have advised the Corporation that they hold in the aggregate $1,808,323,000 principal amount of Bonds bearing interest rates varying from 6% to 11% per annum and having varying maturities, as described herein, have agreed that as of February 1, 1976, subject to the fulfillment of certain conditions, their Bonds bear interest at the rate of 6% per year and the principal will be paid on a substantially level debt service basis from February 1, 1977 to February 1, 1986 (the "adjustment"). See "Additional Information—Effect of Adjustment on the Bonds Held by the Banks, Pension Funds and Sinking Funds."

Under the Agreement, certain of the Bonds held by the Banks, as well as by the Pension Funds and Sinking Funds if they so choose, are to be adjusted by amendments to the original Series Resolutions (the "Series Resolutions") under which such Bonds were issued (the "Amending Procedure"), while other Bonds are to be adjusted through an exchange for new Bonds to be issued under a new series resolution called the "1976 Series BB Resolution" (the "Exchange Procedure"). Under either procedure, the Bonds will be adjusted as described above and thus will bear interest at 6% per year payable semi-annually from February 1, 1976, with principal payments being made on each February 1 from 1977 to 1986, the amounts thereof being determined on a substantially level debt service basis.
Series A Option. Under the Agreement, the Banks that hold Series A Term Bonds have the option (the "Series A Option") to retain their Series A Term Bonds at a reduced interest rate of 6% per year, but otherwise without changing the maturities or the mandatory sinking fund payments on such Bonds. The Banks have advised the Corporation that they hold $84,950,000 aggregate principal amount of Series A Term Bonds due 1985 (the sinking fund for which begins in 1983) and $239,205,000 aggregate principal amount of Series A Term Bonds due 1990 (the sinking fund for which begins in 1986).

Amendment of Section 203 of the Resolution

An amendment of Section 203 of the Resolution is proposed to carry out the Exchange Procedure under the Agreement. Under Section 203, as now in effect, refunding bonds cannot be issued to carry out the Exchange Procedure.

The Board of Directors of the Corporation has adopted, subject to the required Bondholder consent as described under "Vote Required for Amendments of the Resolution", an amendment to Section 203 adding the following new Sections 203(3) and 203(4):

"(3) Notwithstanding any other provision or restriction contained in this Section 203 or elsewhere in this Resolution, the Corporation by Series Resolution may authorize, cause to be authenticated and deliver Refunding Bonds, being refunding bonds as defined in the Act as amended to the date of delivery of such Refunding Bonds, in exchange for Outstanding Bonds of one or more Series or portion thereof including any maturity or portion of a maturity (the "Refunded Bonds"), with the consent of the Holder or Holders thereof, whether or not the Refunded Bonds are subject to redemption prior to their stated maturity and, if so, without regard to the redemption provisions thereof, including, but not limited to, the time of redemption and redemption premium, if any, provided that (i) the Board determines such refunding to be in fulfillment of one or more of the Corporation's purposes, (ii) the Refunded Bonds are upon the exchange thereof cancelled and no longer Outstanding, and (iii) the Trustee receives the documents required by Section 202."

"(4) The Bonds being refunded pursuant to this Section 203 shall not be deemed Outstanding for the purposes of the documents required by Section 202 deliverable pursuant to this Section 203."

The amendments to Section 203 would permit, subject to certain conditions, new Bonds being issued in exchange for Outstanding Bonds to be treated as Refunding Bonds, notwithstanding that (i) there are no monies being segregated for the Bonds being refunded, (ii) the Bonds being refunded are not subject to redemption, and (iii) a portion of a Series being refunded bears an interest rate lower than Bonds of the Series not being refunded. This method of refunding, by an exchange of Bonds, would be in addition to the method already provided for in Section 203. As now in effect, Section 203 requires each of the conditions referred to in clauses (i) to (iii) to be met.

Any Refunding Bonds, under the new Section 203(3), must be issued in fulfillment of one or more of the Corporation's purposes, the debt service coverage tests and other requirements of Section 202 for the issuance of Bonds must be met, the Refunded Bonds must be cancelled, and the Refunding Bonds may only be issued with the consent of the persons who are to receive them. The Board of Directors of the Corporation has determined that the Exchange Procedure is in furtherance of the Corporation's purpose in that it has the effect of reducing the Corporation's debt service costs.

As amended, Section 203 would permit the new Bonds to be issued in the Exchange Procedure to be classified as "refunding bonds" within the meaning of the New York State Municipal Assistance Corporation Act, as amended by the Municipal Assistance Corporation for The City of New York Act, both as amended (the "Act"), the result of which is that the issuance of such Refunding Bonds will not be included in the calculation of the Corporation's compliance with its statutory limitation
on the amount of bonds and notes that it may issue. If Section 203 were not so amended, any Bonds issued by the Corporation in the Exchange Procedure would be included in such calculation.

The Corporation is authorized by the Act to issue up to $5,250,000,000 principal amount of bonds and notes, excluding bonds and notes issued to refund outstanding bonds and notes. As of the date hereof, the Corporation has issued against that limit an aggregate of $3,835,460,000 principal amount of bonds (issued under the Resolution and the Second General Bond Resolution) and notes. The Corporation has stated its intention to issue additional bonds in the future and may also be obligated to do so. First, the Corporation recently announced an exchange offer of $500,000,000 principal amount of its bonds to holders of certain City notes, the Corporation reserving the right to issue additional amounts of bonds if additional City notes are tendered. Second, the Corporation has announced its intention to issue in the near future small denomination bonds. Third, under the Agreement, the Pension Funds are obligated to purchase from the City an aggregate of $2,530,000,000 of City bonds; however, the Pension Funds may elect to buy bonds of the Corporation instead of City bonds, up to a certain dollar amount. If the Corporation had to include in the calculation of bonds and notes that it is authorized to issue the Bonds which the Corporation anticipates it might be required to issue under the Exchange Procedure, the Corporation would not be able to carry out all of the commitments described above.

Amendment of Section 902 of the Resolution

An amendment of Section 902 of the Resolution is proposed to carry out the Amending Procedure because the amendments to the Series Resolutions will require extensions of the original maturity dates of certain Bonds. See “Amendments to Series Resolutions” for a summary of the amendments being made to the Series Resolutions.

Section 902 of the Resolution (which constitutes a covenant of the Corporation) provides that the Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of its Bonds by the purchase of such Bonds or by any other arrangement and that, if the maturity of any Bonds shall be so extended, such Bonds shall not be entitled, in the event of a default under the Resolution, to the benefit of the Resolution or to any payment out of the assets or funds of the Corporation until prior payment in full of the Bonds the maturities of which were not so extended.

The Board of Directors of the Corporation has adopted, subject to the required Bondholder consent as described under “Vote Required for Amendments of the Resolution”, the following amendment of Section 902:*

“902. Extension of Payment of Bonds and Coupons. Except as hereinafter permitted, the [The] Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the coupons or claims for interest by the purchase or funding of such Bonds, coupons or claims for interest or by any other arrangement unless (i) the Board determines such extension to be in fulfillment of one or more of the Corporation’s purposes, (ii) the Holder of such Bonds, coupon or claim for interest consents thereto, (iii) the Trustee receives the documents that would be required by Section 202 (excluding a Series Resolution if not applicable) in the event of an issuance of Bonds, assuming for such purpose that for all computations required for the issuance of a Series of Bonds under Section 202(3) of this Resolution, all Bonds, coupons and claims for interest to be so extended or otherwise modified, at a particular time, as extended or modified constitute a Series of Bonds to be authenticated and delivered and that the Bonds, coupons and claims for interest as they existed prior to such extension or modification are not to be deemed Outstanding for the purposes of documents required to be delivered by Section 202, and (iv) the Corporation publishes within 90 days after the Board

* Deleted matter is bracketed and new matter is italicized.
shall have taken the action referred to in (i) hereof in an Authorized Newspaper a notice of such extension or proposed extension. In case the maturity of any of the Bonds or the time for payment of any such coupons or claims for interest shall be extended, except as permitted in the foregoing sentence, such Bonds, coupons or claims for interest shall not be entitled in case of any default under this Resolution to the benefit of this Resolution or to any payment out of any assets of the Corporation or the funds (except funds held in trust for the payment of particular Bonds, coupons or claims for interest pursuant to this Resolution) held by the Trustee or any Paying Agent, except subject to the prior payment of the principal of all Bonds issued and outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended coupons or claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue Bonds of a Refunding Issue as provided in Section 203 and such issuance shall not be deemed to constitute an extension of maturity of Bonds or the time of payment of any of the coupons or claims for interest.”

As so amended, Section 902 would permit extensions of maturities of Bonds, or the extensions of the time of payment of interest thereon, as long as the following conditions are met: (1) the Board of Directors has determined that such extensions are in fulfillment of the Corporation’s purposes, (2) the holders of Bonds subject to such extensions consent thereto, (3) the debt service coverage test of the Resolution is met as if the Bonds affected by the extensions were being newly issued as of the time at which the extensions are given effect, and (4) the Corporation publishes a notice of such extension.

The Corporation would be able to amend its Series Resolutions under Section 902, as amended, and thus carry out the Amending Procedure as long as the debt service coverage test referred to in clause (3) is met as of the closing under the Agreement. The Board of Directors of the Corporation has determined that the Amending Procedure is in furtherance of the Corporation’s purpose in that it has the effect of reducing the Corporation’s debt service costs.

Vote Required for Amendments of the Resolution

The amendments to Section 203 and Section 902 of the Resolution described herein require the written consent of the holders of at least two-thirds in principal amount of the Outstanding Bonds under the Resolution (“Outstanding Bonds”) to become effective. As of the date hereof, there are Outstanding Bonds in the principal amount of $3,078,685,000 and, accordingly, the consents of holders of $2,052,457,000 are required. Of that amount, the Banks, Pension Funds and Sinking Funds hold $1,800,000,000 in principal amount. The Corporation has no reason to expect that the Banks, Pension Funds and Sinking Funds will not consent to the amendments as they are either necessary or useful for carrying out the Agreement. If all of the Banks, Pension Funds and Sinking Funds consent to the amendments, the consents of other holders of at least $244,134,000 principal amount of Outstanding Bonds will be required for the amendments to become effective. The Corporation has been advised by the Comptroller and the Director of the Budget of the State of New York, which holds $250,000,000 of Series V and AA Bonds, that the State intends to consent to the amendments.

If the amendment to Section 902 were not consented to by holders of a requisite principal amount of Bonds, the Corporation would not be able to carry out the provisions of the Agreement because Section 902, as now in effect, would prohibit the maturities of any Bonds from being extended by the Corporation as required by the Amending Procedure. See “Amendment of Section 902 of the Resolution”. If the amendment to Section 902 were to receive the requisite consent, the Corporation could carry out the Agreement even if the amendment to Section 203 were not consented to by the holders of the requisite principal amount of Bonds; however, as discussed under “Amendment of Section 203 of the Resolution”, the adjustment in the absence of a Section 203 amendment would cause Bonds issued in the Exchange Procedure to be included in the calculation of the total amount of bonds and notes that the Corporation is authorized to issue under the Act. See also “Procedure for Amendments to Become Effective”.
Amendments of Series Resolutions

In order to carry out the Amending Procedure (see "Proposed Adjustment"), each of the relevant Series Resolutions heretofore adopted under the Resolution will be amended to reflect the revised interest rate and payment schedules pursuant to the Agreement. In addition, each of the relevant Series Resolutions will be amended to provide a method for identifying the particular Bonds being adjusted and assigning to those Bonds an adjusted interest rate of 6% per annum and adjusted serial maturities, as well as to permit the Bonds that are adjusted under the Amending Procedure to be held in stamped form (that is, with a legend reflecting the fact that the terms of such Bonds have been adjusted), or in such other form as may be acceptable to the Corporation, unless they are exchanged for Bonds of the same Series reflecting the adjusted terms. Such amendments have been authorized by the Board of Directors of the Corporation subject to the required Bondholder approval. The consents of the holders of at least two-thirds in principal amount of the Bonds of each Series so affected is required to approve these amendments, as well as the consents of holders of at least two-thirds in principal amount of the Term Bonds by maturity in each Series. In addition, the consents of the holders of all Bonds subject to the Amending Procedure is required.

The Banks own all of the Bonds issued under the Series Resolutions proposed to be amended, except those issued under the Series A and B Resolutions, of which the Banks own some, but not all.

The amendments of the Series Resolutions will affect the interest rates and maturities of the Bonds held by the Banks only. See "Additional Information — Effect of Adjustment on Series A and Series B Term Bonds Not Held by the Banks" for a discussion of the accelerated redemption that will result with respect to Series A Term Bonds and Series B Term Bonds held by holders other than the Banks ("non-Bank Holders") because of the adjustment under the Agreement. While the accelerated redemption will result with respect to the Series B Term Bonds held by non-Bank Holders whether or not the Series B Resolution is amended as described above, the accelerated redemption may not result with respect to the Series A Term Bonds held by non-Bank Holders, or may result to a substantially lesser extent, if the Series A Option (see "Proposed Adjustment") is elected by all or substantially all of the Banks.

Votes Required for Amendments of the Series Resolutions

Series A and B. In order for the amendments to the Series A Resolution to be effective, the Resolution requires the written consent of the holders of at least two-thirds in principal amount of the outstanding Series A Bonds voting as a separate class, and in addition, for certain of the amendments which affect the Series A Term Bonds, at least two-thirds in principal amount of the holders of the outstanding Series A 1990 Term Bonds and the Series A 1985 Term Bonds, each voting as a separate class.

For the amendments to the Series B Resolution to become effective, the Resolution requires the written consent of the holders of at least two-thirds in principal amount of the outstanding Series B Bonds, voting as a separate class, and in addition, for certain of the amendments which affect the Series B Term Bonds, at least two-thirds in principal amount of the holders of the Series B Term Bonds voting as a separate class. In addition, the amendments to the Series A and B Resolutions must be consented to by each of the Banks whose Series A or B Bonds are to be affected by the Amending Procedure.

* The amendments affect the Term Bonds to the extent that they eliminate the Bonds being adjusted under the Amending Procedure from the pool of Bonds to be redeemed from the Sinking Fund Installments. See "Additional Information — Effect of Adjustment on Series A and Series B Term Bonds Not Held by the Banks".
The following table shows the principal amount of Series A and Series B Bonds, respectively, that must consent to the amendments to the Series A and B Resolutions before they may become effective:

<table>
<thead>
<tr>
<th>Class</th>
<th>Amount Outstanding</th>
<th>Amount Required to Consent</th>
<th>Amount Owned by Banks</th>
<th>Additional Amount Required for Consent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A</td>
<td>$1,000,000,000</td>
<td>$886,670,000</td>
<td>$450,540,000</td>
<td>$216,130,000</td>
</tr>
<tr>
<td>Series A Term due 1990</td>
<td>495,535,000</td>
<td>330,360,000</td>
<td>239,205,000</td>
<td>91,155,000</td>
</tr>
<tr>
<td>Series A Term due 1985</td>
<td>208,565,000</td>
<td>139,045,000</td>
<td>84,950,000</td>
<td>54,105,000</td>
</tr>
<tr>
<td>Series B</td>
<td>275,000,000</td>
<td>183,334,000</td>
<td>62,085,000</td>
<td>121,246,000</td>
</tr>
<tr>
<td>Series B Term due 1983</td>
<td>140,000,000</td>
<td>93,334,000</td>
<td>58,088,000</td>
<td>35,246,000</td>
</tr>
</tbody>
</table>

If the proposed amendments to the Series A Resolution were not consented to by the holders of the requisite principal amount of Series A Bonds, then, subject to the Series A Option described above under "Proposed Adjustment", the Banks would be required, under the Agreement, to exchange their Series A Bonds for new Bonds under the Exchange Procedure. If the proposed amendments to the Series A Resolution were to be consented to by the holders of the requisite principal amount of Series A Bonds voting as a class, but not by the holders of the requisite principal amount of the Series A 1990 Term Bonds and/or Series A 1985 Term Bonds, then, subject to the Series A Option, the Banks would be required, under the Agreement, to exchange their Series A 1990 Term Bonds and/or their Series A 1985 Term Bonds for new Bonds under the Exchange Procedure. See "Additional Information — Effect of Adjustment on Series A and Series B Term Bonds Not Held by the Banks" as to the effect of the Series A Option on the redemption of Series A Term Bonds held by non-Bank Holders.

If the proposed amendments to the Series B Resolution were not consented to by the holders of the requisite principal amount of Series B Bonds, the Series B Bonds held by the Banks would be required, under the Agreement, to be exchanged for new Bonds under the Exchange Procedure. If the proposed amendments to the Series B Bonds were to be consented to by the holders of the requisite principal amount of Series B Bonds voting as a class, but not by the holders of the Series B Term Bonds voting as a class, then the Series B Term Bonds held by the Banks would be required, under the Agreement, to be exchanged for new Bonds under the Exchange Procedure.

Other Series Resolutions. In order for the amendments to the Series C, D, E, H and J Resolutions to be effective, the Resolution requires the written consent of the holders of at least two-thirds in principal amount of the outstanding Bonds of each such Series voting as a separate class; in addition, such amendments must be consented to by each of the Banks whose Bonds of such Series are to be affected by the Amending Procedure.

Procedure for Amendments to Become Effective

If the requisite consents of Bondholders to any of the amendments hereby requested are obtained, the Trustee is required under the Resolution to file a statement with the Corporation to such effect. Within 90 days thereafter, the Corporation is required to give notice to the Bondholders by publication and by mail that such consents have been received. The amendment so consented to shall be deemed conclusively binding upon the Corporation, the Trustee, each of the Corporation's paying agents and holders of all Bonds and coupons at the expiration of 30 days after the Corporation has filed with the Trustee proof of publication of such notice, except in the event of a final decree of a court of competent jurisdiction setting aside such amendment in a legal action or equitable proceeding for such purpose commenced within such 30-day period. The Corporation, the Trustee and any paying agent during such 30-day period and any such further period during which
any such action or proceeding may be pending shall be entitled in their reasonable discretion to take such action, or to refrain from taking such action, with respect to such amendment as they may deem expedient.

