30 November 1978

Honorable Louis Lefkowitz,
Attorney General
STATE OF NEW YORK/DEPARTMENT OF LAW
The Capitol
Albany, New York 12224

ATT: Shirley Adelson Siegel, Esq.

Dear Mr. Lefkowitz:

This is to request delivery to the bearer of this letter of the two opinions of the Attorney General requested by the Municipal Assistance Corporation by letters dated November 29, 1978, in connection with the sale by the Municipal Assistance Corporation of its 1978 Series 10 Bonds.

Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director

Opinions Received By:

[Signature]
30 November 1978

Honorable Louis Lefkowitz,
Attorney General
STATE OF NEW YORK/DEPARTMENT OF LAW
The Capitol
Albany, New York 12224

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Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director

Opinions Received By:
29 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

Re: 1978 Series 10 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with respect to the Financial Emergency Act for The City of New York as amended by Chapter 201 and Chapter 777 of the Laws of 1978.

This opinion is being requested in connection with the sale by the Municipal Assistance Corporation For The City of New York of its 1978 Series 10 Bonds in the principal amount of $250 million to a group of underwriters pursuant to the Bond Purchase Agreement dated November 17, 1978, between the Corporation and the underwriters.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By: [Signature]
Stephen J. Weinstein
Deputy Executive Director
29 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

Re: 1978 Series 10 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with regard to the 1978 Series 10 Bonds of the Municipal Assistance Corporation For The City of New York.

The 1978 Series 10 Bonds will be issued in the principal amount of $250,000,000, and will bear interest and mature as described in the Official Statement of the Corporation dated November 17, 1978. The Corporation is selling the 1978 Series 10 Bonds to a group of underwriters pursuant to the Bond Purchase Agreement dated November 17, 1978, between the Corporation and the underwriters.

The 1978 Series 10 Bonds will be issued pursuant to the Second General Bond Resolution of the Corporation. The 1978 Series 10 Bonds will be payable from certain per capita State aid and, to the extent not required for payment of certain other obligations of the Corporation, including bonds issued under the Corporation's First General Bond Resolution, revenues derived from certain sales and compensating use taxes imposed by the State of New York within the City of New York and, under certain conditions, the State stock transfer tax, all subject to annual appropriation by the State Legislature, as described in the Official Statement of the Corporation dated November 17, 1978.
29 November 1978
Hon. Louis J. Lefkowitz
Page Two

Will you please furnish your opinion on the following matters: whether the acts creating the Corporation were validly enacted and are in full force and effect; the identity of the various funds of the State which by operation of law are the sources of payment of the principal of and interest on the 1978 Series 10 Bonds; and whether the State Legislature has the authority to appropriate State moneys to such funds for such purposes.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By: Stephen J. Weinstein
Deputy Executive Director

SJW:pas
29 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

Re: 1978 Series 10 Bonds

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Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By:
Stephen J. Weinstein
Deputy Executive Director

S JW:pas
29 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

Re: 1978 Series 10 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with regard to the 1978 Series 10 Bonds of the Municipal Assistance Corporation For The City of New York.

The 1978 Series 10 Bonds will be issued in the principal amount of $250,000,000, and will bear interest and mature as described in the Official Statement of the Corporation dated November 17, 1978. The Corporation is selling the 1978 Series 10 Bonds to a group of underwriters pursuant to the Bond Purchase Agreement dated November 17, 1978, between the Corporation and the underwriters.

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29 November 1978
Hon. Louis J. Lefkowitz
Page Two

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Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

By: Stephen J. Weinstein
Deputy Executive Director

SJW:pas
November 28, 1978

Purchasers Under
Bond Purchase Agreement Dated
as of November 15, 1978

Re: Delivery of Series 11, 12 and 13 Bonds

Gentlemen:

On the first Closing Date under the Bond Purchase Agreement dated as of November 15, 1978, which Closing Date was November 17, 1978, the Municipal Assistance Corporation For The City of New York (the "Corporation") delivered to each of the Financial Institutions and Pension Funds thereunder (the "Purchasers") one bond registered in the full principal amount for each series and maturity purchased by such Purchaser on such date.

Pursuant to the respective series resolutions, the Corporation is presently preparing for delivery to each of the Purchasers at their election Series 11, 12 and 13 coupon bonds in denominations of $5,000 and $100,000 and fully registered bonds in multiples of $5,000 up to the total principal amount purchased by each of the Purchasers.

These bonds will be available to the Purchasers in exchange for the bonds delivered on the first Closing Date beginning on January 8, 1979, at the Corporate Trust Office of the Trustee, United States Trust Company of New York, 130 John Street, New York, New York. Arrangements for such exchanges should be made with Mr. Pat Santivasci of the Trust Company, at 425-4500, Extension 2512.
November 28, 1978
Purchasers Under
Bond Purchase Agreement Dated
as of November 15, 1978
Page Two

In order to meet this proposed delivery schedule, each of
the Purchasers must notify the Corporation in writing, no
later than December 5, 1978, of the quantities and denomina-
tions which it wishes to receive in such exchange.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[Signature]

Stephen J. Weinstein
Deputy Executive Director

SJW:pas

cc: Davis Polk & Wardwell
BY MESSENGER

November 27, 1978

Bank of America National Trust and Savings Association
100 Wall Street
10th Floor
New York, New York 10005

Attention: Mr. John A. Falvey
Vice President

Gentlemen:

I am enclosing for your signature the Acceptances of Duties as Paying Agent for the 1978 Series 10, 11, 12 and 13 Bonds of the Municipal Assistance Corporation. Please execute the Acceptances and return them to me by messenger.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

SJW:pas

Enclosures (4)
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 13 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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: ________________________________

Attest: ______________________________

Dated: ______________________________
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 12 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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: __________________________

Attest:

______________________________

Dated: _________________________
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 11 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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: __________________________

Attest: __________________________

Dated: __________________________
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 10 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 16, 1978. 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: ________________________________

Attest:

______________________________

Dated: ____________________________
22 November 1978

Honorable Edward I. Koch, Mayor
ATT: Honorable Philip L. Toia
Deputy Mayor For Finance
250 Broadway, Room 1401
New York, New York 10007

Honoroble Arthur Levitt, Comptroller
ATT: Gerald Shrager, Director
Contracts and State Expenditures
NEW YORK STATE DEPARTMENT OF AUDIT AND CONTROL
A. E. Smith Office Building
Albany, New York 12236

Gentlemen:

Enclosed herewith pursuant to Section 3036-a of the Municipal Assistance Corporation For The City of New York Act, is Certificate Number 15 of the Chairman of the Municipal Assistance Corporation For The City of New York (the "Corporation") to the Comptroller of the State of New York and to the Mayor of The City of New York, dated November 22, 1978.

