### July
#### Summary Chart

<table>
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<th>Account</th>
<th>Par</th>
<th>Cost</th>
<th>Market</th>
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<tbody>
<tr>
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<td>$203,253,125</td>
<td>$196,770,136.53</td>
<td>$194,517,325.19</td>
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<tr>
<td>Second Capital Reserve</td>
<td>707,482,000</td>
<td>703,908,139.20</td>
<td>663,114,807.85</td>
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<tr>
<td>Bond Proceeds</td>
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CAPITAL RESERVE ACCOUNT

During the month of June, $24.4 million par value of securities matured in the First Capital Reserve Unrestricted Account. The monies were all reinvested in discount securities maturing within the month. Upon maturity, $14 million was invested in Treasury Bills maturing in December and yielding 11%. An additional $4.5 million was invested in Farm Credit Discount Notes maturing mid-July. A total of $6 million was transferred to First Resolution Debt Service Account prior to the June 25th certification for sales tax. In July, $24.5 million will mature in this account.

Amortized cost of securities in this account exceeds market value by approximately $4.3 million.

During June, $23 million was scheduled to mature in the Second Capital Reserve Account. Of these securities, $20 million of United States Treasury Notes maturing on June 30, 1984 were sold at a profit of $10,000 on June 15th. The proceeds were transferred to the Second Resolution Bond Service Account prior to the June 25th certification for sales tax. After the transfer, the value of the fund, calculated pursuant to the Second General Bond Resolution at amortized cost plus accrued interest, was slightly in excess of Capital Reserve Fund Requirement.

An additional $3.5 million was invested in Farm Credit Discount Notes maturing mid-July.

Amortized cost of the Second Capital Reserve Fund exceeds the market value by $40.7 million.

During July, $3.5 million matures in this account.
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<th>Date</th>
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Note: The table above lists the market value listing for the City of New York, with market values as of 07/31/84.
## Initial Assistance Corporation

### City of Louisville

Portfolio Management System

### Market Value Listings

Current Value Effective as of 3/3/86

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<td>7.75%</td>
<td>7/1/99</td>
<td>25</td>
<td>4,085,874.50</td>
<td>6,533.58</td>
<td>8,673,750.00</td>
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<tr>
<td>USIA 2</td>
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<td>7/1/99</td>
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<td>4,085,874.50</td>
<td>6,533.58</td>
<td>8,673,750.00</td>
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### Market Price as of 3/3/84

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<tr>
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### Market Value as of 3/3/86

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<th>Par</th>
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Contains data for the city of Louisville, detailing the market value listings and market price of securities as of 3/3/84 and 3/3/86, respectively. The table lists coupon rates, maturities, par values, principal costs, and market values for various securities.
Debt Service

During June $470.1 million matured in the Bond Service Account. An additional $21 million representing interest earnings in the Second Capital Reserve Fund was transferred prior to the June 25 Certification for Sales Tax. On the 25th, the Corporation certified for $12.7 million of sales tax in this account. Of these monies, $204.6 maturing early in the month was invested to the June 29 payment date. On June 29, $363 million was transferred to pay principal and interest on Second Resolution Bonds. Monies remaining in the fund designated for the January 1985 interest payment were invested as follows: $15 million in Federal Farm Credit Discount Notes maturing in July; $70 million in agency discount notes maturing in September and October; and $38.5 million in treasury bills maturing in December.

During June, $6.6 million matured in the Debt Service account during June. An additional $6 million of interest earnings was transferred into the account from the First Capital Reserve Fund. On June 25th, the Corporation certified for $30.4 million of sales tax into the Debt Service account. Of these monies, $25.1 million was invested to the First Resolution payment date of July 31, 1984. The remaining $19 million were invested in agency discount notes maturing in mid-July.

Amortized cost of both funds are substantially equal to market value.

During July $15 million will mature in the Bond Service account and $77.4 in the Debt Service account.
During June $46 million matured in the Unpledged Revenue account. These monies were invested in Agency Discount Notes; $4 million to mature in June, $25.5 to mature in July; $10.7 to mature in August and $9 million to mature in September.

Market value of the unpledged revenues account is equal to amortized cost.
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**Total:**

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**Total:** 1000

**Market Value:** 1000.00
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**Total:** 133,578,135.28
Bond Proceeds

During June $99.9 million matured in the Bond Proceeds Account. All monies were placed in discount securities maturing on or before July 12, 1984 in anticipation of a New York City Mirror Bond Sale on that date.

In July $45 million will mature on the fifth of the month. It is anticipated that these monies will also be invested to the sale date. In addition, $96.4 is already scheduled to mature on July 12. There are no other maturities during the amount.

Amortized cost exceeds market value by $4.3 million.

During June $57.75 million matured in the Series One Commercial Paper Proceeds Account. Of these monies $14.3 million was invested in agency discount notes maturing in August and the remaining $10.8 million was invested to mature in September.

During June $38.4 million matured in the Series Two Commercial Paper Proceeds Account. Of these monies, $5 million was invested in discount agency notes to mature in June; another $15.5 million to mature in July. An additional $5 million was invested in agency discount notes maturing in August, and a total of $18.7 million par value to mature in September.

During July, $36.8 million will mature in the Commercial Paper Series One Proceeds Account and $85.25 million in the Commercial Paper Series Two Proceeds Account.

Market value in the Commercial Paper Proceeds Accounts is roughly equal to its amortized cost.
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*Note: Market Value as of 07/03/64*
CERTIFICATE RELATING TO THE SERIES JJ TRUST FUND

I, T. Dennis Sullivan II, Executive Director of the Municipal Assistance Corporation For The City of New York (the "Corporation"), HEREBY CERTIFY as follows:

1. Reference is made to the Series 44 Resolution Authorizing $210,000,000 Series 44 Bonds, Adopted February 9, 1983, As Amended, of the Corporation (the "Series Resolution"), and the Order As To Deposit and Investment of Series 44 Bonds Proceeds and Irrevocable Instructions To The Trustee As To The Establishment of 1978 Series JJ Bonds Trust Fund (the "Trust Fund") of the Corporation dated March 3, 1983 (the "Order"), both such documents being attached to the Record of Proceedings for the Series 44 Bonds as documents number 6 and 30, respectively.

2. Section 304(2) of the Series Resolution authorizes you, and the Order instructs you, upon direction in a certificate of an Authorized Officer of the Corporation stating that monies on deposit in the Trust Fund are not then needed to pay interest on or principal or redemption price of the Series JJ Bonds of the Corporation, to reinvest such monies in direct obligations of the United States of America for the purpose of the payment of interest on or principal or redemption price of the Series JJ Bonds and in a manner so as not to cause the Series 44 Bonds to be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended.
3. On July 31, 1984, certain investments in the Trust Fund will pay principal and interest in the amount of $6,170,118.75.

4. The Interest Income is not needed on the date hereof for the payment of interest on or principal or redemption price of the Series JJ Bonds of the Corporation.

5. The Corporation, on July 31, 1984, instructed you to purchase United States Treasury Bills in the amount of $355,000 maturing December 20, 1984 and yielding 10.88% with $340,577.14 of such Principal Payment (the "New Investment") and to retain a balance of $5,829,541.61 of the Principal Payment in the Trust Fund for the August 1, 1984 interest payment.

6. The New Investment meets all the requirements set forth in Section 304(2) of the Series Resolution and the Order for the reinvestment of monies in the Trust Fund.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of July, 1984.

T. Dennis Sullivan II
Executive Director
30 July 1984

Ms. Ingrid Rosenberg
Associate State Accounts Auditor
Department of Audit & Control
STATE OF NEW YORK
270 Broadway
New York, New York 10007

Dear Ms. Rosenberg:

In connection with your current examination of the Municipal Assistance Corporation’s investments and investment practices, we confirm, to the best of our knowledge and belief, the following representations made to you during your review.