Revocation of Consents

The consent given by a holder of a Bond to any amendment, pursuant to the requests made hereby, may be revoked by such holder (or a subsequent holder of the Bond who establishes his or her ownership of the Bond in the manner required by the Resolution) at any time prior to the time when a written statement is delivered by the Trustee to the Corporation that holders of the required percentages of Bonds shall have filed the requisite consents to such amendment. Revocations must be in writing and filed with the Trustee at the address set forth above and must be signed and certified in the same manner as described in the form of consent.

Copies of the Resolution, the Series Resolutions and the Supplemental Resolutions authorizing the amendments described herein may be obtained from the Corporation at its offices at Two World Trade Center, New York, New York 10047, Telephone No. (212) 488-5723.

The delivery of this Notice has been duly authorized by the Corporation.

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

May 25, 1976
CONSENT

PLEASE READ CAREFULLY THE INSTRUCTIONS CONTAINED HEREIN

<table>
<thead>
<tr>
<th>Name(s) and Address of Consenting Holder(s)</th>
<th>BONDS HELD</th>
</tr>
</thead>
<tbody>
<tr>
<td>(All information must be typed or printed)</td>
<td>Series</td>
</tr>
<tr>
<td>Name(s)</td>
<td></td>
</tr>
<tr>
<td>Address (Number) (Street)</td>
<td>Total Principal Amount of Bonds Held (All Series)</td>
</tr>
<tr>
<td>(City) (State) (Zip)</td>
<td>Series A (Total)</td>
</tr>
<tr>
<td></td>
<td>Series A Term due 1985</td>
</tr>
<tr>
<td></td>
<td>Series A Term due 1990</td>
</tr>
<tr>
<td></td>
<td>Series B (Total)</td>
</tr>
<tr>
<td></td>
<td>Series B Term due 1983</td>
</tr>
<tr>
<td></td>
<td>Other Series</td>
</tr>
</tbody>
</table>

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK
C/o United States Trust Company of New York
Corporate Trust and Agency Services
130 John Street, Third Floor
New York, New York 10038

Pursuant to the Notice dated May 25, 1976 (the “Notice”) of the Municipal Assistance Corporation For The City of New York (the “Corporation”), receipt of which, together with the document entitled “Additional Information as to the Effects of the Adjustment Described in the Notice”, is hereby acknowledged, the undersigned holder(s) of bonds (the “Bonds”) of the Corporation issued under the First General Bond Resolution Adopted July 2, 1975, as amended and supplemented to the date hereof (the “Resolution”), hereby consent(s), unless consent is withheld as provided below, to the Supplemental Resolutions adopted by the Corporation authorizing the following amendments of the Resolution and amendments of the 1975 Series A Resolution Authorizing $1,000,000,000 1975 Series A Bonds Adopted July 2, 1975 (the “Series A Resolution”) and of the 1975 Series B Resolution Authorizing $275,000,000 1975 Series B Bonds Adopted August 15, 1975 (the “Series B Resolution”):

1. The proposed amendment of Section 203 of the Resolution, as set forth and described in the Notice under the heading “Amendment of Section 203 of the Resolution”, and the implementation thereof.

2. The proposed amendment of Section 902 of the Resolution, as set forth and described in the Notice under the heading “Amendment of Section 902 of the Resolution”, and the implementation thereof.

3. The proposed amendment of the Series A Resolution, as summarized and described in the Notice under the heading “Amendments to Series Resolutions”, and the implementation thereof.

Note: A consent to the Supplemental Resolution amending the Series A Resolution by a holder of Series A Bonds issued under the Series A Resolution constitutes a consent with respect to the Series A Bonds, consenting as a separate class, and also constitutes consent with respect to any 1975 Series A Term Bonds Due February 1, 1985 and 1975 Series A Term Bonds Due February 1, 1990, registered in the name of the undersigned or the serial numbers of which are set forth below, consenting as separate classes.

4. The proposed amendment of the Series B Resolution, as summarized and described in the Notice under the heading “Amendments to Series Resolutions”, and the implementation thereof.

Note: A consent to the Supplemental Resolution amending the Series B Resolution by a holder of Series B Bonds issued under the Series B Resolution constitutes a consent with respect to the Series B Bonds, consenting as a separate class, and also constitutes consent with respect to any 1975 Series B Term Bonds Due February 1, 1983, registered in the name of the undersigned or the serial numbers of which are set forth below, consenting as a separate class.

Withholding of Consent. Consent may be withheld as to one or more of the proposed amendments set forth in the numbered paragraphs above by striking out the paragraph(s) as to which consent is withheld.
Bonds in Registered Form Covered by this Consent

If the undersigned is the owner of a registered Bond or Bonds (i.e., the registered owner of any Bond or Bonds which shall at the time be registered other than to bearer), this Consent is given by the undersigned as the registered owner of all such Bonds unless otherwise specified in the box on page C-4 entitled "Limited Consent".

Bonds in Coupon Form Covered by this Consent

If the undersigned is the owner of a coupon Bond or Bonds (i.e., bonds registered to bearer or not registered), this Consent is given by the undersigned as the owner of all such Bonds listed below under the heading "Certificate of Deposit or Exhibition".

The return of this Consent, duly completed, constitutes consent to all of the Supplemental Resolutions referred to above, unless consent is withheld as provided above.

The undersigned understands that, pursuant to the Resolution, this Consent is binding on the undersigned and all future holders of the Bonds covered by this Consent, unless revoked in the manner and within the time set forth in the Notice under the heading "Revocation of Consents".

SIGNATURE (See Instruction A)

In the case of registered Bonds, this Consent is deemed dated on the date of the "Certificate of Execution" or, if such Certificate is not dated, on the date of receipt hereof by the Trustee.

In the case of bearer Bonds, this Consent is deemed dated on the date of the "Certificate of Deposit or Exhibition" or, if such Certificate is not dated, the date of the "Certificate of Execution" or if neither of such Certificates is dated, on the date of the receipt hereof by the Trustee.

(Signature(s))

Registered owners please sign exactly as name(s) appear on Bonds.

Joint owners must both sign. When signing in a representative capacity, please give title or position or, if acting as attorney or agent so state.

CERTIFICATE OF EXECUTION

(See Instruction A)

The undersigned hereby certifies that he or she is (check one):

☐ an officer of the following bank, trust company, or other depository:

(Insert name of bank, trust company, or other depository)

☐ a notary public or other officer authorized to take acknowledgments;

and that he or she knows the person(s) named above who signed this Consent, that such person(s) executed this Consent in the presence of or acknowledged to the undersigned that he, she or they executed this Consent and, if such person(s) signed as attorney or agent for the holder of the relevant Bond or Bonds, such person(s) exhibited to the undersigned an instrument duly appointing such person(s) for that purpose.

Dated: ....................................................., 1976

(Signature)

(Title: )

Copies of the Resolution, Series Resolutions and the Supplemental Resolutions authorizing the amendments described in the Notice may be obtained from the Corporation at its offices at Two World Trade Center, New York, New York 10047, Telephone (212) 488-5723.

Copies of the Notice, the related document entitled "Additional Information as to the Effects of the Adjustment Described in the Notice", and the Consent may be obtained from the Trustee, United States Trust Company of New York, Corporate Trust and Agency Services, 130 John Street, Third Floor, New York, New York 10038, Telephone (212) 344-5105. The availability of such documents from the Trustee does not imply any recommendation by it as to the merits of the proposed amendments to the Resolution or as to the merits of the proposed amendments to the relevant Series Resolutions, or any representation by it as to the accuracy or completeness of the Notice or such Additional Information.
CERTIFICATE OF DEPOSIT OR EXHIBITION
(See Instruction B)

The undersigned hereby certifies that the person(s) who has signed this Consent, or on whose behalf this Consent has been signed, has on deposit with, or has exhibited to the undersigned, a Bond or Bonds in the principal amounts and lettered and numbered as follows (Please list Bonds in numerical order within a Series):

Principal Amount

$ [Serial Letters and Numbers (Attach separate sheet if necessary, as described in Instruction B.)]

Dated: ..........................................., 1976

(Insert name of bank, trust company or other depository, or member firm of a national securities exchange, provided such exchange is located in the United States.)

By: ........................................... (Signature)

(Title: )
LIMITED CONSENT

(Use This Box ONLY If You Desire To Give Consent on Part and Withhold Consent on Part of the Registered Bond(s) Held in Your Name.)

The holder(s) hereby gives consent as to the following principal amount(s) of a Bond or Bonds registered in the name(s) of such holder(s):

<table>
<thead>
<tr>
<th>Series A Serial</th>
<th>$</th>
<th>Series A Term due 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A Term due 1990</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series B Serial</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series B Term due 1983</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Series (please specify)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

INSTRUCTIONS

Instruction A — SIGNATURES

This Consent must be signed by the holder(s) of Bonds, or his or her duly authorized attorney or agent, in the space provided. In addition, the "Certificate of Execution" following the signature block must be completed and signed by an officer of any bank, trust company or other depository, or any notary public or other officer authorized to take acknowledgements.

Instruction B — FOR HOLDERS OF BEARER BONDS

If you hold bearer Bonds, you should present them to any bank, trust company or other depository, wherever situated, or any member firm of a national securities exchange (limited to exchanges located in the United States), and have the "Certificate of Deposit or Exhibition" contained herein signed by an officer or partner of such institution or firm. If the space provided in the "Certificate of Deposit or Exhibition" is not large enough to include the details with respect to your holdings of Bonds (the amounts and distinctive numbers and series), please have them set forth on a separate schedule, attach the schedule hereto and have the schedule signed by the signer of the "Certificate of Deposit or Exhibition".

Banks. If bearer Bonds are held by a bank, trust company or other depository, for its own account or for the account of others, an officer of that institution may sign the "Certificate of Deposit or Exhibition" herein on behalf of that institution, thereby certifying that the Bonds listed therein are on deposit with such institution.

Brokers and Dealers. If bearer Bonds are held, for its own account or for the account of others, by a member firm of a national securities exchange (limited to exchanges located in the United States), an officer or partner of that firm may sign the "Certificate of Deposit or Exhibition" herein on behalf of that firm, thereby certifying that the Bonds listed therein are on deposit with that firm.

Instruction C — FOR HOLDERS OF REGISTERED BONDS

If you hold registered Bonds exclusively, see Instruction A above. The "Certificate of Deposit or Exhibition" need not be completed.

Instruction D — METHOD OF DELIVERY

Delivery of this Consent may be effected by delivery (by mail or by hand) to United States Trust Company of New York, as Trustee, at 130 John Street, Third Floor, New York, New York 10038. If delivery is effected by mail, the Consent must be mailed in sufficient time to reach the Trustee by the close of business on June 10, 1976, or such later date as the Corporation determines. A postage paid envelope is enclosed with copies of the Notice mailed or delivered to holders of Bonds.

Instruction E — REVOCATION OF CONSENTS

Consents may be revoked in the manner and within the time set forth in the Notice under the heading "Revocation of Consents".

C-4
**ADDITIONAL INFORMATION AS TO THE EFFECTS OF THE ADJUSTMENT DESCRIBED IN THE NOTICE**

### Effect of Adjustment on Bonds Held by Banks, Pension Funds and Sinking Funds

Set forth below is a table showing the aggregate effect of the adjustment (see "Proposed Adjustment" in the Notice) pursuant to the Agreement (but without taking into account the Series A Option) on the maturity or sinking fund payments and interest rates of the Bonds held by the Banks, Pension Funds and Sinking Funds:

<table>
<thead>
<tr>
<th>February 1,</th>
<th>Amount of Principal Maturing or to be Paid through a Sinking Fund Installment*</th>
<th>Range of Interest Rates</th>
<th>Amount of Principal Maturing**</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>$ 135,465,000</td>
<td>6 -- 9 %</td>
<td>$ 137,220,000</td>
<td>6%</td>
</tr>
<tr>
<td>1978</td>
<td>147,795,000</td>
<td>6 -- 9.5</td>
<td>145,425,000</td>
<td>6</td>
</tr>
<tr>
<td>1979</td>
<td>165,760,000</td>
<td>6 -- 9.5</td>
<td>154,125,000</td>
<td>6</td>
</tr>
<tr>
<td>1980</td>
<td>79,610,000</td>
<td>7.75 -- 10</td>
<td>163,405,000</td>
<td>6</td>
</tr>
<tr>
<td>1981</td>
<td>64,400,000</td>
<td>8 -- 10.5</td>
<td>173,200,000</td>
<td>6</td>
</tr>
<tr>
<td>1982</td>
<td>98,440,000</td>
<td>8.25 -- 11</td>
<td>183,565,000</td>
<td>6</td>
</tr>
<tr>
<td>1983</td>
<td>95,513,000</td>
<td>9 -- 11</td>
<td>194,615,000</td>
<td>6</td>
</tr>
<tr>
<td>1984</td>
<td>153,445,000</td>
<td>9 -- 11</td>
<td>206,280,000</td>
<td>6</td>
</tr>
<tr>
<td>1985</td>
<td>168,710,000</td>
<td>9 -- 11</td>
<td>218,690,000</td>
<td>6</td>
</tr>
<tr>
<td>1986</td>
<td>198,070,000</td>
<td>8 -- 11</td>
<td>231,798,000</td>
<td>6</td>
</tr>
<tr>
<td>1987</td>
<td>141,410,000</td>
<td>8 -- 11</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1988</td>
<td>124,355,000</td>
<td>8 -- 11</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1989</td>
<td>112,830,000</td>
<td>9.25 -- 11</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1990</td>
<td>124,340,000</td>
<td>9.25 -- 11</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>$1,808,323,000</td>
<td></td>
<td>$1,808,323,000</td>
<td></td>
</tr>
</tbody>
</table>

The average life of the Bonds held by the Banks in the aggregate will be approximately the same before and after the adjustment, not taking into account the Series A Option. The average life of such Bonds will be increased after adjustment if any of the Banks elects the Series A Option. The average life of the Bonds held by the Pension Funds and Sinking Funds will be reduced from 10.3 years and 9.2 years, respectively, to 6.4 years.

### Effect of Adjustment on the Corporation’s Debt Service

Set forth below is a table showing the Corporation’s future yearly requirements to fund the Debt Service Fund and the Capital Reserve Fund on its Bonds both before and after the proposed adjustment of the Bonds held by the Banks, Pension Funds and Sinking Funds. The amounts shown in the table are to be funded, subject to annual appropriation by the legislature of the State of New York, from the Sales Tax and Stock Transfer Tax revenues which are deposited in the Municipal Assistance Tax Fund created under the Act.

* For this purpose it has been assumed that the Series A and Series B Term Bonds held by the Banks are redeemed through the mandatory Sinking Fund Installments in the same proportion as their respective holdings of such Series of Bonds bears to the total Bonds of such Series.

** All of the adjusted Bonds will have serial maturities.
<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Before Adjustment</th>
<th>After Adjustment</th>
<th>Net Reduction (Increase) After Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>$361,685,361.40</td>
<td>$334,352,511.40</td>
<td>$27,332,850.00</td>
</tr>
<tr>
<td>1977</td>
<td>587,876,625.00</td>
<td>517,553,781.25</td>
<td>70,322,843.75</td>
</tr>
<tr>
<td>1978</td>
<td>583,691,162.50</td>
<td>505,113,825.00</td>
<td>78,577,337.50</td>
</tr>
<tr>
<td>1979</td>
<td>572,508,925.00</td>
<td>532,563,865.83</td>
<td>39,945,059.37</td>
</tr>
<tr>
<td>1980</td>
<td>534,924,824.99</td>
<td>652,754,840.61</td>
<td>(117,830,015.62)</td>
</tr>
<tr>
<td>1981</td>
<td>355,025,968.75</td>
<td>426,699,381.25</td>
<td>(71,673,412.50)</td>
</tr>
<tr>
<td>1982</td>
<td>358,159,750.00</td>
<td>397,850,850.00</td>
<td>(39,691,100.00)</td>
</tr>
<tr>
<td>1983</td>
<td>414,064,318.75</td>
<td>394,883,555.00</td>
<td>19,180,763.75</td>
</tr>
<tr>
<td>1984</td>
<td>393,608,993.76</td>
<td>359,238,345.00</td>
<td>34,370,648.76</td>
</tr>
<tr>
<td>1985</td>
<td>392,321,943.75</td>
<td>384,130,652.50</td>
<td>8,191,291.25</td>
</tr>
<tr>
<td>1986</td>
<td>361,738,750.00</td>
<td>293,774,177.50</td>
<td>67,964,572.50</td>
</tr>
<tr>
<td>1987</td>
<td>217,192,800.00</td>
<td>41,132,457.50</td>
<td>176,060,342.50</td>
</tr>
<tr>
<td>1988</td>
<td>251,430,962.49</td>
<td>—</td>
<td>251,430,962.49</td>
</tr>
<tr>
<td>1989</td>
<td>241,501,955.75</td>
<td>—</td>
<td>241,501,955.75</td>
</tr>
<tr>
<td>1990</td>
<td>165,481,662.50</td>
<td>4,214,485.00</td>
<td>161,267,177.50</td>
</tr>
<tr>
<td>1991</td>
<td>16,020,475.00</td>
<td>63,253,450.00</td>
<td>(47,232,975.00)</td>
</tr>
<tr>
<td>1992</td>
<td>—</td>
<td>57,784,400.00</td>
<td>(57,784,400.00)</td>
</tr>
<tr>
<td>1993</td>
<td>—</td>
<td>56,358,150.00</td>
<td>(56,358,150.00)</td>
</tr>
<tr>
<td>1994</td>
<td>20,084,238.00</td>
<td>52,604,425.00</td>
<td>(32,520,187.00)</td>
</tr>
<tr>
<td>1995</td>
<td>(35,428,725.00)</td>
<td>(35,428,725.00)</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td><strong>$5,791,889,992.64</strong></td>
<td><strong>$5,038,834,457.64</strong></td>
<td><strong>$753,055,535.00</strong></td>
</tr>
</tbody>
</table>

If the Series A Option were elected by any of the Banks, the future funding obligations of the Corporation would change. Set forth below is a table showing the effect on the Corporation's funding obligations under the First General Bond Resolution of the adjustment pursuant to the Agreement.