Certificate Number 15 relates to the cash needs of the Corporation for fiscal year 1979 with respect to the issuance and sale of its Series 1 through 13 Bonds pursuant to its Second General Bond Resolution dated November 25, 1975.

Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director

Enclosures

cc: Attached
22 November 1973
Honorable Edward I. Koch
Honorable Arthur Levitt
Page Two

cc: Joseph F. Crook
    Harris A. Decker
    Karen Eisenstadt
    Mike Gibbons
    Paul G. Giddings
    Martin Ives
    Eugene J. Keilin, Esq.
    William J. Lithgow
    Paul O'Brien
    R. Demarest Duckworth III
    Donald J. Robinson, Esq.
    Pat Santivasci
    Allen L. Thomas, Esq.
Pursuant to Section 3036-a of the Public Authorities Law, included in the Municipal Assistance Corporation For The City of New York Act, the undersigned, Chairman of the Board of Directors of the Municipal Assistance Corporation For The City of New York ("Corporation"), hereby certifies to the Comptroller of the State of New York and to the Mayor of The City of New York the revised schedule of cash requirements of the Corporation (in addition to the total amount certified in Certificate 25 of the Corporation dated November 22, 1978 pursuant to Section 3036 of the Public Authorities Law).

This Certificate and Schedule A hereto which is incorporated herein expressly revise any and all certifications heretofore made pursuant to said Section 3036-a in respect of bonds issued pursuant to the Second General Bond Resolution to the aforesaid Comptroller and Mayor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation on this 22nd day of November, 1978.

[Signature]
Chairman
## MUNICIPAL ASSISTANCE CORPORATION
### SCHEDULE A

<table>
<thead>
<tr>
<th>Bond Service Fund Established Pursuant to the Second General Bond Resolution Adopted November 25, 1975</th>
<th>Amount</th>
<th>Date Required on or before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Service Fund Established Pursuant to the Second General Bond Resolution Adopted November 25, 1975</td>
<td>$60,000,000</td>
<td>01/12/79</td>
</tr>
<tr>
<td>Bond Service Fund Established Pursuant to the Second General Bond Resolution Adopted November 25, 1975</td>
<td>$60,000,000</td>
<td>04/12/79</td>
</tr>
<tr>
<td>Bond Service Fund Established Pursuant to the Second General Bond Resolution Adopted November 25, 1975</td>
<td>$60,000,000</td>
<td>06/25/79*</td>
</tr>
<tr>
<td><strong>TOTAL (Fiscal Year 1979)</strong></td>
<td><strong>$180,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:**

* Any payment or payments on January 12, April 12, or June 30, 1979, from revenues derived from the sales and compensating use taxes imposed pursuant to Sections 1107 and 1108 of the Tax Law and stock transfer tax imposed pursuant to Article 12 of the Tax Law are subject and subordinate to and after payments required by such dates under Certificate Number 25 of the Chairman of the Corporation delivered pursuant to Section 3036 of the Act.

**To the extent payments made to the Corporation on or before June 25, 1979 are less than the amount certified as set forth above, the deficiency shall be required to be made up from the June 30, 1979 payments to the Corporation subject and subordinate to the payments referred to in the prior footnote.**

22 November 1978

Certificate Number 15
22 November 1978

Honorable Edward I. Koch, Mayor
ATT: Honorable Philip L. Toia
Deputy Mayor for Finance
250 Broadway, Room 1401
New York, New York 10007

Honorable Arthur Levitt, Comptroller
ATT: Gerald Shrager, Director
Contracts and State Expenditures
NEW YORK STATE DEPARTMENT OF AUDIT AND CONTROL
A. E. Smith Office Building
Albany, New York 12236

Gentlemen:

Pursuant to Section 3036 of the Municipal Assistance Corporation For The City of New York Act, enclosed herewith is Certificate Number 25 of the Chairman of the Municipal Assistance Corporation For The City of New York (the "Corporation") to the Comptroller of the State of New York and to the Mayor of The City of New York, dated November 22, 1978.

Certificate Number 25 relates to the cash needs of the Corporation with respect to the issuance and sale of its Series A through Series JJ Bonds pursuant to its General Bond Resolution and to its Operating Fund requirements for fiscal year 1979.

Sincerely,

[Signature]
Stephen J. Weinstein
Deputy Executive Director

Enclosures

cc: Attached
22 November 1978
Honorable Edward I. Koch
Honorable Arthur Levitt
Page Two

cc:  Joseph F. Crook
     Harris A. Decker
     R. Demarest Duckworth, Esq.
     Karen Eisenstadt
     Mike Gibbons
     Paul G. Giddings
     Martin Ives
     Eugene J. Keilin, Esq.
     William J. Lithgow
     Paul O'Brien
     Donald J. Robinson, Esq.
     Pat Santivasci
     Allen L. Thomas, Esq.
Pursuant to Section 3036 of the Municipal Assistance Corporation For The City of New York Act (the "Act"), the undersigned, Chairman of the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation"), hereby certifies to the Comptroller of the State of New York and to the Mayor of The City of New York the revised schedule of cash requirements of the Corporation which is attached hereto as Schedule A. Such Schedule A takes into account all amounts previously delivered to the Corporation, and all amounts for which previous arrangements have been made with respect to the Operating Funds, for the Corporation's fiscal year ended June 30, 1978.

The Certificate and Schedule A hereto which is incorporated herein expressly revise any and all certifications heretofore made to the aforesaid Comptroller and Mayor, pursuant to Section 3036 of the Act.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed the seal of the Corporation this 22nd day of November, 1978.