1. We have made available to you a complete list of all investments of the Corporation as of March 31, 1984 and May 31, 1984. All investments of the Corporation are purchases of securities which are actually either physically delivered or wire transferred to United States Trust Company of New York and all monies of the Corporation are continuously and fully secured in accordance with applicable provisions of its resolutions.

2. The Corporation has satisfactory title to all such investments and there are no liens or encumbrances on such investments, nor has any investment been pledged. In addition to its investments, the Corporation has acquired, pursuant to statute, assets consisting of bonds of The City of New York in connection with its capital financing and certain other transactions, totalling approximately $1.5 billion at March 31, 1984, of which approximately $303 million were pledged as collateral by the Corporation in connection with its commercial paper program at March 31, 1984.

3. All outstanding investments are legal holdings and are in compliance with pertinent laws, regulations, bond convenants and with the Corporation's Investment Guidelines adopted by the Board of Directors and other applicable directives of the Board.
30 July 1984
Ms. Ingrid Rosenberg
Page 2

4. The Corporation has advised you of or made available to you records of all actions taken at meetings of the Board or Committees that may affect investments or investment practices for the period from January to May 1984.

5. No events have occurred subsequent to May 31, 1984 that have a material effect on investments or investment practices.

6. The Corporation has provided you its investment policy, as currently in practice, in accordance with its Investment Guidelines.

7. The Corporation's Investment Guidelines were established by the Board of Directors pursuant to statute and incorporate, where deemed appropriate by the Board, aspects of the Comptroller's Guidelines Relative to the Short Term Investment Practices of Public Authorities. At present, there are no signed written contracts for the Corporation's repurchase agreement transactions, although we have endeavored to secure executions of our form of agreement by the permitted dealers for such transactions, as required by the Corporation's Investment Guidelines, and are continuing to do so.

8. The Corporation has no plans or intentions that will materially affect the soundness of its investments or investment practices.

9. The Corporation has not engaged in any related-party investment transactions.

10. The Corporation staff has fully responded to all inquiries made to us by you during your review.

Sincerely,

T. Dennis Sullivan II
Executive Director

TDS:bba
CERTIFICATE RELATING TO THE SERIES JJ TRUST FUND

I, T. Dennis Sullivan II, Executive Director of the Municipal Assistance Corporation For The City of New York (the "Corporation"), HEREBY CERTIFY as follows:

1. Reference is made to the Series 44 Resolution Authorizing $210,000,000 Series 44 Bonds, Adopted February 9, 1983, As Amended, of the Corporation (the "Series Resolution"), and the Order As To Deposit and Investment of Series 44 Bonds Proceeds and Irrevocable Instructions To The Trustee As To The Establishment of 1978 Series JJ Bonds Trust Fund (the "Trust Fund") of the Corporation dated March 3, 1983 (the "Order"), both such documents being attached to the Record of Proceedings for the Series 44 Bonds as documents number 6 and 30, respectively.

2. Section 304(2) of the Series Resolution authorizes you, and the Order instructs you, upon direction in a certificate of an Authorized Officer of the Corporation stating that monies on deposit in the Trust Fund are not then needed to pay interest on or principal or redemption price of the Series JJ Bonds of the Corporation, to reinvest such monies in direct obligations of the United States of America for the purpose of the payment of interest on or principal or redemption price of the Series JJ Bonds and in a manner so as not to cause the Series 44 Bonds to be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended.
3. On July 26, 1984, certain investments in the Trust Fund will pay principal in the amount of $2,310,000.

4. The Interest Income is not needed on the date hereof for the payment of interest on or principal or redemption price of the Series JJ Bonds of the Corporation.

5. The Corporation, on July 26, 1984, instructed you to purchase United States Treasury Notes in the amount of $2,170,000 maturing July 31, 1984 with a coupon of 13.125% and yielding 10.196% with $2,309,172.12 of such Principal Payment (the "New Investment").

6. The New Investment meets all the requirements set forth in Section 304(2) of the Series Resolution and the Order for the reinvestment of monies in the Trust Fund.

    IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of July, 1984.

T. Dennis Sullivan II
Executive Director
By Messenger

26 July 1984

Mr. Thomas B. Tyrrel
Vice President
BENJ. H. TYRREL
110 Greenwich Street
New York, New York 10006

Re: Series 51 Financial Printing

Dear Mr. Tyrrel:

As we have discussed, the Municipal Assistance Corporation is planning a bond offering next week.

As you know, we solicited price quotations for financial printing in connection with the issuance of Series 48 bonds in February, in accordance with our specifications of January 9, 1984 (copy attached). At that time, your firm submitted a price quotation (copy attached). Although you were not chosen for that job, you were subsequently selected for the financial printing for our Series 50 Bonds in April 1984, on the terms of the January specifications and quotations.

I propose that you undertake the Series 51 printing in accordance with the terms contained in our January specifications and the price contained in your January submission. If you are in agreement with this proposal, please sign the enclosed copy of this letter in the space provided and return it to me.

Our tentative schedule calls for the circulation of a preliminary official statement on Monday, July 30, 1984, and a final official statement on Wednesday, August 1, 1984, subject to change.
26 July 1984
Mr. Thomas B. Tyrrel
Page Two

I anticipate delivery of material to you today for
distribution of a marked proof first thing tomorrow, Friday,

Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director
and Counsel

SJW:bba

Attachments (2)
# MUNICIPAL ASSISTANCE CORPORATION FOR THE CITY OF NEW YORK


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9 January 1984

Bowen of New York City, Inc. 345 Hudson St., N.Y., N.Y. 10014
Corporate Printing Company, Inc. 225 Varick St., N.Y., N.Y. 10014
R.R. Donnelley & Sons Co., 80 Pine St., N.Y., N.Y. 10005
Pandick Press, Inc., 345 Hudson St., N.Y., N.Y. 10014
Sorg Printing Co., Inc., 111 Eighth Ave., N.Y., N.Y. 10011
Charles P. Young Company, 75 Varick St., N.Y., N.Y. 10013
Benjamin H. Tyrrel, 110 Greenwich Street, N.Y., N.Y. 10006

Re: Request for Quotations for Series 48 Financial Printing

Ladies and Gentlemen:

This letter is to request from each of the firms listed above a quotation for the cost of printing certain documents in connection with a proposed public sale of the Municipal Assistance Corporation's Series 48 Bonds, based upon the following specifications and schedule, which should be regarded as confidential information.

In order for your firm to be considered for selection for this work, you must submit to the Corporation a proposal prepared by your firm on the basis of these specifications on the attached form, and we must be in receipt of such proposal no later than 3:00 P.M. on Wednesday, January 11, 1984. We intend to choose the supplier for this work from those firms which have timely submitted such proposals. However, we reserve the right not to accept any of the proposals submitted and to waive any irregularity in any of the proposals submitted. In making our selection, we will give strong consideration to the respective price quotations submitted, but will also consider other factors such as the experience, performance and capabilities of each firm, and we will select the firm, if any, which we determine will best satisfy the needs of the Corporation in this transaction.

In order to enable you to understand better the nature of the printing requirements for the proposed financing, we are enclosing for your information and reference, in addition to the specifications, sample copies of each of the three principal documents printed in connection with the Corporation's public sale of its Series 46 Bonds.
9 January 1984
Page 2

All copy for the documents to be printed may be either set in hot type or composed by computer. The selected firm will be required to store and maintain all of the type or tapes for the copy comprising each of the documents for a period of six months after completion of the work without charge to the Corporation. Turnaround time of 24 hours should be assumed for estimating purposes.