* This table takes into account that after December 31, 1980, the Resolution permits any excess in the Capital Reserve Fund at any time over the amount required to be in such Fund (the "capital reserve fund requirement") at such time to be applied to the debt service requirements on the Bonds. After 1980, the capital reserve fund requirement has been determined annually based on the higher of the current or succeeding calendar year's debt service requirement. The negative number in 1995 arises from a further assumption that the capital reserve fund requirement should be met until after payment of the Bonds maturing February 1, 1995. Such excess would be delivered to the City assuming that there are no other obligations then outstanding secured by such funds. However, the foregoing assumptions may be more restrictive than required by the Act and the Resolution and it is possible that the excess in the Capital Reserve Fund would be available to the Corporation earlier to meet its debt service requirements and thereby reduce the Corporation's funding requirements earlier; in that case, there would be no excess funds by 1995.

** This table does not take into account the Series A Option.
assuming (i) none of the Banks elected the Series A Option, (ii) Banks elected the Series A Option as to an aggregate of 50% of their Series A Term Bonds due 1985 and 50% of their Series A Term Bonds due 1990, and (iii) Banks elected the Series A Option as to an aggregate of 100% of such Series A Term Bonds.

**SUMMARY OF ANNUAL DEBT SERVICE AND CAPITAL RESERVE FUND FUNDING REQUIREMENTS UNDER FIRST GENERAL BOND RESOLUTION**

<table>
<thead>
<tr>
<th>For the Fiscal Year Ended June 30</th>
<th>Assuming No Election of Series A Option</th>
<th>Assuming Series A Option — 50%</th>
<th>Assuming Series A Option — 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>$334,352,511.40</td>
<td>$328,205,011.39</td>
<td>$322,057,511.39</td>
</tr>
<tr>
<td>1977</td>
<td>517,553,718.25</td>
<td>502,276,094.75</td>
<td>486,998,406.25</td>
</tr>
<tr>
<td>1978</td>
<td>505,113,825.00</td>
<td>490,845,938.50</td>
<td>474,578,150.00</td>
</tr>
<tr>
<td>1979</td>
<td>532,563,865.83</td>
<td>517,305,678.13</td>
<td>502,052,490.63</td>
</tr>
<tr>
<td>1980</td>
<td>632,754,840.61</td>
<td>637,502,103.12</td>
<td>622,258,765.62</td>
</tr>
<tr>
<td>1981</td>
<td>426,990,381.25</td>
<td>414,452,931.25</td>
<td>406,178,681.25</td>
</tr>
<tr>
<td>1982</td>
<td>397,850,850.00</td>
<td>385,575,000.00</td>
<td>373,299,750.00</td>
</tr>
<tr>
<td>1983</td>
<td>394,883,555.00</td>
<td>390,389,545.00</td>
<td>378,749,770.00</td>
</tr>
<tr>
<td>1984</td>
<td>359,238,345.00</td>
<td>375,400,830.00</td>
<td>384,790,730.00</td>
</tr>
<tr>
<td>1985</td>
<td>384,130,652.50</td>
<td>375,443,640.00</td>
<td>380,708,165.00</td>
</tr>
<tr>
<td>1986</td>
<td>293,774,177.50</td>
<td>290,365,340.00</td>
<td>286,751,240.00</td>
</tr>
<tr>
<td>1987</td>
<td>41,132,487.50</td>
<td>43,139,443.75</td>
<td>45,043,693.75</td>
</tr>
<tr>
<td>1988</td>
<td></td>
<td>84,350,272.50</td>
<td>124,916,378.75</td>
</tr>
<tr>
<td>1989</td>
<td></td>
<td>116,675,637.50</td>
<td>188,123,450.00</td>
</tr>
<tr>
<td>1990</td>
<td>4,214,485.00</td>
<td>15,881,087.50</td>
<td>126,995,843.75</td>
</tr>
<tr>
<td>1991</td>
<td>69,253,450.00</td>
<td>3,565,459.25</td>
<td>16,020,475.00</td>
</tr>
<tr>
<td>1992</td>
<td>57,784,400.00</td>
<td>57,784,400.00</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>56,358,150.00</td>
<td>56,358,150.00</td>
<td>39,808,131.25</td>
</tr>
<tr>
<td>1994</td>
<td>52,604,425.00</td>
<td>52,604,425.00</td>
<td>52,604,425.00</td>
</tr>
<tr>
<td>1995</td>
<td>(35,428,725.00)</td>
<td>(35,428,725.00)</td>
<td>(35,428,725.00)</td>
</tr>
<tr>
<td></td>
<td><strong>$5,038,834,457.64</strong></td>
<td><strong>$5,101,692,307.64</strong></td>
<td><strong>$5,172,506,332.64</strong></td>
</tr>
</tbody>
</table>

**Effect of Adjustment on Debt Service Coverage**

The Corporation has been informed that the Sales Tax collected for the twelve months ended March 31, 1976 (less expenses of administration and collection) was $346,854,683 and the Stock Transfer Tax collected for the twelve months ended March 31, 1976 was $256,043,660, yielding total collections of $1,102,898,343. The following table shows the ratio of that amount, less the $6,800,000 estimated by the Chairman of the Corporation as necessary for operating expenses of the Corporation for the fiscal year of the Corporation ending June 30, 1976, to the maximum debt service required to be paid by the Corporation in each of its fiscal years on Bonds issued under the First General Bond Resolution, both before and after the adjustment described herein. There is no assurance, however, that the Sales Tax and Stock Transfer Tax collections will, in fact, remain at such levels or that the operating expense level of the Corporation will not change.

* See first note on page 10.
Projected Debt Service Coverage Ratios for Bonds Issued
Under the First General Bond Resolution on a Disbursement Basis
(Ratio of Revenues to Debt Service Requirements)

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>Total sales and stock transfer tax revenue</th>
<th>Sales tax revenue only</th>
<th>Before Adjustment</th>
<th>Total sales and stock transfer tax revenue</th>
<th>Sales tax revenue only</th>
<th>After Adjustment Assuming No Election of Series A Option</th>
<th>After Adjustment Assuming Series A Option — 50%</th>
<th>After Adjustment Assuming Series A Option — 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976</td>
<td>8.72</td>
<td>6.69</td>
<td></td>
<td>8.72</td>
<td>6.69</td>
<td>8.72</td>
<td>6.69</td>
<td>8.72</td>
</tr>
<tr>
<td>1977</td>
<td>2.32</td>
<td>1.78</td>
<td></td>
<td>2.63</td>
<td>2.01</td>
<td>2.71</td>
<td>2.07</td>
<td>2.79</td>
</tr>
<tr>
<td>1978</td>
<td>2.33</td>
<td>1.78</td>
<td></td>
<td>2.66</td>
<td>2.04</td>
<td>2.74</td>
<td>2.10</td>
<td>2.83</td>
</tr>
<tr>
<td>1979</td>
<td>2.35</td>
<td>1.80</td>
<td></td>
<td>2.75</td>
<td>2.11</td>
<td>2.84</td>
<td>2.18</td>
<td>2.93</td>
</tr>
<tr>
<td>1980</td>
<td>2.41</td>
<td>1.85</td>
<td></td>
<td>2.68</td>
<td>1.73</td>
<td>2.32</td>
<td>1.78</td>
<td>2.38</td>
</tr>
<tr>
<td>1981</td>
<td>2.66</td>
<td>2.04</td>
<td></td>
<td>2.37</td>
<td>1.82</td>
<td>2.43</td>
<td>1.87</td>
<td>2.50</td>
</tr>
<tr>
<td>1982</td>
<td>2.85</td>
<td>2.19</td>
<td></td>
<td>2.52</td>
<td>1.93</td>
<td>2.60</td>
<td>1.99</td>
<td>2.67</td>
</tr>
<tr>
<td>1983</td>
<td>2.84</td>
<td>2.18</td>
<td></td>
<td>2.63</td>
<td>2.02</td>
<td>2.71</td>
<td>2.08</td>
<td>2.80</td>
</tr>
<tr>
<td>1984</td>
<td>2.70</td>
<td>2.07</td>
<td></td>
<td>2.68</td>
<td>2.05</td>
<td>2.69</td>
<td>2.06</td>
<td>2.77</td>
</tr>
<tr>
<td>1985</td>
<td>2.88</td>
<td>2.20</td>
<td></td>
<td>3.40</td>
<td>2.60</td>
<td>3.19</td>
<td>2.45</td>
<td>2.93</td>
</tr>
<tr>
<td>1986</td>
<td>2.70</td>
<td>2.07</td>
<td></td>
<td>2.59</td>
<td>1.90</td>
<td>2.69</td>
<td>2.06</td>
<td>2.79</td>
</tr>
<tr>
<td>1987</td>
<td>3.46</td>
<td>2.65</td>
<td></td>
<td>6.66</td>
<td>5.11</td>
<td>6.35</td>
<td>4.87</td>
<td>6.08</td>
</tr>
<tr>
<td>1988</td>
<td>3.78</td>
<td>2.89</td>
<td></td>
<td>7.09</td>
<td>5.44</td>
<td>6.16</td>
<td>4.72</td>
<td>5.89</td>
</tr>
<tr>
<td>1991</td>
<td>17.10</td>
<td>13.11</td>
<td></td>
<td>17.10</td>
<td>13.11</td>
<td>17.10</td>
<td>13.11</td>
<td>17.10</td>
</tr>
<tr>
<td>1992</td>
<td>17.56</td>
<td>13.46</td>
<td></td>
<td>17.56</td>
<td>13.46</td>
<td>17.56</td>
<td>13.46</td>
<td>17.56</td>
</tr>
<tr>
<td>1994</td>
<td>18.10</td>
<td>13.88</td>
<td></td>
<td>18.10</td>
<td>13.88</td>
<td>18.10</td>
<td>13.88</td>
<td>18.10</td>
</tr>
<tr>
<td>1995</td>
<td>24.54</td>
<td>18.81</td>
<td></td>
<td>24.54</td>
<td>18.81</td>
<td>24.54</td>
<td>18.81</td>
<td>24.54</td>
</tr>
</tbody>
</table>

Under the terms of the Resolution, the Corporation, upon the issuance of Bonds, is required to certify to the Trustee that the Sales Tax collections for a twelve month period ending within two months of such issuance, less annual operating expenses of the Corporation, are at least 1.5 times the highest annual debt service for Bonds issued under the Resolution (including debt service for the Bonds to be issued) and that the Sales Tax and Stock Transfer Tax collections for such period, less annual operating expenses of the Corporation, are at least two times the highest annual debt service. Under the Agreement, the Corporation agreed not to issue any new bonds of the Corporation based upon the debt service savings resulting from the adjustment. The Agreement could be amended in this respect, but only with the consent of all parties thereto. To carry out such agreement, the Corporation will, prior to issuing any new bonds under the Resolution or the Second General Bond Resolution, calculate the amounts that it may issue under the debt service coverage tests of each of those Resolutions on the assumption that there had been no adjustment of Bonds of the Corporation, as well as on the bases required by the terms of those Resolutions.

**Effect of Adjustment on Series A and Series B Term Bonds Not Held by the Banks**

One of the effects of the adjustment will be that the Series A Term Bonds and the Series B Term Bonds which are not held by the Banks and are not subject to the Agreement will be redeemed through the mandatory sinking fund payments at a faster rate than before the adjustment. The reason
for this effect is that the Series A and Series B Term Bonds which are held by the Banks and are being adjusted pursuant to the Agreement will not participate in the Sinking Fund Installments created for the redemption of those Bonds, while the amount of those Sinking Fund Installments will not be changed. Thus, as shown in the tables below, there will be fewer Bonds in the pool from which Bonds are chosen by lot for redemption, but the amount of dollars to be used for redemption will be the same.

<table>
<thead>
<tr>
<th>February 1</th>
<th>Amount of Sinking Fund</th>
<th>Total Bonds in the Pool Before Adjustment (less amount previously redeemed)</th>
<th>Total Bonds in the Pool After Adjustment (less amount previously redeemed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A Term Bonds Due 1985</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>$63,635,000</td>
<td>$208,565,000</td>
<td>$123,615,000</td>
</tr>
<tr>
<td>1984</td>
<td>69,345,000</td>
<td>144,930,000</td>
<td>59,980,000</td>
</tr>
<tr>
<td>1985</td>
<td>75,585,000</td>
<td>75,585,000</td>
<td></td>
</tr>
<tr>
<td><strong>$208,565,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series A Term Bonds Due 1990</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>$82,390,000</td>
<td>$495,535,000</td>
<td>$256,330,000</td>
</tr>
<tr>
<td>1987</td>
<td>90,010,000</td>
<td>413,145,000</td>
<td>173,940,000</td>
</tr>
<tr>
<td>1988</td>
<td>98,335,000</td>
<td>323,135,000</td>
<td>83,930,000</td>
</tr>
<tr>
<td>1989</td>
<td>107,430,000</td>
<td>224,800,000</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>117,370,000</td>
<td>117,370,000</td>
<td></td>
</tr>
<tr>
<td><strong>$495,535,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series B Term Bonds Due 1983</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>$66,350,000</td>
<td>$140,000,000</td>
<td>$81,912,000</td>
</tr>
<tr>
<td>1983</td>
<td>73,650,000</td>
<td>73,650,000</td>
<td>15,562,000</td>
</tr>
<tr>
<td><strong>$140,000,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following table shows the average life of the Series A and Series B Term Bonds held by non-Bank Holders before and after the adjustment:

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>Before Adjustment</th>
<th>After Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A Term Bond due 1985</td>
<td>8.6</td>
<td>8.1</td>
</tr>
<tr>
<td>Series A Term Bond due 1990</td>
<td>12.8</td>
<td>11.6</td>
</tr>
<tr>
<td>Series B Term Bond due 1983</td>
<td>7.0</td>
<td>6.7</td>
</tr>
</tbody>
</table>

* This result will occur regardless of whether the Exchange Procedure or the Amending Procedure is used for Series B Term Bonds and will similarly occur for Series A Term Bonds except to the extent the Series A Option is elected by the Banks.

** These tables do not take into account the Series A Option.
To the extent that the Series A Option is elected by any of the Banks, the Series A Term Bonds of such Banks will be included in the pool of Bonds to be redeemed pro rata from Sinking Fund Installments. Accordingly, if all Banks elected the Series A Option there would be no change in the rate of redemption of the Series A Term Bonds from that now existing. Set forth below is a table showing the effect of the adjustment pursuant to the Agreement, assuming Banks elected the Series A Option as to an aggregate of (i) 50% of their Series A Term Bonds due 1985 and 50% of their Series A Term Bonds due 1990 and (ii) 100% of such Series A Term Bonds:

<table>
<thead>
<tr>
<th>February 1,</th>
<th>Amount of Sinking Fund</th>
<th>Total Bonds in the Pool After Adjustment, Assuming Series A Option — 50% (less amount previously redeemed)</th>
<th>Total Bonds in the Pool After Adjustment, Assuming Series A Option — 100% (less amount previously redeemed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A Term Bonds Due 1985</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>$63,635,000</td>
<td>$166,090,000</td>
<td>$208,565,000</td>
</tr>
<tr>
<td>1984</td>
<td>69,345,000</td>
<td>102,455,000</td>
<td>144,930,000</td>
</tr>
<tr>
<td>1985</td>
<td>75,585,000</td>
<td>33,110,000</td>
<td>75,585,000</td>
</tr>
<tr>
<td></td>
<td>$208,565,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Series A Term Bonds Due 1990</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>$82,390,000</td>
<td>$375,930,000</td>
<td>$495,535,000</td>
</tr>
<tr>
<td>1987</td>
<td>90,010,000</td>
<td>293,540,000</td>
<td>413,145,000</td>
</tr>
<tr>
<td>1988</td>
<td>98,335,000</td>
<td>203,530,000</td>
<td>323,135,000</td>
</tr>
<tr>
<td>1989</td>
<td>107,430,000</td>
<td>105,195,000</td>
<td>224,800,000</td>
</tr>
<tr>
<td>1990</td>
<td>117,370,000</td>
<td>—</td>
<td>117,370,000</td>
</tr>
<tr>
<td></td>
<td>$495,535,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If all of the Banks elect the Series A Option, the Series A Term Bonds held by the Banks and by the non-Bank Holders would have the same average life as they do now, as shown above in the average life table before adjustment. If, however, Banks elect the Series A Option as to an aggregate of 50% of their Series A Term Bonds due 1985 and 50% of their Series A Term Bonds due 1990, the average life of such Bonds held by non-Bank Holders would be 8.4 and 12.2 years respectively.

The delivery of this Additional Information as to the Effects of the Adjustment Described in the Notice has been duly authorized by the Corporation.

**Municipal Assistance Corporation**

**For the City of New York**

May 25, 1976
STATEMENT

Municipal Assistance Corporation For
The City of New York
Two World Trade Center
New York, New York 10047

Pursuant to the Notice dated May 25, 1976, To The Holders Of Bonds Issued Under The First General Bond Resolution Adopted July 2, 1975 (the "Notice") of the Municipal Assistance Corporation For The City of New York (the "Corporation"), written consents have been filed with and reviewed by United States Trust Company of New York, as Trustee under the General Bond Resolution Adopted July 2, 1975, as amended and supplemented to the date hereof (the "Resolution"), in connection with the solicitation by the Corporation of the consent of Holders of Bonds (as those terms are defined in the Resolution) of the Corporation to a Supplemental Resolution (as that term is defined in the Resolution) to amend Section 902 of the Resolution as set forth and described in the Notice.

