ERRATA

The enclosed Affidavit form was inadvertently omitted from the letter which was hand delivered to you by the Municipal Assistance Corporation earlier today.

25 March 1977
BY HAND

25 March 1977

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

ATT: Malcolm J. Hood, Vice President

RE: Exchange Offer by Municipal Assistance Corporation
For The City of New York dated March 22, 1977

Gentlemen:

This letter is in response to certain inquiries which the Corporation has received with respect to the above referenced Exchange Offer, made on the terms and conditions set forth in the Corporation's Official Statement dated March 22, 1977 (the "Exchange Offer"), a copy of which is enclosed herewith.

Certain of the eleven commercial banks which are members of the New York Clearing House Association, Inc., (the "Clearing House Banks") have advised the Corporation that they may wish to tender notes of The City of New York to the Corporation for their own account, pursuant to the Exchange Offer.
This is to advise you that: (1) the Exchange Offer is made for all outstanding notes of The City of New York having maturity dates specified in the Official Statement, which were not, on November 26, 1975, subject to the Amended and Restated Agreement made as of November 26, 1975; and (2) the Corporation has determined to waive the condition that a Clearing House Bank make the representation contained in the third paragraph on page 2 of the Letter of Transmittal, a copy of which is enclosed herewith, and to accept Letters of Transmittal with the said paragraph deleted but otherwise duly completed and delivered, provided that such Clearing House Bank submits with the Letter of Transmittal and the notes of the City being tendered an affidavit in the form enclosed herewith.

Therefore, the Corporation hereby authorizes and directs the United States Trust Company of New York to accept tenders of notes of the City by the Clearing House Banks accordingly.

Very truly yours,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[Signature]

Stephen J. Weinstein
Deputy Executive Director

Enclosures

SJW:ba

cc: Clearing House Banks
(See attached list.)
STATE OF NEW YORK

COUNTY OF NEW YORK

______________________, being duly sworn, deposes and says:

(Name of Bank Officer)

1. I reside at ______________________________.
   (Residence Address, City, State, Zip Code)

2. I am ______________________________, and I am authorized to execute this Affidavit on behalf of ______________________________ (the "Bank").
   (Name of Bank)

3. The Bank is the owner of notes of the City of New York referred to in the Letter of Transmittal to which this Affidavit is attached. Such notes (the "Tendered Notes") are being tendered to the Municipal Assistance Corporation For The City of New York (the "Corporation") simultaneously with the execution and delivery of this Affidavit.

4. The Tendered Notes were not owned, directly or indirectly, by the Bank, on November 26, 1975.

5. The Bank has no reason to believe that the Tendered Notes were owned, directly or indirectly, on November 26, 1975 by any other of the banks that are members of the New York City Clearing House Association, Inc., any of the five New York City Pension Funds or any of the New York City Sinking Funds, each of which is a party to a certain Amended and Restated Agreement made as of November 26, 1975.

6. This Affidavit is being delivered to the Corporation for the purpose of inducing such Corporation to accept the Tendered Notes pursuant to the Exchange Offer referred to in the Letter of Transmittal and to issue the 1977 Series 7 Bonds of the Corporation in exchange therefor.

(Signature)

Subscribed and sworn to before the undersigned, a notary public in and for the State and County aforesaid, this _______ day of ________ 1977.

My Commission expires ___________________________
BY HAND

25 March 1977

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

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MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[Signature]

Stephen J. Weinstein
Deputy Executive Director

Enclosures

SJW:ba

cc: Clearing House Banks
    (See attached list.)
BANKERS' TRUST COMPANY  
280 Park Avenue/17th Floor  
New York, New York 10017  
ATT: John W. Hannon, Jr.

BANK OF NEW YORK  
48 Wall Street/3rd Floor  
New York, New York 10015  
ATT: Elliott Averett

CHASE MANHATTAN BANK, N.A.  
One Chase Manhattan Plaza/17th Floor  
New York, New York 10005  
ATT: W. C. Butcher

CHEMICAL BANK  
20 Pine Street/4th Floor  
New York, New York 10005  
ATT: Donald C. Platten

CITIBANK  
399 Park Avenue/15th Floor  
New York, New York 10022  
ATT: Walter B. Wriston

IRVING TRUST COMPANY  
One Wall Street/10th Floor  
New York, New York 10005  
ATT: Joseph A. Rice

MANUFACTURER'S HANOVER TRUST  
350 Park Avenue/3rd Floor  
New York, New York 10022  
ATT: Gabriel Hauge

MARINE MIDLAND BANK  
140 Broadway/21st Floor  
New York, New York 10005  
ATT: Francis X. Murphy, V.P.