The specifications for the proposed printing are set forth in the following sections:

I. PRELIMINARY OFFICIAL STATEMENT

Typesetting copy as required for a Preliminary Official Statement consisting of 70 pages, including two proofs; composing 50 sets of each of the proofs, and distributing those proofs (exclusive of messenger charges); printing and binding with staples 15,000 copies of the Preliminary Official Statement on 40-pound white opaque offset paper 8-1/2" by 11" in black ink with one additional color on the front (cover) page; and distributing the Preliminary Official Statements (exclusive of shipping and delivery expenses) in accordance with instructions to be furnished by the Corporation and the Underwriters. Please calculate a single aggregate Base Price for all of the above work, and separately indicate the Additions to Price for each two pages of additional text, and for each 1,000 additional copies of the final printed document.

II. FINAL OFFICIAL STATEMENT

Typesetting revisions to the Preliminary Official Statement as required for one proof of a Final Official Statement consisting of 70 pages, composing 50 sets of one proof, and distributing those proofs (exclusive of messenger charges); printing and binding with staples 10,000 copies of the Final Official Statement on 40-pound white opaque offset paper 8-1/2" by 11" in black ink; and distributing the Final Official Statements (exclusive of shipping and delivery charges) in accordance with instructions to be furnished by the Corporation and the Underwriters. Please calculate a single aggregate Base Price for all of the above work, and separately indicate the Additions to Price for each two pages of additional text, and for each 1,000 additional copies of the final printed document.
III. BOND PURCHASE AGREEMENT

Production of a Bond Purchase Agreement consisting of 26 pages, including one proof; composing and distributing 1,000 copies of the proof (exclusive of messenger charges); printing 500 copies of the Bond Purchase Agreement on 50-pound white opaque offset paper in black ink; revising the Bond Purchase Agreement to incorporate signatures of the parties and printing and binding with staples 200 copies of the conformed document on 50-pound white opaque offset paper in black ink; and distributing the Bond Purchase Agreement (exclusive of shipping and delivery expenses) in accordance with instructions to be furnished by the Corporation and the Underwriters. Please calculate a single aggregate Base Price for all of the above work, and indicate the Additions to Price for each two pages of additional text, and for each 100 additional copies of the final printed document.

IV. BLUE SKY MEMORANDUM

Production of a Blue Sky Memorandum consisting of 10 pages, including one proof; composing 10 sets of that proof for distribution (exclusive of messenger charges); printing and binding with staples 1,000 copies of the Blue Sky Memorandum on 50-pound white opaque offset paper in black ink; distributing the Blue Sky Memorandum in accordance with instructions to be furnished by the Corporation and the Underwriters. Please calculate a single aggregate Base Price for all of the above work, and indicate the Additions to Price for each two pages of additional text, and for each 100 additional copies of the final printed document.

V. LEGAL OPINIONS

Printing and stapling additional copies of the following legal opinions, each as contained in the Bond Purchase Agreement: (1) 10,000 copies of a 5-page opinion of bond counsel to the Corporation; (2) 100 copies of a 2-page opinion of bond counsel; and (3) 100 copies of a 3-page opinion of general counsel to the Corporation; distributing each of the above documents (exclusive of shipping and delivery expenses) in accordance with instructions to be furnished by the Corporation and the Underwriters.
VI. ADDITIONAL DOCUMENTS

No additional documents shall be included as a part of the work to be performed for the Corporation, unless the Corporation shall duly authorize the printing of additional documents. However, it is anticipated that certain additional documents will be required by the Underwriters in connection with the proposed financing; any and all such additional documents shall be paid for by the Underwriters and not by the Corporation. Accordingly, no price is required to be included in your quotation for any such additional documents.

VII. DISBURSEMENTS

In addition to the work specified in Sections I through V of this letter, the selected firm shall furnish and the Corporation shall pay: (1) actual and reasonable disbursements for transportation, refreshments and meals (exclusive of any charges for markup, overhead or profit) for personnel of the parties to the proposed financing and their counsel, during the period in which the printing work is in progress and pertaining to such work; and (2) actual and reasonable freight, postage and other shipping and delivery expenses incurred in distributing the printed documents. While no price quotation is required for such disbursements, the selected firm will be required to itemize such expenditures on its invoice to the Corporation, and will be further required to retain all records and receipts related to such expenditures for examination by the Corporation upon request.

VIII. OVERTIME AND ADDITIONAL WORK

1. Overtime. For purposes of calculating the price quotation, it shall be assumed that all of the work called for by these specifications will be completed during weekday daytime shift working hours, on a 24-hour turnaround basis. Any work performed at other times must be duly authorized by the Corporation in advance of the commencement of the work. However, please indicate on the form the working hours of your weekday daytime shift and the approximate percentage additions to your charges for work performed during other shift periods, as well as the basis for any other additional charges for expedited or priority work.

2. Additional Work. Any work performed in addition to the work specified in Sections I through V of this letter, and duly
authorized and documented overtime as specified in this Section VIII, shall require the advance authorization of the Corporation, and shall be billed on a pro-rata basis in accordance with the price quotations contained in your proposal; except that author's alterations, local messenger deliveries and copying services shall be undertaken as necessary, and billed in accordance with the rates which you include on the price quotation form.

IX. SCHEDULE

The projected schedule for delivering each of the documents in final form is as follows: Preliminary Official Statement -- January 18, 1984; Final Official Statement -- January 25, 1984; Bond Purchase Agreement -- January 25, 1984; Blue Sky Memorandum -- February 8, 1984; Legal Opinions -- February 8, 1984. It is anticipated that printing work on the first proof of the Official Statement will commence January 12, 1984. This production schedule is tentative and subject to change at the direction of the Corporation, in accordance with the requirements of the proposed financing.

X. PAYMENT

After completion of the work, the selected firm shall submit to the Corporation a detailed invoice covering all services rendered to the Corporation in connection with the proposed financing, which invoice shall itemize all additions to and subtractions from the Base Price, as well as all disbursements. The Corporation shall review such invoice and expeditiously process it for payment by the Corporation. The Corporation, as a corporate governmental agency and instrumentality of the State of New York, is exempt from New York State sales tax pursuant to Section 1116(a)(1) of the New York State Tax Law.

Such invoice shall be subject to auditing by the New York State Department of Audit and Control subsequent to payment. The selected firm will be required to maintain and retain written records of sufficient detail to substantiate all charges billed to the Corporation, and to produce such records for examination by the Corporation or the State Comptroller upon request, for a period of three years after final payment for this work.
In addition, the selected firm will be required to store and maintain all of the type or tapes for each of the documents printed in this transaction for a period of six months after completion of the work without charge to the Corporation.

Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director
and Counsel

SJW/dd
Attachment

Enclosures:  
Series 46 Preliminary Official Statement  
Series 46 Final Official Statement  
Series 46 Bond Purchase Agreement
25 July 1984

T. Dennis Sullivan II

Stephen J. Weinstein

Investment Reporting Requirements

This memorandum addresses the scope of reporting requirements presently imposed on the Corporation by the State of New York with respect to its investment activities, in particular those actions required of the Corporation's independent accountants.

This issue must be viewed in the context of pertinent provisions of the Corporation's enabling act and general bond resolutions, all originally adopted in 1975. The act [Sections 3010(10), 3013(1, 2)] and the resolutions [Section 702] set certain parameters for permissible investments. In addition, the act confers upon the Corporation comprehensive powers to administer its affairs, including investment of its moneys, and vests such powers in the Board of Directors [Sections 3011(1), 3033(1), 3034(1)]. And, importantly, the act authorizes the Corporation to contract with its holders regarding the investment, custody, security and payment of its moneys, and further pledges that the State will not limit or impair such contractual rights [Sections 3012(2), 3013(3), 3015].