We have determined, as of the hour and date of the filing of this Statement with ourselves as Trustee (and giving effect to any written revocations of consents that have been filed with us), that the Holders of at least two-thirds in principal amount of the Bonds Outstanding (as that term is defined in the Resolution) as of such time have filed with us as Trustee written consents to such Supplemental Resolution. In connection with giving this Statement, we have relied upon the Certificate of an Authorized Officer of the Corporation to the Trustee certifying that no such Bonds are owned or held by or for the account of the Corporation.

Dated and filed with ourselves as Trustee and with the Corporation:

June 11, 1976 at 10:30 A.M.

UNITED STATES TRUST COMPANY
OF NEW YORK

By
Irene R. Scocca
Assistant Vice President
STATEMENT

Municipal Assistance Corporation For
The City of New York
Two World Trade Center
New York, New York 10047

Pursuant to the Notice dated May 25, 1976, To The Holders Of Bonds Issued Under The First General Bond Resolution Adopted July 2, 1975 (the "Notice") of the Municipal Assistance Corporation For The City of New York (the "Corporation"), written consents have been filed with and reviewed by United States Trust Company of New York, as Trustee under the General Bond Resolution Adopted July 2, 1975, as amended and supplemented to the date hereof (the "Resolution"), in connection with the solicitation by the Corporation of the consent of Holders of Bonds (as those terms are defined in the Resolution) of the Corporation to a Supplemental Resolution (as that term is defined in the Resolution) to amend Section 203 of the Resolution as set forth and described in the Notice.

We have determined, as of the hour and date of the filing of this Statement with ourselves as Trustee (and giving effect to any written revocations of consents that have been filed with us), that the Holders of at least two-thirds in principal amount of the Bonds Outstanding (as that term is defined in the Resolution) as of such time have filed with us as Trustee written consents to such Supplemental Resolution. In connection with giving this Statement, we have relied upon the Certificate of an Authorized Officer of the Corporation to the Trustee certifying that no such Bonds are owned or held by or for the account of the Corporation.

Dated and filed with ourselves as Trustee and with the Corporation:
June 11, 1976 at 10:30 A.M.

UNITED STATES TRUST COMPANY
OF NEW YORK

By

Irene R. Scocca
Assistant Vice President
CERTIFICATION OF PUBLICATION

June 15, 1976

Theresa Dowling, in my capacity as a Principal Clerk of the Publisher of The New York Times, a daily newspaper of general circulation printed and published in the City, County and State of New York, hereby certify that the advertisement annexed hereto was published in the editions of The New York Times on the following date or dates, to wit on:

June 14, 1976

Approved:

Municipal Assistance Corporation
For The City of New York

NOTICE

The Municipal Assistance Corporation for the City of New York (the "Corporation") hereby gives notice that the Supplemental Resolution adopted by the Board of Directors of the Corporation on May 18, 1976, authorizing amendments to Sections 203 and 902 of the First General Bond Resolution of the Corporation adopted July 2, 1975, as amended and supplemented to the date hereof (the "Resolution") by amending such resolutions to the Corporation's Notice to Holders of Bonds issued under the First General Bond Resolution Adopted July 2, 1975 (the "Notice"), which Notice was dated May 25, 1976.

The Corporation hereby gives further notice that the Supplemental Resolution authorizing amendments to the Series C, D, E, F and G Resolutions of the Corporation, adopted by the Board of Directors on April 12, 1976, (a copy of which is on file with United States Trust Company of New York, the Trustee under the Resolution) has been consented to by the holders of the required percentages of Bonds of each such series and will be effective as provided in Section 1102 of the Resolution. A summary of the amendments made to each such series is contained in the Notice.

The Corporation hereby gives further notice that the Supplemental Resolution, adopted by the Board of Directors of the Corporation on May 18, 1976, authorizing amendments to the Series A and B Resolution of the Corporation, has not been consented to by the holders of the required percentages of the Bonds and such amendments, which were summarized in the Notice, will not become effective.

The time period for receipt of consents to the amendments to the Resolution and to the Series C, D, E, F and G Resolutions referred to herein expired on June 10, 1976 and was not extended by the Corporation.

The Corporation now has consented to the amendments to the Resolution and certain Series C, D, E, F and G Resolutions that were required in order to permit the Corporation to carry out the Amended and Restated Agreement dated November 26, 1975 among certain New York City commercial banks, the New York City Pension Funds and New York City Sinking Funds.

The publication and delivery of this Notice has been duly authorized by the Corporation.

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

14, 1976
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 First 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
June 30, 1976 of the sales and compen-
sating use taxes imposed by the City of
New York prior to July 1, 1975 and
imposed by the State of New York subse-
quently thereto pursuant to section 1107
of the Tax Law was $798,755,789

2. The most recent collections for the 12
consecutive calendar months ended
June 20, 1976 of the Stock Transfer
Tax (p. 5) was $266,647,253

3. The most recent collections for the
12 consecutive calendar months ended
June 30, 1976 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 Cor-
poration was

Total of $1,065,403,042
The total amount of $1,065,403,042 for the twelve (12) consecutive calendar months ended June 30, 1976, as set forth in Paragraph B above, is less than the revenue expected by me, taking into account the statement set forth in Paragraph D below, for the next succeeding twelve (12) consecutive months from the Sales Tax and Stock Transfer Tax. In arriving at this determination the effect of the Federal Securities Acts Amendments of 1975 was taken into consideration.

Such revenue expectation for the next succeeding twelve (12) month period is based upon the assumption that the tax surcharge imposed by section 270-d of the Tax Law, which expires on July 31, 1976, will be extended throughout such next succeeding twelve (12) month period.

The amount of Sales Tax, $796,755,789 set forth in Paragraph B above, which is included in the total amount hereinabove stated includes actual collections of the tax imposed by section 1107 in the amount of $728,961,000, such tax having been in effect on July 1, 1975 and having now been in effect for twelve (12) calendar months. The remainder represents amounts of collections of sales and compensating use taxes imposed by the City of New York prior to such effective date and attributed to the calendar month of June, 1975.

If the tax surcharge is not extended throughout such period, the sum of the Sales Tax and the Stock Transfer Tax is greater than the revenue expected by me, taking into account the statement set forth in Paragraph D below, for the next succeeding twelve (12) months from the Sales Tax and Stock Transfer Tax. Such revenue expectation from the Sales Tax and Stock Transfer Tax (without tax surcharge) for the next succeeding twelve (12) consecutive calendar months, taking into account the statement set forth in Paragraph D below, is in the amount of approximately $1,025,000,000.

A bill (A. 13106) which would extend such stock transfer tax surcharge throughout the next succeeding twelve (12) consecutive calendar months has been passed by both houses of the Legislature and has yet to be acted upon by the Governor. If such bill does not become law, the revenue expectation from the Stock Transfer Tax, taking into account the statement set forth in Paragraph D below, for the next succeeding twelve (12) calendar months is in the sum of approximately $200,000,000 or
approximately $50,000,000 less than the $250,000,000 otherwise expected from such tax.

D. The undersigned believes that it is not presently possible to predict the effect of a future material adverse change in the economic and/or financial conditions of the State of New York and/or the City of New York upon the Sales Tax and the Stock Transfer Tax revenues and, accordingly, the undersigned, as of this date, has no reasonable basis upon which to form a conclusion that the total revenues for the next succeeding twelve (12) consecutive calendar months from the Sales Tax and Stock Transfer Tax will be less than the amount of $1,065,403,042 except as stated above.

E. With respect to the Sales Tax Collections for the twelve (12) consecutive months ended June 30, 1976, a monthly Sales Tax remittance and report or return is now required from certain large vendors (Chapter 89 of the Laws of 1976, eff. March 1, 1976). Accordingly, as a result of a change of reporting period for such vendors from a quarterly to a monthly basis during the period, the pattern of revenue flow from such tax has been altered. Such change in revenue pattern is demonstrated by the fact that a portion of the amount of such tax remitted by such vendors in the months of March, April and May of the calendar year 1976 represents amounts of such tax which might not have been required to be remitted until the month of June next succeeding under prior law. This does not purport to be a full and complete statement of existing law and its effect and reference is made to Chapter 89 of the Laws of 1976.

IN WITNESS WHEREOF, I have hereto set my hand this 22nd day of July, 1976.

[Signature]
Commissioner of Taxation and Finance

TO: United States Trust Company of New York as Trustee under the Resolution (as defined above).
July 23, 1976

To Those Listed on Schedule I
Attached Hereto:

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 Corporation's issuance of $1,479,318,000 aggregate principal amount of its 1976 Series BB Bonds (the "Series BB Bonds"), as refunding bonds, to certain New York City commercial banks (the "Banks"), New York City Pension Funds (the "Pension Funds") and New York City Sinking Funds (the "Sinking Funds") in exchange for $682,818,000 aggregate principal amount of the Corporation's 1975 Series A, B, C, D, E, H and J Bonds held by the Banks, $665,000,000 aggregate principal amount of the Corporation's 1975 Series F, I, L, N, Q, T, W and Z Bonds held by the Pension Funds and $131,500,000 aggregate principal amount of the Corporation's 1975 Series K, P, R and S Bonds held by the Sinking Funds, pursuant to the Amended and Restated Agreement made as of November 26, 1975 (the "November 26 Agreement") among the Corporation, the Banks, the Pension Funds and the Sinking Funds.

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, as amended (the "Act"), the November 26 Agreement, the By-laws of the Corporation, the records of its corporate proceedings, including the General Bond Resolution adopted July 2, 1975 by the Board of Directors (the "General Bond Resolution"), the Supplemental Resolution amending Section 203
and Section 902 of the General Bond Resolution adopted on May 18, 1976 by the Board of Directors (the "Supplemental Resolution"), and the 1976 Series BB Resolution adopted on July 6, 1976 by the Board of Directors (all of the foregoing resolutions, collectively, the "Resolutions"), 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 perform its obligations under the November 26 Agreement, to adopt the Resolutions and to issue and exchange the Series BB Bonds as Refunding Bonds (as such term is defined in the General Bond Resolution as amended by the Supplemental Resolution).

2. Under the Act, it is a purpose of the Corporation 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 therefore the issuance of the Series BB Bonds pursuant to the Agreement is in furtherance of the Corporation's purpose.

3. The execution and delivery of, and the performance of the obligations under, the November 26 Agreement and the issuance and exchange of the Series BB Bonds have been duly authorized by proper corporate proceedings of the Corporation. The Agreement constitutes a 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 are in full force and effect and are valid and binding upon the Corporation and enforceable in accordance with their terms, except as the enforceability thereof may be limited by bankruptcy, moratorium or similar laws validly enacted and applicable to the rights of holders of Series BB Bonds, and no other authorization for, or filing or recording of, the Resolutions is required.
4. The Series BB 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 except as to the enforceability of such Resolutions which may be limited by bankruptcy, moratorium or similar laws validly enacted and applicable to the rights of holders of Series BB Bonds.

5. The issuance and exchange of the Series BB Bonds under the circumstances contemplated by the November 26 Agreement, and compliance with the provisions thereof, do not and 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. The issuance and exchange of the Series BB Bonds pursuant to and as contemplated by the November 26 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 Series BB Bonds pursuant to the Trust Indenture Act of 1939, as amended. The Series BB Bonds constitute exempted securities within the meaning of the Securities Exchange Act of 1934, as amended.

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 or the Series BB 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 to you pursuant to the November 26 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
SCHEDULE I

BANKS

Citibank, N.A.
Bankers Trust Company
United States Trust Company of New York
The Chase Manhattan Bank, N.A.
Marine Midland Bank—New York
National Bank of North America
Morgan Guaranty Trust Company of New York
Irving Trust Company
The Bank of New York
Manufacturers Hanover Trust Company
Chemical Bank

PENSION FUNDS

New York City Employees' Retirement System
Board of Education Retirement System for The City of New York
New York City Fire Department Pension Fund, Article 1-8
Teachers' Retirement System for The City of New York
New York City Police Pension Fund, Article 2

SINKING FUNDS

Sinking Fund of The City of New York
Rapid Transit Sinking Fund of The City of New York
Water Sinking Fund of The City of New York
United States Trust Company
of New York
130 John Street
New York, New York

Gentlemen:

We have delivered to those listed on Schedule I annexed thereto an opinion dated the date hereof, with respect to the issuance of the 1976 Series BB Bonds of the Municipal Assistance Corporation For The City of New York, 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
United States Trust Company of New York
130 John Street
New York, New York

Att: Mr. Malcolm J. Hood
Vice President

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 hereinafter set forth.

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, as amended (the "Act"), the By-laws of the Corporation, records of its corporate proceedings, including the General Bond Resolution adopted by the Board of Directors on July 2, 1975 (the "General Bond Resolution"), the 1975 Series C Resolution, the 1975 Series D Resolution, the 1975 Series E Resolution and the 1975 Series J Resolution adopted by the Board of Directors on
August 15, 1975, August 15, 1975, August 15, 1975 and September 11, 1975, respectively (the "Series Resolutions"), the Supplemental Resolution adopted by the Board of Directors on May 18, 1976 amending Section 203 and Section 902 of the General Bond Resolution and the Supplemental Resolution adopted by the Board of Directors on April 12, 1976 authorizing certain amendments to the Series Resolutions (collectively the "Supplemental Resolutions"), certain resolutions adopted by the Finance Committee of the Board of Directors on July 6, 1976, the Notice To Holders Of Bonds Issued Under The First General Bond Resolution Adopted July 2, 1975 (the "Notice"), which Notice was dated May 25, 1976, the Certifications of Publication of the Notice in The New York Times on May 26, 1976 and June 5, 1976, the written statement of United States Trust Company of New York, as Trustee (the "Trustee"), to the Corporation pursuant to Section 1102 of the General Bond Resolution as to the receipt of the consents of holders of at least two-thirds in principal amount of Bonds of the Corporation issued under the General Bond Resolution ("Bonds") to the amendments to Section 203 and Section 902 of the General Bond Resolution and as to the receipt of consents of holders of at least two-thirds in principal amount of Bonds issued under each of the Series Resolutions to the Supplemental Resolution authorizing certain amendments to each of the Series Resolutions,
the Notice of the Corporation as to its receipt of consents to the amendments referred to above (the "Consent Notice"), the Certification of Publication of the Consent Notice in The New York Times on June 14, 1976, which Certification of Publication was filed with the Trustee on June 16, 1976, 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. Each Supplemental Resolution has been duly and lawfully adopted and filed by the Corporation in accordance with the provisions of the General Bond Resolution and each Supplemental Resolution is authorized or permitted by the General Bond Resolution.

2. Each Supplemental Resolution is valid and binding upon the Corporation and enforceable in accordance with its terms.

3. The consents of holders of at least two-thirds in principal amount of Bonds to the amendments to Section 203 and Section 902 of the General Bond Resolution and of holders of at least two-thirds in principal amount of Bonds issued under each of the Series Resolutions to the Supplemental Resolution authorizing certain amendments to each of the Series Resolutions, as well as the consents of the holders of the particular Bonds, the interest rate and maturities of which are being affected by such
amendments, represent all of the consents required by the General Bond Resolution for such purposes.

All opinions rendered herein are rendered in reliance upon the opinion of Hawkins, Delafield and Wood, Bond Counsel to the Corporation, of even date herewith addressed to you, 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
July 23, 1976

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

Gentlemen:

We have delivered to those listed on Schedule I annexed hereto an opinion dated the date hereof, with respect to the issuance of the 1976 Series BB Bonds of the Municipal Assistance Corporation For The City of New York, 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,
SCHEDULE I

BANKS

Citibank, N.A.

Bankers Trust Company

United States Trust Company of New York

The Chase Manhattan Bank, N.A.

Marine Midland Bank-New York

National Bank of North America

Morgan Guaranty Trust Company of New York

Irving Trust Company

The Bank of New York

Manufacturers Hanover Trust Company

Chemical Bank

PENSION FUNDS

New York City Employees' Retirement System

Board of Education Retirement System for The City of New York

New York City Fire Department Pension Fund, Article 1-B

Teachers' Retirement System for The City of New York

New York City Police Pension Fund, Article 2

SINKING FUNDS

Sinking Fund of The City of New York

Rapid Transit Sinking Fund of The City of New York

Water Sinking Fund of The City of New York
July 23, 1976

To Those Listed on
Schedule I Attached Hereto

Gentlemen:

We have delivered to the Municipal Assistance Corporation
For The City of New York (the "Corporation") an opinion dated
the date hereof, with respect to the issuance of the 1976
Series BB 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,
SCHEDULE I

BANKS

Citibank, N.A.
Bankers Trust Company
United States Trust Company of New York
The Chase Manhattan Bank, N.A.
Marine Midland Bank--New York
National Bank of North America

Morgan Guaranty Trust Company of New York
Irving Trust Company
The Bank of New York
Manufacturers Hanover Trust Company
Chemical Bank

PENSION FUNDS

New York City Employees' Retirement System
Board of Education Retirement System for The City of New York
New York City Fire Department Pension Fund, Article 1-B

Teachers' Retirement System for The City of New York
New York City Police Pension Fund, Article 2

SINKING FUNDS

Sinking Fund of The City of New York
Rapid Transit Sinking Fund of The City of New York

Water Sinking Fund of The City of New York
July 23, 1976

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 $1,479,318,000 aggregate principal amount of 1976 Series BB Bonds (the "1976 Series BB 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 1976 Series BB Bonds are authorized and issued under and pursuant to the Act and a General Bond Resolution of the Corporation, as amended and supplemented to the date hereof, (the "General Bond Resolution") and the 1976 Series BB Resolution (the "Series Resolution"), adopted July 2, 1975 and July 6, 1976, respectively. Said resolutions are herein collectively called the "Resolutions".