MORGAN GUARANTY TRUST OF NEW YORK  
23 Wall Street/10th Floor  
New York, New York 10015  
ATT: Elmore C. Patterson

NATIONAL BANK OF NORTH AMERICA  
44 Wall Street/2nd Floor  
New York, New York 10005  
ATT: George D. Matson

U.S. TRUST COMPANY  
45 Wall Street/6th Floor  
New York, New York 10005  
ATT: Edwin A. Heard

U.S. TRUST COMPANY  
130 John Street/20th Floor  
New York, New York 10038  
ATT: Malcolm J. Hood, V.P.
20 March 1978

Richard G. McClung, Esq.
Carter, Ledyard & Milburn
Two Wall Street
New York, New York 10005

Re: Bill 124

Dear Mr. McClung:

We are writing to you in accordance with the procedures which have been established for negotiating settlement of outstanding bills which your firm has pending for payment by the Corporation. These bills cover services which your firm has provided the United States Trust Company of New York, acting as Trustee for the Bondholders of the Corporation.

Bill 124 was submitted to us on March 14, 1978. This bill totals $5,776.65, which includes charges of $5,604.00 for personal services, and $172.65 for reimbursable expenses for the month of January 1978. We are proposing settlement of this bill, in accordance with guidelines established by the New York State Department of Audit and Control, by reducing the charge for personal services by $672.48, or 12 percent, to $4,931.52. This would reduce the total due your firm to $5,104.17.

If you are in agreement with this proposal, please so indicate by signing and returning the enclosed copies of this letter, and the enclosed New York State Voucher Form. We will then submit this bill to Albany for payment.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

ACCEPTED
CARTER, LEDYARD & MILBURN

By: Richard G. McClung, Esq.

Date: __________________________
Bill 124

For services provided to United States Trust Company of New York for the period January 1 through January 31, 1978.

- Personal Services
- Less negotiated discount (12%)
- Net Personal Fee
- Reimbursable Expenses

Total Due: $5104.17

Date: March 20, 1978

Page No.:
BY HAND

9 March 1977

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

Attention: Mr. Malcolm J. Hood, Vice President

Gentlemen:

The Municipal Assistance Corporation For The City of New York (the "Corporation") has today by telephone ordered you, as Trustee under the Corporation's General Bond Resolution adopted July 2, 1975, and Second General Bond Resolution adopted November 25, 1975 (the "Resolutions"), to reinvest interest payments deposited in each of the Corporation's Capital Reserve Funds established under the Resolutions, in the same series of United States of America Treasury Notes from which such interest payments were made, as follows.

For the Capital Reserve Fund under the First General Bond Resolution, you have been authorized and directed to reinvest in United States of America Treasury Notes due August 15, 1986, bearing interest at 8 percent. For the Capital Reserve Fund under the Second General Bond Resolution, you have been authorized and directed to reinvest in United States of America Treasury Notes due February 15, 1981, bearing interest at 7.375 percent.
The Corporation hereby confirms its directions to the Trustee as to each of the above investments, and further confirms that in issuing such orders the Corporation has taken into consideration the dates and times when monies in the respective Capital Reserve Funds will be required so that the maturity or redemption date at the option of the holder of each such investment shall coincide as nearly as practical with but in no event later than such times at which monies in such Capital Reserve Funds will be required for the purposes of the respective Resolutions. In addition, the Corporation has taken into consideration the maximization of return and minimization of risk, seeking the highest yields to maturity in the least number of years. In determining the times at which monies may be required, the Corporation has also taken into consideration the call provisions of the respective bond series.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

By: [Signature]

Stephen J. Weinstein
Deputy Executive Director

cc: Sally G. Farrell, Esquire
    James M. Dubin, Esquire
    Pat Santivascl
    John J. Keohane, Esquire
    Paul G. Giddings

SJW:ba
2 March 1977

United States Trust Company of New York
as custodian under agreement dated
August 21, 1975
130 John Street
New York, New York 10038

Attention: Malcolm J. Hood, Vice President

Gentlemen:

You are currently holding in a custody account of the Municipal Assistance Corporation For The City of New York (the "Corporation") short-term notes (the "Notes") of The City of New York (the "City") with a stated maturity date of February 13, 1976 in an aggregate principal amount of $26,545,000, which were exchanged for the 1976 Series '5 and 1976 Series '6 Bonds of the Corporation.

In connection with the payment of interest on the Notes to or upon the order of each of the persons who tendered such Notes for exchange, you are hereby authorized and instructed to present and make available in your offices the Notes to a representative of Manufacturers Hanover Trust Company, as Paying Agent of the City, for the imprinting of the following legend upon the reverse side of the Notes:

"Paid as of February 13, 1977, an amount equal in sum to interest at the rate of 6% from February 13, 1976, through June 21, 1976, without the waiver of any rights by the holder or any former holder or the City with respect to the payment of principal or interest due hereon."
Unites States Trust Company of New York
2 March 1977
Page two

You are hereby further authorized and instructed to confirm to the Corporation the due imprinting of the Notes pursuant to the instructions contained herein and to retain the Notes in the custody account of the Corporation following such imprinting, to be held until further direction from the Corporation.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By: [Signature]

Stephen J. Weinstein
Deputy Executive Director

SJW/mp

cc: Sally G. Farrell, Esquire
    Frederick R. Cummings, Jr., Esquire
2 March 1977

Mrs. Kathryn Holman
Los Arbolitos – Apt. 40
8450 Atlanta Avenue
Huntington Beach, California 92646

Dear Mrs. Holman:

Thank you for your letter of February 11, 1977. We appreciate your concern with regard to payment of your $10,000 Note of the City of New York bearing a maturity date of December 11, 1975. I am sorry that your previous letters have gone unanswered, but our records indicate that this the first correspondence which we have received from you.

The note which you hold is an obligation of the City of New York, and not of the Municipal Assistance Corporation, which is an independent public benefit corporation. However, I will outline for you the method which is now being established for payment of such City obligations.

Pursuant to an order entered recently by the New York State Court of Appeals, the New York State Supreme Court for New York County is presently in the process of setting up a procedure by which individuals of City notes, such as yourself, can establish their respective claims for payment. We are informed that in the near future application forms for such claims will be available from that court. For your information, the 30 day period within which the City
must pay any such notes, to which you refer, does not begin to run until a particular claim is established before the court and judgment is entered by the court. For your further information, and the necessary claim application forms, you should contact Justice James Gibson, who has been designated to handle this matter, at the Supreme Court of the State of New York for New York County, 60 Centre Street, New York, New York 10007. The telephone number for the clerk's office of that court is 212/374-8359.

We hope that this information will be of help to you.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

SJW/mp
Mrs Kathryn Holman
Los Arbolitos APT. 40
8450 Atlanta Avenue,
Huntington Beach,
California 92646.


Mr. Weix, G. Rohatyn
State of New York
Municipal Assistance Corp.
For the City of New York.
2 World Trade Center.
New York, New York 10047.

Dear Sir;

I am the owner of a $10000 City of New York bond
9.50% issue December 13th, 1974 due for redemption Dec 11th, 1975
bond #RX8980.

I have written to the above office in November,
December 1976 and January 5th, 1977 to tell where I can collect
the interest due at 6%, but up to the time of writing this letter
I have not received any answer to my letters, which I fail to
understand.

I am on social security and 78 years old and in need of
the money.

I am informed by the newspaper that on Tuesday
January 8th, 1977 the state's highest court ruled (The Court of
Appeals that the self-imposed moratorium on these debts was
unconstitutional and immediate payment be made to Flushing
National Bank and that the lower court ordered that small
holders be paid within 30 days.

Therefore I am giving the City of New York 30 days
notice to redeem my bond and pay me $10000 plus interest of
6%.

I repeat that I am a senior citizen and in need of
this money and trust you will cooperate and assist me
finalizing this situation.

Yours very truly.

Mrs Kathryn Holman.

[Signature]
2 March 1977

Mr. Richard D. Mohr
51 Lexington Avenue
Paterson, New Jersey 07502

Dear Mr. Mohr:

Thank you for your letter of February 17, 1977 and a copy of your resume.

At present, there are no positions available with the Municipal Assistance Corporation. However, we will retain your resume in our files. In the event that our staffing needs in the future fit your background and experience, we will be in touch with you at that time.

We appreciate your interest in the Municipal Assistance Corporation.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director