The Corporation came into existence subject to pre-existing reporting requirements of State law applicable to public authorities generally. The principal such provision was Section 2500 of the Public Authorities Law requiring an annual report of operations to be submitted to the Governor, the State Comptroller and the Senate and Assembly fiscal committees. The Corporation has met that requirement each year by the submission of its annual report published in compliance with a contractual obligation to its bondholders.

Subsequently, in a context of increasing concern over the short-term investment portfolios and practices of public authorities generally, certain actions were taken by the State Comptroller intended to encourage more prudent procedures and to facilitate scrutiny of such investments:

(1) In January 1982, the Comptroller issued regulations with respect to the content and submission of the annual reports required by Section 2500 [2 NYCRR 201.1, 201.2 201.4];
In March 1983, the Comptroller issued "Short-term Investment Guidelines for Public Authorities" advising them as to authorization, management and security of short-term investments; and

In June 1983, the Comptroller added a new section to the annual reporting regulation requiring (a) issuance by that office of short-term investment guidelines for public authorities, (b) review of authority investments by their independent auditors for compliance with such guidelines, and (c) inclusion of the results of such review in the management letter of the auditors to be a part of each authority's statutory annual report [2 NYCRR 201.3].

These actions of the State Comptroller created a conceptual conundrum. First, there was no express legislative delegation of rule-making authority to the State Comptroller to promulgate either investment guidelines or regulations for meeting the reporting requirements of Section 2500. Second, the issuance of the guidelines and the regulations purporting to authorize them were out of sequence. Third, and most significant, the guidelines were by their own terms merely advisory, while the regulations required an audit report of compliance with the guidelines. However, the questions of the legal status of the advisory guidelines and the apparent clash with the compulsory reporting regulations are not dispositive, due to subsequent action by the State Legislature.

In August 1983, a new State statute was enacted effective January 1, 1984, which mandated that public authorities, including the Corporation: (1) promulgate their own investment guidelines, including comprehensive provisions relating to the management and protection of all investments; and (2) prepare reports of investments internally on a quarterly basis and annually submit detailed reports of investments, including an independent audit, to the Budget Division, Department of Audit and Control, Senate Finance Committee and Assembly Ways and Means Committees [Section 2925, Public Authorities Law (Chapter 838, Laws of 1983)]. That statute made no mention of either the State Comptroller's guidelines or regulations regarding short-term investments of public authorities, although it addressed an area encompassing the same concerns.
In January 1984, the Board of Directors of the Corporation adopted by resolution its Investment Guidelines, in compliance with the August 1983 enactment, containing the mandated substantive provisions and reporting procedures for both short-term and long-term investments. Compliance with that Section 2925 serves the same important public policy concerns for all investments of public authorities as the State Comptroller's actions had previously aimed to achieve in the short-term area alone.

Regardless of the initial validity of the Comptroller's guidelines and regulations prior to the enactment of Section 2925, that State legislation in August 1983 appears to have superseded them under general rules of construction -- statutes control over regulations, more specific provisions of law take precedence over more general ones and later enactments prevail over earlier ones.

Accordingly, the provisions of the State Comptroller's guidelines and regulations purporting to impose certain reporting requirements on the Corporation and its independent accountants, to the extent initially valid, appear to be now inapplicable, having been superseded by subsequent specific statutory requirements of the State of New York. Rather, the Corporation is bound to comply with the August 1983 legislation, as its requirements do not create any conflict with prior contractual commitments of the Corporation to the holders of its obligations, and with the Corporation's own Investment Guidelines adopted and amended in accordance with that statute.
Date: 27 July 1984
To: Beatrice Gilling
From: Steve Weinstein
Re: Commercial Paper Program Unbilled Expenses

I was informed by telephone today by Jonathan Plutzik of The First Boston Corporation (FBC) that the following expenses of FBC as dealer and of Debevoise & Plimpton (D&P) as their counsel in connection with the implementation of the Series 3 Commercial Paper Program in October 1983 and the Series 4 Commercial Paper Program in April 1984 have not yet been billed to the Corporation:

D&P re: Series 3 = $20,122.35
D&P re: Series 4 = $18,387.29
FBC re: Ser. 3&4 = $11,000.00 (Estimated)
Total Not Billed = $49,509.64

Mr. Plutzik said that we could expect to receive a bill for these amounts next week.
July 24, 1984

To: Felix Rohatyn

Enclosed is the draft letter to accompany the mid-August publication of the Corporation's annual financial statements.

I would appreciate receiving any comments or reactions which you may have.

[Signature]

TDS

cc: Gene Keilin

The Corporation publishes its annual financial statements prior to the release of the annual report in September in order to provide a continuous flow of current information to its investors and the financial community.

On May 21, 1984, the Corporation issued $226.88 million of its Second General Resolution Series 50 Bonds. All of the net proceeds of the sale were used to advance refund its Series 1, 2, 3, 4 and 38 Bonds. This was one of a series of actions which the Corporation agreed to undertake in a Memorandum of Agreement with the State and the City on March 30, 1984, to make available approximately $1.075 billion of additional revenues to The City of New York.

During the quarter, the Corporation continued the marketing of its commercial paper notes begun in July 1982 to finance a portion of the City's capital program. On April 12, 1984, the Corporation began to issue its Series 4 notes
for the purpose of refunding its Series 2 and Series 3 notes. At June 30, 1984, the Corporation had refunded all of its Series 2 notes and had $243 million of Series 3 and Series 4 notes outstanding at interest rates ranging from 4.875% to 6.2% and maturities ranging from 3 days to 119 days. On July 13, 1984, the Corporation completed the refunding of its Series 3 notes. Series 4 commercial paper notes, of which approximately $243 million were outstanding on July 13, 1984, will continue to be issued to refund outstanding notes of that series as they mature until June 1987, by which date the Corporation will refund such short-term notes through the issuance of long-term bonds.

At June 30, 1984, total Capital Reserve Fund assets were approximately $1,064.4 million. The Capital Reserve Fund balance at that date was $1,060.9 million, net of payable for investment securities purchased of $3.5 million. This net balance comprised approximately $309.1 million relating to the First General Resolution Bonds and $751.8 million relating to the Second General Resolution Bonds. Such amounts equalled or exceeded the required funding levels.

The combined net revenues from the New York State Sales and Stock Transfer Taxes which were deposited in the Municipal Assistance Tax Fund and available to the Corporation during the three month and twelve month periods
ended June 30, 1984 amounted to approximately $669.1 million and $2,618.8 million, respectively, an decrease of 0.3% and an increase of 7.5% over the comparable periods ended June 30, 1983. Sales Tax revenues during the three and twelve month periods ended June 30, 1984 amounted to $426.5 million and $1,652.8 million, respectively, an increase of 9.7% and 11.0% over comparable periods ended June 30, 1983. Stock Transfer Tax revenues during the similar periods amounted to $242.6 million and $966.0 million, respectively, a decrease of 13.9% and an increase of 1.9% over the comparable periods of the prior year.

To date, the Corporation has not found it necessary to use the revenue derived from the stock transfer tax to pay its debt service. Based on present projections, the Corporation does not anticipate that it will be necessary to utilize these revenues in the future, although no assurances can be given that they will not be so required.

During the twelve months ended June 30, 1984, approximately $484 million of New York State Per Capita Aid was deposited in the Municipal Assistance State Aid Fund and available to the Corporation.

Felix G. Rohatyn
Chairman

T. Dennis Sullivan II
Executive Director
CERTIFICATE RELATING TO THE SERIES JJ TRUST FUND

I, T. Dennis Sullivan II, Executive Director of the Municipal Assistance Corporation For The City of New York (the "Corporation"), HEREBY CERTIFY as follows:

1. Reference is made to the Series 44 Resolution Authorizing $210,000,000 Series 44 Bonds, Adopted February 9, 1983, As Amended, of the Corporation (the "Series Resolution"), and the Order As To Deposit and Investment of Series 44 Bonds Proceeds and Irrevocable Instructions To The Trustee As To The Establishment of 1978 Series JJ Bonds Trust Fund (the "Trust Fund") of the Corporation dated March 3, 1983 (the "Order"), both such documents being attached to the Record of Proceedings for the Series 44 Bonds as documents number 6 and 30, respectively.