The 1976 Series BB 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 1976 Series BB Bonds are being issued as Refunding Bonds as defined in the General Bond Resolution.
The Corporation is authorized to issue Bonds, in addition to the 1976 Series BB Bonds, only upon the terms and conditions set forth in the General Bond Resolution and such Bonds, when issued, shall with the 1976 Series BB 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 1976 Series BB Bonds are dated February 1, 1976 except as otherwise provided in the Resolutions with respect to fully registered 1976 Series BB Bonds and will bear interest payable August 1, 1976 and semi-annually thereafter on February 1 and August 1 in each year at the rate of six per centum (6%) per annum and shall mature on February 1 in each of the years and in the respective principal amounts set forth below:

<table>
<thead>
<tr>
<th>Year of Maturity</th>
<th>Amount</th>
<th>Year of Maturity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977</td>
<td>$112,255,000</td>
<td>1982</td>
<td>150,180,000</td>
</tr>
<tr>
<td>1978</td>
<td>118,970,000</td>
<td>1983</td>
<td>159,195,000</td>
</tr>
<tr>
<td>1979</td>
<td>126,000,000</td>
<td>1984</td>
<td>168,745,000</td>
</tr>
<tr>
<td>1980</td>
<td>133,675,000</td>
<td>1985</td>
<td>178,900,000</td>
</tr>
<tr>
<td>1981</td>
<td>141,700,000</td>
<td>1986</td>
<td>189,618,000</td>
</tr>
</tbody>
</table>

The 1976 Series BB Bonds are issued either in coupon form in the denomination of $1,000 or $5,000, registrable as to principal only, or in fully registered form without coupons in the denomination of $1,000 or $5,000 or an integral multiple of either thereof. Coupon and fully registered 1976 Series BB Bonds are interchangeable as provided in the Resolutions. Coupon 1976 Series BB Bonds in the denomination of $1,000 are lettered BBM, coupon 1976 Series BB Bonds in the denomination of $5,000 are lettered BBV and fully registered 1976 Series BB Bonds are lettered BBR, in each case followed by the last two digits of the year in which each of such 1976 Series BB Bonds matures and its number. Coupon 1976 Series BB Bonds are numbered consecutively from one upward for each year of maturity and fully registered 1976 Series BB Bonds are numbered consecutively from one upward in order of issuance for each year of maturity.

The 1976 Series BB Bonds maturing on and before February 1, 1985 are not subject to redemption prior to maturity. The 1976 Series BB Bonds maturing on February 1, 1986 are subject to redemption at the election of the Corporation on and after February 1, 1985, as a whole at any time, but not in part at 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") provide, 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 1976 Series BB 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 23 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 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 1976 Series BB Bonds thereunder, and to perform the obligations and covenants contained in the Resolutions and the 1976 Series BB 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, monies, 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, monies, 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, monies, 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 1976 Series BB 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 1976 Series BB 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, sinking fund installments, if any, 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 sub-division 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, aforesaid.

6. The 1976 Series BB 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 1976 Series BB 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 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 1976 Series BB 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 1976 Series BB Bonds.

11. The adoption and performance of, and compliance with, all of the terms and conditions of the Resolutions and the 1976 Series BB Bonds, and the execution and delivery of the 1976 Series BB Bonds, will not result in a violation of or be in conflict with any term or provision of any existing law.

12. Your attention should be called to a suit entitled Flushing National Bank, on behalf of itself and all other holders of notes of The City of New York maturing on or before June 30, 1976, plaintiff, against The City of New York; State of New York; and Harrison J. Goldin, Comptroller of the City of New York, defendants, filed on November 17, 1975 in the Supreme Court of the State of New York, County of New York, and presently on appeal to the New York State Court of Appeals, wherein the plaintiff, demands, among other things, judgment declaring and adjudicating that the New York State Emergency Moratorium Act of the City of New York, enacted by the Legislature and signed by the Governor of the State on November 15, 1975, is unconstitutional, alleging, among other things, violations of the New York State Constitution and United States Constitution.

Said Moratorium Act, among other things, and subject to two conditions, provides that during the moratorium period therein defined, and notwithstanding any inconsistent provisions of any law, general, special or local or of any agreement or short-term obligation of the City that although the payment of such short-term obligation may be due by the terms thereof or the terms of any general or special or local law or agreement, no action or special proceeding shall be commenced or continued in any court in any jurisdiction (a) upon any such short-term obligation, or the indebtedness or liability evidenced thereby, or (b) seeking the levy of taxes or application of any funds, property, receivables or revenues of the City on account of any such short-term obligation or the indebtedness evidenced thereby.

In the event that the constitutionality of said Moratorium Act is sustained by a court of final jurisdiction, such judicial determination could support the constitutionality of similar legislative enactments which may adversely affect certain terms and conditions of the Bonds and the Resolutions, including the payment of principal and interest thereon, and the enforceability thereof.

We have examined the executed 1976 Series BB Bond numbered BBV77-1 and, in our opinion, the form of said Bond and its execution are regular and proper.

Very truly yours,

[Signature]
July 23, 1976

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

Dear Sirs:

We have been requested by the Municipal Assistance Corporation For The City of New York, a corporate governmental agency and instrumentality of the State of New York (the "Corporation") to furnish you our opinion as to the matters hereinafter set forth.

In this connection, we have examined the New York State Municipal Assistance Corporation Act, as amended (the "Act"), the General Bond Resolution of the Corporation adopted on July 2, 1975 (the "General Bond Resolution"), the Series C, D, E, H and J Resolutions of the Corporation adopted pursuant to the General Bond Resolution (the "Series Resolutions"), the Supplemental Resolution of the Corporation adopted on May 18, 1976 amending Section 203 and Section 902 of the General Bond Resolution and the Supplemental Resolution of the Corporation adopted on April 12, 1976 authorizing certain amendments to the Series Resolutions (the "Supplemental Resolutions"), the Notice to Holders of Bonds Issued Under the First General Bond Resolution Adopted July 2, 1975, which notice was dated May 25, 1976 (the "Notice"), the Certifications of Publication of the Notice in The New York Times (an Authorized Newspaper as defined in the General Bond Resolution) on May 26, 1976 and June 5, 1976, your written statement to the Corporation pursuant to Section 1102 of the General Bond Resolution as to the receipt of (i) the consents of holders of at least two-thirds in principal amount of Bonds of the Corporation issued under the General Bond Resolutions ("Bonds") to the amendments to Section 203 and Section 902 of the General Bond Resolution, and (ii) the consents of holders of at least two-thirds in principal amount of Bonds issued under each of the Series Resolutions to the Supplemental Resolution authorizing certain amendments to each of the Series Resolutions, the Notice of the Corporation as to its receipt of
consents to the amendments referred to above (the "Consent Notice"), a copy of which was published in the aforementioned Authorized Newspaper on June 14, 1976, and we have made such further examination of law and fact as we considered necessary in order to form the opinions herein expressed.

Furthermore, you have received our opinion, dated June 14, 1976 that the consents of holders of (i) at least two-thirds in principal amount of the Bonds to the amendments to Section 203 and Section 902 of the General Bond Resolution and (ii) of at least two-thirds in principal amount of Bonds issued under each of the Series Resolutions to the Supplemental Resolution authorizing certain amendments to each of the Series Resolutions and (iii) of all of the particular Bonds, the interest rate on and maturities of which are being affected by such Supplemental Resolutions represent the consents required by the General Bond Resolution for such purposes, and that pursuant to Section 1102 of the General Bond Resolution each Supplemental Resolution is to be deemed conclusively binding upon the Corporation, the Trustee, each Paying Agent and the Holders of all Bonds and coupons at the expiration of 30 days after the filing with the Trustee of the proof of the first publication of the Consent Notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such 30-day period.

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

Each Supplemental Resolution has been duly and lawfully adopted and filed by the Corporation in accordance with the provisions of the General Bond Resolution, each Supplemental Resolution is authorized or permitted by the General Bond Resolution, and each Supplemental Resolution is valid and binding upon the Corporation and enforceable in accordance with its terms.

All opinions rendered herein are rendered in reliance upon your written statements as to receipt of consents referred to hereinbefore and we have made no independent investigation with respect thereto.

Very truly yours,

[Signature]

Hayden, Deloach & Dowd
ARBITRAGE CERTIFICATE

I, JAMES R. KEEGAN, being the Secretary 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 1976 Series BB Bonds of the Issuer as more fully described in the Series 1976 BB Bond Resolution (hereinafter collectively called the "Bonds"), dated as of February 1, 1976 (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 (b) that I am one of the officers of the Issuer charged by the General Bond Resolution, adopted July 2, 1975 and the 1976 Series BB Resolution, adopted July 6, 1976, 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 all of the Bonds will be exchanged for an equivalent principal amount of obligations of the Issuer (hereinafter called "Old Bonds"), all of which obligations are obligations described in Section 103(a)(1) of the Internal Revenue Code of 1954, as amended.

(1) None of the Old Bonds were arbitrage bonds within the meaning of Section 103(d) of such Code.

(2) All of the proceeds of the Old Bonds will be invested in obligations the interest on which is excludable from gross income under Section 103(a)(1) of such Code, when such proceeds become transferred proceeds, and will continue to be so invested throughout the term of the Bonds, except to the extent that the proceeds thereof are used to pay principal of and interest on the Bonds within six months of the receipt thereof or are used to purchase other such obligations.

(3) All of the investment proceeds which become transferred proceeds and all investment proceeds received thereafter will be expended on other than acquired obligations within one year after the receipt thereof.
(4) None of the acquired obligations will be sold or otherwise disposed of prior to the last maturity date of the Bonds except for amounts the proceeds of which will not be accumulated to a sufficient extent to constitute indirect proceeds.

On the basis of the foregoing, it is not expected that 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 23rd day of July, 1976, being the date of delivery of the Bonds referred to herein.

[Signature]

James R. Keegan
July 23, 1976

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

Dear Sirs:

We have reviewed the accompanying arbitrage certificate of James R. Keegan, Secretary 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 1976 Series BB Bonds of the Corporation, dated February 1, 1976 (hereinafter called the "Bonds"), that 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, as amended, 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, Delashfield & Wood
ORDER AS TO DELIVERY AND
AUTHENTICATION OF BONDS

July 23, 1976

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

Gentlemen:

We have heretofore delivered to you, duly printed
and executed, $1,479,318,000 aggregate principal amount
of 1976 Series BB Bonds, in definitive form (the "Bonds"),
of the Municipal Assistance Corporation For The City of
New York (the "Corporation") authorized pursuant to the
General Bond Resolution Adopted July 2, 1975, as amended
and supplemented (herein called "General Resolution"),
and the 1976 Series BB Resolution of the Corporation
adopted July 6, 1976, and being issued today as Refunding
Bonds (as that term is defined in the General Resolution).

You are hereby requested, authorized and ordered
to authenticate the Bonds. When so authenticated, and,

(i) upon receipt by you of the documents
and opinions listed in the Closing Memorandum
for today's Closing, which together with this
Order constitute all the conditions precedent
to the delivery of the Bonds pursuant to the
General Resolution and the above-mentioned
Series Resolution, and

(ii) upon receipt by you, upon surrender
by the Holders (as that term is defined in the
General Resolution) thereof, of $1,479,318,000
aggregate principal amount of 1975 Series A,
B, C, D, E, F, H, I, J, K, L, N, P, Q, R, S,
T, W and Z bonds of the Corporation,

you are hereby requested, authorized and ordered to deliver
the Bonds to the respective Holders whose bonds are being
refunded, all in accordance with the schedules heretofore
furnished to you by the Corporation and identified by the
accompanying Certificate (Closing Document Number V.A.17)

7.21.76
dated today of an Authorized Officer (as defined in the
General Resolution) of the Corporation.

The Holders referred to in this Order are the
Banks, Pension Funds and Sinking Funds which are identified
in the Amended and Restated Agreement made as of November 26,
1975, which is Closing Document Nos. V.A.4 and V.B.4 in
the Closings being held today. This is to confirm that
United States Trust Company of New York, in any capacity
other than its capacity as a party to such Agreement with
respect to bonds of the Corporation owned by it for its
own account, has no responsibilities or duties under or
with respect to such Agreement or with respect to the per-
formance of obligations thereunder by any of the parties
thereto.

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By

James R. Keegan
Deputy Executive Director
and Secretary

7.21.76
SUPPLEMENTAL ORDER AS TO AUTHENTICATION AND DELIVERY

July 23, 1976

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

Gentlemen:

Reference is made to the written Order as to the Authentication and Delivery of the 1976 Series BB Bonds of the Municipal Assistance Corporation For The City of New York (the "Corporation") (Closing Doc. No. V.A. 16) and the written Order as to the Authentication and Delivery of adjusted 1975 Series C, D, E and J Bonds of the Corporation (Closing Doc. No. V.B.16), both of which documents are dated today and are being delivered to you today.

The Corporation hereby confirms that you are to rely on the attached schedules in delivering, pursuant to the aforementioned orders, such 1976 Series BB Bonds and adjusted 1975 Series C, D, E and J Bonds of the indicated principal amounts and maturities to the indicated New York City commercial Banks and the indicated New York City Pension Funds and New York City Sinking Funds (or to nominees of such Pension Funds and Sinking Funds acting on their behalf pursuant to the attached instructions furnished to the Corporation and to you by Mr. Sol Lewis, Third Deputy Comptroller, The City of New York).

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

By

James R. Keegan
Deputy Executive Director and Secretary

7.21.76
TRUSTEE'S ACCEPTANCE AND CERTIFICATE

United States Trust Company of New York,
as Trustee (the "Trustee"), appointed by the Municipal Assistance Corporation For The City of New York (the "Corporation") under and pursuant to the General Bond Resolution Adopted July 2, 1975, as amended and supplemented, (the "General Bond Resolution"), and the 1976 Series BB Resolution adopted July 6, 1976, of the Corporation (collectively, the "Resolutions"), hereby accepts the duties and obligations of Trustee under the Resolutions and HEREBY CERTIFIES that:

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

2. Pursuant to the provisions of the Resolutions, the Trustee has authenticated and delivered on behalf of, and pursuant to the order of, the Corporation, $1,479,310,000 aggregate principal amount of 1976 Series BB Bonds of the Corporation (the "Bonds") being issued today as Refunding Bonds (as defined in the General Bond Resolution).

3. 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. 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 Trustee, and such document as of the date hereof is in full force and effect in accordance with its tenor.

4. The Trustee has this day received from the Corporation copies of the Resolutions, certified to by an Authorized Officer (as defined in the General Bond Resolution) of the Corporation, as required by Sections 202 and 203(3) 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 23rd day of July, 1976.

UNITED STATES TRUST COMPANY OF NEW YORK

By ________________________________
Irene R. Scoocca, Assistant Vice President

(SEAL)

Attest:

______________________________
Assistant Secretary

7.21.76
BY-LAWS

OF THE

UNITED STATES TRUST COMPANY
OF NEW YORK

JULY 1, 1976
BY-LAWS

OF THE

UNITED STATES TRUST COMPANY
OF NEW YORK

ARTICLE I

STOCKHOLDERS

SECTION 1. Annual Election of Trustees. The annual election of Trustees to succeed those whose terms expire shall be held at 9:30 A.M. on the third Thursday of March (or if such Thursday be a legal holiday on the next succeeding business Thursday).

SECTION 2. Special Meetings of Stockholders. Special meetings of stockholders of the Company may be held at any time and may be called by resolution of the Board of Trustees or by order of the Chairman of the Board or the President or a Vice Chairman of the Board.

SECTION 3. Place. The annual election of Trustees and special meetings of stockholders shall be held at the principal office of the Company in the City and State of New York.

SECTION 4. Notice. Notice of the time and place of the annual election of Trustees or of any special meeting of stockholders shall be given in writing not less than 10 nor more than 50 days before the date of such annual election or meeting. Notice shall be given to each stockholder personally or by mailing the same to the stockholder’s address as shown on the stock book of the Company, unless the stockholder has filed written instructions with the Secretary requesting that notice be sent to another address, in which case such notice shall be sent to such other address. The Board of Trustees may fix in advance of the date of the annual election of Trustees or of any special meeting of stockholders a date, not exceeding 50 days prior to any such date as aforesaid, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such annual election or meeting.

SECTION 5. Voting. Each stockholder shall be entitled to one vote in person or by proxy for each share of stock held by such stockholder.
Voting at any annual election of Trustees or special meeting of stockholders may be in person or by proxy. Proxies must be written and shall be signed by the stockholder and filed with the Secretary of the Company.

SECTION 6. Quorum. Holders of shares of stock entitled to vote at any annual election of Trustees or special meeting of stockholders, and representing (either in person or by proxy) a majority of such stock, shall constitute a quorum at such annual election or meeting.

Holders of shares of stock entitled to vote at any annual election of Trustees or special meeting of stockholders, and representing a majority of such stock present (either in person or by proxy) thereat, shall have power to adjourn the annual election or meeting from time to time without notice other than announcement at such time. At any adjourned annual election of Trustees or special meeting at which a quorum of stock is present, the holders of such stock may transact any business which might have been transacted at the annual election or meeting as originally called.

When a quorum of stock is present at any annual election of Trustees or special meeting of stockholders or adjournment thereof, a majority of the votes cast by or on behalf of the holders of the shares of stock of such class shall decide any question, unless a different vote is required by law, by the special act of the Legislature of the State of New York passed April 12, 1853 (being Chapter 204 of the Laws of 1853) incorporating the Company, as amended from time to time (hereinafter called the charter of the Company), or by these By-Laws.