[Signature]
Chairman
MUNICIPAL ASSISTANCE CORPORATION

SCHEDULE A

<table>
<thead>
<tr>
<th>Amount</th>
<th>Date Required on or before</th>
</tr>
</thead>
<tbody>
<tr>
<td>$75,900,000</td>
<td>01/12/79</td>
</tr>
<tr>
<td>80,500,000</td>
<td>04/12/79</td>
</tr>
<tr>
<td>80,500,000</td>
<td>06/30/79</td>
</tr>
<tr>
<td>TOTAL (Fiscal Year 1979)</td>
<td>$236,900,000</td>
</tr>
</tbody>
</table>

Operating Fund Under Section 3036 of the Public Authorities Law

<table>
<thead>
<tr>
<th>Amount</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,500,000</td>
<td>06/30/79</td>
</tr>
</tbody>
</table>

November 22, 1978
Certificate Number 25
22 November 1978

Mr. Edwin F. McMichael, Vice President
MORGAN GUARANTY TRUST COMPANY
30 West Broadway
New York, New York 10007

Dear Mr. McMichael:

Enclosed as you requested are the following: (1) a certified copy of the Resolution of the Municipal Assistance Corporation For The City of New York Establishing The City of New York Bond Guaranty Fund, adopted November 14, 1978; (2) a final Official Statement, dated November 17, 1978, relating to the sale of the 1978 Series 10 Bonds; and (3) a general certificate of the Corporation, dated November 17, 1978, which includes incumbency information.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

Enclosures (3)

SJW/ld
RESOLUTION OF THE MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK ESTABLISHING THE CITY OF NEW YORK BOND GUARANTY FUND

Be it Resolved by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the “Corporation”) as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 101. Short Title. This resolution may hereafter be cited by the Corporation, and is hereinafter sometimes referred to, as the “Guaranty Fund Resolution”.

SECTION 102. Definitions. In this Guaranty Fund Resolution unless a different meaning clearly appears from the context:

(1) Articles and Sections mentioned by number only are the respective Articles and Sections of the Guaranty Fund Resolution so numbered;

(2) “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 Guaranty Fund Resolution;

(3) “Authorized Officer” means any member of the Board of Directors of the Corporation, its Treasurer or an Assistant Treasurer, Secretary, any Assistant Secretary, its Executive Director, Deputy Executive Director, its Counsel and any other person authorized by resolution of the Corporation to perform the act or sign the document in question;

(4) “Bonds” means the bonds of the City held by the Pension Funds and secured by the Guarantee issued on the first Closing Date pursuant to the Guaranteed Bond Purchase Agreement, dated as of November 15, 1978;

(5) “City” means The City of New York;

(6) “City Officers” means the Mayor and Comptroller of the City;

(7) “Depository” means the bank or trust company organized under the laws of the State of New York, or a national banking asso-
2.

...ation doing business and having its principal office in such State as appointed by resolution of the Corporation;

(8) "Funding Level" means an amount equal to five per centum of (i) the unpaid principal amount of all Bonds and (ii) the maximum amount of interest payable on all Bonds, the principal of which remains unpaid as of the date of calculation, in any period of twelve consecutive months;

(9) "Guarantee" means the guarantee by the United States of America of the payment of the principal of or interest on bonds of the City authorized pursuant to Public Law number 95-339 and issued pursuant to the Agreement to Guarantee dated as of November 15, 1978 by and among the United States of America, the City, the State, the Corporation and the Financial Control Board identified therein;

(10) "Guaranty Fund" means the fund created pursuant to Section 301 of the Guaranty Fund Resolution;

(11) "Paying Agent" means the bank, trust company or other corporation authorized by the City to pay the principal of and interest on the Bonds, when due;

(12) "Pension Funds" mean any or all of the New York City Employees' Retirement System, the New York City Police Pension Fund—Article 2, New York City Fire Department Pension Fund—Article 1B, New York City Board of Education Retirement System, the Teachers' Retirement System of the City of New York, the New York State Common Retirement Fund, or the New York State Teachers' Retirement System;

(13) "Secretary" means the Secretary of the Treasury of the United States or such official's lawful designee;

(14) "State" means the State of New York; and

(15) Words importing the singular number include the plural number and vice versa and words importing persons include firms, associations and corporations. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

ARTICLE II
OBLIGATION OF THE CORPORATION

SECTION 201. Authority for Guaranty Fund Resolution. The Guaranty Fund Resolution is adopted pursuant to the provisions of the Act.
SECTION 202. Guaranty Fund Resolution to Constitute Contract. In consideration of the purchase and acceptance of any of the Bonds by the Pension Funds and for so long as any such Bonds are held by any of the Pension Funds and in consideration of the Guarantee recited thereon, the Corporation has adopted this Guaranty Fund Resolution and acknowledges hereby that (i) the Secretary has relied upon the adoption of this Guaranty Fund Resolution and the establishment of the Guaranty Fund in the making of the Guarantee and (ii) the Pension Funds have relied upon the adoption of the Guaranty Fund Resolution and the establishment of the Guaranty Fund as fulfillment of a condition precedent to the making of the Guarantee without which such Pension Funds would not have purchased the Bonds.

The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Corporation shall be for the equal benefit, protection and security of any of the Pension Funds as holders of any and all of the Bonds all of which shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

SECTION 203. Obligation of the Corporation. The Corporation shall be under no obligation to maintain the Guaranty Fund at any level and shall not be required to deposit any monies therein other than monies received for such purpose from the proceeds of sale of obligations of the Corporation.

ARTICLE III

THE GUARANTY FUND

SECTION 301. Establishment of the Guaranty Fund. There is hereby established with the Depository a trust fund entitled the Guaranty Fund.

SECTION 302. Monies in the Guaranty Fund. The Corporation may deposit monies in the Guaranty Fund from time to time. Subject to the provisions of Section 303 below, monies on deposit in the Guaranty Fund shall only be used for the purpose of making payment, not earlier than the due date thereof, of principal or interest on the Bonds or of reimbursing the United States of America for payments made under the Guarantee.

SECTION 303. Transfers from the Guaranty Fund. (1) To the extent the balance on deposit in the Guaranty Fund exceeds the Funding Level whether through investment income or interest earnings on the investment of
monies in the Guaranty Fund or by virtue of a reduction in unpaid principal amount of the Bonds, such excess shall be transferred to the Corporation and used for any corporate purpose of the Corporation or shall be retained in and become part of the Guaranty Fund as the Depository shall be directed in the certificate of an Authorized Officer. If at any time there shall no longer be any payments due or to become due as principal of or interest on the Bonds, any monies remaining on deposit in the Guaranty Fund shall be transferred to the Corporation and may be used for any corporate purpose of the Corporation provided, however, that prior to any such transfer, the Depository receives the certifications referred to in Section 409 hereof.

(2) On any day on which a payment of the principal of or interest on any Bond is due and upon which the Depository receives a certificate of the City Officers (i) stating that the City has not made available to the Paying Agent monies in an amount sufficient to pay the principal of or interest on any such Bonds and (ii) setting forth the amount of the estimated deficiency, after giving notice to the Corporation and the Secretary, but only after receiving the consent of the Secretary, the Depository shall transfer the amount of such deficiency, but in no event an amount greater than the lesser of (a) the amount of monies then on deposit in the Guaranty Fund to the Paying Agent for the sole purpose of paying the principal or interest on such Bonds or (b) the Funding Level.

(3) On any day on which a payment of the principal of or interest on any Bond is due and upon which the Depository receives a certificate from an officer of the Paying Agent stating (i) the Paying Agent does not then hold sufficient funds of the City to make the payments of principal of or interest on bonds of the City, including the Bonds, required to be made by such Paying Agent on such day, and (ii) the Paying Agent has informed the City Officers of the deficiency with regard to the payment of the principal of or interest on the Bonds and has not been offered any assistance which enables it to pay in full such principal and interest on such day, upon notice to the Corporation, the City and the Secretary, but only after receiving the consent of the Secretary, the Depository shall transfer the amount of such deficiency, but in no event an amount greater than the lesser of (a) the amount of monies then on deposit in the Guaranty Fund to the Paying Agent, for the sole purpose of paying the portion of the principal of or interest on the Bonds provided for by the City or (b) the Funding Level.

(4) On any day on which the Depository receives a certificate of the Secretary stating that the Secretary has made payment to the Pension Fund pursuant to the Guarantee, for which the Secretary has not been made whole,
the Depository, shall transfer the amount so paid by and not compensated to the Secretary or at the order of the Secretary, but in no event shall the amount required to be transferred exceed the lesser of (a) the amount of monies then on deposit in the Guaranty Fund or (b) the Funding Level:

SECTION 304. Investment of Funds. Monies in the Guaranty Fund shall, as nearly as may be practicable be invested by the Depository 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 Guaranty Fund may be required for the purpose of this Guaranty Fund Resolution), in direct obligations of the United States of America or obligations, the principal and interest of which are guaranteed by the United States of America.

ARTICLE IV

APPOINTMENT AND DUTIES OF DEPOSITORY

SECTION 401. Appointment of the Depository. The Depository shall signify its acceptance of the duties and obligations imposed upon it by this Guaranty Fund Resolution by written instrument of acceptance deposited with the Corporation and the Secretary. The corporate trust offices of the Depository are hereby designated as the offices for delivery of all certificates or notices required to be delivered to the Depository pursuant to this Guaranty Fund Resolution.

SECTION 402. Responsibilities of Depository. The recitals of fact herein contained shall be taken as the statements of the Corporation and the recitals of fact contained in or set forth on the Bonds, if any, shall be taken as the statements of the City or the Secretary as appropriate and the Depository does not assume any responsibility for the correctness of the same. The Depository shall not be deemed to make any representations as to the validity or sufficiency of this Guaranty Fund Resolution or of any of the Bonds (or the coupons, if any, appertaining thereto) or in respect of any security afforded by this Guaranty Fund Resolution or the Guarantee. The Depository shall not 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. The Depository shall not be liable in connection with the performance of its duties hereunder except for its own negligence or default.
SECTION 403. Evidence on Which the Depository May Act. The Depository 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 Depository 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 Guaranty Fund Resolution in good faith and in accordance therewith.

Whenever the Depository shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Guaranty Fund 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 Guaranty Fund Resolution upon the faith thereof, but in its discretion the Depository 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 Guaranty Fund Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Corporation to the Depository shall be sufficiently executed if executed in the name of the Corporation by an Authorized Officer, or if to be executed by the City shall be sufficiently executed if executed in the name of the City by the City Officers (or any person authorized in accordance with the charter of the City to act in the absence of either of such City Officers), or if to be executed by the Secretary shall be sufficiently executed if executed in the name of the Secretary by the Secretary or an authorized assistant, or if to be executed by the Paying Agent shall be sufficiently executed if executed in the name of the Paying Agent by an officer of such Paying Agent.

SECTION 404. Compensation. The Corporation shall pay to the Depository from time to time reasonable compensation for all services rendered under this Guaranty Fund 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 Guaranty Fund Resolution, and the Depository shall have a lien therefor on any and all monies in the Guaranty Fund in excess of the Funding Level.
SECTION 405. Resignation of Depository. The Depository 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, the City and the Secretary, specifying the date when such resignation shall take effect 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 407, in which event such resignation shall take effect immediately on the appointment of such successor. The foregoing notwithstanding no such resignation shall take effect until a successor Depository shall have been appointed.

SECTION 406. Removal of Depository. The Depository 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, executed by the Secretary and the City Officers.

SECTION 407. Appointment of Successor Depository. In case at any time the Depository 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 Depository, or of its property, shall be appointed, or if any public officer shall take charge or control of the Depository, or of its property or affairs, the Corporation covenants and agrees that it will thereupon appoint a successor Depository. The Corporation shall give prompt written notice of any such appointment made by it to the City and the Secretary.

If in a proper case no appointment of a successor Depository shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Depository shall have given to the Corporation written notice, as provided in Section 405, or after a vacancy in the office of the Depository shall have occurred by reason of its inability to act, the Depository or the Corporation, City or Secretary may apply to any court of competent jurisdiction to appoint a successor Depository. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Depository.

Any Depository appointed under the provisions of this Section 407 in succession to the Depository 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 Guaranty Fund Resolution.

SECTION 408. Merger, Conversion or Consolidation. Any company into which the Depository may be merged, converted into 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 Depository may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Depository without the execution or filing of any paper or the performance of any further act, provided with respect to the Depository that such company shall be a bank or trust company organized under the laws of any state 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 such state or the District of Columbia and shall be authorized by law to perform all the duties imposed upon it by this Guaranty Fund Resolution.

SECTION 409. Disbursements from the Guaranty Fund. The Depository shall transfer monies from the Guaranty Fund in accordance with the provisions of Section 303 hereof. In addition to the transfers required thereunder, the Depository shall disburse all monies then remaining in the Guaranty Fund to or at the direction of the Corporation, to be used for any of its corporate purposes, upon the receipt of (i) a certificate of an Authorized Officer stating that there are no longer any Bonds the principal of and interest on which remains unpaid, (ii) a certificate of the City Officers setting forth the same matter as in (i) hereinbefore and (iii) a certificate of the Secretary setting forth the same matter as in (i) hereinbefore.

SECTION 410. Amendment. This Guaranty Fund Resolution may be amended by subsequent resolution of the Corporation consented to in writing by the Secretary.

SECTION 411. Effective Date. This Guaranty Fund Resolution shall take effect immediately upon the appointment of the Depository.
BY MESSENGER

November 20, 1978

Citibank, N.A.
55 Water Street
47th Floor
New York, NY 10002

Attention: Mr. Don McNeal

Gentlemen:

I am enclosing for your signature the Acceptance of Duties as Paying Agent for the 1978 Series 10 Bonds of the Municipal Assistance Corporation. Please execute the Acceptance and return it to me by messenger.

Sincerely,

[Signature]
Stephen J. Weinstein
Deputy Executive Director

SJW:pas

Enclosure (1)
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 10 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 16, 1978. 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: _______________________

Attest:

__________________________________________

Dated: __________________________
17 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York  12224

Re: 1978 Series 11, 12 and 13 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with respect to the Financial Emergency Act for The City of New York as amended by Chapter 201 and Chapter 777 of the Laws of 1978.

This opinion is being requested in connection with the sale by the Municipal Assistance Corporation For The City of New York of its 1978 Series 11, 12 and 13 Bonds to certain commercial banks, savings banks, insurance companies and New York City Pension Funds, pursuant to the Bond Purchase Agreement dated as of November 15, 1978, between the Corporation and such purchasers.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[Signature]

By: Stephen J. Weinstein
   Deputy Executive Director

SJW: pas
17 November 1978

Honorable Louis J. Lefkowitz
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York  12224

Re: 1978 Series 11, 12 and 13 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with regard to the 1978 Series 11, 12 and 13 Bonds of the Municipal Assistance Corporation For The City of New York.

The 1978 Series 11, 12 and 13 Bonds will be issued in the principal amounts, will bear interest and will mature as described in the respective Official Statements of the Corporation dated November 17, 1978. The Corporation is selling the 1978 Series 11, 12 and 13 Bonds to certain commercial banks, savings banks, insurance companies and New York City Pension Funds, pursuant to the Bond Purchase Agreement dated as of November 15, 1978, between the Corporation and such purchasers.

The 1978 Series 11, 12 and 13 Bonds will be issued pursuant to the Second General Bond Resolution of the Corporation. The 1978 Series 11, 12 and 13 Bonds will be payable from certain per capita State aid and, to the extent not required for payment of certain other obligations of the Corporation, including bonds issued under the Corporation's First General Bond Resolution, revenues derived from certain sales and compensating use taxes imposed by the State of New York within the City of New York and, under certain conditions,
the State stock transfer tax, all subject to annual appropriation by the State Legislature, as described in the Official Statements of the Corporation dated November 17, 1978.

Will you please furnish your opinion on the following matters: whether the acts creating the Corporation were validly enacted and are in full force and effect; the identity of the various funds of the State which by operation of law are the sources of payment of the principal of and interest on the 1978 Series 11, 12 and 13 Bonds; and whether the State Legislature has the authority to appropriate State moneys to such funds for such purposes.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION  
FOR THE CITY OF NEW YORK  

[Signature]

By: Stephen J. Weinstein  
Deputy Executive Director

SJW:pas
15 November 1978

Honorable Edward I. Koch, Mayor
ATT: Honorable Philip L. Toia
Deputy Mayor For Finance
250 Broadway, Room 1401
New York, New York 10007

Honorable Arthur Levitt, Comptroller
ATT: Gerald Shragar, Director
Contracts and State Expenditures
NEW YORK STATE DEPARTMENT OF AUDIT AND CONTROL
A. E. Smith Office Building
Albany, New York 12236

Gentlemen:

Enclosed herewith pursuant to Section 3036-a of the Municipal Assistance Corporation For The City of New York Act, is Certificate Number 14 of the Chairman of the Municipal Assistance Corporation For The City of New York (the "Corporation") to the Comptroller of the State of New York and to the Mayor of The City of New York, dated November 15, 1978.

Certificate Number 14 relates to the cash needs of the Corporation for fiscal year 1979 with respect to the issuance and sale of its Series 1 through 9 Bonds pursuant to its Second General Bond Resolution dated November 25, 1975 and makes provision for debt service payments on bonds to be issued prior to January 1, 1979.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

Enclosures

cc: Attached
15 November 1978
Honorable Edward I. Koch
Honorable Arthur Levitt
Page Two

cc: Joseph F. Crook
    Harris A. Decker
    Karen Eisenstadt
    Mike Gibbons
    Paul G. Giddings
    Martin Ives
    Eugene J. Keilin, Esq.
    William J. Lithgow
    Paul O'Brien
    R. Demarest Duckworth III
    Donald J. Robinson, Esq.
    Pat Santivasci
    Allen L. Thomas, Esq.
CERTIFICATE NUMBER 14 PURSUANT TO SECTION 3036-A
OF THE PUBLIC AUTHORITIES LAW OF THE STATE OF
NEW YORK OF THE CHAIRMAN OF THE BOARD OF DIRECTORS
OF THE MUNICIPAL ASSISTANCE CORPORATION FOR
THE CITY OF NEW YORK TO THE COMPTROLLER OF
THE STATE OF NEW YORK AND TO THE MAYOR OF THE
CITY OF NEW YORK

Pursuant to Section 3036-a of the Public Authorities Law, included
in the Municipal Assistance Corporation For The City of New York
Act, the undersigned, Chairman of the Board of Directors of the
Municipal Assistance Corporation For The City of New York
("Corporation"), hereby certifies to the Comptroller of the State
of New York and to the Mayor of The City of New York the revised
schedule of cash requirements of the Corporation (in addition to
the total amount certified in Certificate 24 of the Corporation
dated November 15, 1978 pursuant to Section 3036 of the Public
Authorities Law).

This Certificate and Schedule A hereto which is incorporated
herein expressly revise any and all certifications heretofore
made pursuant to said Section 3036-a in respect of bonds issued
pursuant to the Second General Bond Resolution to the aforesaid
Comptroller and Mayor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
the seal of the Corporation on this 15th day of November, 1978.

[Signature]
Chairman
MUNICIPAL ASSISTANCE CORPORATION

SCHEDULE A

<table>
<thead>
<tr>
<th>Bond Service Fund Under Section 3036-a of the Public Authorities Law*</th>
<th>Amount</th>
<th>Date Required on or before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Service Fund Established Pursuant to the Second General Bond Resolution Adopted November 25, 1975</td>
<td>$60,000,000</td>
<td>01/12/79</td>
</tr>
<tr>
<td></td>
<td>$60,000,000</td>
<td>04/12/79</td>
</tr>
<tr>
<td></td>
<td>$60,000,000</td>
<td>06/25/79**</td>
</tr>
<tr>
<td>TOTAL (Fiscal Year 1979)</td>
<td>$180,000,000</td>
<td></td>
</tr>
</tbody>
</table>

NOTE:

* Any payment or payments on January 12, April 12, or June 30, 1979, from revenues derived from the sales and compensating use taxes imposed pursuant to Sections 1107 and 1108 of the Tax Law and stock transfer tax imposed pursuant to Article 12 of the Tax Law are subject and subordinate to and after payments required by such dates under Certificate Number 24 of the Chairman of the Corporation delivered pursuant to Section 3036 of the Act.

** To the extent payments made to the Corporation on or before June 25, 1979 are less than the amount certified as set forth above, the deficiency shall be required to be made up from the June 30, 1979 payments to the Corporation subject and subordinate to the payments referred to in the prior footnote.

15 November 1978

Certificate Number 14
15 November 1978

Honorable Edward I. Koch, Mayor
ATT: Honorable Philip L. Toia
Deputy Mayor for Finance
250 Broadway, Room 1401
New York, New York 10007

Honorable Arthur Levitt, Comptroller
ATT: Gerald Shrager, Director
Contracts and State Expenditures
NEW YORK STATE DEPARTMENT OF AUDIT AND CONTROL
A. E. Smith Office Building
Albany, New York 12236

Gentlemen:

Pursuant to Section 3036 of the Municipal Assistance Corporation For The City of New York Act, enclosed herewith is Certificate Number 24 of the Chairman of the Municipal Assistance Corporation For The City of New York (the "Corporation") to the Comptroller of the State of New York and to the Mayor of The City of New York, dated November 15, 1978.

Certificate Number 24 relates to the cash needs of the Corporation with respect to the issuance and sale of its Series A through Series JJ Bonds pursuant to its General Bond Resolution and to its Operating Fund requirements for fiscal year 1979.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

Enclosures

cc: Attached
15 November 1978
Honorable Edward I. Koch
Honorable Arthur Levitt
Page Two

cc: Joseph F. Crook
Harris A. Decker
R. Demarest Duckworth, Esq.
Karen Eisenstadt
Mike Gibbons
Paul G. Giddings
Martin Ives
Eugene J. Keilin, Esq.
William J. Lithgow
Paul O'Brien
Donald J. Robinson, Esq.
Pat Santivasci
Allen L. Thomas, Esq.

Pursuant to Section 3036 of the Municipal Assistance Corporation For The City of New York Act (the "Act"), the undersigned, Chairman of the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation"), hereby certifies to the Comptroller of the State of New York and to the Mayor of The City of New York the revised schedule of cash requirements of the Corporation which is attached hereto as Schedule A. Such Schedule A takes into account all amounts previously delivered to the Corporation, and all amounts for which previous arrangements have been made with respect to the Operating Funds, for the Corporation's fiscal year ended June 30, 1978.

The Certificate and Schedule A hereto which is incorporated herein expressly revise any and all certifications heretofore made to the aforesaid Comptroller and Mayor, pursuant to Section 3036 of the Act.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed the seal of the Corporation this 15th day of November, 1978.

[Signature]
Chairman
MUNICIPAL ASSISTANCE CORPORATION

SCHEDULE A

<table>
<thead>
<tr>
<th>Debt Service Fund Under</th>
<th>Amount</th>
<th>Date Required on or before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 3036 of the Public Authorities Law, Established Pursuant to the First General Bond Resolution Adopted July 2, 1975</td>
<td>$75,900,000</td>
<td>01/12/79</td>
</tr>
<tr>
<td></td>
<td>80,500,000</td>
<td>04/12/79</td>
</tr>
<tr>
<td></td>
<td>80,500,000</td>
<td>06/30/79</td>
</tr>
<tr>
<td>TOTAL (Fiscal Year 1979)</td>
<td>$236,900,000</td>
<td></td>
</tr>
</tbody>
</table>

Capital Reserve Fund Under Section 3036 of the Public Authorities Law, Established Pursuant to the First General Bond Resolution Adopted July 2, 1975 | $47,000,000 | 11/28/78* |

Operating Fund Under Section 3036 of the Public Authorities Law | 5,500,000 | 06/30/79 |

NOTE:

* The amount required to meet this funding requirement is to be paid from moneys presently on deposit in the special tax account in the municipal assistance tax fund, which amount was held on deposit by the state comptroller in such account pursuant to the State Finance Law and Certificate Numbers 22 and 23 of the Chairman of the Corporation and are to be paid to the Corporation on or before November 28, 1978.

November 15, 1978
Certificate Number 24
15 November 1978

Honorable Arthur Levitt
Comptroller
STATE OF NEW YORK
Department of Audit and Control
A.E. Smith Office Building
Albany, New York 12224

Dear Mr. Levitt:

This letter is to request your approval for sale to various commercial banks, savings banks and insurance companies (the "Financial Institutions") and various New York City Pension Funds (the "Pension Funds") during the four fiscal years 1979 through 1982 of a total aggregate principal amount of up to $1,799,700,000 of bonds of the Municipal Assistance Corporation to be issued pursuant to its Second General Bond Resolution, in accordance with the Bond Purchase Agreement of November 15, 1978 among the Corporation, the Financial Institutions and the Pension Funds (the "Agreement"). A copy of a draft of the Agreement is enclosed herewith; execution copies are expected to be substantially in the form of this draft.

The identities of the purchasers and the amounts of their commitments for the years 1979 through 1982 are set forth in Schedule I of the Agreement.

The bonds to be sold during the 1979 fiscal year will bear interest at the rate of % for the $199,900,000 principal amount of term bonds maturing July 1, 1998, and at the rates set forth in Schedule II of the Agreement for the $201,100,000 of serial bonds maturing July 1, 1985 through July 1, 1998. The price of the bonds will be %.
November 15, 1978
Hon. Arthur Levitt
Page Two

The interest rates for the bonds to be sold in the three fiscal years 1980 through 1982 are to be determined in accordance with the procedures set forth in Schedule III of the Agreement, and as explained in the Corporation's letter to you dated November 9, 1978.

Accordingly, we request your approval of these sales pursuant to Section 3012(1)(e) of the Municipal Assistance Corporation Act, as amended.

We further request your approval, pursuant to Section 3013(4) of the Municipal Assistance Corporation Act, as amended, of the system of accounts of the Corporation to the extent the same are prescribed in the Second General Bond Resolution of the Corporation, adopted November 25, 1975 and the 1978 Series 11, 12 and 13 Bond Resolutions of the Corporation, adopted November 14, 1978, with regard to the sales in fiscal 1979, and the form of series resolutions contained in Exhibit B to the Agreement with regard to the sales in fiscal years 1980 through 1982.

Your approval is respectfully requested.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

Eugene J. Keilin
Executive Director.

The sale of the above-described bonds of the Municipal Assistance Corporation For The City of New York upon the terms above described and the system of accounts of the Corporation to the extent the same are prescribed in the Second General Bond Resolution and the 1978 Series 11, 12 and 13 Bond Resolutions of the Corporation, and the form of series resolutions contained in Exhibit B to the Bond Purchase Agreement of November 15, 1978, are hereby approved.

Arthur Levitt, Comptroller of
The State of New York

Dated: November 15, 1978
BY MESSENGER

November 15, 1978

Citibank, N.A.
55 Water Street
47th Floor
New York, NY 10002

Attention: Mr. Don McNeal

Gentlemen:

I am enclosing for your signature the Acceptances of Duties as Paying Agent for the 1978 Series 11 and 12 Bonds of the Municipal Assistance Corporation. Please execute the Acceptances and return them to me by messenger.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

SJW:pas

Enclosures (2)
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 11 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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: _______________________

Attest:

_________________________

Dated: _____________________
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 12 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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: ____________________________

Attest:

______________________________

Dated: _________________________
BY MESSENGER

November 15, 1978

Chase Manhattan Bank, N.A.
1 New York Plaza
14th Floor
New York, NY 10002

Attention: Mr. Paul L. Martin
Second Vice President

Gentlemen:

I am enclosing for your signature the Acceptance of Duties as Paying Agent for the 1978 Series 13 Bonds of the Municipal Assistance Corporation. Please execute the Acceptance and return it to me by messenger.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director

SJW:pas

Enclosure
ACCEPTANCE OF DUTIES AS PAYING AGENT

The undersigned hereby accepts the duties and obligations of a Paying Agent imposed upon the undersigned by the Second General Bond Resolution adopted by the Board of Directors of the Municipal Assistance Corporation For The City of New York (the "Corporation") on November 25, 1975, as amended and supplemented, and the 1978 Series 13 Resolution of the Corporation, adopted by the Board of Directors of the Corporation on November 14, 1978. 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.

CHASE MANHATTAN BANK, N.A.

By: ________________________________

Attest:

__________________________________

Dated: _____________________________
14 November 1978

Honorable Louis J. Lefkowitz,
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

ATT: Ms. Shirley Siegel

RE: 1978 Series 11, 12 and 13 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with regard to the 1978 Series 11, 12 and 13 Bonds of the Municipal Assistance Corporation For The City of New York. We are enclosing herewith the transcript of the proceedings of the Municipal Assistance Corporation together with other documents relating to the authorization, sale and issuance of such bonds.

As the enclosed materials indicate, the 1978 Series 11 Bonds will be issued in the principal amount of $139,525,000, mature July 1, 1998 and bear interest at the rate of %; the 1978 Series 12 Bonds will be issued in the principal amount of $60,375,000, mature July 1, 1998 and bear interest at the rate of %; and the 1978 Series 13 Bonds will be issued in the principal amount of $201,100,000, mature July 1, 1985, through July 1, 1998, and bear interest as follows:

<table>
<thead>
<tr>
<th>Due</th>
<th>Amount</th>
<th>Rate</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>$6,850,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1986</td>
<td>9,800,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1987</td>
<td>9,800,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1988</td>
<td>16,700,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1989</td>
<td>16,700,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1990</td>
<td>17,650,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1991</td>
<td>17,650,000</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>1992</td>
<td>17,600,000</td>
<td>%</td>
<td>%</td>
</tr>
</tbody>
</table>
Due | Amount   | Rate | Price
--- | -------- |------|------
1993| 21,550,000 | %     |      
1994| 26,500,000 | %     |      
1995| 31,500,000 | %     |      
1996| 2,950,000  | %     |      
1997| 2,950,000  | %     |      
1998| 2,950,000  | %     |      

The Corporation is selling the 1978 Series 11, 12 and 13 Bonds to the purchasers named in Schedule I to the Bond Purchase Agreement dated November 15, 1978, between the Corporation and the purchasers, which Agreement requires, among other things, the opinion of the Attorney General which we are herein requesting, in accordance with previous discussions with representatives of your office. The 1978 Series 11, 12 and 13 Bonds are to be delivered at closings scheduled for November 16, 1978.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

Stephen J. Weinstein
Deputy Executive Director

SJW/ssk

Enclosures
14 November 1978

CERTIFICATE


__________________________
Stephen J. Weinstein
Deputy Executive Director
and Secretary

Term of Office: Indefinite
14 November 1978

Honorable Louis J. Lefkowitz,
Attorney General
STATE OF NEW YORK/Department of Law
The Capitol
Albany, New York 12224

ATT: Ms. Shirley Siegel

RE: 1978 Series 11, 12 and 13 Bonds

Dear Mr. Lefkowitz:

This letter is to request the opinion of the Attorney General with respect to Chapter 201 of the Laws of 1978, as amended by Chapter 777 of the Laws of 1978. This opinion is being requested in connection with the sale by the Municipal Assistance Corporation for the City of New York of its 1978 Series 11, 12 and 13 Bonds to various private purchasers.

A description of the 1978 Series 11, 12 and 13 Bonds and a transcript of the proceedings relating to their issuance are being sent to you pursuant to a request for the opinion of the Attorney General with regard to the issuance of those bonds.

The Corporation is selling the 1978 Series 11, 12 and 13 Bonds to the private purchasers named in Schedule I to the Bond Purchase Agreement dated November 15, 1978, between the Corporation and the private purchasers, which Agreement requires, among other things, the opinion of the Attorney General which we are herein requesting, in accordance with discussions with your representatives. The 1978 Series 11, 12 and 13 Bonds are to be delivered at closings scheduled for November 16, 1978.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK

Stephen J. Weinstein
Deputy Executive Director

SJW/ssk
November 9, 1978

Hon. Arthur Levitt  
Comptroller  
STATE OF NEW YORK  
A.E. Smith Office Building  
Albany, New York 12226

Attention: Robert J. Steves

Dear Mr. Levitt:

As we have discussed during the past several weeks, a proposed Bond Purchase Agreement which would constitute one of the major steps in implementing the financings for the City pursuant to the City's Four Year Financial Plan has been prepared and furnished to you for review in its several drafts. A copy of the most current draft, the proof of November 9, 1978, is enclosed with this letter. Current plans are to execute the Agreement on November 15, 1978.

The proposed Agreement provides for bonds to be issued by the Municipal Assistance Corporation during the four fiscal years from 1979 through 1982 in the total aggregate principal amount of up to $1.8 billion to be purchased by various commercial banks, savings banks and insurance companies (the "Financial Institutions"), and various New York City Pension Funds (the "Pension Funds") according to Schedule I of the Agreement.

The aggregate principal amount of the bonds to be purchased during the 1979 fiscal year is $401,000,000, of which $199,000,000 will be term bonds due in 1988 and
November 9, 1978
Hon. Arthur Levitt
Page Two

$201,100,000 will be serial bonds maturing 1985 through 1998. All of the 1979 purchases are to take place at a single closing, which is presently scheduled for November 15, 1978.

The proposed Agreement provides for interest on the bonds to be purchased during the 1979 fiscal year at a rate to be specified for the term bonds, set at 8.25% at present but subject to possible change, and at the rates set forth in Schedule II for the serial bonds. The interest rates for the bonds to be purchased during the years 1980 through 1982 are to be determined in accordance with the procedure set forth in Schedule III to the proposed Agreement.

State law requires that the Corporation obtain the approval from the State Comptroller of any private sale of its obligations, as well as approval of the terms of such sale. Accordingly, Section 3.14 of the proposed Agreement provides the following closing condition for any of the sales thereunder:

3.14. State Comptroller Approval. (a) With respect to the first Closing Date only, the State Comptroller shall have approved in writing the sale of the Bonds during Fiscal Years 1979 through 1982 pursuant to the provisions of this Agreement and the terms of the Bonds (including without limitation, the formula for determining interest rates described in Schedule III hereto) as provided in this Agreement and in the Resolutions.

(b) With respect to each Closing Date, the State Comptroller shall have approved in writing (pursuant to the approval described in (a) above or otherwise) the sale of the Bonds on such Closing Date and the terms of such Bonds as provided in this Agreement and in the Resolutions.

The interest rate formula contained in Schedule III has been negotiated among all of the parties to the proposed Agreement over a period of many months. Basically, the
interest rate will be set by the prices of comparable MAC bonds trading in the secondary market over a thirteen week period prior to the Closing. Certain adjustments will be made to reflect any differences between the average life or final maturity of the new bonds and those in the secondary market. In addition, the formula also employs The Bond Buyer 20-Bond Index as a reliable indicator of market conditions at the time of each Closing.

It is possible that the thirteen week survey of trading prices might produce a result that is significantly different than the market actually prevailing at the time of the closing, and we have agreed with the lenders that they would not be required to purchase bonds at a rate below the market rate at the time of purchase. Accordingly, we have developed a mechanism, administered by a three-member committee of market experts, to determine the market rate. This determination will be based on reports the committee will receive of the current trading market for existing MAC bonds and the estimate of MAC's underwriter of the market rate for the new issue.

In each case, the determination of rate under the procedures described above is subject to the adoption by MAC of a series resolution incorporating this rate. One effect of this provision is to reserve our right to substitute a public offering for any of the scheduled sales under the Proposed Agreement. In addition to the private placements of MAC bonds pursuant to the proposed Agreement, the City's Four-Year Financial Plan calls for the Corporation to sell publicly $500 million of its bonds in each of the fiscal years 1979 and 1980, as well as additional sales during the years 1981 and 1982 on a stand-by basis to the extent that the public sales scheduled by the City during those years are not made.

The extent of the public sales already incorporated in the plan and the complexity of administering the Bond Purchase Agreement will mean that a decision about whether to proceed with a private placement or public sale will
November 9, 1978
Hon. Arthur Levitt
Page Four

be a complicated and often last-minute matter. In
general, the Corporation may be expected to sell its
bonds through underwritten public sales whenever such
sales offer definite rate advantages without adversely
impacting implementation of the overall financing plan.

The Corporation will provide you with a letter, in
connection with each private placement pursuant to
the Bond Purchase Agreement, setting forth the rationale
for its determination to proceed with such private
placement rather than a public sale.

We hope this information will be helpful to you in
making your statutory determination. Please let us
know if you require anything further from us in this
matter.

Sincerely,

MUNICIPAL ASSISTANCE CORPORATION
FOR THE CITY OF NEW YORK

[Signature]
Eugene J. Keilin
Executive Director

EJK:pas
Enclosure
November 7, 1978

Mr. James Capiello  
Senate Finance Committee  
NEW YORK STATE SENATE  
Alfred E. Smith Building  
23rd Floor  
Albany, New York 12226

Dear Jim:

As you requested, I am enclosing copies of three existing agreements relating to payment of the operating expenses of the State Special Deputy Comptroller for the City of New York, as follows:

1. Agreement of March 4, 1976, between the Municipal Assistance Corporation and the State Department of Audit and Control;

2. Repayment Agreement of June 13, 1977, between the City of New York and the Emergency Financial Control Board; and

3. Memorandum of Understanding of April 1978 among the Corporation, the State and the City.

I hope that this information is helpful to you.

Sincerely,

Stephen J. Weinstein  
Deputy Executive Director

SJW:pas  
Encls. (3)
November 2, 1978

Mr. Paul F. Rulison  
Assistant Appointments Officer  
The Senate of the State of New York  
Room 332  
The Capitol  
Albany, New York 12247

Dear Mr. Rulison:

This is in response to your letter of October 30, 1978, in which you requested a list of the membership of the Municipal Assistance Corporation For The City of New York.

The Corporation is administered by a Board of Directors consisting of nine members appointed by the Governor, four of whom are recommended for appointment by the Mayor of the City of New York. In addition, our enabling legislation provides for seven non-voting Representatives to the Board as designated by certain public officials and public bodies.

A current list of the Board Members and Representatives is contained in our recently issued 1978 Annual Report, along with their terms and other information relating to their appointment, on Page 26; their biographies appear on Pages 27 and 28. I am enclosing a copy of that report for your reference.

Sincerely,

[Signature]

Stephen J. Weinstein  
Deputy Executive Director

SJW:pas  
Encl.