2. Section 304(2) of the Series Resolution authorizes you, and the Order instructs you, upon direction in a certificate of an Authorized Officer of the Corporation stating that monies on deposit in the Trust Fund are not then needed to pay interest on or principal or redemption price of the Series JJ Bonds of the Corporation, to reinvest such monies in direct obligations of the United States of America for the purpose of the payment of interest on or principal or redemption price of the Series JJ Bonds and in a manner so as not to cause the Series 44 Bonds to be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended.
18 July 1984

Kenneth J. Bialkin, Esq.
WILLKIE PARR & GALLAGHER
One Citicorp Center
153 East 53rd Street
New York, New York 10022

Dear Ken:

Thank you for your recent letter concerning the Corporation's investment guidelines and personal services contract guidelines. While the guidelines were amended at the June 29th meeting of the Board, the process of reviewing and improving the guidelines is a continuing one, and I appreciate greatly your comments.

With respect to your concern about the absence of an express provision on the custody of securities, I agree that the guidelines would benefit by the addition of more specific language on this point. I think that this might be accomplished by retitling Section III(I) from "Payments" to "Settlements" and including language concerning the settlement, delivery and custody of our investment securities. I have enclosed a proposed revision to this section for your review.

The insertion of the words "a summary of" in Section IV was recommended by the staff and approved by the Investment Committee and the Board in order to make it clear that the required reports should contain meaningful aggregations of the Corporation's numerous investment transactions rather than simply consisting of reams of computer printouts. Of course, the latter is always available, but the intent of the change was to make the Quarterly Reports as concise and meaningful as possible. I might add that the Report for the April-June Quarter should be available by mid-August, and I would be grateful for your comments and reactions.
Finally, perhaps it would be best if I gave you a call concerning repurchase agreements. For the purposes of this letter, let me simply note the following:

(1) We do not engage at all in reverse repurchase agreements.

(2) We only do repurchase agreements on a next-business-day basis.

(3) The list of permitted dealers is limited to a select group of commercial banks.

(4) While the guidelines permit larger transactions, we generally limit our position to approximately $5 million per day except in special circumstances. The standing instruction to the staff is to notify the Chairman of the Investment Committee if we need to exceed substantially our typical position.

Again, my thanks for your helpful comments.

Sincerely,

T. Dennis Sullivan
Executive Director

Enclosures (3)

TDS:bba

P.S. I am enclosing a copy of the adopted version of the Corporation's Annual Budget Review. It is essentially the same as the last draft which you received. The only real difference is in the concluding paragraph which was modified to be a little less dire about the future.
I. **Settlement.** Payment for securities issued in physical form shall be made by the Corporation's custodian only upon receipt of such securities. In the case of securities issued in book entry form, payment shall be made only when credited to the custodian's account at the Federal Reserve Bank. In the case of monies invested in time deposits or repurchase agreements, payment shall be conditioned upon receipt by the custodian in the form of either physical delivery or book entry crediting of securities authorized for such investments with a market value equal to at least the amount of the monies so invested. The custodian shall at all times maintain all securities in its custody if in physical form or to the credit of its account at the Federal Reserve Bank if in book entry form, in accordance with the instructions of the Corporation, and in all cases segregated for the account of the Corporation maintained by the custodian. The custodian may act on verbal instructions from an authorized employee of the Corporation, such instructions to be confirmed in writing by an authorized officer of the Corporation.
July 16 1984

Daniel J. Censullo
Manager
World Trade Center Operations
World Trade Department
PORT AUTHORITY OF NEW YORK
& NEW JERSEY
One World Trade Center-Suite 63E
New York, New York 10048

Dear Mr. Censullo:

The Treasurer of the Corporation, Quentin B. Spector, attempted to gain access to our offices on July 4, at noon. He provided his World Trade I.D. and other proofs of identification.

He was informed by your employees that he needed a "special" identification, for which, it was alleged, every tenant had been informed, to be permitted into our offices on July 4 due to heavy congestion expected in these complexes in the evening to watch the Independence Day fireworks display.

This was at noon. The fireworks were not scheduled to begin until 8 P.M.

Because of the press of business, he persisted. He spoke to security personnel from three different levels of management. As a last resort, he offered to be escorted by one of your employees to our offices to get his work and take it home to be finished. This offer was refused. It was explained to him that "If we do it for you, we have to do it for everybody."

The excessively rigid action of your employees created a undue hardship; Mr. Spector was under an intense time constraint to complete this work.

We were never notified by your office or any other Port Authority office that special arrangements must be made on
July 4. As Office Manager of the Corporation, I receive any and all tenant notifications that are sent out concerning procedures and operations. At no time were we notified in person or by mail that this would be the situation on July 4.

We understand the need for precautions in certain situations; the World Trade complex provides an ideal location for viewing fireworks, Hudson and East River activities, etc. But we find it a misuse of authority when we are not allowed access to our own premises (on which we are paying rent) to carry out our normal business activities.

Is there not some way in which a record can be kept of notices, particularly important ones such as this, delivered and received? Is there any way to insure that this doesn’t happen again.

Sincerely,

Betty B. Alpern
Administrative Manager

BBA: meb

cc: Quentin B. Spector
CERTIFICATE RELATING TO THE SERIES JJ TRUST FUND

I, T. Dennis Sullivan II, Executive Director of the Municipal Assistance Corporation For The City of New York (the "Corporation"), HEREBY CERTIFY as follows:

1. Reference is made to the Series 44 Resolution Authorizing $210,000,000 Series 44 Bonds, Adopted February 9, 1983, As Amended, of the Corporation (the "Series Resolution"), and the Order As To Deposit and Investment of Series 44 Bonds Proceeds and Irrevocable Instructions To The Trustee As To The Establishment of 1978 Series JJ Bonds Trust Fund (the "Trust Fund") of the Corporation dated March 3, 1983 (the "Order"), both such documents being attached to the Record of Proceedings for the Series 44 Bonds as documents number 6 and 30, respectively.

2. Section 304(2) of the Series Resolution authorizes you, and the Order instructs you, upon direction in a certificate of an Authorized Officer of the Corporation stating that monies on deposit in the Trust Fund are not then needed to pay interest on or principal or redemption price of the Series JJ Bonds of the Corporation, to reinvest such monies in direct obligations of the United States of America for the purpose of the payment of interest on or principal or redemption price of the Series JJ Bonds and in a manner so as not to cause the Series 44 Bonds to be "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1954, as amended.
3. On July 16, 1984, certain investments in the Trust Fund will pay interest in the amount of $2,123,078.43.

4. The Interest Income is not needed on the date hereof for the payment of interest on or principal or redemption price of the Series JJ Bonds of the Corporation.

5. The Corporation, on July 16, 1984, instructed you to purchase United States Treasury Bills in the amount of $2,130,000 maturing July 26, 1984 and yielding 8.638% with $2,128,078.43 of such Interest Income (the "New Investment") and $1,892.40 of other monies available in the Fund.

6. The New Investment meets all the requirements set forth in Section 304(2) of the Series Resolution and the Order for the reinvestment of monies in the Trust Fund.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of July, 1984.

T. Dennis Sullivan II
Executive Director
13 July 1984

Ms. Catherine E. Hutcheson
Vice President
Security-Columbian Division
UNITED STATES BANKNOTE CORPORATION
345 Hudson Street
New York, New York 10014

Re: Series GG Bond Reprinting

Dear Kay:

This is to confirm my telephone conversation yesterday requesting that you print 2,000 additional 1977 Series GG Bonds maturing February 1, 1987, in registered form numbered consecutively from GGR-2501.

Inasmuch as the Trustee's inventory of registered Series GG certificates has been exhausted, I would appreciate your expediting this order as much as possible. Delivery should be made to United States Trust Company of New York at 770 Broadway (7th Floor) to the attention of Mr. John Martorana.

Please advise me of your schedule and charges for this work.

Sincerely,

[Signature]

Stephen J. Weinstein
Deputy Executive Director
and Counsel

SJW:bba

cc: Mr. Pat Santivasci
United States Trust Company of New York
By Messenger

13 July 1984

Paul, Weiss, Rifkind, Wharton
& Garrison
345 Park Avenue
New York, New York 10154

Gentlemen:

In connection with an examination of our financial statements as of June 30, 1984, and for the year then ended, we would appreciate your furnishing to our independent accountants, Price Waterhouse, a description and evaluation of certain matters with respect to which you have been engaged and to which you have devoted substantive attention on behalf of the Corporation in the form of legal consultation or representation.

Pending or threatened litigation, claims or assessments and pending governmental investigation that could give rise to contingencies (excluding unasserted claims)

With respect to all pending or threatened litigation, claims or assessments, and investigations, including those matters where the Corporation is the plaintiff, as to which you have been engaged for legal consultation or representation, please provide a description of: (1) the nature of the matter; (2) the progress of the case to date; (3) how management is responding or intends to respond to the matter; and (4) an evaluation of the likelihood of an unfavorable outcome of possible loss or gain. Your response should include matters as of June 30, 1984, and as of the effective date of your reply to this letter.

Unasserted claims or assessments (considered by management to be probable of assertion and which, if asserted, would have at least a reasonable possibility of an unfavorable outcome)

We understand that whenever, in the course of performing legal services for use with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of Statement of Financial Accounting Standards No. 5. Please confirm to Price Waterhouse that our understanding is correct. We have advised Price
13 July 1984
Paul, Weiss, Rifkind, Wharton
& Garrison
Page Two

Waterhouse that there are no unasserted possible claims or
assessments that since July 1, 1983 you have advised are
probable of assertion and must be disclosed or considered
for disclosure in accordance with Statement of Financial
Accounting Standards No. 5.

Other Matters

Please specifically identify the nature and reasons for any
limitation on your response to any of the inquiries in this
letter.

To facilitate the evaluation of your response by our
independent accountants, please respond as of August 1, 1984
to the address shown below, and please furnish a copy of
your response to the Corporation. Also, please specify the
effective date of your response if it is other than the date
of your reply.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director
and Counsel

SJW:bba

cc: Mr. Lawrence Vogel
    Price Waterhouse
    Room 4208
    153 East 53rd Street
    New York, N. Y. 10022
By Messenger
13 July 1984

Hawkins, Delafield & Wood
67 Wall Street
New York, New York 10005

Gentlemen:

In connection with an examination of our financial statements as of June 30, 1984, and for the year then ended, we would appreciate your furnishing to our independent accountants, Price Waterhouse, a description and evaluation of certain matters with respect to which you have been engaged and to which you have devoted substantive attention on behalf of the Corporation in the form of legal consultation or representation.

Pending or threatened litigation, claims or assessments and pending governmental investigation that could give rise to contingencies (excluding unasserted claims)

With respect to all pending or threatened litigation, claims or assessments, and investigations, including those matters where the Corporation is the plaintiff, as to which you have been engaged for legal consultation or representation, please provide a description of: (1) the nature of the matter; (2) the progress of the case to date; (3) how management is responding or intends to respond to the matter; and (4) an evaluation of the likelihood of an unfavorable outcome of possible loss or gain. Your response should include matters as of June 30, 1984, and as of the effective date of your reply to this letter.

Unasserted claims or assessments (considered by management to be probable of assertion and which, if asserted, would have at least a reasonable possibility of an unfavorable outcome)

We understand that whenever, in the course of performing legal services for use with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of Statement of Financial Accounting Standards No. 5. Please confirm to Price Waterhouse that our understanding is correct. We have advised Price
13 July 1984
Hawkins, Delafield & Wood
Page Two

Waterhouse that there are no unasserted possible claims or assessments that since July 1, 1983 you have advised are probable of assertion and must be disclosed or considered for disclosure in accordance with Statement of Financial Accounting Standards No. 5.

Other Matters

Please specifically identify the nature and reasons for any limitation on your response to any of the inquiries in this letter.

To facilitate the evaluation of your response by our independent accountants, please respond as of August 1, 1984 to the address shown below, and please furnish a copy of your response to the Corporation. Also, please specify the effective date of your response if it is other than the date of your reply.

Sincerely,

Stephen J. Weinstein
Deputy Executive Director
and Counsel

cc:  Mr. Lawrence Vogel
Price Waterhouse
Room 4208
153 East 53rd Street
New York, N. Y. 10022
Date: 11 July 1984
To: Board and Reps
From: Betty Alpern, Administrative Manager
Re: Biographies for Annual Report

We are now working on the 1984 Annual Report. In order to update the biographies of the Board and Reps which appear in the Annual, I am enclosing a copy of the latest updated version which appeared in the Series 50 Official Statement.

Please send any corrections or additions to me within a week, if possible.

If you have any questions or problems, please call me at 775-0010.

Many thanks.
PART 12—MANAGEMENT

Under the Act, the Corporation is administered by a Board of Directors (the “Board”), consisting of nine directors. All of the directors are appointed by the Governor with the advice and consent of the State Senate; four of the directors are appointed upon written recommendation of the Mayor. The Act also provides for the appointment of representatives to the Board (the “Representatives”) by certain State or City officials or bodies politic. The Representatives are entitled to receive notice of and to attend all meetings of the Board but are not entitled to vote. In addition, the State Comptroller or his representative is entitled to attend and participate in the meetings of the Board but is not entitled to vote.

The Act provides that no director (and no Representative) may be an officer or employee of the Federal Government or of the State or of any political subdivision thereof.

The present members of the Board and the Representatives of the Corporation, and the expiration dates of their respective terms of office are as follows:

<table>
<thead>
<tr>
<th>Directors</th>
<th>Expiration of Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Felix G. Rohatyn, Chairman(3)</td>
<td>December 31, 1983</td>
</tr>
<tr>
<td>Edward M. Kresky, Vice Chairman(1)</td>
<td>December 31, 1985</td>
</tr>
<tr>
<td>Kenneth J. Bielkin(1)(2)(3)</td>
<td>December 31, 1982</td>
</tr>
<tr>
<td>George M. Brooker(2)(3)</td>
<td>December 31, 1977</td>
</tr>
<tr>
<td>Eugene J. Keilin(3)</td>
<td>December 31, 1982</td>
</tr>
<tr>
<td>Dick Netzer</td>
<td>December 31, 1987</td>
</tr>
<tr>
<td>Andrew P. Steffan(1)(2)(3)</td>
<td>December 31, 1980</td>
</tr>
<tr>
<td>Robert C. Weaver</td>
<td>December 31, 1984</td>
</tr>
</tbody>
</table>

| Representatives                  |                                      |
|----------------------------------|                                      |
| Jerome Belson                    | Appointed by the Vice-Chairman of the City Council |
| Leonard Nadel                    | Appointed by the Speaker of the State Assembly |
| Richard D. Parsons              | Appointed by the President Pro-Tem of the State Senate |
| Carl H. Pfzerzheimer III         | Designated representative of the State Comptroller |
| Robert W. Seavey                 | Appointed by the Minority Leader of the State Senate |

(1) Wertheim & Co., Inc., Smith Barney, Harris Upham & Co. Incorporated, and Shearson/American Express Inc., with which Messrs. Kresky, Steffan and Bielkin, respectively, are affiliated as described in their biographies, may act as underwriters in connection with the sale of the Series 50 Bonds.

(2) Appointed upon the written recommendation of the Mayor.

(3) Continuing to serve until reappointed or until successor appointed and qualified.

(4) Each Representative serves at the pleasure of the appointing official or body, is eligible for reappointment and holds office until his successor has been appointed. The positions of Representatives of the City Board of Estimate and the Minority Leader of the State Assembly are currently vacant.

FELIX G. ROHATYN, Chairman. Mr. Rohatyn is a General Partner of Lazard Freres & Co., investment bankers. He is a former Governor of the New York Stock Exchange, Inc., and is a director of Schlumberger, Ltd., Owens-Illinois, Inc., Pfizer Inc., Pechiney Ugine Kuhlmann Corporation, MCA Corporation, American Motors Corporation, Minerals and Resources Corp., Inc. and EDS, Inc. He is also a director of the New York Philharmonic. Mr. Rohatyn is a resident of New York City.

EDWARD M. KRESKY, Vice-Chairman. Mr. Kresky, Chairman of the Corporation’s Investment Committee, is a General Partner of Wertheim & Co., investment bankers. He has been with Wertheim since 1971. From 1965 through 1971, he served as Secretary to the Metropolitan Transportation Authority of New York State. He is a member of the Boards of Security Mutual Life Insurance Company of New York, the New York State Council on the Arts and the New York City Ballet. Mr. Kresky served the Corporation as a Representative from June 1975 to January 1979. He also served as an observer to the Control Board from 1976 to 1979. Mr. Kresky is a resident of New York City.
FRANCIS J. BARRY. Mr. Barry is Chairman of the Board of Circle Line-Sightseeing Yachts, Inc. and other of its affiliated companies. Since 1967, he has served as an arbitrator for the United Marine Division of Local 333 I.L.A. of the AFL-CIO. He is a member of the Board of Directors of the New York Convention Center Operating Corporation. He is a director and a member of the Executive Committee of the New York Convention and Visitors Bureau. He is a former member of the Control Board. Mr. Barry is a resident of New York City.

KENNETH J. BIALKIN. Mr. Bialkin is a member of the law firm of Willkie Farr & Gallagher, New York, New York, and is an Adjunct Professor of Law at New York University School of Law. He is immediate past Chairman of the Section of Corporation, Banking and Business Law of the American Bar Association, and is a former Chairman of the Committee on Federal Regulation of Securities of that Section. He is also a Vice President and a former Chairman of the Committee on Securities and Exchanges of the New York County Lawyers’ Association. He is a director of Shearson/American Express Inc., Gulf Resources and Chemical Corporation and E. M. Warburg, Pincus & Co., Inc. He is also National Chairman of the Anti-Defamation League of B’nai B’rith. Mr. Bialkin is a resident of New York City.

GEORGE M. BROOKER. Mr. Brooker is a principal stockholder and President of Webb & Brooker, Inc., a real estate management and brokerage firm. He is past President of the New York Chapter of the Institute of Real Estate Management. He is a member of the Board of Directors of the New York Urban League. He is a director and Vice President of the New York Building Congress. He is a governor of the Real Estate Board of New York and the Realty Advisory Board of New York. He is a trustee of the Educational Broadcasting Corp. (WNED/Channel 13). He is a director of the Management Council, National Center Housing Management of Washington, D.C. and a director of the Realty Foundation of New York. Mr. Brooker is a resident of New Rochelle, New York.

EUGENE J. KEILIN. Mr. Keilin, Chairman of the Corporation’s Finance Committee, is a General Partner of Lazard Freres & Co., investment bankers, and was Executive Director of the Corporation from October 1976 to January 1979. From 1973 to 1975, he served as General Counsel of the City’s Office of Management and Budget and, from 1975 to October 1976, he was counsel to the City’s first Deputy Mayor for Finance. Prior to his employment by the City, Mr. Keilin was associated with the New York law firm of Sage, Gray, Todd & Sims. Mr. Keilin was a Lecturer in urban problems and municipal finance at Columbia Law School. He is a Trustee of the Citizens Budget Commission and the Lenox Hill Neighborhood Association, and Chairman of the Municipal Affairs Committee of the Association of the Bar of the City of New York. Mr. Keilin is a resident of New York City.

DICK NETZER. Dr. Netzer, Chairman of the Corporation’s City Budget Committee, has been Director of New York University’s Urban Research Center since September 1981 and was Dean of the University’s Graduate School of Public Administration from 1969 through 1982. He is a former member of the Municipal Securities Rulemaking Board. He is a nationally recognized expert in the areas of state and local government finance and urban economics and he has published extensively in each of those areas. He is editor of the quarterly New York Affairs and a member of numerous editorial and research advisory Boards. Dr. Netzer is a resident of New York City.

ANDREW P. STEFFAN. Mr. Steffan, Chairman of the Corporation’s Audit Committee, is a First Vice President of Smith Barney, Harris Upham & Co. Incorporated. From 1972 until 1976, he was on the staff of the Securities and Exchange Commission and became the Agency’s first Director of Economic and Policy Research. Mr. Steffan is a resident of New York City.

ROBERT C. WEAVER. Dr. Weaver, Chairman of the Corporation’s Administration Committee, was Distinguished Professor of Urban Affairs at Hunter College from 1971 to 1978. He is now Distinguished Professor Emeritus. From 1966 through 1968, he was Secretary of the United States Department of Housing and Urban Development and, from 1968 through 1970, was President of Bernard M. Baruch College. He is a former member of the Board of Trustees of the Metropolitan Life Insurance Co. and the Bowery Savings Bank, and is a former Chairman of the National Association for the Advancement of Colored People. Dr. Weaver is a resident of New York City.

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JEROME BELSON, Representative. Mr. Belson is President and Chief Executive Officer of Jerome Belson Associates, Inc., a real estate management firm. He is also a partner in the law firm of Belson, Connolly & Belson. He is Chairman of the Board of Waterhouse Securities, Inc. He is a director of the Association for Government Assisted Housing, Inc., and the New York Metropolitan Chapter of the National Association for Housing Redevelopment Officials. He is a member of the Board of Governors of the New York Chapter of Registered Apartment Managers of the National Association of Home Builders. He serves as Chairman of the Federation of Alumni Associations of St. John’s University. Mr. Belson is a resident of New York City.

LEONARD NADEL, Representative. Mr. Nadel, who was Senior Vice President of Abraham & Straus, a division of Federated Department Stores, Inc. until March 1978, established his own management consulting firm, Leonard Nadel Associates Inc., in New York City in April 1978. In July 1980, Mr. Nadel joined Beldoch Industries Corporation, an apparel manufacturer, where he presently serves as an Executive Vice President. He is former Chairman and current member of the Board of Trustees of Adelphi University and a Trustee of Long Island Jewish-Hillside Medical Center. He is a past President of the Brooklyn Chamber of Commerce. Mr. Nadel is a resident of Roslyn, New York.

RICHARD D. PARSONS, Representative. Mr. Parsons is a member of the law firm of Patterson, Belknap, Webb & Tyler. He has been with the Patterson firm since 1977. From 1971 through 1974, Mr. Parsons served as an Assistant and First Assistant Counsel to former Governor Rockefeller. In 1975, he became Deputy Counsel to then Vice President Rockefeller and, later that year, was appointed to the White House staff as Counsel to the Domestic Council. He also serves as an observer to the Control Board. Mr. Parsons is a resident of Briarcliff Manor, New York.

CARL H. PFORZHEIMER III, Representative. Mr. Pforzheimer is Managing Partner of Carl H. Pforzheimer & Co., an investment banking firm. He is a director of the Visiting Nurse Service of New York, Chairman of the Board of Trustees of Horace Mann-Barnard School, Vice President of the Scarsdale Union Free School District and a member of the Board of Trustees of Pace University and the Hoff-Barthelson Music School. He is also a member of the New York Zoological Society and the Citizens Forum on Self-Government of the National Municipal League, Inc. Mr. Pforzheimer is a resident of Scarsdale, New York.

ROBERT W. SEAVEY, Representative. Mr. Seavey is President of N.D.I., a real estate development and construction firm. He is a member of the law firm of Seavey, Fingerit, Vogel & Oziel, New York, New York, a director of the Citizens Housing and Planning Council of New York, a member of the Committee on Housing and Urban Development of the Association of the Bar of The City of New York, and an Adjunct Professor of Law at Brooklyn Law School. Mr. Seavey is a resident of New York City.

PART 13—LITIGATION

The Corporation is not party to any litigation. Various actions challenging the constitutionality of the imposition and appropriation of the Sales Tax and Stock Transfer Tax to the Corporation have all been dismissed with the State’s highest court affirming the constitutionality of the Sales Tax and Stock Transfer Tax as security and sources of payment for the Corporation’s obligations. The United States Supreme Court dismissed an appeal from the State court ruling for lack of a substantial Federal question.

PART 14—SUMMARY OF CERTAIN PROVISIONS OF THE SECOND GENERAL BOND RESOLUTION

The following is a summary of certain provisions of the Second General Bond Resolution. The summary is not comprehensive or definitive and is subject to all of the terms and provisions of the Resolution, to which reference is hereby made and copies of which are available from the Corporation. The Capital Reserve Aid Fund is referred to hereinafter as the “Capital Reserve Fund.” Section references, unless otherwise indicated, are to the Resolution.
10 July 1984

Re: Municipal Assistance Corporation
9.70% Series 42 Bonds Due July 1, 2007

To Holders of Series 42 Bonds:

This is to inform you that we have been advised by Municipal Issuers Service Corporation that, upon the application of Merrill Lynch White Weld Capital Markets Group, Municipal Bond Insurance Association has issued a Municipal Bond Guaranty Insurance Policy (Policy No. 2171, dated March 8, 1984), which they have further advised us guarantees payment of principal of and interest on the outstanding $19,910,000 aggregate principal amount of the Series 42 Bonds under certain circumstances.

We have also been advised by Standard & Poor's Corporation that, based upon issuance of such policy, it has awarded a rating of "AAA" to the Series 42 Bonds.

The policy described above does not affect the provisions for payment of the Series 42 Bonds in accordance with the Corporation's Second General Bond Resolution adopted November 25, 1975 and the Series 42 Resolution adopted October 13, 1982, as described in the Official Statements of the Corporation made available in connection with the issuance of the Series 42 Bonds.

Principal of and interest on the Series 42 Bonds will continue to be payable at the offices of United States Trust Company of New York, 45 Wall Street, New York, New York 10005, at the same times and in the same amounts as in the past.

This notice is provided for your information only, and does not require you to take any action.

If you wish any further information concerning the policy, you should contact Municipal Issuers Service Corporation, either in writing at 34 South Broadway, Box 783, White Plains, New York 10602, or by telephone at (914) 946-4242.

Sincerely,

T. Dennis Sullivan II
Executive Director
6 July 1984

Ms. Irene R. Scocca
Vice President
UNITED STATES TRUST COMPANY
OF NEW YORK
45 Wall Street
New York, New York 10005

Dear Ms. Scocca:

Pursuant to our conversation with William Jennings, this is to request that U.S. Trust establish at its earliest convenience a separate account for the securities purchased by the Corporation under repurchase agreement.

Very truly yours,

[Signature]

Quentin B. Spector
Treasurer

QBS:bba

cc: Pat V. Santivasci

bcc: TDS
     SJW
Date: 5 July 1984
To: Beatrice Gilling
From: Steve Weinstein
Re: Vacation Paychecks

I will be on vacation starting on Thursday, August 2nd, and returning on Tuesday, September 4th.

In accordance with office procedures, please prepare the paychecks which I would otherwise receive on August 15th and August 29th for delivery to me on Wednesday, August 1st, along with my regular check for the pay period ending August 1st.
2 July 1984

To: Felix G. Rohatyn

From: Dennis Sullivan

Re: Inquiry from The Christian Science Monitor

I was approached recently by Lance Carden (1-800-225-7090) of The Christian Science Monitor concerning the possibility of your writing an article for an upcoming Monitor advertising supplement on New York State, scheduled to appear on August 27th. (A copy of a recently published supplement on Pennsylvania is enclosed.) What he has in mind is an essay which would look back on the New York City fiscal crisis and ask the questions: What have we learned? What has been done to prevent another such crisis?

While I personally would recommend against accepting Mr. Carden's invitation (I am not a fan of advertising supplements), I am obviously available to be of assistance if you are inclined to take on this assignment. Please let me know if you want me to pursue this matter further.

cc: Eugene J. Keilin

Enclosure
City of New York  
Short-Term Debt Issuance Limits—  
MAC Act Section 3038(9)(a) and (b)  
As of July 1, 1984  

Section 3038(9)(a)  

1. Aggregate outstanding City short-term debt $ 0  

2. Aggregate principal amount of all notes and bonds issued by MAC 14,199,476,000  

Total Additions (Items 1 and 2) 14,199,476,000  

3. Less:  
   (a) any notes or bonds of MAC which have been redeemed, refunded, paid or cancelled 6,632,413,000  
   (b) any notes (other than bond anticipation notes) or bonds of MAC issued for a purpose  
      (i) set forth in Section 3037(b) to pay for items permitted to be in the City's capital budget 2,377,489,825  
      (ii) Section 3010(18) (Federal Guarantee Reserve Fund) 69,909,709  
      (iii) of making deposits into any MAC capital reserve fund 609,248,239  

4. Less any short-term obligations of the City then held by MAC 0  

Total Subtractions (Items 3 and 4) 9,689,060,773  

Net Total (Additions Minus Subtractions) 4,510,415,227  

Section 3038(9)(a) Limit 7,260,000,000  

Margin at July 1, 1984 (Limit Minus Net Total) $ 2,749,584,773
Section 3038(9) Debt Limits As of July 1, 1984
Page 2 of 3

Section 3038(9)(b)

1. Aggregate City outstanding short-term debt, excluding BANS. $ 0

2. Plus aggregate principal amount of all notes and bonds issued by MAC 14,199,476,000

Total Additions (Items 1 and 2) 14,199,476,000

3. Less any MAC notes or bonds which have been refunded or renewed; not reduced by principal payments 4,888,618,000

4. Less MAC notes or bonds in an amount equal to the principal amount of City BANS acquired by MAC (other than BANS acquired in exchange for other BANS) 1,013,810,000

5. Less any MAC notes or bonds issued for the following purposes:
   
   (i) Section 3037(b) (items permitted to be included in the City's capital budget) 2,377,489,825
   
   (ii) Section 3037(c) (reduction of state advance) 407,851,134
   
   (iii) Section 3037(d) (City seasonal borrowing needs) 0
   
   (iv) Section 3033(2-a) (the Subordinated Notes) 335,490,000
   
   (v) Section 3010(18) (Federal Guarantee Reserve) 69,909,709
   
   (vi) deposits into MAC capital reserve funds 609,248,239
6. Less any City short-term debt held by MAC other than BANs

7. Less any City short-term debt issued and payable in the same fiscal year

**Total Subtractions (Items 3 through 7)**

$ -0-

**Net Total (Additions Minus Subtractions)**

9,702,416,907

4,497,059,093

**Section 3038(9)(b) Limit**

5,000,000,000

**Margin At July 1, 1984 (Limit Minus Net Total)**

$ 502,940,907