ARTICLE II

Trustees

SECTION 1. Number and Qualification. The Board of Trustees shall be such number not fewer than 13 nor more than 25 as shall be fixed from time to time by resolution of the Board of Trustees. No one shall be eligible to serve as a Trustee after reaching the age of 72 years. Any Trustee in office reaching the age of 72 years shall automatically become an Honorary Trustee and remain so at the pleasure of the Board, but shall in any event cease to be an Honorary Trustee upon reaching the age of 80 years. The Board may also designate any other former Trustee an Honorary Trustee to remain so at the pleasure of the Board. Honorary Trustees may be invited to attend any regular meeting of the Board and shall be permitted to participate in discussions at such meetings but shall not be entitled to vote and shall not be eligible to serve as a member of any committee of the Board other than such Advisory Committee of Honorary Trustee as may be appointed by the Board. Honorary Trustees, however, may be invited to attend any Committee meetings.
Notwithstanding the foregoing, any Trustee who is a salaried officer of the Company shall not serve as a Trustee after retiring as such officer or after reaching the age of 65 years, whichever occurs first, unless such Trustee has served as a Chief Executive Officer of the Company, either as Chairman of the Board or President. Any such Trustee in office who has served as a Chief Executive Officer of the Company, as Chairman of the Board or President, upon reaching the age of 66 years shall automatically become an Honorary Trustee and remain so at the pleasure of the Board, but shall in any event cease to be an Honorary Trustee upon reaching the age of 70 years.

Section 2. Classification and Term. Pursuant to the charter of the Company, the Trustees shall be classified with respect to terms of office into three classes, with terms of office of three years expiring on the date of the annual election of Trustees.

The three classes of Trustees shall be as nearly equal as may be. In case of any increase by the Board in the number of Trustees, the Board shall designate the class or classes in which the vacancy or vacancies created by such increase shall be included, having due regard for the above mentioned provision that the three classes shall be as nearly equal as may be.

At each annual election of Trustees, the successors to the Trustees of the class whose term shall expire in that year shall be elected Trustees for a term of three years, so that the term of office of one class of Trustees shall expire in each year, but each Trustee, of whatever class, shall hold office until his successor shall have been elected and shall qualify, or until his death, or until he shall resign.

Section 3. Election. The Trustees to be elected at any annual election shall be elected by ballot, and a plurality of votes shall elect.

Section 4. Stated Meetings. Stated meetings of the Board of Trustees shall be held at the principal office of the Company (or such other place within or without the State of New York as may be fixed at a previous meeting of the Board) on the first Thursday of every month (or if such Thursday be a legal holiday, on the next succeeding business Thursday) at 11:30 a.m., or at such other day and hour as the Board of Trustees may designate, except that the stated meeting for March shall be held on the day of the annual election of Trustees following such election (such meeting is hereinafter sometimes called the annual meeting of the Board of Trustees). The Chairman of the Board or the President or a Vice Chairman of the Board shall at each stated meeting submit a report of the concerns and business of the Company. No notice need be given for stated meetings.
SECTION 5. Special Meetings. Special meetings of the Board of Trustees may be called at any time by order of the Chairman of the Board or the President or a Vice Chairman of the Board, and shall be called by the Chairman of the Board or the President or a Vice Chairman of the Board at the request of any three Trustees. At least two days oral, telegraphic or written notice of the time and place of any special meeting shall be given personally or mailed (at his address shown on the records of the Company) to each Trustee.

SECTION 6. Quorum. The minimum number of Trustees required for a quorum shall be not less than five or less than one-third of the Board of Trustees.

When a quorum is present at any meeting, a majority of the Trustees present shall decide any question brought before the meeting, unless a different vote is required by law, by the charter of the Company or by these By-Laws.

SECTION 7. Vacancies. Any vacancy in the Board of Trustees occurring during the year may be filled for the unexpired term by the vote of a majority of the remaining Trustees at any meeting of the Board, provided that any person to be so voted upon shall have been nominated by the Committee on Trustees at a previous meeting of the Board. Any proposal or recommendation received by the Board with respect to the filling of a vacancy shall be referred to the Committee on Trustees.

The Committee on Trustees shall be elected by the Board of Trustees and shall consist of a Chairman and three other Trustees, one of whom shall be the Chairman of the Board or the President or a Vice Chairman of the Board. The members of the Committee shall serve until the annual meeting of the Board of Trustees or until their successors are elected. It shall be the duty of this Committee to initiate proposal of names of persons to fill vacancies occurring in the Board of Trustees and to consider names referred to it by the Board and to submit to the Board its recommendation as to the election of persons whose names are proposed to fill any vacancies in the Board.

Anything contained in these By-Laws to the contrary notwithstanding, if at any time the number of Trustees be reduced to less than the minimum number of Trustees required by law for a quorum, a majority of the remaining Trustees may be affirmative vote, at a special meeting called for the purpose, elect, or by instrument signed by such majority appoint, so many additional Trustees as will bring the whole number of Trustees for the time being up to the minimum number required by law for a quorum.
Section 8. Compensation. Each Trustee who is not a salaried officer of the Company shall receive such annual retainer as may be fixed from time to time by resolution of the Board and each Trustee shall receive such amounts as may be fixed from time to time by resolution of the Board for attendance at and participation in any regular or special meeting of the Board or any regular or special committee of the Board at which Trustees are called upon to perform the function and duties of Trustees or for other service as Trustee upon any committee. Nothing herein contained, however, shall be construed to preclude any Trustee from serving the Company in any other capacity and receiving compensation therefor. Each Honorary Trustee shall receive such reasonable compensation for services as may be fixed from time to time by resolution of the Board.

ARTICLE III
IDENTIFICATION OF TRUSTEES
AND OFFICERS

Any person made, or threatened to be made, a party to any action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate, is or was a Trustee or officer of the Company or serves or served any other corporation in any capacity at the request of the Company shall be indemnified by the Company, and expenses in connection therewith may be advanced by the Company, to the full extent authorized or permitted by law.

ARTICLE IV
EXECUTIVE COMMITTEE

Section 1. Number and Election. The Board of Trustees shall elect from their number an Executive Committee consisting of ten or more members, including the Chairman of the Board and the President and the Vice Chairman of the Board. Of the members of the Executive Committee other than the Chairman of the Board and the President and the Vice Chairman of the Board, the Board of Trustees shall (a) at the annual meeting of the Board following the annual election of Trustees elect five members to serve until the annual meeting of the Board following the next annual election of Trustees or until their successors are elected, (b) at each of its monthly stated meetings elect one member to serve during the ensuing month or until his
successor is elected, and (c) at any meeting of the Board elect such additional members as shall be determined by the Board to serve for such period as shall be designated by the Board. The Board of Trustees shall have the power at any time to fill vacancies in or to change the membership of the Executive Committee.

Section 2. Meetings. The Executive Committee shall meet on the fourth Tuesday of each month (or if any such Tuesday shall be a legal holiday, on the next succeeding business day) and at such other times as the Executive Committee, the Chairman of the Board or the President or a Vice Chairman of the Board may designate.

Five members of the Executive Committee shall form a quorum for the transaction of business.

The Chief Executive Officer, or in his absence such member who is an officer of the Trust Company and shall be designated by the Committee shall preside at meetings of the Executive Committee.

Regular minutes of the proceedings of the Executive Committee shall be kept and shall be always open for the inspection of any Trustee. At the stated monthly meetings of the Board of Trustees the proceedings of the meetings of the Executive Committee subsequent to the last stated monthly meeting of the Board of Trustees shall be reported to the Board of Trustees.

Section 3. Duties and Powers. The Executive Committee shall review generally all investments of the funds of the Company and its other activities. In its discretion the Executive Committee may, to the extent permitted by law, authorize officers of the Company to make investments in securities, to make loans or discounts whether secured by collateral or not (other than loans on bonds or notes secured by mortgages) and to accept fiduciary accounts, without previously consulting the Executive Committee.

Loans on bonds or notes secured by mortgages shall be made only upon the prior approval of a Loan Committee consisting of the two senior officers of the Banking Division after a review of recommendations of the senior officer of the Real Estate Division (or such other officers as the Executive Committee in its discretion may designate as their alternates), without previously consulting the Executive Committee. In every case of a loan on a bond or note secured by a mortgage, adequate proof of title, an abstract of title or a policy of title insurance shall be deposited with the Company.

All of the above transactions shall be reported to the Executive Committee at its next meeting.
ARTICLE V

OFFICERS

SECTION 1. Names; General Provisions. The officers of the Company shall be a Chairman of the Board, a President, not more than two Vice Chairmen of the Board, one or more Executive Vice Presidents, Senior Vice Presidents, one or more Vice Presidents and Assistant Vice Presidents, a Treasurer, a Secretary and one or more Assistant Treasurers and Assistant Secretaries, an Educational Director, a Comptroller and one or more Assistant Comptrollers, an Auditor, and such other officers and agents as the Board of Trustees shall appoint.

Each officer shall perform such duties as are prescribed by law or by these By-Laws, and shall perform such additional duties not set forth in these By-Laws as shall be prescribed by the Board of Trustees, the Executive Committee, the Chairman of the Board or the President or a Vice Chairman of the Board.

A satisfactory blanket bond shall be carried covering all officers and employees of the Company, in such amount as may from time to time be fixed by the Board of Trustees or the Executive Committee.

SECTION 2. Election. The Chairman of the Board and the President and the Vice Chairmen of the Board shall be elected from among the Trustees by the Board of Trustees at its annual meeting and each such officer shall hold his respective office from the time of his election until the annual meeting of the Board of Trustees following the next annual election of Trustees, and until his successor is elected, except in the case of his death or resignation. The affirmative vote of a majority of the Trustees shall be necessary to elect a Chairman of the Board and a President and the Vice Chairmen of the Board. Whenever a vacancy shall occur in the office of Chairman of the Board or in the office of President or in the office of Vice Chairman of the Board, a successor shall be elected by a majority of the Trustees at any meeting of the Board of Trustees.

The officers other than the Chairman of the Board and the President and the Vice Chairmen of the Board shall be appointed by the Board of Trustees and shall hold their offices respectively during the pleasure of the Board of Trustees. By resolution adopted by the Board of Trustees, the Board may delegate to the Executive Committee the appointment of officers other than the Chairman of the Board and the President and the Vice Chairman of the Board.

SECTION 3. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Trustees, and
shall have such additional powers and duties as the Board of Trustees may from time to time prescribe.

Section 4. President. In the absence or inability to act of the Chairman of the Board, the President shall preside at meetings of the stockholders and of the Board of Trustees, and shall have such additional powers and duties as the Board of Trustees may from time to time prescribe.

Section 5. Vice Chairmen of the Board. In the absence or inability to act of both the Chairman of the Board and the President, a Vice Chairman of the Board in the order of seniority shall preside at meetings of the stockholders and of the Board of Trustees and shall have such additional powers and duties as the Board of Trustees may from time to time prescribe.

In the absence or inability to act of the Chairman of the Board and the President and the Vice Chairmen of the Board, a Trustee selected by the Board of Trustees shall preside at meetings of the stockholders and of the Board of Trustees.

Section 6. Executive Vice President, Senior Vice President, the Treasurer, Vice President and Assistant Vice President. Each Executive Vice President, Senior Vice President, the Treasurer and each Vice President and Assistant Vice President shall have such powers and duties as the Chairman of the Board or the President or a Vice Chairman of the Board or the Board of Trustees may prescribe.

Section 7. Secretary. The Secretary shall keep the minutes of the Board of Trustees, and he shall have custody of the seal of the Company. Any officer shall have power to affix the seal of the Company to papers requiring a seal and attest the same.

The Secretary or such other officer as shall be designated by the Executive Committee shall keep the minutes of the Executive Committee. In the absence of the Secretary his powers shall be exercised and his duties discharged by one of the other officers, and the Executive Committee shall have power to appoint a secretary pro tempore.

Section 8. Comptroller. The Comptroller shall exercise general supervision over all accounting functions of the Company, including preparation of its required tax returns and reports to supervisory authorities, and shall have such other powers and duties as the Chairman of the Board or the President or a Vice Chairman of the Board or the Board of Trustees may prescribe.
He shall be responsible to the President or such other officer as the Board of Trustees may designate and to the Board of Trustees and may report directly to the Board.

In the absence of the Comptroller his powers shall be exercised and his duties discharged by one of the Assistant Comptrollers.

Section 9. Auditor. The Auditor shall exercise supervision over the Auditing Department, and he shall review and evaluate all existing controls and procedures and be responsible for reporting on the adequacy of controls, systems and protective procedures and devices to insure the accuracy of records and the safety of assets owned or managed by the Company.

The Auditor shall have such other powers and duties as the Chairman of the Board or the President or a Vice Chairman of the Board or the Board of Trustees may prescribe.

He shall be responsible to the President or such other officer as the Board of Trustees may designate and to the Board of Trustees and may report directly to the Board.

The Auditor shall have no power to sign vouchers or agreements on behalf of the Company.

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 docu-
ments 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, certificates, warrants and proxies with respect to which the Company is trustee, registrar, transfer agent, or fiscal agent, depository 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 advices, 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 erasures 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.

ARTICLE VI

Stock

SECTION 1. Certificates. Certificates for share of stock of the Company shall be in such form as may be prescribed by the Board of Trustees.

SECTION 2. Lost or Mutilated Certificates. In case any certificates for shares of stock of the Company shall be destroyed, mutilated, lost or stolen,
The Company may in its discretion issue a new certificate for a like number of shares in replacement thereof. Before a new certificate can be issued the applicant for a replacement certificate shall be required to furnish evidence satisfactory to the Company of the destruction, mutilation, loss or theft of such stock certificate and indemnity acceptable to the Company, and in case of mutilation, shall deposit the mutilated certificate with the Company.

ARTICLE VII

MISCELLANEOUS

SECTION 1. Fiscal Year. The fiscal year of the Company shall begin on the first day of January in each calendar year and end on the last day of December next following.

SECTION 2. Deposits. All monies of the Company deposited in any bank shall be deposited therein to the credit of the Company in its corporate name.

ARTICLE VIII

AMENDMENT

To the extent permitted by law these By-Laws may be amended, added to, altered or repealed in whole or in part, and new By-Laws may be adopted, at any meeting of the Board of Trustees, provided that notice of the proposed amendment, addition, alteration or repeal shall have been given at a previous meeting of the Board.
Municipal Assistance Corporation  
For The City of New York  
Two World Trade Center  
New York, New York 10048  

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, as amended and supplemented (the "General Bond Resolution"), and as to its due authentication and delivery of the Corporation's 1976 Series BB Bonds issued today in the aggregate principal amount of $1,479,318,000 (the "Bonds") pursuant to the 1976 Series BB Resolution adopted by the Corporation on July 6, 1976, and the General Bond Resolution (the "Resolutions"), and being issued today as Refunding Bonds (as that term is defined in the General Bond Resolution).  

United States Trust Company of New York also serves as Trustee pursuant to its appointment by the Corporation in the Second General Bond Resolution adopted by the Corporation on November 25, 1975.  

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.
July 23, 1976

Doc. No. 19A.

To Those Listed on
Schedule I Attached Hereeto

Gentlemen:

We have delivered to the Municipal Assistance Corporation

For The City of New York (the "Corporation") an opinion dated

the date hereof, with respect to the authentication by the Trustee

of the 1976 Series BB Bonds of the Corporation, a copy of which

is being furnished to you. You are entitled to rely on such opinion

as if the same were addressed to you.

Very truly yours,

Carter, Ledyard & Milburn

RRG:rh
SCHEDULE I

BANKS

Citibank, N.A.
Bankers Trust Company
United States Trust Company of New York
The Chase Manhattan Bank, N.A.
Marine Midland Bank-New York
National Bank of North America

Morgan Guaranty Trust Company of New York
Irving Trust Company
The Bank of New York
Manufacturers Hanover Trust Company
Chemical Bank

PENSION FUNDS

New York City Employees' Retirement System
Board of Education Retirement System for the City of New York
New York City Fire Department Pension Fund, Article 1-B

Teachers' Retirement System for the City of New York
New York City Police Pension Fund, Article 2

SINKING FUNDS

Sinking Fund of the City of New York
Rapid Transit Sinking Fund of the City of New York

Water Sinking Fund of the City of New York
Office of the Comptroller
City of New York
Municipal Building
New York, N.Y.

July 23, 1976

Municipal Assistance Corporation
For the City of New York
Two World Trade Center
New York, N.Y. 10047

Gentlemen:

In connection with the implementation of paragraph five of the Amended and Restated Agreement made as of November 26, 1975 (the "Agreement"), among the Municipal Assistance Corporation For The City of New York, certain banks (the "Banks"), certain Pension Funds and Retirement Systems of the City of New York (the "Pension Funds"), and the Sinking Funds of the City of New York (the "Sinking Funds"):

1. You are advised, for the purposes of clause (d)(C) of paragraph five of the Agreement, which contemplated the effect of the New York State Emergency Moratorium Act for the City of New York, as enacted by Laws of 1975, Chapter 874, amended by Chapter 875 (the "EMA"), including the non-payment during the "moratorium period" as defined in the EMA of the stated principal amount of certain "short-term obligations" of the City of New York (the "City"), also as defined in the EMA, that the City was in compliance with the
condition set forth in such clause in the manner so contemplated on February 1, 1976 and is in such compliance as of the date hereof.

2. You are further advised that subsequent to November 26, 1975 and prior to January 1, 1976, the Pension Funds purchased $30,000,000 aggregate principal amount of bonds of the City in compliance with paragraph 7(a) of the Agreement; and that subsequent to November 26, 1975 and prior to June 30, 1976, the Pension Funds purchased $500,000,000 aggregate principal amount of bonds of the City, and on July 1, 1976, the Pension Funds purchased $125,000,000 aggregate principal amount of bonds of the City, in compliance with paragraph 7(b) of the Agreement.

3. You are hereby authorized to deliver a copy of this letter to each of the Banks, which may rely on this letter as if it were addressed directly to each of them.

Very truly yours,

HARRISON J. GOLDIN
Comptroller

by

SOL LEWIS
Acting Third Deputy Comptroller
July 23, 1976

Opinion No. 108,343

Re: Implementation of the restructuring of certain MAC debt obligations under paragraph five of the Amended and Restated Agreement made as of November 26, 1975

Hon. Harrison J. Goldin
City Comptroller
Attention: Hon. Sol Lewis
Third Deputy Comptroller
Room 707
Municipal Building
New York, N.Y. 10007

Municipal Assistance Corporation For The City of New York
Attention: Mr. James Keegan
2 World Trade Center
New York, N.Y. 10047
Gentlemen:

In connection with the implementation of paragraph five of the Amended and Restated Agreement made as of November 26, 1975 (the "Agreement") among the Municipal Assistance Corporation for The City of New York ("MAC"), certain banks (the "Banks"), certain New York City Pension Funds (the "Pension Funds") and the New York City Sinking Funds (the "Sinking Funds"), reference is made to clause (d)(D) of paragraph five of the Agreement, which reads as follows:

"(d) Notwithstanding anything to the contrary in this paragraph 5, the undertaking of each such holder under this paragraph shall be subject to the following: ... (D) there shall be no failure of any condition (which has not been waived) to the performance of any obligation of the Pension Funds under Paragraph 7; ..."

The term "holder" used in the above-quoted provision means any of the Banks, Pension Funds or Sinking Funds holding MAC Bonds which are subject to the provisions of paragraph five of the Agreement.

Subparagraph (e) of paragraph seven of the Agreement provides that the obligations of the Pension Funds to purchase City bonds pursuant to such paragraph "shall be subject to agreement to and fulfillment of such agreements by all parties referred to in
this Paragraph 7 and shall be conditioned upon each of the following facts being true on the date of each such purchase.

... "There is set forth in such subparagraph (e) after the quoted language a list of nine conditions ("Conditions (i)-(ix") which are required to be satisfied with respect to any purchase of City bonds under paragraph seven of the Agreement in order that the Pension Funds be obligated to make such purchase.

With regard to the issuance and/or delivery of certain MAC Bonds to take place on July 23, 1976, under paragraph five of the Agreement, this office has conducted a review of such matters of law and fact as are necessary in order to determine whether there has been compliance with:

(1) the above-quoted preliminary requirement of subparagraph (e) of paragraph seven that all parties identified therein have fulfilled their agreements thereunder; and

(2) the above-mentioned nine conditions.

Attached hereto as Exhibit "A" is a copy of a letter, dated July 23, 1976, from the office of the City Comptroller to MAC, paragraph two of which states that the Pension Funds have made certain
purchases of City Bonds. On the basis of this statement, it is the opinion of this office that as of the date of this opinion, all of the parties to the Agreement referred to in paragraph seven thereof have fulfilled their agreements thereunder.

Attached hereto as Exhibit "B" is a certification by the Office of the City Comptroller, dated July 23, 1976, which states that as of such date Condition (i) (relating to the timely payment of principal and interest on all outstanding City Bonds) has been satisfied and that Condition (iv) (relating to the making of required City contributions and other payments to the Pension Funds) has also been satisfied.

Condition (v) provides that before a Pension Fund makes any purchase of City bonds under paragraph seven of the Agreement, the City shall furnish to the Pension Fund, if it so requests, a statement setting forth certain financial information. In connection with each purchase of City bonds by the Pension Funds to date, this condition has either been waived or substantially or fully complied with and may thus be deemed to have been satisfied.

Condition (viii) provides that at the time of each purchase of City bonds by a Pension Fund, there shall be delivered to and for the benefit of the Pension Fund an unqualified approving
opinion as to legality from recognized bond counsel. This condition has been satisfied in connection with each Pension Fund purchase of City bonds which has taken place since November 26, 1976 to date.

The Corporation Counsel has determined that as of the date of this opinion, the following Conditions have been satisfied:

(a) Condition (ii) (relating to the absence of City subject to court jurisdiction in Federal bankruptcy proceedings and certain other proceedings);

(b) Condition (iii) (relating to the enactment of a state law regarding the legal status of the pension funds and their Trustees' responsibilities [see Laws 1975, Ch. 890, declared acceptable to the Trustees of the Pension Funds in certificates executed in behalf of the Boards of Trustees of such Funds on December 5, 1975]);

(c) Condition (vi) (relating to the enactment of Federal legislation providing that Pension Fund purchases of City bonds under the Agreement shall not constitute prohibited transactions or otherwise adversely affect the qualified status of the Pension
Funds for Internal Revenue Code purposes [see Public Law 94-236 enacted by the United States Congress]);

(d) Condition (vii) (relating to enactment of Federal legislation providing for the seasonal financing needs of the City over a specified period and in specified amounts [see Public Law 94-143 enacted by the United States Congress]); and

(e) Condition (ix) (specifying that no other party to the Agreement shall be in breach of any provision thereof.

CONCLUSION

In view of the foregoing, it is my opinion that as of the date hereof, there has been no failure of any condition (which has not been waived) to the performance of any obligation of the Pension Funds under paragraph seven of the Agreement.

Sincerely,

[Signature]

Corporation Counsel
Municipal Assistance Corporation
For the City of New York
Two World Trade Center
New York, N.Y. 10047

Gentlemen:

In connection with the implementation of paragraph
five of the Amended and Restated Agreement made as of November
26, 1975 (the "Agreement"), among the Municipal Assistance Corpora-
tion For The City of New York, certain banks (the "Banks"), certain
Pension Funds and Retirement Systems of the City of New York
(the "Pension Funds"), and the Sinking Funds of the City of New York
(the "Sinking Funds"):

1. You are advised, for the purposes of clause (d)(C) of
paragraph five of the Agreement, which contemplated the effect of
the New York State Emergency Moratorium Act for the City of New
York, as enacted by Laws of 1975, Chapter 874, amended by
Chapter 875 (the "EMA"), including the non-payment during the
"moratorium period" as defined in the EMA of the stated principal amount
of certain "short-term obligations" of the City of New York (the "City"),
also as defined in the EMA, that the City was in compliance with the
condition set forth in such clause in the manner so contemplated on February 1, 1976 and is in such compliance as of the date hereof.

2. You are further advised that subsequent to November 26, 1975 and prior to January 1, 1976, the Pension Funds purchased $30,000,000 aggregate principal amount of bonds of the City in compliance with paragraph 7(a) of the Agreement; and that subsequent to November 26, 1975 and prior to June 30, 1976, the Pension Funds purchased $500,000,000 aggregate principal amount of bonds of the City, and on July 1, 1976, the Pension Funds purchased $125,000,000 aggregate principal amount of bonds of the City, in compliance with paragraph 7(b) of the Agreement.

3. You are hereby authorized to deliver a copy of this letter to each of the Banks, which may rely on this letter as if it were addressed directly to each of them.

Very truly yours,

HARRISON J. GOLDFIN
Comptroller

by

SOL LEWIS
Acting Third Deputy Comptroller
EXHIBIT "B"

OFFICE OF THE COMPTROLLER
CITY OF NEW YORK
MUNICIPAL BUILDING
NEW YORK, NEW YORK

July 23, 1976

Re: Implementation of the restructuring of certain MAC debt obligations under paragraph five of the Amended and Restated Agreement made as of November 26, 1975

Hon. W. Bernard Richland
Corporation Counsel
City of New York
Municipal Building
New York, N. Y.

Sir:

You have requested this office to advise you whether, in connection with the implementation of the restructuring of certain debt obligations of the Municipal Assistance Corporation For The City of New York ("MAC") under the Amended and Restated Agreement made as of November 26, 1975 (the "Agreement") among MAC, certain banks, certain New York City Retirement Systems and Pension Funds (the "Pension Funds") and the New York City Sinking Funds, certain conditions specified in subsection (e) of paragraph seven of the Agreement have been satisfied as of July 23, 1976.

The conditions in question are stated in such subsection as follows:
"The obligations of the Pension Funds to purchase bonds pursuant to this Paragraph 7 shall be subject to agreement to and fulfillment of such agreements by all parties referred to in this Paragraph 7 and shall be conditioned upon each of the following facts being true on the date of each such purchase:

(i) the City shall have timely paid when due principal and interest on all bonds of the City outstanding at such time, . . . (iv) the City shall have made to the Pension Funds all contributions and other payments required by law, . . ."

Please be advised that as of the date hereof conditions (i) and (iv) quoted above have been satisfied with respect to the restructuring identified above. This office hereby certifies as of the date hereof that:

(1) the City has timely paid when due principal and interest on all bonds of the City outstanding at this time; and

(2) the City has made to the Retirement Systems and Pension Funds all contributions and other payments required by law.

Very truly yours,

HARRISON J. GOLDIN
Comptroller

By

Sol Lewis
Acting Third Deputy Comptroller
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, as amended and supplemented, and the 1976 Series BB Resolution of the Corporation, adopted by the Board of Directors of the Corporation on July 6, 1976. 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.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

By: [Signature]
Senior Account Executive

Attest: [Signature]
Underwriter

Dated: July 23, 1976
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, as amended and supplemented, and the 1976 Series BB Resolution of the Corporation, adopted by the Board of Directors of the Corporation on July 6, 1976. 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.

CITIBANK, N. A.

By: 

Vice-President

Attest:

Secretary

TRUST OFFICER

Dated: July 23, 1976
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, as amended and supplemented, and the 1976 Series BB Resolution of the Corporation, adopted by the Board of Directors of the Corporation on July 6, 1976. 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.

THE NORTHERN TRUST COMPANY

By: [Signature]
Senior Vice President

Attest:

[Signature]
Secretary

Dated: July 23, 1976
Certificate of Trustee as to Receipt of Bonds Delivered in Exchange for Refunding Bonds

The undersigned, a duly appointed and qualified officer of United States Trust Company of New York, HEREBY CERTIFIES as follows:

United States Trust Company of New York, as Trustee (the "Trustee") under the General Bond Resolution Adopted July 2, 1975, as amended and supplemented (the "General Resolution"), by the Municipal Assistance Corporation For The City of New York (the "Corporation"), and in connection with the issuance and delivery today by the Corporation of $1,479,318,000 aggregate principal amount of its 1976 Series BB Bonds (the "Refunding Bonds"), hereby acknowledges, on behalf of the Corporation, the receipt, from the Holders (as defined in the General Resolution) thereof, of $1,479,318,000 aggregate principal amount of 1975 Series A, B, C, D, E, F, H, I, J, K, L, N, P, Q, R, S, T, W and Z Bonds of the Corporation, in the respective principal amounts for each such series set forth on Schedule A.23 attached hereto, and by reference made a part hereof, being delivered to the Corporation by such Holders as set forth on Schedule A.23 in exchange for an equal aggregate principal amount of the Refunding Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand

7.21.76
and the seal of United States Trust Company of New York
this 23rd day of July, 1976.

Irene R. Scocca,
Assistant Vice President

(SEAL)

ATTEST:

Assistant Secretary

7.21.76
SCHEDULE A.23(1)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by BANK OF NEW YORK for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR BANK OF NEW YORK

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SCHEDULE A.23(2)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by BANKERS TRUST COMPANY for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR BANKERS TRUST COMPANY

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SCHEDULE A.23(3)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by CHASE MANHATTAN BANK, N.A. for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR CHASE MANHATTAN BANK, N.A.

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SCHEDULE A.23(4)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by CHEMICAL BANK for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR CHEMICAL BANK

<table>
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<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$52,800</td>
</tr>
<tr>
<td>B</td>
<td>7,011</td>
</tr>
<tr>
<td>C</td>
<td>30,525</td>
</tr>
<tr>
<td>D</td>
<td>61,400</td>
</tr>
<tr>
<td>E</td>
<td>285</td>
</tr>
<tr>
<td>J</td>
<td>12,580</td>
</tr>
</tbody>
</table>
SCHEDULE A.23(5)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by CITIBANK, N.A. for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR CITIBANK, N.A.

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$93,500</td>
</tr>
<tr>
<td>B</td>
<td>12,000</td>
</tr>
</tbody>
</table>
SCHEDULE A.23(6)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by IRVING TRUST COMPANY for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR IRVING TRUST COMPANY

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$21,510</td>
</tr>
<tr>
<td>B</td>
<td>3,063</td>
</tr>
</tbody>
</table>
SCHEDULE A.23(7)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by MANUFACTURERS HANOVER TRUST COMPANY for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$58,000</td>
</tr>
<tr>
<td>B</td>
<td>8,206</td>
</tr>
</tbody>
</table>
SCHEDULE A.23(8)
TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by MARINE MIDLAND BANK--NEW YORK for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR MARINE MIDLAND BANK--NEW YORK

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$9,570</td>
</tr>
<tr>
<td>C</td>
<td>6,820</td>
</tr>
<tr>
<td>D</td>
<td>290</td>
</tr>
<tr>
<td>J</td>
<td>1,640</td>
</tr>
</tbody>
</table>
SCHEDULE A. 23(9)

TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by MORGAN GUARANTY TRUST COMPANY OF NEW YORK for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR MORGAN GUARANTY TRUST COMPANY OF NEW YORK

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$59,580</td>
</tr>
<tr>
<td>B</td>
<td>9,678</td>
</tr>
<tr>
<td>C</td>
<td>23,075</td>
</tr>
<tr>
<td>D</td>
<td>985</td>
</tr>
<tr>
<td>J</td>
<td>9,510</td>
</tr>
</tbody>
</table>
The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by NATIONAL BANK OF NORTH AMERICA for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

**EXTRACT FOR NATIONAL BANK OF NORTH AMERICA**

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$12,100</td>
</tr>
<tr>
<td>B</td>
<td>1,765</td>
</tr>
<tr>
<td>C</td>
<td>7,175</td>
</tr>
<tr>
<td>D</td>
<td>305</td>
</tr>
</tbody>
</table>
SCHEDULE A.23(11)
TO CLOSING DOC. NO. V.A. 23

The following schedule sets forth the aggregate principal amount (dollars in thousands) of each series of the 1975 Series Bonds of the Corporation, referred to in Closing Document Number V.A. 23, being delivered to the Corporation by UNITED STATES TRUST COMPANY OF NEW YORK for Refunding Bonds. The bonds listed are in coupon form and all unmatured coupons are attached to the bond certificate or, in the case of certain coupons maturing August 1, 1976, have been received in detached form.

EXTRACT FOR UNITED STATES TRUST COMPANY OF NEW YORK

<table>
<thead>
<tr>
<th>Series</th>
<th>Principal Amount (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$2,300</td>
</tr>
<tr>
<td>B</td>
<td>338</td>
</tr>
</tbody>
</table>
MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK
Implementation of Paragraph 5 of
the November 26, 1975 Agreement

CLOSING MEMORANDUM

I. The Closings.

On July 23, 1976, at 9 A.M., at the offices of United
States Trust Company of New York, 130 John Street, 14th Floor,
New York, New York, there took place the closings (the "Clos-
ings"), pursuant to the Amended and Restated Agreement made as
of November 26, 1975 (the "November 26 Agreement") among the
Municipal Assistance Corporation For The City of New York (the
"Corporation"), certain New York City commercial banks (the
"Banks"), the New York City Pension Funds (the "Pension Funds")
and the New York City Sinking Funds (the "Sinking Funds"), of
the following transactions necessary to the implementation of
the restructuring (the "restructuring"), as provided for in
Paragraph 5 of the November 26 Agreement, of the interest rates
and maturity dates of $1,808,323,000 principal amount of bonds
of the Corporation (the "Bonds"), issued pursuant to the General
Bond Resolution of the Corporation Adopted July 2, 1975 (the
"Resolution"), held by the Banks, Pension Funds and Sinking
Funds:

(a) The Corporation issued $1,479,318,000 aggregate
principal amount of its 1976 Series BB Bonds (the "Series BB
Bonds") to certain Banks, the Pension Funds and Sinking Funds as Refunding Bonds in exchange for $682,818,000 aggregate principal amount of 1975 Series A, B, C, D, E, H and J Bonds held by the Banks, $665,000,000 aggregate principal amount of 1975 Series F, I, L, N, Q, T, W and Z Bonds held by the Pension Funds and $131,500,000 aggregate principal amount of 1975 Series K, P, R and S Bonds held by the Sinking Funds; and such exchanged Bonds were thereupon cancelled.

(b) The Corporation delivered $78,915,000, $13,690,000, $1,125,000, and $32,520,000 aggregate principal amounts of its 1975 Series C, D, E and J Bonds, respectively, reflecting the amended terms provided for in the November 26 Agreement (the "adjusted Series C, D, E and J Bonds"), to certain Banks, and the same aggregate principal amounts of 1975 Series C, D, E and J Bonds not reflecting such amended terms, which were held by such Banks, were thereupon cancelled.

(c) Certain Banks placed $163,705,000 aggregate principal amount of 1975 Series C, D, E and J Bonds not on their face reflecting the amended terms provided for in the November 26 Agreement in custody accounts with the Depositary (as defined below).

(d) Certain Banks retained $39,050,000 aggregate principal amount of 1975 Series C, D, E and J Bonds held by them, which such Bonds already reflected the amended terms provided for in the November 26 Agreement.
II. Persons Present at the Closings.

The persons present at the Closings are set forth on Exhibit A to this Closing Memorandum.

III. Actions Taken Prior to the Closings.

1. On November 25, 1975 the Board of Directors of the Corporation authorized officials of the Corporation to execute the November 26 Agreement.

2. The November 26 Agreement was executed by all of the parties thereto.

3. On April 12, 1976 the Board of Directors of the Corporation (the "Board of Directors") adopted a Supplemental Resolution (the "April 12 Resolution") (i) authorizing the Finance Committee of the Corporation (the "Finance Committee") to amend Article II of the 1975 Series C, D, E, F, H, I, J, K, L, N, P, Q, R, S, T, W and Z Resolutions (the "Series Resolutions") to give effect to the restructuring; (ii) authorizing the Finance Committee to adopt such bond and coupon forms as necessary to give effect to the restructuring (such forms to be considered as an amendment to Article IV of each Series Resolution); and (iii) authorizing certain officials of the Corporation, Paul, Weiss, Rifkind, Wharton & Garrison, as General Counsel to the Corporation ("General Counsel"), and Hawkins Delafield & Wood, as Bond Counsel to the Corporation ("Bond Counsel"), to take such action as was necessary to effect such amendments of the Resolution or the Series
Resolutions as was required to give effect to the restructuring, including the solicitation and receipt of consents in such form as approved by General Counsel, Bond Counsel and Carter, Ledyard & Milburn, as counsel to United States Trust Company of New York ("counsel to the Trustee"), the Trustee under the Resolution (the "Trustee").

4. On May 18, 1976 the Board of Directors adopted a Supplemental Resolution (the "May 18 Resolution") amending, subject to the receipt of the required Bondholder consents, Sections 203 and 902 of the Resolution.

5. On May 18, 1976 the Board of Directors adopted a Supplemental Resolution amending, subject to the receipt of the required Bondholder consents, certain Sections of the 1975 Series A Resolution and the 1975 Series B Resolution.

6. On May 18, 1976 the Board of Directors authorized the publication, mailing and delivery of the document entitled Notice To The Holders Of Bonds Issued Under The First General Bond Resolution Adopted July 2, 1975 (the "Notice"), the document entitled Additional Information As To The Effects Of The Adjustment Described In The Notice (the "Additional Information"), the form of Consent (the "Form of Consent") and certain other related documents.

7. On May 25, 1976 the Corporation delivered Instructions to the Trustee Concerning Consents (the "Instructions to the Trustee"), which Instructions to the Trustee were confirmed by the Trustee.
8. On May 25, 1976 the Notice, Additional Information, Form of Consent and related documents were mailed to all registered holders of Bonds, to all underwriters, banks, brokers and dealers who had participated in the Series A and B underwriting syndicates and to certain other beneficial owners of Bonds.

9. On May 25, 1975 the Trustee delivered to itself, as Trustee, proof of mailing of the Notice, the Additional Information and the Form of Consent.

10. On May 26, 1976 the Corporation published the Notice and the Form of Consent in The New York Times. Such publication of the Notice also fulfilled the requirement of Section 902 of the Resolution, as amended and supplemented, concerning the publication of a notice of any extension or proposed extension by the Corporation of the maturity of any Bonds.

11. On May 26, 1976 the additional consent to amendments to the 1975 Series C, D, E, H and J Resolutions were delivered to counsel to the Banks.


15. Consents from Bondholders to the amendments to the Resolution and the Series Resolutions, including consents from each Bank, Pension Fund and Sinking Fund, were received by June 10, 1976.

16. On June 10, 1976 copies of the April 12 Resolution and the May 18 Resolution were filed with the Trustee.

17. On June 11, 1976 a certificate of an Authorized Officer of the Corporation was delivered to the Trustee to the effect that no Bonds were owned or held by or for the account of the Corporation.

18. On June 11, 1976 the Trustee filed with itself, as Trustee, and with the Corporation, written statements as to the receipt of consents from at least 2/3 in principal amount of Outstanding Bonds under the Resolution to the amendments to Sections 203 and 902 of the Resolution and from at least 2/3 in principal amount of Outstanding Bonds issued under each of the 1975 Series C, D, E, H and J Resolutions to the amendments to each of such Series Resolutions.


20. On June 14, 1976 the Notice of Receipt of Consents was mailed to all registered holders of Bonds.

21. On June 14, 1976 the Trustee delivered to itself, as Trustee, proof of mailing of the Notice of Receipt of Consents.
22. On June 14, 1976 General Counsel delivered an opinion to the Trustee pursuant to the Instructions to the Trustee.

23. On June 14, 1976 Bond Counsel delivered an opinion to the Trustee pursuant to the Instructions to the Trustee.

24. On June 14, 1976 counsel to the Trustee delivered an opinion to the Trustee pursuant to the Instructions to the Trustee.

25. On June 15, 1976 procedure forms (the "Procedure Forms") were delivered to counsel to the Banks.

26. On June 16, 1976 proof of publication of the Notice of Receipt of Consents was filed with the Trustee.

27. By June 23, 1976 the Corporation had received Procedure Forms from all the Banks.

28. On June 25, 1976 Certificate No. 11 pursuant to Section 3036 of the Municipal Assistance Corporation for the city of New York Act, as amended (the "Act"), was filed with the Mayor of The City of New York (the "City") and the Comptroller of the State of New York (the "State").

29. On July 6, 1976 the Finance Committee amended Article II of each of the 1975 Series C, D, E and J Resolutions and adopted such bond and coupon forms (such forms were considered as amendments to Article IV of each of the 1975 Series C, D, E and J Resolutions) as necessary to give effect to the restructuring.
30. On July 6, 1976 the Board of Directors (i) adopted the 1976 Series BB Resolution (the "Series BB Resolution"); (ii) authorized the issuance and delivery of the Series BB Bonds required thereunder in order to give effect to the restructuring; and (iii) authorized officials of the Corporation to execute the Deposit Agreements.

31. On July 12, 13, 14, 15, and 16, 1976 the Banks delivered their 1975 Series A, B, C, D, E, H and J Bonds (including those 1975 Series C, D and E Bonds that are to be held under the Deposit Agreements (as defined below) but excluding those 1975 Series C, D and E Bonds being retained in original form by certain of the Banks) to the Trustee, to be checked, and held by the Trustee for the account of such Banks until the Closings.

32. On July 13, 1976 the Series BB Bonds, to be delivered in registered form, were delivered by Security-Columbian Banknote Company to the Trustee for signature by Authorized Officers of the Trustee.

33. On July 14, 1976 the Pension Funds and Sinking Funds delivered their 1975 Series F, I, K, L, N, P, Q, R, S, T W and Z Bonds to the Trustee, to be checked, and held by the Trustee for the account of the Pension Funds and Sinking Funds until the Closing.

34. On July 15, 1976 the adjusted Series C, D, E and J Bonds, to be delivered in registered form, were delivered by Security-Columbian Banknote Company to the Trustee for signature by Authorized Officers of the Trustee.
35. On July 15, 16, and 17, 1976 the remaining Series BB Bonds and adjusted Series C, D, E and J Bonds were delivered by Security-Columbian Banknote Company to The Signature Company for signature by Authorized Officers of the Trustee.

36. On July 17, 1976 the Supplemental Resolutions amending Sections 203 and 902 of the Resolution and authorizing the amendments to the 1975 Series C, D, E, H and J Resolutions became conclusively binding upon the Corporation, the Trustee, each Paying Agent and the Holders of all Bonds and coupons of the Corporation.

37. On July 17, and 18, 1976 the Series BB Bonds and the adjusted Series C, D, E and J Bonds were signed, at the offices of The Signature Company, by Authorized Officers of the Trustee.

38. On July 19, 1976 the Series BB Bonds and the adjusted Series C, D, E and J Bonds, as signed, were delivered by The Signature Company to the Trustee.

39. On July 20, 1976 the Pension Funds and Sinking Funds checked, packaged and sealed the Series BB Bonds that would be issued to them at the Closing.

40. On July 21, 1976 five of the Banks checked, packaged and sealed the Series BB Bonds and/or the adjusted Series C, D, E and J Bonds that would be issued and/or delivered to such Banks at the Closings.
41. On July 22, 1976 six of the Banks checked, packaged and sealed the Series BB Bonds and/or the adjusted Series C, D, E and J Bonds that would be issued and/or delivered to such Banks at the Closings.

IV. Actions Taken at the Preclosings.

On July 22, 1976, at 10:30 A.M., a preclosing was held at the offices of United States Trust Company of New York, 130 John Street, 14th Floor, New York, New York at which, to the extent possible, all documents to be delivered at the Closing were reviewed, signed and packaged by all of the interested parties.

V. Actions Taken at the Closings.

The Closing for the issuance and delivery of the Series BB Bonds occurred immediately prior to the Closing for the delivery of the adjusted Series C, D, E and J Bonds. All actions at each of the Closings were deemed to occur simultaneously and no action was effective unless all other actions required to be completed at each such Closing were completed. The following documents were delivered and the following actions were taken at the Closings:

A. The Closing of the Issuance and Delivery of the Series BB Bonds

1. General certificate of the Corporation as to members, officers, terms of office and other details of the Corporation including by-laws, minutes, certain resolutions, specimen bonds, litigation, signatures and certificates required by Section 202 of
the Resolution (including certificate showing compliance
with Paragraph 5(c) of the November 26 Agreement).

2. Extracts of the Minutes of Board of Directors
Meetings held November 25, 1975, May 18, 1976 and July 6, 1976,
showing (i) authorization for officials of the Corporation to
execute the November 26 Agreement; (ii) adoption, subject to the
required Bondholder consents, of amendments to Sections 203 and
902 of the Resolution; (iii) approval of the publication, mailing
and delivery of the Notice, Additional Information and Form of
Consent, (iv) adoption of the Series BB Resolution; (v) the
determination that the issuance of the Series BB Bonds is in
fulfillment of one or more of the Corporation's purposes; and
(vi) authorization of the issuance and delivery of the Series
BB Bonds.

3. Copy of the Resolution, as amended and supple-
mented, and copy of the Series BB Resolution.

4. Copy of an executed counterpart of the November 26
Agreement.

5. Copy of the Notice, Additional Information and
Form of Consent.

6. Copy of the proofs of publication of the Notice
and Form of Consent.

7. Copy of the written statements of the Trustee as
to the receipt of the consents from at least 2/3 in principal
amount of Outstanding Bonds under the Resolution to the amendments to Sections 203 and 902 of the Resolution.

8. Copy of the proof of publication of the Notice of Receipt of Consents.

9. The certificate of the Commissioner of Taxation of the State required by Section 202 of the Resolution.

10. The opinion of General Counsel required pursuant to Section 202 of the Resolution together with reliance opinion to the Trustee.

11. The opinion of General Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.

12. The approving opinion of Bond Counsel required pursuant to the November 26 Agreement and pursuant to Section 202 of the Resolution together with reliance opinion to the Trustee.

13. The opinion of Bond Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.


15. Opinion of Bond Counsel as to Arbitrage.

16. Written order of the Corporation as to the delivery and authentication of the Series BB Bonds.

17. Supplemental order of the Corporation as to the delivery and authentication of the Series BB Bonds.
18. Trustee's certificate with attached copy of an excerpt of the By-laws showing authority for officers to authenticate the Series BB Bonds.

19. Opinion of counsel for the Trustee with respect to the Trustee's authority to act as Trustee.

20. Certificate of the Comptroller of the City as to compliance with certain provisions of the November 26 Agreement and opinion of the Corporation Counsel of the City as to compliance with certain provisions of the November 26 Agreement.


24. $1,479,318,000 aggregate principal amount of Series BB Bonds being issued and delivered to the Banks, Pension Funds and Sinking Funds.

25. Receipts for $1,479,318,000 aggregate principal amount of Series BB Bonds executed by the Banks, Pension Funds and Sinking Funds.
B. The Closing of the Delivery of the Adjusted Series C, D, E and J Bonds

1. General certificate of the Corporation as to members, officers, terms of office and other details of the Corporation, including by-laws, minutes, certain resolutions, specimen bonds, litigation, signatures and certificates required (pursuant to Section 902 of the Resolution, as amended and supplemented) by Section 202 of the Resolution (including certificate showing compliance with Paragraph 5(c) of the November 26 Agreement).

2. Extract of the Minutes of Board of Directors Meetings held November 25, 1975, April 12, 1976, May 18, 1976 and July 6, 1976 showing (i) authorization for officials of the Corporation to execute the November 26 Agreement; (ii) authorization for the Finance Committee to amend the 1975 Series C, D, E and J Resolutions; (iii) authorization for the Finance Committee to adopt certain bond and coupon forms; (iv) adoption, subject to the required Bondholder consents, of amendments to Sections 203 and 902 of the Resolution; (v) the determination that the delivery of the adjusted Series C, D, E and J Bonds is in fulfillment of one or more of the Corporation's purposes; (vi) approval of the publication, mailing and delivery of the Notice, Additional Information and Form of Consent; and (vii) authorization for officials of the Corporation to execute the Deposit Agreements (as defined below). Extract of the Minutes of a Finance Committee Meeting held on July 6, 1976 showing (i) amendment of the 1975 Series C, D, E and J Resolutions; and (ii) adoption of certain bond and coupon forms.
3. Copy of the Resolution, as amended and supplemented, and copies of the 1975 Series C, D, E and J Resolutions, as amended and supplemented.

4. Copy of an executed counterpart of the November 26 Agreement.

5. Copy of the Notice, Additional Information and Form of Consent.

6. Copy of the proofs of publication of the Notice and Form of Consent.

7. Copy of the written statements of the Trustee as to the receipt of the consents from at least 2/3 in principal amount of Outstanding Bonds under the Resolution to the amendments to Sections 203 and 902 of the Resolution and from at least 2/3 in principal amount of Outstanding Bonds under each of the 1975 Series C, D, E and J Resolutions to the amendments to each of such Series Resolutions.

8. Copy of the proof of publication of the Notice of Receipt of Consents.

9. The certification of the Commission of Taxation of the State required by Section 202 of the Resolution (pursuant to Section 902 of the Resolution, as amended and supplemented).

10. The opinion of General Counsel, addressed to those Banks receiving adjusted Series C, D, E and J Bonds, required pursuant to Section 202 of the Resolution (pursuant to Section 902 of the Resolution, as amended and supplemented) together with reliance opinion to the Trustee.
11. The opinion of General Counsel, addressed to those Banks delivering 1975 Series C, D, E and J Bonds to the Depositary, required pursuant to Section 202 of the Resolution (pursuant to Section 902 of the Resolution, as amended and supplemented) together with reliance opinion to the Trustee.

12. The opinion of General Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.

13. The approving opinion of Bond Counsel, addressed to those Banks receiving adjusted Series C, D, E and J Bonds, required pursuant to the November 26 Agreement and pursuant to Section 202 of the Resolution (pursuant to Section 902 of the Resolution, as amended and supplemented) together with reliance opinion to the Trustee.

14. The approving opinion of Bond Counsel, addressed to those Banks delivering 1975 Series C, D, E and J Bonds to the Depositary, required pursuant to the November 26 Agreement and pursuant to Section 202 of the Resolution (pursuant to Section 902 of the Resolution, as amended and supplemented) together with reliance opinion to the Trustee.

15. The opinion of Bond Counsel required pursuant to Sections 1003 and 1102 of the Resolution and pursuant to the Instructions to the Trustee.

16. Written order of the Corporation as to the preparation, authentication and delivery of definitive certificates representing the 1975 Series C, D, E and J Bonds reflecting the terms provided for in the Series Resolutions, as amended.
17A. Supplementary order of the Corporation as to the delivery and authentication of the adjusted Series C, D, E and J Bonds.

17B. Supplemental Letter of the Corporation to the Trustee.

18. Trustee's certificate with attached copy of an excerpt of the By-laws showing authority for officers to prepare, authenticate and deliver definitive certificates representing the 1975 adjusted Series C, D, E and J Bonds reflecting the terms provided for in the Series Resolutions, as amended.

19. Opinion of counsel for the Trustee with respect to the Trustee’s authority to act as Trustee.

20. Certificate of the Comptroller of the City as to compliance with certain provisions of the November 26 Agreement and opinion of the Corporation Counsel of the City as to compliance with the November 26 Agreement.

21. $126,250,000 aggregate amount of 1975 Series C, D, E and J Bonds delivered by certain Banks to the Trustee and cancelled.

22. Certificate of the Trustee as to receipt of $126,250,000 aggregate principal amount of 1975 Series C, D, E and J Bonds from certain Banks.

23. $126,250,000 aggregate principal amount of adjusted Series C, D, E and J Bonds being delivered to certain Banks.

24. Receipts for $126,250,000 aggregate principal amount of adjusted Series C, D, E and J Bonds executed by certain Banks.

25. Deposit Agreements (the "Deposit Agreements") executed by the Corporation, certain Banks and United States Trust Company of New York, as Depositary (the "Depositary").
26. $163,705,000 aggregate principal amount of 1975 Series C, D, E and J Bonds delivered by certain Banks to the Depositary pursuant to the November 26 Agreement and the Deposit Agreements.

27. Receipts for $163,705,000 aggregate principal amount of 1975 Series C, D, E and J Bonds executed by the Depositary and delivered to certain Banks.


29. Certificate of the Corporation as to the payment of principal of and interest on the 1975 Series C, D, E and J Bonds held by the Depositary.

VI. Actions Taken After the Closings.

1. Each of the Banks, Pension Funds and Sinking Funds picked up its Series BB Bonds and its adjusted Series C, D, E and J Bonds, if any, from the Trustee.

2. The Trustee destroyed $1,605,568,000 aggregate principal amount of 1975 Series A, B, C, D, E, F, H, I, J, K, L, N, P, Q, R, S, T, W and Z Bonds delivered to it, as Trustee, and cancelled at the Closings, and delivered a certificate to such effect to the Corporation.

3. The Corporation issued a press release stating that the restructuring had been accomplished.

4. The Corporation paid interest on all its Outstanding Bonds on August 1, 1976.
PERSONS PRESENT AT THE CLOSINGS

The following persons were present at the Closings:

1. For the Corporation:

2. For General Counsel:

3. For Bond Counsel:

4. For the Trustee:

5. For Counsel to the Trustee:
6. For The Bank of New York:

Messrs. Sullivan & Cromwell
By:

7. For Bankers Trust Company:

Messrs. White & Case
By:

8. For The Chase Manhattan Bank

Messrs. Milbank Tweed Hadley & McCloy
By:
9. For Chemical Bank:

Messrs. Cravath, Swaine & Moore
By:

10. For Citibank, N.A.

Messrs. Shearman & Sterling
By:

11. For Irving Trust Company:

Messrs. Winthrop, Stimson, Putman & Roberts
By:

12. For Manufacturers Hanover Trust Company:

Messrs. Simpson, Thacher & Bartlett
By:
13. For Marine Midland Bank - New York:

Messrs. Sullivan & Cromwell

By:

14. For Morgan Guaranty Trust Company of New York:

Messrs. Davis Polk & Wardwell

By:

15. For National Bank of North America:

Messrs. Cole & Deitz

By:

12. For United States Trust Company of New York:

Messrs. Carter, Ledyard & Milburn

By: