



**Metropolitan Transportation Authority**

# **Finance Committee Meeting**

## **December 2012**

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### **Committee Members**

A. Saul, Chair  
J. Ballan  
J. Banks, III  
J. Blair  
A. Cappelli  
J. Kay  
M. Page  
M. Pally  
J. Sedore, Jr.  
V. Tessitore  
C. Wortendyke

# MEETING AGENDA

## MTA FINANCE COMMITTEE

Monday, December 17, 2012 – 12:45 PM

347 Madison Avenue  
Fifth Floor Board Room  
New York, NY

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### AGENDA ITEMS

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## AGENDA ITEMS

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Date of next meeting: Monday, January 28<sup>th</sup>, 2013 at 12:45 PM

Minutes of the MTA Finance Committee Meeting

November 26, 2012

347 Madison Avenue

New York, NY

12:45 PM

The Following Finance Committee members attended:

Chairman Joseph J. Lhota

Hon. Andrew M. Saul

Hon. Jonathan A. Ballan

Hon. J Banks III

Hon. J. Blair

Hon. A. Cappelli

Hon. Mitchell Pally

Hon. James L. Sedore, Jr.

Hon. Carl V. Wortendyke

The following Finance Committee members did not attend:

Hon. Jeffery Kay

Hon. Mark Page

Hon. V. Tessitore

The following Board Members were also present:

Hon. Andrew Albert

Hon. Robert C. Bickford

Hon. Fernando Ferrer

Hon. Ira Greenberg

Hon. Susan Metzger

Hon. Charles G. Moerdler

The following MTA staff attended:

Robert Foran

Douglas Johnson

Patrick McCoy

Jeffrey Rosen

Chairman Andrew M. Saul called the November 26, 2012 meeting of the Finance Committee to order at 12:45 PM.

**I. Public Comments**



There were no public comments

## **II. Approval of Minutes**

The MTA Board approved the minutes to its prior meeting held on September 24, 2012.

## **III. Committee Work Plan**

There are changes to the work plan. Two items that had been scheduled for October were presented: The Annual Review of MTA's Derivative Portfolio and the MTA 2012 Semi-Annual Investment Report. There was one additional change to the Work Plan for November 2012: The Review and Assessment of the Finance Committee Charter. The charter was reviewed and approved by the Board on September 27, 2012. No further review is necessary.

## **IV. Budgets/Capital Cycle**

### **A. BudgetWatch**

There is no BudgetWatch presentation for November. A special session of the Finance Committee will be held at the Board Meeting on November 28, 2012 to discuss the Updated Forecast for 2012, the MTA 2013 Final Proposed Budget and the November Financial Plan for 2013-2016.

### **B. Finance Watch**

Mr. McCoy stated that on September 26, 2012, Triborough Bridge and Tunnel Authority ("TBTA") negotiated a termination of two swap transactions with Citigroup Financial Products Inc. ("CFP"). The Swaps were terminated to reduce exposure to CFP, which was downgraded by Moody's to Baa2 on June 21, 2012. The terminations follow the previously reported terminations of two other swaps with CFP under a different ISDA Master Agreement that occurred on September 13. Mr. McCoy erroneously stated that the other terminations occurred on October 4. The terminations are expected to result in debt service savings.

The swap terminations relate to TBTA General Revenue Variable Rate Bonds, Series 2002B, and TBTA Subordinate Revenue Variable Rate Bonds, Series 2000CD, which was done on a negotiated basis, with notional amounts of \$40.4 million and \$89.85 million, respectively. TBTA paid CFP a discounted valuation amount of \$22.318 million.

The first two swap terminations were achieved by running a market quotation process and resulted in a reduced termination payment. The remaining two transactions were terminated through a negotiation that resulted in a slightly better discount than the first termination.

On October 4, 2012, MTA effected a mandatory tender and remarketed \$250 million of Transportation Revenue Variable Rate Bonds, Series 2005E, because the letter of credit (LOC)

issued by BNP Paribas expired by its terms. The LOC was substituted with three new irrevocable direct-pay LOCs from Bank of America, JPMorgan Chase Bank, and PNC Bank, in the amounts of \$100 million, \$75 million and \$75 million, respectively. The LOC issued by JPMorgan Chase Bank will terminate on December 31, 2014, while the other two LOCs will terminate on October 2, 2015. The Series 2005E bonds were redesignated as Subseries 2005E-1, 2005E-2 and 2005E-3.

The Subseries 2005E-1 and 2005E-2 bonds will be remarketed in the weekly mode, and Subseries 2005E-3 will be remarketed in the daily mode. The remarketing agents will be Bank of America Merrill Lynch, remarketing agent for the 2005E-1 bonds supported by the LOC from Bank of America; J.P. Morgan, remarketing agent for the 2005E-2 bonds supported by the LOC from J.P. Morgan Chase Bank; and PNC Capital Markets, remarketing agent for the 2005E-3 bonds supported by the LOC from PNC Bank. Lamont Financial Services served as financial advisor and Nixon Peabody served as Bond Counsel. Initial rates for the weekly bonds were 0.17% and 0.12% for the dailies.

On October 16, 2012, MTA successfully priced \$959.465 million of MTA Dedicated Tax Fund Refunding Bonds, Series 2012A. Proceeds from the transaction were used to execute a cross credit refunding of certain Dedicated Tax Fund Bonds and Transportation Revenue Bonds as noted in Finance Watch. The Series 2012A bonds have a final maturity of November 15, 2032. The transaction closed on October 25, 2012. Pricing was driven by an orderly combination of both retail and institutional orders with the final price levels being determined by demand from both classes of investors. The transaction had an all-in TIC of 3.07% and an average life of 13.28 years. The refunding resulted in net present value savings of 18.36% in savings. The transaction was led by book-running senior manager Wells Fargo Securities together with co-senior managers Jefferies and Loop Capital Markets. Nixon Peabody served as bond counsel and Lamont Financial served as financial advisor.

On November 1, 2012, MTA effected a mandatory tender and remarketed \$209.64 million of Triborough Bridge and Tunnel Authority General Revenue Variable Rate Refunding Bonds, Series 2002F. The standby bond purchase agreement with ABN Amro Bank, N.V. that supported the bonds terminated according to its terms and was substituted with a new standby bond purchase agreement with Landesbank Hessen-Thüringen Girozentrale, New York Branch (Helaba), which will expire on November 1, 2015. The Series 2002F bonds were also converted from a weekly rate mode to a daily rate mode. The initial daily rate for these bonds was 0.30%. The remarketing agent for the bonds is J.P. Morgan. Hawkins Delafield and Wood served as bond counsel and Lamont Financial served as financial advisor.

Mr. Wortendyke asked what the costs were for this transaction. Mr. McCoy replied that the costs were the standard costs of issuance, including legal fees and printing. MTA had to

undertake a change to the bonds because the bank facility was expiring and ABN AMRO is not renewing these facilities in the U.S. due to its significant reorganization in Europe. MTA had to take action, there was no option. Mr. Wortendyke asked what the fees were. Mr. McCoy said that with printing, legal and rating agency fees, the costs were approximately \$200,000 to \$250,000. Variable rate debt has historically provided low cost funding and therefore keeping the bonds in this mode was the plan of finance.

Mr. Blair asked if the MTA needs to rely on banks and other third party credit enhancers to issue variable rate debt. Mr. McCoy stated that the variable rate portfolio performs very well and provides savings despite staff work to maintain the portfolio, including the remarketings and substitutions as noted in the upcoming Year End report. This staff work was necessary to maintain the short term portfolio and get low rates. Mr. Foran stated that MTA tries to diversify the short-term portfolio by using LOCs, SBPAs and indexed bonds that rely on MTA's own credit. MTA is trying to have a good mix of products, but the number of strong credit-worthy banks is diminishing and prices for bank facilities have increased. MTA has been taking advantage of low long term rates and has acted to fix out as many bonds as possible. When rates are low like this, MTA should take advantage and fix out bonds. Additionally, new capital rules could also effect the bank facility market. Fixing out some of MTA's short term debt makes sense in this market because long-term rates are currently so attractive. Mr. Foran noted that as interest rates rise, these low 30-year fixed rates are locked in. If MTA has a certain amount in the variable rate mode, those bonds will still be in variable rate when rates are high

Mr. Wortendyke asked if it was necessary to enter into this transaction. Mr. McCoy replied that it was.

On November 1, 2012, MTA effected a mandatory tender and remarketed \$35 million of MTA Dedicated Tax Fund Refunding Bonds, Series 2008B-3a, as the last day of the initial interest rate period for these bonds was November 1, 2012. This issue relies on the MTA's own credit, and not a bank. MTA remarketed the Series 2008B-3a bonds as Floating Rate Tender Notes ("FRNs") and they will have an interest rate that will reset on a weekly basis to November 1, 2014 at a spread of 0.23% to SIFMA. This bond will have to be repriced in 2014 to some as yet unknown tenor, such as 2, 3, or 4 years. The transaction was led by Goldman, Sachs & Co. Nixon Peabody served as bond counsel and Lamont Financial served as financial advisor.

Mr. Blair asked if MTA had the staff need to manage this portfolio. McCoy responded that MTA was able to manage this portfolio.

On November 6, 2012, MTA remarketed \$126.23 million of Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2009A-1. Mr. McCoy noted that as Mr. Foran stated,

MTA is converting bonds when possible to low fixed rates. MTA converted the Series 2009A-1 bonds from a term-rate mode to a fixed-rate mode. The transaction had an all-in TIC of 3.25% and an average life of 13.34 years. The transaction closed on November 15, 2012. The transaction was led by book-running senior manager Loop Capital Markets together with MBE co-senior manager M.R. Beal & Company. Hawkins Delafield and Wood served as bond counsel and Lamont Financial served as financial advisor.

On November 7, 2012, MTA issued \$359.45 million of Transportation Revenue Variable Rate Refunding Bonds, Series 2012G to refund certain TRB Series 2002A and Series 2002E bonds: The Series 2012G bonds were issued as four subseries of Floating Rate Tender Notes (FRNs) and bear interest at a variable rate equal to 67% of one-month LIBOR plus fixed rate spread: \$84,450,000 Subseries 2012G-1 (expected initial Purchase Date of November 1, 2014), \$125,000,000 Subseries 2012G-2 (expected initial Purchase Date of November 1, 2015), \$75,000,000 Subseries 2012G-3 (expected initial Purchase Date of November 1, 2016), \$75,000,000 Subseries 2012G-4 (expected initial Purchase Date of November 1, 2017). Final spreads on the 2, 3, 4, and 5-year FRNs are 42, 53, 70 and 84 bps, respectively. The all-in TIC was 4.32% and the average life was 18.76 years. The Series 2012G bonds are synthetically fixed through a swap agreement. The transaction closed on November 13, 2012. Nixon Peabody served as bond counsel and Lamont Financial served as financial advisor.

Mr. Blair asked if more municipal issuers were issuing FRNs. Mr. McCoy replied that FRNs are increasingly being issued in the municipal bond market as an alternative to bank liquidity and auction rate securities which are no longer functioning. FRNs are a new product being issued as alternative to using bank liquidity on all short-term issues that gives issuers flexibility with fewer complications than bank liquidity.

On November 8, 2012, in a common plan of finance, MTA issued \$350 million of MTA Transportation Revenue Bonds, Series 2012H, as new money bonds to finance existing approved transit and commuter projects. The Series 2012H bonds were issued as tax-exempt fixed-rate bonds with a final maturity of November 15, 2042. The all-in TIC was 3.70% and the average life was 18.64 years. The transaction closed on November 15, 2012. The transaction was led by book-running senior manager Siebert Brandford Shank & Co., together with co-senior managers Duncan-Williams Inc. and Rice Financial Products. Hawkins Delafield and Wood served as bond counsel and Lamont Financial served as financial advisor.

On November 8, 2012, MTA remarketed \$110.220 million of MTA Transportation Revenue Bonds, Series 2008B-2. The Series 2008B-2 bonds were converted from a term-rate mode in the form of a mandatory put into a fixed-rate mode, with an all-in TIC of 2.17% and an average life of 8.50 years. The transaction closed on November 15, 2012. The transaction was led by book-running senior manager Siebert Brandford Shank & Co. together with MWBE co-senior

managers Duncan-Williams Inc. and Rice Financial Products. Hawkins Delafield and Wood served as bond counsel and Lamont Financial served as financial advisor.

Mr. Bickford asked if MTA had to pay the New York State Bond Issuance Charge (BIC) on this transaction. Mr. McCoy replied that MTA had to pay the BIC on the TRB Series 2012H bonds as a new money issue, but that New York State had issued a waiver for the 2012 refunding transactions. Mr. Foran also noted that the revenues from the BIC were included in the NYS budget. As a part of last year's budget, MTA noted that the number of refundings for 2012 would be windfall. Chairman Lhota further clarified that the BIC was statutory, but that the Director of the New York State Department of the Budget had ability to waive this charge. The Director provided this waiver to the MTA only for refundings. Chairman Lhota also noted that the New York State Dormitory Authority had also been granted a waiver.

Chairman Lhota stated that MTA would send a letter to the NYC Budget Director regarding a waiver, as they are currently drafting next year's budget beginning in April. Chairman Lhota noted that the letter would also address a waiver for new money issuance, since the MTA may issue anticipation notes to fund some of the liquidity concerns related to Tropical Storm Sandy.

Mr. Cappelli stated that the MTA incurs the BIC as it issues debt performing a public function. NYS relies on the revenues from the BIC. He also noted that a waiver was appropriate to provide MTA budget relief as MTA plans for interim financing to deal with Tropical Storm Sandy.

Mr. Moerdler noted that he served as a member of the Board of the Dormitory Authority. The NYS Budget Director was aware of the budget and policy issues related to granting a waiver.

Chairman Lhota stated that sending a letter regarding a waiver was worth doing at this time as NYS Department of the Budget prepares the NYS budget for the next fiscal year.

On October 25, 2012, MTA effected a Notice of Extension stating that the direct pay letter of credit with Landesbank Hessen-Thüringen Girozentrale, New York Branch (Helaba) that was set to expire on November 10, 2012, will be renewed. The renewal extended the existing letter of credit for two years to November 10, 2014.

In December 2012, MTA expects to refund \$550 million of TBTA Subordinate Revenue Bonds. This transaction will refund outstanding fixed rate bonds with fixed rate bonds for savings. TBTA will also remarket \$30.40 million of TBTA General Revenue Variable Rate Refunding Bonds, Series 2005B-4a. The bonds are currently outstanding as Floating Rate Notes and

interest is computed at 67% of 1-month LIBOR plus 0.10%. The remarketing anticipates keeping the bonds in this structure for a period of time to be determined at pricing.

## **V. MTA Headquarters and All-Agency Items**

### **A. Action Items**

#### **1. Authorization to Issue Transportation Revenue Bonds**

The MTA is seeking MTA Board approval of necessary documentation to issue new money bonds, notes or other obligations to provide net proceeds (exclusive of premiums) sufficient to fund up to \$500M of capital projects contained in approved capital programs of the transit, bus, and commuter systems. These bonds will be issued under the Transportation Revenue Resolution. Citi will be the book-running senior manager on a rotation assignment.

The Committee voted to recommend the action item before the Board for approval.

#### **2. MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes**

Board action is required to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax exempt sales.

Mr. Foran noted that this is normally part of the December workplan.

The Committee voted to recommend the action item before the Board for approval.

#### **3. Owner Controlled Insurance for East Side Access**

To obtain Board approval of the following actions necessary for the extension of MTA's insurance coverage for the Owner Controlled Insurance Program (OCIP) for the East Side Access Project.

- To extend OCIP excess Liability policy coverage through 8/1/2018 and to adjust the premiums to reflect estimated third party construction costs of \$5.75 billion. Additional OCIP funding required is estimated at \$22 million.
- To extend OCIP Pollution Liability policy coverage through 12/31/2018 and to adjust the premium to reflect estimated third party construction costs of \$5.75 billion. Additional OCIP funding is estimated at \$1.5 million.
- To extend OCIP Professional Liability policy coverage through 12/31/2013 and to adjust the premium to reflect increased design fees. Additional OCIP funding is estimated at \$16.5 million.

Mr. Moerdler stated that he is non-voting on the Finance Committee, but requested that his recusal be noted on this item.

The Committee voted to recommend the action item before the Board for approval.

## **B. Report and Information Items**

### **1. The Annual Review of MTA's Derivative Portfolio**

Mr. McCoy presented the Annual Review of MTA's Derivative Portfolio, including the Fuel Hedging Program. Mr. McCoy stated that on an annual basis, the MTA swap portfolio saves approximately \$19.6 million compared to the cost of fixed rate debt issued at the same time. McCoy noted that the weighted average cost of the synthetic fixed portfolio was 3.77% as compared to traditional fixed rate bonds at 4.40%. McCoy noted that increasing the fuel hedge program to 50% of the fuel budget will increase budget certainty and reduce volatility

Mr. Wortendyke asked to confirm that the average weighted cost of swap was 3.77% and are we betting on the market.

Mr. McCoy noted that the weighted average cost of the synthetic fixed portfolio was 3.77% and 4.40% for traditional fixed rate bonds. MTA makes a fixed rate payment on this contract and the weighted average is based on those fixed rate payments.

Mr. Ballan asked if the ratio of synthetic fixed rate debt was right with the rating agencies. Mr. McCoy replied that the rating agencies had no strict guidelines for the ratio of synthetic fixed rate debt and that this was a matter of issuer policy.

Mr. Saul asked about the balance between short-term variable rate debt and long-term fixed rate debt. Mr. McCoy noted that new money transactions are being issued as fixed rate debt. While staff activity is needed to maintain the variable rate portfolio, MTA is not growing this portfolio.

Mr. Blair asked if the negative mark-to-market is largely attributable to the downgrades of the banks.

Mr. McCoy answered that the mark to market reflects the overall interest rate environment. MTA entered into these trades between 1998 and 2005 when rates were higher. There is currently a low interest rate environment and that results in negative mark-to-markets. Mr. McCoy also noted that the counterparties on these trades were exposed to the MTA and TBTA credits which is preferable.

Mr. Albert asked if as MTA acquires more fuel efficient buses would that change the fuel hedging program. Mr. McCoy noted that the fuel hedging program takes into account historical usage as well the budget department for agency estimates. Mr. Foran noted that the fuel hedging program was to help provide budget certainty for volatile commodities, such as diesel. MTA will monitor natural gas prices.

Mr. Albert noted that he was concerned that MTA would enter into hedges on the right side of price. Mr. McCoy noted that the goal was budget certainty.

Mr. Wortendyke asked if MTA had examined the cost of hedging over time. Mr. McCoy noted that the MTA had. Mr. Foran noted that the actual transaction cost of the hedge was relatively small. The purpose of the hedging program was to provide budget certainty with respect to certain commodities which enables the MTA to better be able to handle other budget fluctuations, such as overtime. MTA has locked in fares and tolls for the next two years and is locking in other things that are subject to market fluctuations, such as commodities. Budget certainty is more important than the gain or loss from the hedges.

Mr. Saul noted that the performance of the hedges had previously been presented to the Board. Mr. McCoy agreed to send that presentation to the Board.

Mr. Albert asked if the MTA was able to be right on at least 50% or better of their hedges.

Mr. Foran replied that MTA has a general reserve of \$130 million. If fuel costs are \$260 million, the fuel hedge program would allow the MTA to handle a 50% increase in fuel costs. By hedging, MTA is able to stretch the general reserve giving the MTA the ability to handle other volatility such as a revenue decline, giving more capacity to absorb fluctuations. This mitigates effects of cost swings while still enabling MTA to take advantage if fuel prices are lower.

2. The MTA 2012 Semi-Annual Investment Report  
The MTA 2012 Semi-Annual Investment Report was presented to the Committee.
3. 2011-2012 Station Maintenance Receivable Update for the Billing Period 4/1/2011-3/31/2012  
The total amount billed was \$157,255,958. The amount received as of October 31, 2012 was \$129,377,112 with a balance due from Nassau County of \$27,878,846. As of November 23, 2012, no payment has been received. However, MTA has spoken with the Deputy County Executive and the payment has been processed. The funding is in the county's budget.

### **C. Procurements**



There were 10 procurements for MTA headquarters for a total of \$6.325 million.

The Committee voted to recommend the procurement items before the Board for approval.

## **VI. Metro-North and Long Island Railroad**

### **A. Action Items**

There were two action items for MNR, which are:

1. NYSDOT Grant for Connecting Services. To obtain MTA Board approval to enter into a contract to accept \$300,000 in a Congestion Mitigation/Air Quality (CMAQ) grant from the NYSDOT to support connecting services covering the period October 1, 2012 through September 30, 2013.

The Committee voted to recommend the action item before the Board for approval.

2. Public Hearing for Setting West Haven Station Fares -- To obtain MTA Board approval to authorize one or more public hearings with regard to setting fares for the new West Haven station on the New Haven line scheduled to open in June 2013.

The Committee voted to recommend the action item before the Board for approval.

### **B. Procurements**

There are four procurements for MNR and LIRR for a total of \$2.999 million. There was 1 non-competitive and two competitive procurements for MNR for a total of \$2.999 million. There was one competitive procurement jointly with MNR for an RFP for LIRR, with the amount to be determined.

The Committee voted to recommend the procurement items before the Board for approval.

## **VII. MTA Bus Operations**

### **A. Procurements**

There were five procurements, one non-competitive procurement jointly with NYCT and four competitive procurements, for a total of \$172.197 million.

The Committee voted to recommend the procurement items before the Board for approval.

## **VIII. Bridges and Tunnels**

### **A. Action Items**

There was one action Item for Bridges & Tunnels:

#### **1. New York State Department of Transportation**

B&T is seeking Board authorization to enter into an agreement with NYSDOT to provide improvements to the Gowanus Expressway approach to the Verrazano-Narrows Bridge (VNB) including areas under the jurisdiction of the NYSDOT, in order to complete remaining portions of a permanent, continuous Bus/HOV lane between the VNB and Hugh L. Carey Tunnel, formerly the Brooklyn-Battery Tunnel.

The Committee voted to recommend the action item for approval.

### **B Procurements**

There were four procurements, one non-competitive and three competitive, for a total of \$5.688 million.

The Committee voted to recommend the procurement item before the Board for approval

## **IX. New York City Transit**

### **A. Procurements**

There are four procurements for NYCT for a total of \$4.628 million. Three are non-competitive procurements (two are multi-agency) and one is a request to use the expedited Change Order Procedure pursuant to Articles 9 and 10 of the All-Agency Procurement guidelines for the R179 Train Procurement with Bombardier Transit Corp.

The Committee voted to recommend the procurement items before the Board for approval.

## **X. FMTAC**

### **A. Procurements**

There were no procurements items for FMTAC.

## **XI. MTA Consolidated Reports**

This month includes August and September results versus the mid-year forecast.

Mr. Albert wanted to raise the issue that the MTA should reimburse riders with time-based passes and commuters. Mr. Cappelli concurred with Mr. Albert and asked if direct compensation could not be made then could the funds be used for service enhancements. Mr. Cappelli also wanted to explore if these costs were also reimbursable under FEMA/insurance. Mr. Saul stated that these points were noted by committee.

## **XII. Real Estate Agenda**

### **A. Action Items**

Mr. Rosen noted that there were eight Real Estate action items for consideration which were explained in detail in staff summaries and noted the following two transactions in particular.

1. Lease with Starbucks Coffee Company in Grand Central Terminal. MTA was able to negotiate a base rent of \$500 per square foot which is double the previous rate.
2. West Side Yards Modification. MTA is seeking Board authorization to modify the contract terms governing the West Side Yard to allow the developer to establish a firm closing date and the commitment of the developer to perform \$50 million in site preparation work.

Mr. Blair asked would there be any negative effects on operations if the proposed contract did not proceed. Mr. Rosen noted that the onsite work would be south of the platform which would not affect operations. Mr. Ballan asked if there any other legal or environmental actions were necessary to proceed. Mr. Rosen noted that all legal or environmental actions were completed in 2010.

The Committee voted to recommend the eight action items for approval. Mr. Pally recused himself from the vote on the License Agreement with Gershow Recycling of Valley Stream, Inc. for commercial parking and storage under the viaduct on the West Hempstead Branch Right of Way, in Valley Stream, NY.

## **XIII. Executive Session**

Upon motion duly made and seconded, the Committee voted to convene an executive session to consider matters concerning Section 105(1)(h) of the New York State Public Officers Law. The Committee voted to recommend to the Board a resolution authorizing the MTA Chairman and Chief Executive Officer or the MTA Chief Financial Officer to terminate and/or restructure any or all of certain Leveraged Leases, all as generally described in the related Staff Summary, and to obligate and cause the MTA to pay the associated early termination costs together with any associated transaction expenses, and to take all other actions, including the execution and delivery of documents, from time to time deemed necessary or desirable by the MTA Chairman and Chief Executive Officer or the Chief Financial officer to effectuate the termination and/or

restructuring of any or all of such Leveraged Leases. Upon motion duly made and seconded, the Committee convened in public session.

**XIV. Adjournment**

Upon motion duly made and seconded, the November 26, 2012 meeting of the Finance Committee was adjourned.

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## 2012 Finance Committee Work Plan

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### I. RECURRING AGENDA ITEMS

BudgetWatch  
FinanceWatch  
Approval of Minutes  
Procurements (if any)  
Action Items (if any)  
MTA Consolidated Reports

#### Responsibility

MTA Budget  
MTA Finance  
Board Secretary  
Procurement  
Agency  
MTA Budget

### II. SPECIFIC AGENDA ITEMS

#### Responsibility

#### December 2012

##### *SBP/Budgets/Capital:*

2013 Final Proposed Budget/2013-2016 Financial Plan

MTA Budget, Agencies

##### *Action Item:*

MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes

MTA Treasury

##### *Other:*

Draft 2013 Finance Committee Work Plan

MTA Budget

### DETAILS

#### DECEMBER 2012

##### *SBP/Budgets/Capital:*

##### 2013 Final Proposed Budget/2013-2016 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2013.

##### *Action Item:*

##### Approval of MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes.

Board action required to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

##### *Other:*

##### Draft 2013 Finance Committee Work Plan

The MTA Chief Financial Officer will present a proposed 2013 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

# DRAFT - 2013 Finance Committee Work Plan

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## I. RECURRING AGENDA ITEMS

BudgetWatch  
FinanceWatch  
Approval of Minutes  
Procurements (if any)  
Action Items (if any)  
MTA Consolidated Reports

### Responsibility

MTA Div. Mgmt/Budget  
MTA Finance  
Board Secretary  
Procurement  
Agency  
MTA Div. Mgmt/Budget

## II. SPECIFIC AGENDA ITEMS

### Responsibility

### January 2013

#### SBP/Budget/Capital:

Overview of the February Financial Plan 2013-2016

MTA Div. Mgmt/Budget

#### Action Item:

Approval of Supplemental Resolutions Authorizing Refunding Bonds

MTA Finance

#### Other:

Special Report: 2012 Year-End Review

MTA Finance

### March 2013

#### Action Items:

2012 TBTA Operating Surplus

MTA Bridges and Tunnels

Mortgage Recording Tax – Escalation Payments to

MTA Treasury/MTA Div.

Dutchess, Orange and Rockland Counties

Mgmt/Budget

All-Agency Real Property Disposition Guidelines and

MTA Real Estate/MTA

All-Agency Personal Property Disposition Guidelines

Corporate Compliance

All-Agency Annual Procurement Report

MTA Procurement/Agencies

#### Other:

MTA Prompt Payment Annual Report 2012

MTA Comptroller

### April 2013

#### Action Item:

MTA 2012 Annual Investment Report

MTA Treasury

#### Other:

Annual Report on Variable Rate Debt

MTA Finance

### June 2013

#### SBP/Budget/Capital:

#### Action Item:

PWEF Assessment

MTA Capital Program Mgmt/  
MTA Div. Mgmt & Budget

#### Other:

Station Maintenance Billings Approval

MTA Comptroller

Annual Pension Fund Report (Audit Committee Members to be invited)

MTA Labor

Annual FMTAC Meeting

MTA RIM

Annual FMTAC Investment Performance Report

MTA RIM

**July 2013**

***SBP/Budget/Capital:***

Updated Forecast for 2013/2014 Preliminary Budget/  
2014-2017 Financial Plan (Joint Session with MTA Board)

MTA Div. Mgmt/Budget

**September 2013**

***SBP/Budget/Capital:***

2014 Preliminary Budget/2014-2017 Financial Plan  
(Materials previously distributed)

MTA Div. Mgmt/Budget

***Action Item:***

Resolution to authorize the Execution, Filing and Acceptance  
of Federal Funds

MTA Grant Mgmt

***Other:***

Annual Review of MTA's Derivative Portfolio  
Annual Report – Fuel Hedge Program

MTA Finance  
MTA Div. Mgmt/Budget  
and MTA Finance  
MTA Treasury

MTA 2013 Semi-Annual Investment Report

**November 2013**

***SBP/Budget/Capital:***

Updated Forecast for 2013/2014 Final Proposed Budget/  
2014-2017 Financial Plan (Joint Session with MTA Board)

MTA Div. Mgmt/Budget

***Other:***

Station Maintenance Billings Update  
Review and Assessment of the Finance Committee Charter

MTA Comptroller  
MTA CFO

**December 2013**

***SBP/Budget/Capital:***

***Action Items:***

MTA 2014 Budget and 2014-2017 Financial Plan  
Adoption Materials  
MTA and TBTA Reimbursement Resolutions for  
Federal Tax Purposes

MTA Div. Mgmt/Budget

MTA Treasury

***Other:***

Draft 2014 Finance Committee Work Plan

MTA Div. Mgmt/Budget



## DETAILS – 2013

### JANUARY 2013

#### SBP/Budget/Capital:

#### Overview of the February Financial Plan 2013-2016

The MTA Division of Management and Budget will apprise the Committee of any material changes to the December Board-approved Financial Plan. The full release and distribution of the February Plan will continue to take place within the month of February.

#### *Action Item:*

#### Approval of Supplemental Resolutions Authorizing Refunding Bonds

Board action required to allow for the refunding to fixed-rate bonds from time to time provided that such refunding's comply with the Board approved refunding policy.

#### *Other:*

#### Special Report: 2012 Year-End Review

The MTA Finance Department will present a report that summarizes financing activities for 2012.

### MARCH 2013

#### *Action Items:*

#### 2012 TBTA Operating Surplus

MTA Bridges and Tunnels should be prepared to answer questions on a staff summary requesting (1) transfer of TBTA 2012 Operating Surplus and Investment Income, (2) advances of TBTA 2013 Operating Surplus, and (3) the deduction from 2013 TBTA Operating Revenue, funds which shall be paid into the Necessary Reconstruction Reserve.

#### Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties

By State statute, each of these counties is entitled to a share of MTA's MRT-2 tax receipts. The amount may be no less than they received in 1989 (even if the taxes collected fall below the 1989 levels), but there are proportional upward adjustments if taxes collected in the particular county exceed the 1989 totals. The MTA Budget and Treasury Division will be prepared to answer questions on the related Staff Summary authorizing the payments.

#### All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines

Board approval of the above guidelines as required annually by Public Authorities Law Sections 2895-2897. MTA Real Estate and MTA Corporate Compliance should be prepared to answer questions regarding these guidelines.

#### All-Agency Annual Procurement Report

The Agencies and the MTA Procurement Division should be prepared to answer questions on this voluminous State-required report.

*Other:*

MTA Prompt Payment Annual Report 2012

The MTA Comptroller should be prepared to discuss a report, to be included in the Agenda materials, that reviews MTA-wide success in meeting mandated prompt-payment deadlines (including the interest penalties incurred as a result of late payment).

APRIL 2013

*Action Item:*

MTA Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this voluminous State-required report.

*Other:*

Annual Report on Variable Rate Debt

The MTA Finance Department will present a report that summarizes the performance of the MTA's various variable-rate debt programs, including a discussion of the savings (compared to long-term rates) achieved through variable rate debt and a discussion on the current policy and limits on the use of variable rate debt.

JUNE 2013

*SBP/Budget/Capital:*

*Action Item:*

PWEF Assessment

The MTA Division of Management and Budget assisted by MTA Capital Program Management, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.

*Other:*

Station Maintenance Billings Approval

Under the Public Authorities Law, the Board is required to certify to the City and the counties in the Metropolitan Transportation District the total costs to MTA for operating and maintaining Commuter Railroad passenger stations. The City and county assessments are both now determined through a formula.

Annual Pension Fund Report

The MTA Labor Division, representatives of the various pension fund boards, and their pension consultants should be prepared to answer questions on a report, to be included in the Agenda materials, that reviews the 2012 investment performance and other experience of the various MTA pension funds. Among other matters, this report should (i) make recommendations on appropriate investment-earnings assumptions in light of the experience of the past three years; (ii) discuss the implications for asset allocations in light of such recommendations; (iii) discuss the effect on (under) funding of the systems in light of such performance and recommendation; (iv) provide appropriate comparisons with other public pension systems; and (v) solicit the opinions of the Board Operating Committees on these recommendations in light of their effects on Agency budgets.

Annual Meeting of the First Mutual Transportation Assurance Company

The MTA's Captive Insurance Company will hold its statutorily required annual meeting in which it will review the prior year's operations as well as submit its financial statements and actuarial report for final approval.

Annual First Mutual Transportation Assurance Company Investment Performance Report

The MTA Treasury and Risk Management Divisions, along with the FMTAC's outside investment managers, should be prepared to answer questions on a report that reviews outside-managers performance.

JULY 2013

*SBP/Budget/Capital:*

Updated Forecast of 2013/2014 Preliminary Budget/2014-2017 Financial Plan (to be presented at the Joint Session with the MTA Board)

The MTA Division of Management and Budget will present an updated forecast for 2013, a Preliminary Budget for 2014, and an updated Financial Plan through 2017.

SEPTEMBER 2013

*SBP/Budget/Capital:*

2014 Preliminary Budget/2014-2017 Financial Plan

Public comment will be accepted on the 2014 Preliminary Budget

*Action Item:*

Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds

The MTA Office of Grant Management will hold a public hearing in accordance with federal law and then request the Board's approval of a resolution that would authorize the Chairman or a designated officer to execute the applications and accept grants of financial assistance from the federal government.

*Other:*

Annual Review of MTA's Derivative Portfolio

The Finance Department will provide an update on MTA's portfolio of derivative contracts.

Annual Report – Fuel Hedge Program

The Division of Management and Budget and the Finance Department will update the Committee on the MTA Fuel Hedge Program; which was established to provide greater budget certainty over one of the most volatile portions of the budget. Accessing established markets, the MTA reduces price volatility through the use of financial instruments that may include: swaps, caps, floors, collars, options, and future contracts, (collectively, "future fuel price agreements").

MTA 2013 Semi-Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this report.

## **NOVEMBER 2013**

### ***SBP/Budget/Capital:***

#### **Updated Forecast of 2013/2014 Final Proposed Budget/2014-2017 Financial Plan (to be presented at the Joint Session with the MTA Board)**

The MTA Division of Management and Budget will present an updated forecast for 2013; a Final Proposed Budget for 2014, and an updated Financial Plan through 2017.

### ***Other:***

#### **Station Maintenance Billings Update**

The MTA Comptroller Division will provide a report on the collection and audit status of station maintenance billings issued as of June 1, 2013.

#### **Review and Assessment of the Finance Committee Charter**

MTA Chief Financial Officer will present the most updated Finance Committee Charter to the Finance Committee members for them to review and assess its adequacy. The annual assessment is required under the current Committee Charter.

## **DECEMBER 2013**

### ***SBP/Budget/Capital:***

### ***Action Items:***

#### **MTA 2014 Budget and 2014-2017 Financial Plan Adoption Materials**

The Committee will recommend action to the Board on the MTA 2014 Budget and the 2014-2017 Financial Plan Adoption Materials.

#### **MTA and TBTA Reimbursement Resolutions for Federal Tax Purposes**

Board approval is required to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

### ***Other:***

#### **Draft 2014 Finance Committee Work Plan**

The MTA Chief Financial Officer will present a proposed 2014 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

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# FinanceWatch

December 17, 2012

## Recent Market Activity

### Fuel Hedges

On October 24, 2012 MTA entered into an ISDA Master Agreement with J.P. Morgan Ventures Energy Corporation, guaranteed by JPMorgan Chase & Co., (JPM). JPM was added as a Fuel Hedge Counterparty. The new JPM counterparty is rated A2/A/A+.

#### \$24.445 Million Diesel Fuel Hedge

On October 26, 2012, MTA began extending the term of its Fuel Hedge program to 24 months consistent with prior board approvals. MTA executed a \$24.445 million ultra-low sulfur diesel fuel hedge with Goldman, Sachs & Co./J Aron for an all-in price of \$2.89/gallon. Three of MTA's existing approved commodity counterparties participated in bidding on the transaction: Deutsche Bank, J.P. Morgan Ventures Energy Corporation and Goldman, Sachs & Co./J Aron.

#### \$28.800 Million Diesel Fuel Hedge

On November 19, 2012, MTA executed a \$28.800 million ultra-low sulfur diesel fuel hedge with J.P. Morgan Ventures Energy Corporation for an all-in price of \$2.94/gallon. Three of MTA's existing approved commodity counterparties participated in bidding on the transaction: Deutsche Bank, Goldman, Sachs & Co./J Aron and J.P. Morgan Ventures Energy Corporation. This was the first hedge executed with J.P. Morgan.

### Lease Terminations

On December 1, 2012, the MTA terminated three tax advantaged asset leases by making payments to third parties aggregating \$2.8 million. In each of these leases, the MTA had entered into Equity Payment Agreements with FSA Capital Markets Services LLC (which are guaranteed by Financial Security Assurance, Inc.) whereby that entity had the obligation to provide to the MTA certain amounts that would have been used to make a portion of the lease rent payments and a portion of the cost of exercising the respective fixed price purchase options, if such purchase options are exercised. Financial Security Assurance, Inc. also guaranteed surety policies issued by its affiliate for the benefit of the lessor in each of the three leases covering MTA's contingent obligation to pay the portion of the stipulated early termination payments in excess of the accreted value of the Equity Payment Agreement that would be due if there were an early termination of such leases. Financial Security Assurance, Inc. was acquired

by Assured Guaranty Municipal Corp. As a result of such lease terminations, MTA has no sale/leaseback transactions involving any equity defeasance obligations or sureties issued by Financial Security Assurance, Inc., Assured Guaranty Municipal Corp. or any of their affiliates.

### **Rating Action Initiated**

#### **New Rating Agency – Kroll Bond Rating Agency to assign ratings to TBTA Bonds**

On December 6, 2012, Kroll Bond Rating Agency ("KBRA") initiated rating coverage and assigned a long-term rating of AA with a stable outlook to Triborough Bridge and Tunnel Authority's ("TBTA") outstanding General Revenue Bonds and a long-term rating of AA- with a stable outlook to TBTA's outstanding Subordinate Revenue Bonds. These ratings are one notch above the ratings currently assigned by Moody's, S&P and Fitch to TBTA General Revenue and Subordinate Revenue Bonds. The newly assigned ratings also apply to the upcoming TBTA transactions listed below. The ratings were based on KBRA's U.S. Public Toll Roads, Bridges, & Tunnels Rating Methodology, published on November 1, 2012.

### **Upcoming Transactions**

#### **\$637,985,000 MTA TBTA Subordinate Revenue Refunding Bonds, Series 2012C and \$266,315,000 MTA TBTA General Revenue Refunding Bonds, Series 2012D**

In December 2012, in a common plan of finance with Series 2012D discussed below, MTA is expected to issue \$637.985 million of Triborough Bridge and Tunnel Authority Subordinate Revenue Refunding Bonds, Series 2012C, to refund certain outstanding TBTA Subordinate Revenue Bonds; together with an issuance of \$266.315 million of MTA Triborough Bridge and Tunnel Authority General Revenue Refunding Bonds, Series 2012D. The transaction will be led by book-running senior manager Jefferies & Co., together with co-senior managers Goldman Sachs and Loop Financial Products. Nixon Peabody will serve as bond counsel and Lamont Financial serving as financial advisor.

**\$29,600,000 MTA Triborough Bridge and Tunnel Authority General Revenue Refunding  
Bonds, Series 2005B-4a**

On January 2, 2013, MTA will effect a mandatory tender and remarket \$29.6 million of TBTA General Revenue Refunding Bonds, Series 2005B-4a, as the last day of the initial interest rate period for these bonds is January 1, 2013. MTA expects to continue to remarket the Series 2005B-4a bonds as Floating Rate Tender Notes ("FRNs") with interest rate resetting on a weekly basis at 0.67% of 1-month LIBOR plus a spread to be determined at pricing. The transaction will be led by Barclays Capital. Hawkins Delafield & Wood will serve as bond counsel and Lamont Financial will serve as financial advisor.

**\$500 MTA Transportation Revenue Bonds, Series 2013A**

In January 2013, MTA expect to issue \$500 million of MTA Transportation Revenue Bonds, Series 2013A to finance CPRB approved transit and commuter projects.



**METROPOLITAN TRANSPORTATION AUTHORITY  
JULY FINANCIAL PLAN - MID-YEAR FORECAST (1)  
DEBT SERVICE  
(\$ in millions)  
November 2012**

	MID-YEAR Forecast	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					
NYC Transit	\$5.6	\$15.8	(\$10.2)		
Commuter Railroads	1.2	3.4	(2.2)		Reversal of the prior period timing
<i>Dedicated Tax Fund Subtotal</i>	\$6.8	\$19.2	(\$12.4)	-182.0%	variance related to the BAB subsidy.
MTA Transportation Revenue:					
NYC Transit	\$43.6	\$27.3	\$16.4		Timing of debt service deposits
Commuter Railroads	29.5	\$17.5	12.0		related to refunding, new money
MTA Bus	1.2	\$1.2	(0.1)		transactions and receipt of November
<i>MTA Transportation Subtotal</i>	\$74.3	\$46.0	\$28.3	38.1%	2012 BAB subsidy in October 2012.
Commercial Paper:					
NYC Transit	\$1.8	\$0.0	\$1.8		
Commuter Railroads	1.1	\$0.0	1.1		
MTA Bus	0.0	\$0.0	0.0		Lower than budgeted rates, timing
<i>Commercial Paper Subtotal</i>	\$3.0	\$0.1	\$2.9	97.7%	of interest payments.
2 Broadway COPs:					
NYC Transit	\$0.0	\$0.0	\$0.0		
Bridges & Tunnels	0.0	\$0.0	0.0		
MTA HQ	0.0	\$0.0	0.0		
<i>2 Broadway COPs Subtotal</i>	\$0.0	\$0.0	\$0.0	0.0%	
TBTA General Resolution (2)					
NYC Transit	\$15.6	\$15.6	(\$0.0)		
Commuter Railroads	7.3	\$7.0	0.3		
Bridges & Tunnels	13.0	\$12.9	0.1		
<i>TBTA General Resolution Subtotal</i>	\$35.9	\$35.4	\$0.5	1.3%	
TBTA Subordinate (2)					
NYC Transit	\$6.8	\$6.8	(\$0.1)		
Commuter Railroads	2.9	\$3.0	(0.1)		
Bridges & Tunnels	2.6	\$2.7	(0.1)		
<i>TBTA Subordinate Subtotal</i>	\$12.1	\$12.4	(\$0.3)	-2.2%	
<b>Total Debt Service</b>	<b>\$132.1</b>	<b>\$113.0</b>	<b>\$19.1</b>	<b>14.4%</b>	
Debt Service by Agency:					
NYC Transit	\$73.3	\$65.4	\$7.8		
Commuter Railroads	42.0	30.8	11.2		
MTA Bus	1.2	1.2	(0.0)		
Bridges & Tunnels	15.6	15.5	0.1		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$132.1</b>	<b>\$113.0</b>	<b>\$19.1</b>	<b>14.4%</b>	

*Totals may not add due to rounding.*

**Notes:**

- (1) Budgeted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

**METROPOLITAN TRANSPORTATION AUTHORITY  
JULY FINANCIAL PLAN - MID-YEAR FORECAST (1)  
DEBT SERVICE  
(\$ in millions)**

November 2012 Year-to-Date

	MID-YEAR Forecast	Actual	Variance	% Variance	Explanation
<b>Dedicated Tax Fund:</b>					
NYC Transit	\$266.6	\$263.1	\$3.5		
Commuter Railroads	56.5	\$56.6	(0.1)		
<i>Dedicated Tax Fund Subtotal</i>	<i>\$323.1</i>	<i>\$319.7</i>	<i>\$3.4</i>	<i>1.0%</i>	
<b>MTA Transportation Revenue:</b>					
NYC Transit	\$599.0	\$589.9	\$9.1		
Commuter Railroads	394.7	\$382.1	12.5		
MTA Bus	20.2	\$25.1	(4.9)		
<i>MTA Transportation Subtotal</i>	<i>\$1,013.9</i>	<i>\$997.1</i>	<i>\$16.8</i>	<i>1.7%</i>	
<b>Commercial Paper:</b>					
NYC Transit	\$11.3	\$0.7	\$10.6		
Commuter Railroads	7.0	\$0.4	6.6		
MTA Bus	0.2	\$0.2	0.0		
<i>Commercial Paper Subtotal</i>	<i>\$18.6</i>	<i>\$1.3</i>	<i>\$17.2</i>	<i>92.9%</i>	Lower than budgeted rates, timing of interest payments.
<b>2 Broadway COPs:</b>					
NYC Transit	\$4.6	\$4.6	\$0.0		
Bridges & Tunnels	0.7	\$0.7	0.0		
MTA HQ	0.6	\$0.6	0.0		
<i>2 Broadway COPs Subtotal</i>	<i>\$5.9</i>	<i>\$5.9</i>	<i>\$0.0</i>	<i>0.0%</i>	
<b>TBTA General Resolution (2)</b>					
NYC Transit	\$177.9	\$184.8	(\$6.9)		
Commuter Railroads	81.7	\$82.7	(1.0)		
Bridges & Tunnels	170.6	\$152.8	17.8		
<i>TBTA General Resolution Subtotal</i>	<i>\$430.3</i>	<i>\$420.4</i>	<i>\$9.9</i>	<i>2.3%</i>	
<b>TBTA Subordinate (2)</b>					
NYC Transit	\$73.6	\$74.5	(\$0.9)		
Commuter Railroads	32.4	\$32.7	(0.4)		
Bridges & Tunnels	29.1	\$29.4	(0.3)		
<i>TBTA Subordinate Subtotal</i>	<i>\$135.1</i>	<i>\$136.7</i>	<i>(\$1.6)</i>	<i>-1.2%</i>	
<b>Total Debt Service</b>	<b>\$1,926.9</b>	<b>\$1,881.2</b>	<b>\$45.7</b>	<b>2.4%</b>	
<b>Debt Service by Agency:</b>					
NYC Transit	\$1,133.1	\$1,117.8	\$15.4		
Commuter Railroads	572.3	554.6	17.7		
MTA Bus	20.5	25.3	(4.8)		
Bridges & Tunnels	200.4	182.9	17.5		
MTAHQ	0.6	0.6	0.0		
<b>Total Debt Service</b>	<b>\$1,926.9</b>	<b>\$1,881.2</b>	<b>\$45.7</b>	<b>2.4%</b>	

Totals may not add due to rounding.

**Notes:**

- (1) Budgeted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: WEEKLY MODE  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2002G-1	TRB 2005E-1	TRB 2005E-2	TRB 2005D-1	TRB 2011B					
Remarketing Agent		Merrill Lynch	BofA Merrill Lynch	J.P.Morgan	Merrill Lynch	Merrill Lynch					
Liquidity Provider		Bank of Nova Scotia	BofA Merrill Lynch	J.P.Morgan	Helaba	Bank of America					
Liquidity/Insurer		LoC	LoC	LoC	LoC	LoC					
Par Outstanding (\$m)		200.00	100.00	75.00	150.00	99.66					
Swap Notional (\$m)		200.00	100.00	75.00	150.00	6.92					
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.21%	0.00%	0.21%	0.00%	0.20%	-0.01%	0.22%	0.01%	0.21%	0.00%
10/31/2012	0.21%	0.20%	-0.01%	0.20%	-0.01%	0.23%	0.02%	0.22%	0.01%	0.20%	-0.01%
11/7/2012	0.20%	0.18%	-0.02%	0.18%	-0.02%	0.23%	0.03%	0.20%	0.00%	0.18%	-0.02%
11/14/2012	0.20%	0.18%	-0.02%	0.19%	-0.01%	0.21%	0.01%	0.20%	0.00%	0.19%	-0.01%
11/21/2012	0.20%	0.18%	-0.02%	0.19%	-0.01%	0.21%	0.01%	0.20%	0.00%	0.19%	-0.01%
11/28/2012	0.20%	0.18%	-0.02%	0.19%	-0.01%	0.21%	0.01%	0.20%	0.00%	0.19%	-0.01%

**Dedicated Tax Fund Bonds**

Issue		DTF 2002B-1		DTF 2008A-1		DTF 2008A-2		DTF 2008B-1		DTF 2008B-4	
Remarketing Agent		Morgan Stanley		Morgan Stanley		Goldman		Barclays		Barclays	
Liquidity Provider		State Street Bank		Morgan Stanley		Bank of Tokyo		Bank of Nova Scotia		KBC Bank N.V. (NY)	
Liquidity/Insurer		LoC		LoC		LoC		LoC		LoC	
Par Outstanding (\$m)		150.00		172.86		172.86		98.14		100.00	
Swap Notional (\$m)		150.00		169.30		169.30		None		None	
		Spread to		Spread to		Spread to		Spread to		Spread to	
Date	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
10/24/2012	0.21%	0.20%	-0.01%	0.20%	-0.01%	0.20%	-0.01%	0.21%	0.00%	0.46%	0.25%
10/31/2012	0.21%	0.20%	-0.01%	0.20%	-0.01%	0.20%	-0.01%	0.21%	0.00%	0.46%	0.25%
11/7/2012	0.20%	0.18%	-0.02%	0.18%	-0.02%	0.20%	0.00%	0.19%	-0.01%	0.45%	0.25%
11/14/2012	0.20%	0.18%	-0.02%	0.18%	-0.02%	0.20%	0.00%	0.19%	-0.01%	0.45%	0.25%
11/21/2012	0.20%	0.18%	-0.02%	0.18%	-0.02%	0.20%	0.00%	0.19%	-0.01%	0.45%	0.25%
11/28/2012	0.20%	0.18%	-0.02%	0.18%	-0.02%	0.20%	0.00%	0.19%	-0.01%	0.45%	0.25%

**TBTA General Revenue Bonds**

Issue		TBTA 2002F		TBTA 2005B-3	
Remarketing Agent		JP Morgan		BofA Merrill Lynch	
Liquidity Provider		ABN AMRO		BofA	
Liquidity/Insurer		SBPA		SBPA	
Par Outstanding (\$m)		216.40		195.60	
Swap Notional (\$m)		216.40		195.60	
Date	SIFMA	Spread to SIFMA		Spread to SIFMA	
		Rate	SIFMA	Rate	SIFMA
10/24/2012	0.21%	0.20%	-0.01%	0.24%	0.03%
10/31/2012	0.21%	0.22%	0.01%	0.24%	0.03%
11/7/2012	0.20%	Now in Daily Mode		0.23%	0.03%
11/14/2012	0.20%			0.23%	0.03%
11/21/2012	0.20%			0.23%	0.03%
11/28/2012	0.20%			0.23%	0.03%

**TBTA General Revenue and Subordinate Revenue Bonds**

Issue		TBTA 2001B		TBTA 2001C		TBTA 2003B-1		TBTA 2003B-2		TBTA 2005A-2		TBTA 2005A-3	
Remarketing Agent		Citigroup		Citigroup		Citigroup		Citigroup		US Bancorp		US Bancorp	
Liquidity Provider		State Street		JP Morgan		CALPERS		CALSTRS		CALSTRS		U.S. Bank	
Liquidity/Insurer		LoC		SBPA		LoC		LoC		LoC		LoC	
Par Outstanding (\$m)		134.07		133.95		94.69		51.08		32.90		38.97	
Swap Notional (\$m)		None		None		0.10		None		None		None	
Date	SIFMA	Spread to		Spread to		Spread to		Spread to		Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA	Rate	SIFMA
10/23/2012	0.21%	0.19%	-0.02%	0.21%	0.00%	0.20%	-0.01%	0.20%	-0.01%	0.21%	0.00%	0.21%	0.00%
10/30/2012	0.21%	0.18%	-0.02%	0.21%	0.00%	0.20%	-0.01%	0.20%	-0.01%	0.20%	-0.01%	0.20%	-0.01%
11/6/2012	0.20%	0.18%	-0.02%	0.19%	-0.01%	0.18%	-0.02%	0.18%	-0.02%	0.20%	0.00%	0.20%	0.00%
11/13/2012	0.20%	0.18%	-0.02%	0.18%	-0.01%	0.18%	-0.02%	0.18%	-0.02%	0.19%	-0.01%	0.19%	-0.01%
11/20/2012	0.20%	0.15%	-0.05%	0.17%	-0.03%	0.16%	-0.04%	0.16%	-0.04%	0.16%	-0.04%	0.16%	-0.04%
11/27/2012	0.20%	0.14%	-0.06%	0.15%	-0.05%	0.14%	-0.06%	0.14%	-0.06%	0.14%	-0.06%	0.14%	-0.06%

Issue		TBTA Sub 2000AB		TBTA Sub 2000CD	
Remarketing Agent		JP Morgan		Citigroup	
Liquidity Provider		JPMorgan		Lloyds TSB (NY)	
Liquidity/Insurer		SBPA/Assured		SBPA/Assured	
Par Outstanding (\$m)		130.25		89.85	
Liquidity/Insurer		130.25		None	
Outstanding (\$m)	SIFMA	Spread to		Spread to	
		Rate	SIFMA	Rate	SIFMA
10/23/2012	0.21%	0.30%	0.09%	0.28%	0.07%
10/30/2012	0.21%	0.30%	0.09%	0.28%	0.07%
11/6/2012	0.20%	0.30%	0.10%	0.28%	0.06%
11/13/2012	0.20%	0.30%	0.10%	0.26%	0.06%
11/20/2012	0.20%	0.30%	0.10%	0.24%	0.04%
11/27/2012	0.20%	0.28%	0.08%	0.21%	0.01%

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**VARIABLE RATE: FLOATING RATE NOTES**  
**RATE RESETS REPORT (Trailing 6-Weeks)**

**Transportation Revenue Bonds**

Issue		TRB 2002D-2		TRB 2012A-1		TRB 2012A-2		TRB 2012A-3	
Remarketing Agent		Wells Fargo		BoNY Mellon		BoNY Mellon		BoNY Mellon	
Initial Purchase Date		Note 1		05/15/13		05/15/14		05/15/15	
Liquidity/Insurer		CCA/Assured		None		None		None	
Par Outstanding (\$m)		200.00		50.00		50.00		50.00	
Swap Notional (\$m)		200.00		None		None		None	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.97%	0.76%	0.35%	0.14%	0.40%	0.19%	0.60%	0.39%
10/31/2012	0.21%	0.97%	0.76%	0.35%	0.14%	0.40%	0.19%	0.60%	0.39%
11/7/2012	0.20%	0.97%	0.77%	0.34%	0.14%	0.39%	0.19%	0.59%	0.39%
11/14/2012	0.20%	0.97%	0.77%	0.34%	0.14%	0.39%	0.19%	0.59%	0.39%
11/21/2012	0.20%	0.97%	0.77%	0.34%	0.14%	0.39%	0.19%	0.59%	0.39%
11/28/2012	0.20%	0.97%	0.77%	0.34%	0.14%	0.39%	0.19%	0.59%	0.39%

Issue		TRB 2012G-1		TRB 2012G-2		TRB 2012G-3		TRB 2012G-4	
Remarketing Agent		JP Morgan		JP Morgan		JP Morgan		JP Morgan	
Initial Purchase Date		11/1/2014		11/1/2015		11/1/2016		11/1/2017	
Liquidity/insurer		None		None		None		None	
Par Outstanding (\$m)		84.45		125.00		75.00		75.00	
Swap Notional (\$m)		84.45		125.00		75.00		75.00	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.00%	-0.21%	0.00%	-0.21%	0.00%	-0.21%	0.00%	-0.21%
10/31/2012	0.21%	0.00%	-0.21%	0.00%	-0.21%	0.00%	-0.21%	0.00%	-0.21%
11/7/2012	0.20%	0.56%	0.36%	0.67%	0.47%	0.84%	0.64%	0.98%	0.78%
11/14/2012	0.20%	0.56%	0.36%	0.67%	0.47%	0.84%	0.64%	0.98%	0.78%
11/21/2012	0.20%	0.56%	0.36%	0.67%	0.47%	0.84%	0.64%	0.98%	0.78%
11/28/2012	0.20%	0.56%	0.36%	0.67%	0.47%	0.84%	0.64%	0.98%	0.78%

**Dedicated Tax Fund Bonds**

Issue		DTF 2002B-3a		DTF 2002B-3b		DTF 2002B-3c		DTF 2002B-3d	
Remarketing Agent		Morgan Stanley		Morgan Stanley		Morgan Stanley		Morgan Stanley	
Maturity Date		11/01/17		11/01/18		11/01/19		11/01/20	
Liquidity/Insurer		None		None		None		None	
Par Outstanding (\$m)		46.60		48.60		50.70		15.90	
Swap Notional (\$m)		46.60		48.60		50.70		15.90	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.96%	0.75%	1.11%	0.90%	1.16%	0.95%	1.21%	1.00%
10/31/2012	0.21%	0.96%	0.75%	1.11%	0.90%	1.16%	0.95%	1.21%	1.00%
11/7/2012	0.20%	0.95%	0.75%	1.10%	0.90%	1.15%	0.95%	1.20%	1.00%
11/14/2012	0.20%	0.95%	0.75%	1.10%	0.90%	1.15%	0.95%	1.20%	1.00%
11/21/2012	0.20%	0.95%	0.75%	1.10%	0.90%	1.15%	0.95%	1.20%	1.00%
11/28/2012	0.20%	0.95%	0.75%	1.10%	0.90%	1.15%	0.95%	1.20%	1.00%

**METROPOLITAN TRANSPORTATION AUTHORITY  
VARIABLE RATE: FLOATING RATE NOTES  
RATE RESETS REPORT (Trailing 6-Weeks)**

**Dedicated Tax Fund Bonds**

Issue		DTF 2008B-3a		DTF 2008B-3b		DTF 2008B-3c	
Remarketing Agent		Goldman Sachs		Goldman Sachs		Goldman Sachs	
Maturity Date		11/01/12		11/01/13		11/01/14	
Liquidity/Insurer		None		None		None	
Par Outstanding (\$m)		35.00		54.47		44.74	
Swap Notional (\$m)		35.00		54.47		38.73	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.61%	0.40%	0.76%	0.55%	0.89%	0.68%
10/31/2012	0.21%	0.44%	0.23%	0.76%	0.55%	0.89%	0.68%
11/7/2012	0.20%	0.43%	0.23%	0.75%	0.55%	0.88%	0.68%
11/14/2012	0.20%	0.43%	0.23%	0.75%	0.55%	0.88%	0.68%
11/21/2012	0.20%	0.43%	0.23%	0.75%	0.55%	0.88%	0.68%
11/28/2012	0.20%	0.43%	0.23%	0.75%	0.55%	0.88%	0.68%

**TBTA General Revenue Bonds**

Issue		TBTA Sr. 2005B-4a		TBTA Sr. 2005B-4b		TBTA Sr. 2005B-4c		TBTA Sr. 2005B-4d		TBTA Sr. 2005B-4e	
Remarketing Agent		N/A		N/A		N/A		N/A		N/A	
Initial Purchase Date		1/1/2013		1/1/2014		1/1/2015		1/1/2016		1/1/2017	
Liquidity/Insurer		None		None		None		None		None	
Par Outstanding (\$m)		30.40		37.50		38.70		43.80		45.20	
Swap Notional (\$m)		30.40		37.50		38.70		43.80		45.20	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
10/24/2012	0.21%	0.24%	0.03%	0.23%	0.02%	0.51%	0.30%	0.73%	0.52%	0.79%	0.76%
10/31/2012	0.21%	0.24%	0.03%	0.23%	0.02%	0.51%	0.30%	0.73%	0.52%	0.79%	0.76%
11/7/2012	0.20%	0.24%	0.04%	0.23%	0.03%	0.51%	0.31%	0.73%	0.53%	0.79%	0.75%
11/14/2012	0.20%	0.24%	0.04%	0.23%	0.03%	0.51%	0.31%	0.73%	0.53%	0.79%	0.75%
11/21/2012	0.20%	0.24%	0.04%	0.23%	0.03%	0.51%	0.31%	0.73%	0.53%	0.79%	0.75%
11/28/2012	0.20%	0.24%	0.04%	0.23%	0.03%	0.51%	0.31%	0.73%	0.53%	0.79%	0.75%

<sup>1</sup>The TRB 2002D-2 Bonds are privately placed. Wells Fargo is the liquidity provider for these bonds.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**VARIABLE RATE: DAILY MODE**  
**RATE RESETS REPORT (Trailing 10 Days)**

**Transportation Revenue Bonds**

Issue		TRB 2006D-2		TRB 2006E-3	
Dealer		Morgan Stanley		PNC Capital	
Liquidity Provider		Helaba		PNC	
Type of Liquidity		LoC		LoC	
Par Outstanding (\$m)		100.00		75.00	
Swap Notional (\$m)		100.00		75.00	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
11/21/2012	0.20%	0.12%	-0.08%	0.11%	0.19%
11/22/2012	0.20%	0.12%	-0.08%	0.11%	0.19%
11/23/2012	0.20%	0.12%	-0.08%	0.11%	0.19%
11/24/2012	0.20%	0.12%	-0.08%	0.11%	0.19%
11/25/2012	0.20%	0.12%	-0.08%	0.11%	0.19%
11/26/2012	0.20%	0.16%	-0.04%	0.13%	0.17%
11/27/2012	0.20%	0.16%	-0.04%	0.13%	0.17%
11/28/2012	0.20%	0.16%	-0.04%	0.13%	0.17%
11/29/2012	0.20%	0.17%	-0.03%	0.15%	0.18%
11/30/2012	0.20%	0.20%	0.00%	0.15%	0.15%

**TBTA General Revenue Bonds**

Issue		TBTA 2002F		TBTA 2003B-3		TBTA 2005A-1		TBTA 2005B-2a	
Dealer		JP Morgan		US Bancorp		US Bancorp		JP Morgan	
Liquidity Provider		Helaba		US Bank		CALPERS		CALPERS	
Type of Liquidity		LoC		LoC		LoC		LoC	
Par Outstanding (\$m)		100.00		60.52		60.90		89.73	
Swap Notional (\$m)		100.00		None		23.76		89.73	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
11/21/2012	0.20%	0.23%	0.03%	0.13%	-0.07%	0.13%	-0.07%	0.12%	-0.08%
11/22/2012	0.20%	0.23%	0.03%	0.13%	-0.07%	0.13%	-0.07%	0.12%	-0.08%
11/23/2012	0.20%	0.23%	0.03%	0.12%	-0.08%	0.12%	-0.08%	0.12%	-0.08%
11/24/2012	0.20%	0.23%	0.03%	0.12%	-0.08%	0.12%	-0.08%	0.12%	-0.08%
11/25/2012	0.20%	0.23%	0.03%	0.12%	-0.08%	0.12%	-0.08%	0.12%	-0.08%
11/26/2012	0.20%	0.23%	0.03%	0.13%	-0.07%	0.14%	-0.06%	0.12%	-0.08%
11/27/2012	0.20%	0.25%	0.05%	0.13%	-0.07%	0.13%	-0.07%	0.14%	-0.06%
11/28/2012	0.20%	0.25%	0.05%	0.14%	-0.06%	0.14%	-0.06%	0.15%	-0.05%
11/29/2012	0.20%	0.25%	0.05%	0.16%	-0.04%	0.16%	-0.04%	0.16%	-0.04%
11/30/2012	0.20%	0.25%	0.05%	0.16%	-0.04%	0.16%	-0.04%	0.16%	-0.04%

Issue		TBTA 2005B-2b		TBTA 2005B-2c	
Dealer		JP Morgan		US Bancorp	
Liquidity Provider		CALPERS		US Bank	
Type of Liquidity		LoC		LoC	
Par Outstanding (\$m)		48.50		57.37	
Swap Notional (\$m)		48.50		57.37	
Date	SIFMA	Rate	Spread to SIFMA	Rate	Spread to SIFMA
11/21/2012	0.20%	0.12%	-0.08%	0.13%	0.21%
11/22/2012	0.20%	0.12%	-0.08%	0.13%	0.21%
11/23/2012	0.20%	0.12%	-0.08%	0.12%	0.20%
11/24/2012	0.20%	0.12%	-0.08%	0.12%	0.20%
11/25/2012	0.20%	0.12%	-0.08%	0.12%	0.20%
11/26/2012	0.20%	0.12%	-0.08%	0.13%	0.21%
11/27/2012	0.20%	0.14%	-0.06%	0.13%	0.19%
11/28/2012	0.20%	0.15%	-0.05%	0.14%	0.19%
11/29/2012	0.20%	0.16%	-0.04%	0.16%	0.20%
11/30/2012	0.20%	0.16%	-0.04%	0.16%	0.20%

**METROPOLITAN TRANSPORTATION AUTHORITY VARIABLE RATE REPORT:  
AUCTION RATE**

**WEEKLY AUCTIONS**

	LIBOR Formula Fail Rate	LIBOR Formula Fail Rate		
Issue	TRB 2002B-1	COPs 2004A-1	COPs 2004A-2	COPs 2004A-3
Outstanding Par (\$ M)	105.250	16.425	11.500	42.825
Swap Notional (\$m)	None	16.425	11.500	42.825
Final Maturity	11/1/2022	1/1/2030	1/1/2030	1/1/2030
Broker Dealer(s)	JP Morgan Merrill Lynch	JP Morgan Merrill Lynch	JP Morgan	JP Morgan Merrill Lynch
Insurer	Assured	Ambac	Ambac	Ambac
Auction Frequency	Tuesday	Monday	Tuesday	Wednesday
Oct. 15 thru Oct. 19, 2012	0.426%	0.589%	0.586%	0.582%
Oct. 22 thru Oct. 26, 2012	0.421%	0.579%	0.579%	0.579%
Oct. 29 thru Nov. 2, 2012	0.421%	0.579%	0.579%	0.583%
Nov. 5 thru Nov. 9, 2012	0.418%	0.572%	0.575%	0.575%
Nov. 12 thru Nov. 16, 2012	0.416%	0.575%	0.572%	0.571%
Nov. 19 thru Nov. 23, 2012	0.415%	0.571%	0.571%	0.571%
Nov. 26 thru Nov. 30, 2012	0.418%	0.575%	0.575%	0.575%
Corresponding Libor Rate	0.209%	0.209%	0.209%	0.209%
Fail Rate	200%	275%	275%	275%

**28 & 35 DAY AUCTIONS**

	LIBOR Formula Fail Rate		
Issue	TRB 2002B-2	COPs 2004A-4	COPs 2004A-5
Outstanding Par (\$ M)	104.650	39.400	4.200
Swap Notional (\$m)	None	39.400	4.200
Final Maturity	11/1/2022	1/1/2030	1/1/2030
Broker Dealer(s)	JP Morgan Merrill Lynch	JP Morgan	JP Morgan
Insurer	Assured	Ambac	Ambac
Auction Frequency	28-Days	35-Days	35-Days
July 2012	0.498%	N/A	0.656%
August 2012	0.481%	0.672%	0.659%
September 2012	0.456%	0.626%	0.605%
October 2012	0.437%	0.588%	0.579%
November 2012	0.418%	0.571%	0.573%
Corresponding Libor Rate	0.209%	0.208%	0.209%
Fail Rate	200%	275%	275%

## MTA DEBT OUTSTANDING (\$ in Millions)

November 30, 2012

Type of Credit	BPA	Principal Iss.	Current Amount	Average Annual	Maturity	True Interest	Alt-In
Underlying Ratings (Moody's / S&P / Fitch)	Series	Sale Date	Amount	Debt Service	Date (Final)	Cost (%)	Notes
MTA Transportation Revenue Bonds (A2/A/A)	2002A	5/9/02	\$2,894.185	\$165.735	11/15/32	5.31	
	2002B	5/28/02	210.500	210.500	11/1/22	2.61	(1) (5)
	2002D	5/29/02	400.000	374.725	11/1/32	4.21	(2) (7) (16)
	2002E	6/12/02	397.495	26.935	11/15/31	5.13	
	2002G	11/19/02	400.000	200.000	11/1/26	2.27	(5) (8)
	2003A	5/8/03	475.340	275.520	11/15/32	4.49	
	2003B	7/30/03	751.765	137.020	11/15/32	5.10	
	2005A	2/9/05	650.000	440.420	11/15/35	4.76	
	2005B	6/22/05	750.000	590.985	11/15/35	4.80	
	2005C	10/19/05	150.000	59.750	11/15/16	4.19	
	2005D	11/1/05	250.000	250.000	11/1/35	3.99	(4) (6) (11)
	2005E	11/1/05	250.000	250.000	11/1/35	3.92	(4) (8) (22)
	2005F	11/16/05	468.760	373.370	11/15/35	4.88	
	2005G	12/7/05	250.000	233.540	11/1/26	4.34	
	2006A	7/13/06	475.000	401.650	11/15/35	4.89	
	2006B	12/13/06	717.730	668.720	11/15/36	4.52	
	2007A	6/27/07	425.615	387.845	11/15/37	4.84	
	2007B	12/6/07	415.000	379.365	11/15/37	4.75	
	2008A	2/13/08	512.470	480.700	11/15/38	4.91	
	2008B	2/13/08	487.530	446.680	11/15/30	3.82	(10) (17)
	2008C	10/17/08	550.000	488.000	11/15/13	6.68	
	2009A	10/6/09	502.320	474.095	11/15/39	3.79	(14)
	2010A	1/6/10	363.945	363.945	11/15/39	4.44	(14)
	2010B	2/4/10	656.975	646.975	11/15/39	4.29	(14)
	2010C	6/30/10	510.485	497.210	11/15/40	4.27	
	CP-2	9/16/10	900.000	900.000	53 days	1.20	(9)
	2010D	11/23/10	754.305	729.655	11/15/40	5.15	
	2010E	12/21/10	750.000	750.000	11/15/40	4.57	(14)
	2011A	7/12/11	400.440	396.505	11/15/46	4.95	
	2011B	9/13/11	99.560	99.560	11/1/41	1.29	(5) (8)
	2011C	11/2/11	197.950	191.435	11/15/28	3.99	
	2011D	11/30/11	480.165	471.735	11/15/46	4.57	
	2012A	3/7/12	150.000	150.000	11/15/42	0.42	(19)
	2012B	3/7/12	250.000	246.625	11/15/39	3.85	
	2012C	4/18/12	727.430	723.930	11/15/47	4.22	
	2012D	6/28/12	1,263.365	1,263.365	11/15/32	3.51	
	2012E	7/13/12	650.000	650.000	11/15/42	3.91	
	2012F	9/20/12	1,268.445	1,268.445	11/15/30	3.17	
	2012G	11/7/12	359.450	359.450	11/1/32	3.56	(4)
	2012H	11/9/12	350.000	350.000	11/15/42	3.70	
	Total:		22,516.225	17,374.390	\$1,216.9 thru 2032	WATIC	4.34
TBTA General Revenue Bonds (Aa3/AA-/AA-)	EFC_1996A	6/26/96	28.445	7.295	1/1/18	5.85	(3)
	2001B	12/18/01	148.200	134.070	1/1/32	6.17	(4) (8)
	2001C	12/18/01	148.200	134.070	1/1/32	6.17	(4) (8)
	2002B	9/19/02	2,157.065	216.765	11/15/32	4.56	
	2002F	11/8/02	246.480	209.640	11/1/32	3.15	(2) (4) (23)
	2003B	12/9/03	250.000	206.190	1/1/33	2.22	(8) (13) (18)
	2005A	5/10/05	150.000	129.490	11/1/35	2.10	(5) (8) (18)
	2005B	7/6/05	800.000	586.800	1/1/32	3.56	(4) (8) (18)
	2006A	6/8/06	200.000	116.280	11/15/35	4.72	
	2007A	6/13/07	223.355	184.690	11/15/37	4.84	
	2008A	3/13/08	822.770	763.660	11/15/38	4.93	
	2008B	3/13/08	252.230	252.230	11/15/38	4.02	(10)
	2008C	7/16/08	629.890	588.540	11/15/38	4.72	
	2009A	2/11/09	475.000	432.685	11/15/38	5.35	
	2009B	9/10/09	200.000	200.000	11/15/39	3.63	(14)
	2010A	10/20/10	346.960	336.055	11/15/40	3.45	(14)
	2011A	10/4/11	609.430	609.430	1/1/28	3.59	
	2012A	6/6/12	231.490	231.490	11/15/42	3.69	
	2012B	8/3/12	1,236.898	1,237.386	11/15/32	2.66	(21)
	Total:		9,156.413	6,576.766	\$466.7 thru 2032	WATIC	4.00
TBTA Subordinate Revenue Bonds (A1/A+/A+)	2000AB	11/01/00	263.000	130.250	1/1/19	6.32	(2) (4)
	2000CD	11/01/00	263.000	89.850	1/1/19	6.32	(2) (4)
	2002E	10/23/02	756.095	756.095	11/15/32	5.34	
	2003A	2/27/03	500.170	403.270	11/15/32	4.91	
	2008D	7/16/08	491.110	435.250	11/15/28	4.69	
	Total:		2,273.375	1,814.715	\$146.7 thru 2032	WATIC	5.21

See accompanying information and notes on next page.

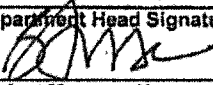



MTA Dedicated Tax Fund Bonds (AA/AA-)	2002B	9/4/02	440.000	427.850	11/1/22	4.63	(2) (4) (20)
	2004A	2/26/04	250.000	125.300	11/15/18	3.49	
	2004B	3/9/04	500.000	294.460	11/15/28	4.51	
	2004C	12/15/04	120.000	57.850	11/15/18	3.77	
	2006A	6/7/06	350.000	237.035	11/15/35	4.18	
	2006B	10/25/06	410.000	296.445	11/15/36	4.28	
	2008A	6/24/08	352.915	343.700	11/1/31	3.90	(2) (4)
	2008B	8/6/08	348.175	339.190	11/1/34	1.13	(5) (8) (15)
	2009A	3/12/09	261.700	248.375	11/15/39	5.55	
	2009B	4/23/09	500.000	477.930	11/15/30	5.00	
	2009C	4/23/09	750.000	750.000	11/15/39	4.89	(14)
	2010A	3/17/10	502.990	487.425	11/15/40	3.91	(14)
	2011A	3/23/11	127.450	115.115	11/15/21	2.99	
	2012A	10/16/12	<u>959.466</u>	<u>959.466</u>	<u>11/15/32</u>	<u>3.07</u>	(21)
	Total:		5,872.696	5,160.141	\$375.8 thru 2034	WATIC	4.19
MTA State Service Contract Bonds (AA-/AA-)	2002A	6/5/02	1,715.755	272.670	7/1/31	5.29	
	2002B	6/26/02	<u>679.450</u>	<u>126.875</u>	<u>7/1/31</u>	<u>4.93</u>	
	Total:		2,395.205	399.545	\$165.0 thru 2031	WATIC	5.18
MTA Certificates of Participation (2 Broadway) (Can/CC/NR) <sup>(12)</sup>	2004A	9/21/04	<u>357.925</u>	<u>114.350</u>	<u>1/1/30</u>	<u>4.15</u>	(1) (4)
	Total:		357.925	114.350	\$ 27.2 thru 2030	WATIC	4.15
Grand Total - Bonds and Notes:			<u>\$42,571.839</u>	<u>\$31,439.906</u>			

#### NOTES

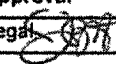

- (1) Variable Rate Bonds initially issued in Auction Rate Mode.
- (2) Variable Rate Bonds initially issued in Weekly Mode. Backed by Standby Bond Purchase Agreement(s).
- (3) Subsidized loan provided through the NYS Water Pollution Control Revolving Fund for certain projects designed to remedy sources of groundwater contamination at various MTA sites. Estimated TIC after subsidy is 4.2842%, which does not reflect NYS Environmental Facilities Corporation, Series 2011A refunding.
- (4) Variable rate bonds swapped to fixed rate. True Interest Cost (TIC) based on swap rate plus support costs of variable rate bonds. Synthetic fixed rate issues are included in the WATIC.
- (5) TIC represents average cost of financing to date, including interest, liquidity or auction agent fees, and remarketing fees. Variable rate issues are not included in the WATIC.
- (6) Subseries 2005D-2 are Variable Rate Bonds initially issued in Daily Mode. Backed by a Direct pay letter of credit.
- (7) Subseries 2002D-1 swapped to fixed at 3.385% to 1/1/2006, 4% variable rate estimated thereafter. Subseries 2002D-2 swapped to fixed in two steps: 3.627% to 1/1/2007, 4.45% thereafter to maturity. True Interest Cost (TIC) based on swap rate, estimated variable rate plus support costs of variable rate bonds.
- (8) Variable Rate Bonds initially issued in Weekly Mode. Backed by a Direct pay letters of credit.
- (9) Variable Rate BANs issued as Commercial Paper. Maturities range from 1 to 270 days. Average maturity and cost of capital are listed. CP cost of capital is not included in WATIC.
- (10) Variable Interest Rate Bonds initially issued in Term Rate Mode.
- (11) Variable Rate Bonds initially issued in Auction Rate Mode, converted to Variable Rate bonds on 11/7/2008 2005D-1 \$150m in Weekly Mode; 11/11/2008 2005D-2 \$100m in Daily Mode.
- (12) Reflects rating of Ambac Assurance Corporation.
- (13) Variable rate bonds are partially swapped to fixed rate. True Interest Cost (TIC) based on swap rate plus support costs of variable rate bonds.
- (14) Fixed rate bonds, all or part of which, were issued as federally taxable Build America Bonds (BABs). In case of BABs, True Interest Cost (TIC) is net of 35% interest subsidy.
- (15) On 8/3/2011 Subseries 2008B-2 and B-3 were converted to Floating Rate Tender Notes subseries 2008B-3a,b, and c.
- (16) On 5/25/2011 Subseries 2002D-2 were converted to Term Rate Mode and then privately placed. On 5/9/2012 Subseries 2002D-1 was remarketed at a lower par amount (\$174.725m) and then converted into Fixed Rate Mode.
- (17) On 11/2/2011 Subseries 2008B-1 and on 11/8/2012 Subseries 2008B-2 were converted into Fixed Rate Mode.
- (18) On 1/1/2012 Subseries 2003B-3, 2005A-1, and 2005B-2 were converted into Daily Mode. Backed by a Direct pay letter of credit.
- (19) Floating Rate Tender Notes.
- (20) As remarketed on 3/28/2012.
- (21) Principal Issued Amount reflects Capital Appreciation Bonds (CABs) at the par amount at the time of issuance. The Current Amount Outstanding reflects the CABs at their accreted value, which is more than the par amount at the time of issuance.
- (22) On 10/4/2012 Subseries 2005E-3 was converted into Daily Mode.
- (23) On 11/1/2012 the bonds were converted from Weekly Rate mode to Daily Rate mode.

# Staff Summary

<b>Subject</b> Authority to Issue TRB, DTF and TBTA Bond Anticipation Notes (BANs) to finance Tropical Storm Sandy restoration work and to issue Bonds under each resolution to pay off BANs.
<b>Department</b> Finance
<b>Department Head Name</b> Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Patrick J. McCoy, Director of Finance 

<b>Date</b> December 19, 2012
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/17	X		
2	Board	12/19	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 	2	Chief of Staff 

## PURPOSE:

The MTA Finance Department is seeking MTA and TBTA Board authorization and approval of the necessary documentation to issue (1) new money Bond Anticipation Notes (BANs) to generate net proceeds of \$2.5 billion for interim financing of work to restore infrastructure damaged by Tropical Storm Sandy, and (2) Bonds to repay the BANs.

Interim financing of projects to restore damaged infrastructure of the transit and commuter systems (which projects are being incorporated, by amendment, into the approved transit and commuter capital programs) is expected through the issuance of up to \$2 billion of BANs under the Transportation Revenue Resolution (TRB), or the Dedicated Tax Fund (DTF) Resolution. The total amount of borrowing for transit or commuter purposes on an aggregate basis to finance projects to restore damaged infrastructure across the TRB and DTF Resolutions is limited to \$2 billion. Interim financing of projects to restore TBTA's facilities of up to \$500 million is expected through BAN issuance under the TBTA General Revenue Bond Resolution. Depending on the timing of the incurrence of the costs of repairs relating to Tropical Storm Sandy, authorization may be sought in the future for the issuance of additional BANs and Bonds. Proceeds of the BANs are also authorized as reimbursement for MTA and TBTA funds expended on Sandy related repairs.

The MTA Finance Department will continue to report to the Finance Committee of the Board at each regularly scheduled meeting of such committee on the status of the proposed debt issuance schedule, the results of each note or bond issue, planned note or bond issues for the following month, and any anticipated adjustment in the financing schedule.

## DISCUSSION:

1. To obtain MTA and TBTA Board approval of the following resolutions, documents and activities in connection with the issuance of BANs and/or Bonds to provide a net proceeds amount of up to \$2.5 billion, the proceeds of which will be applied to pay for costs associated with approved projects to be set forth in the transit, commuter and MTA capital programs:

- Separate Supplemental Resolutions authorizing TRB Bonds and TRB BANs, including providing for the following:

## Staff Summary

- o The issuance of BANs under the TRB Resolution, in one or more series from time to time, in an amount sufficient to produce net proceeds of up to \$2 billion, including TRB BANs issued to pay maturing TRB BANs or DTF BANs, necessary to finance transit or commuter capital programs, plus applicable issuance costs and any original issue discount,
- o Issuance of such TRB BANs in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreement,
- o Ability to covenant to apply amounts received from FEMA or insurance recoveries on a mandatory basis to the payment of such TRB BANs, and
- o The issuance of Bonds under the TRB Resolution in an amount sufficient to retire the TRB BANs when due, plus accrued interest and applicable issuance costs and any original issue discount.
- Separate Supplemental Resolutions authorizing DTF Bonds and DTF BANs, including providing for the following:
  - o The issuance of BANs under the DTF Resolution, in one or more series from time to time, in an amount sufficient to produce net proceeds of up to \$2 billion, including DTF BANs issued to pay maturing DTF BANs or TRB BANs, necessary to finance transit or commuter capital programs, plus applicable issuance costs and any original issue discount,
  - o Issuance of such DTF BANs in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreement, and
  - o The issuance of Bonds under the DTF Resolution in an amount sufficient to retire the DTF BANs when due, plus accrued interest and applicable issuance costs and any original issue discount.
- Separate Supplemental Resolutions authorizing TBTA Bonds and TBTA BANs, including providing for the following:
  - o The issuance of BANs under the TBTA Resolution in an amount sufficient to produce net proceeds of up to \$500 million, in one or more series from time to time, necessary to finance capital projects of MTA Bridges and Tunnels, plus applicable issuance costs and any original issue discount,
  - o Issuance of such TBTA BANs in competitive or negotiated public sales, by direct placement or in connection with a revolving credit or other loan agreement, and
  - o The issuance of TBTA General Revenue Bonds in an amount sufficient to retire the TBTA BANs when due, plus accrued interest and applicable issuance costs and any original issue discount.

2. With respect to the above-referenced financial transactions set forth in paragraph 1, to obtain the MTA and TBTA Board approval, as applicable, delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, and in each case, on behalf of MTA and TBTA, the Chief Financial Officer of MTA, and the Director, Finance of MTA (i) to award the Bonds either pursuant to competitive bid or to members (or entities related to such firms) of the MTA underwriting syndicate pursuant to a negotiated sale; (ii) to award the BANS either (a) pursuant to competitive bid, (b) to members (or entities related to such firms) of the MTA underwriting syndicate pursuant to a negotiated sale, (c) to any financial institution pursuant to direct sales, or (d) to any financial institution that is a member of the Federal Home Loan Bank System and rated at least investment grade by any two nationally recognized rating agencies that rate obligations of MTA and TBTA in connection with any loan agreement; and (iii) to execute and/or deliver in each case, where appropriate:

- o Notices of Sale and bid forms,
- o Purchase Agreements with underwriters,
- o Direct Purchase Agreements,
- o Revolving Credit Agreements or other Loan Agreements,
- o Official Statements and other disclosure documents,
- o Continuing Disclosure Agreements and related filings,
- o Remarketing Agreements,
- o Issuing and Paying Agent Agreements,
- o Dealer and Broker-Dealer Agreements,
- o Escrow Agreements, and
- o Investment Agreements.

Any such documents will be in substantially the form of any document previously entered into by MTA or TBTA for previous issues and programs, with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any

## Staff Summary

such documents, related thereto, as they shall deem advisable. The MTA and TBTA Boards hereby further delegate to such officers authority to take such other actions as may be necessary or desirable to effectuate such transactions.

3. On behalf of MTA and its subsidiaries and affiliates, to authorize the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, as appropriate, and in each case, the Chief Financial Officer of the MTA, the Director of Budgets and Financial Management of MTA and the Director, Finance of MTA to take such other actions as may be necessary or desirable to effectuate the issuance of the new money bonds and BANS and other financial transactions set forth in paragraphs 1 and 2.

### ALTERNATIVES:

There are no interim financing alternatives to finance Sandy related restoration projects until recovery monies become available.

### RECOMMENDATION:

The Boards approve the above-referenced resolutions and other actions described above.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**BOND ANTICIPATION NOTES, SERIES 2013A,  
AND RELATED SUBORDINATED INDEBTEDNESS  
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**

**BOND ANTICIPATION NOTES, SERIES 2013A, AND  
RELATED SUBORDINATED INDEBTEDNESS  
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I  
DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Direct Purchase Agreement" has the meaning given such term in Section 2.09 hereof.

"Loan Agreement" has the meaning given such term in Section 2.09 hereof.

"Noteholder", "Holder" or "Holder of Notes", or any similar term, means any person who shall be the registered owner of any Outstanding Series 2013A Note or Notes.

"Notice of Sale" shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2013A Notes.

"Series 2013B Bonds" shall mean the Transportation Revenue Bonds, Series 2013B authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this resolution is adopted.

"Series 2013A Notes" shall mean the Transportation Revenue Bond Anticipation Notes, Series 2013A, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II AUTHORIZATION OF SERIES 2013A NOTES**

**SECTION 2.01. Principal Amount, Designation and Series.** In accordance with the provisions of the Resolution, one or more Series of Transportation Revenue Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013A Notes", subject to redesignation as hereinafter provided) and entitled to the benefit, protection and security of this Supplemental Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding \$2,000,000,000 at any one time Outstanding reduced by the amount of bond anticipation notes then Outstanding issued under the Metropolitan Transportation Authority Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution, adopted December 19, 2012 (the "DTF Series 2013A Notes"). Such Transportation Revenue Bond Anticipation Notes shall be designated as, and shall be distinguished from the Transportation Revenue Bond Anticipation Notes of all other Series by the title, "Transportation Revenue Bond Anticipation Notes, Series 2013A", with such further or different designations as may be provided in any Certificate of Determination.

**SECTION 2.02. Use of Proceeds.** The proceeds of the Series 2013A Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs (including the reimbursement of any amounts advanced by any Related Entity for the interim payment of Capital Costs), including Costs of Issuance related to the Series 2013A Notes and (ii) the payment of the principal and interest of Outstanding Series 2013A Notes or DTF Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013A Notes; Redemption.** The Series 2013A Notes shall be dated the date or dates determined in any

Certificate of Determination. The Series 2013A Notes shall mature on the date or dates and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, the Series 2013A Notes shall not be subject to redemption prior to maturity.

**SECTION 2.04. Interest Payments.** The Series 2013A Notes shall bear interest from the dates determined in any Certificate of Determination, payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013A Notes shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013A Notes shall be issuable in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The Series 2013A Notes shall be numbered from one (1) consecutively upwards.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, the principal and Redemption Price of the Series 2013A Notes shall be payable to the registered owner of each Series 2013A Note when due upon presentation of such Series 2013A Note at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013A Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent to the registered owner at his address as it appears on the registration records or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2013A Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sources of Payment**



(a) The principal of and interest on the Series 2013A Notes shall be payable solely from (i) the proceeds of any other Series 2013A Notes, (ii) the proceeds of the Series 2013B Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts, in each case if and to the extent such amounts may lawfully be used to make such payments and the Issuer in its discretion elects to apply such amounts to such payments. The amounts referred to in clause (iii) of the preceding sentence may include any recoveries from the Federal Emergency Management Agency, from insurance proceeds or from other governmental sources relating to Tropical Storm Sandy referred to in any Certificate of Determination, and any such Certificate of Determination may include such covenants relating to the application of such amounts deemed necessary or desirable by the Authorized Officer executing such Certificate of Determination in order to obtain desired ratings or interest rates on any Series 2013A Notes. The interest on the Series 2013A Notes is also payable from amounts available for transfer pursuant to Section 504(b) and Section 505.3 of the Resolution for the payment of Subordinated Indebtedness.

(b) There are hereby pledged to the payment of principal and interest on the Series 2013A Notes the proceeds of the Series 2013B Bonds, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is hereby pledged to the payment of interest on the Series 2013A Notes amounts available for transfer pursuant to Section 504(b) and Section 505.3 of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 506 of the Resolution.

#### **SECTION 2.08. Delegation to an Authorized Officer.**

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013A Notes:

(a) to determine the amount of the proceeds of the Series 2013A Notes estimated to be necessary to pay the Costs of Issuance of the Series 2013A Notes payable from amounts deposited in the Series 2013A Note Proceeds Account in the Proceeds Fund;

(b) to determine the principal amount of the Series 2013A Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2013A Notes shall be issued in one or more Series or subseries;

(c) to determine the maturity date and principal amount of each maturity of the Series 2013A Notes; provided that the Series 2013A Notes shall mature no later than five years after the date of issuance of such Series 2013A Notes;

(d) to determine the date or dates which the Series 2013A Notes shall be dated and the interest rate or rates of the Series 2013A Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any

Certificate of Determination, which calculation shall be conclusive) on the Series 2013A Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2013A Notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(e) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013A Notes; provided, however, that if the Series 2013A Notes are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013A Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(f) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes through competitive bidding or through a negotiated sale, and to determine the purchase price for the Series 2013A Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Note Purchase Agreement described in Section 2.09 of this Supplemental Resolution in the event the Series 2013A Notes are sold, in such officer's discretion, through a negotiated sale, which may include such original premium and original issue discount as shall be determined in any Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2013A Notes;

(g) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Direct Purchase Agreement and to determine the purchase price for the Series 2013A Notes to be paid by such financial institution or institutions which may include such discount or payment to such financial institution or institutions as shall be determined in any Certificate of Determination;

(h) to determine whether to issue any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Loan Agreement and to determine the fees payable pursuant to such Loan Agreement relating to the Series 2013A Notes to be paid to such financial institution or institutions which may include such payment for amounts available to be borrowed but not at the time borrowed under such Loan Agreement to such financial institution or institutions as shall be determined in any Certificate of Determination; provided, however, that such payments shall not exceed 2.00% of the amount available to be borrowed but not at the time borrowed under such Loan Agreement;

(i) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2013A Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2013A Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2013A Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Noteholders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(j) to take all actions required for the Series 2013A Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(k) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013A Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013A Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013A Notes, as appropriate for any purposes, including, if any Series 2013A Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Series 2013A Notes consist of a single Series, to divide such Series into two or more subseries and to determine the

principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Series 2013A Notes or manner of sale.

**SECTION 2.09. Sale of Series 2013A Notes.** Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2013A Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale to be published in order to give notice of the competitive sale of the Series 2013A Notes and one or more bid forms, which Notices of Sale and bid forms shall be in such form as deemed appropriate by such Authorized Officer; (ii) to sell and award all or any portion of the Series 2013A Notes through a negotiated sale to the purchasers who shall be referred to in the Note Purchase Agreement and who shall be selected from the then current list of approved underwriters, which Note Purchase Agreement shall be substantially in the form of the Purchase Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013A Notes as may be approved by the Authorized Officer executing the Note Purchase Agreement (the "Note Purchase Agreement"); (iii) to sell and award all or any portion of the Series 2013A Notes through a direct sale to the financial institution or institutions who shall be referred to in the Direct Purchase Agreement or Agreements, which Direct Purchase Agreement or Agreements shall be substantially in the form of the Note Purchase Agreement with such revisions to reflect the direct sale of the Series 2013A Notes to such financial institution or institutions as may be approved by the Authorized Officer executing the Direct Purchase Agreement (each, a "Direct Purchase Agreement"); (iv) to issue all or any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Loan Agreement or Agreements that is a member of the Federal Home Loan Bank System and is rated at least investment grade by any two nationally recognized rating agencies that rate the Obligations of the Issuer at the request of the Issuer, which may be in the form of a revolving credit agreement, term loan agreement or other form of loan arrangement as may be approved by the Authorized Officer executing the Loan Agreement (each, a "Loan Agreement"); or (v) to undertake any combination of two or more of the foregoing alternatives, as shall be determined in any Certificate of Determination. Each Authorized Officer is hereby authorized (i) to award the Series 2013A Notes pursuant to a Notice of Sale to one or more successful bidders therefor in accordance with the Notice of Sale and bid form, (ii) to select the representative of the underwriters as referred to in the Note Purchase Agreement and to execute and deliver the Note Purchase Agreement for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Note Purchase Agreement, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters; (iii) to select the financial institution or institutions with whom to enter into a Direct Purchase Agreement or Agreements and to execute and deliver the Direct Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Direct Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of the financial institution or institutions; and (iv) to select the financial institution or institutions with whom to enter into a Loan Agreement or Agreements and to execute and deliver the Loan Agreement or Agreements for and on behalf and in the name of the Issuer in such form as may be approved by the officer executing the Loan Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of

the financial institution or institutions. Each Authorized Officer is hereby authorized (i) to select potential bidders in the case of a competitive sale, (ii) to select the representative of the underwriters and other underwriters in the case of a negotiated sale from among the underwriters qualified by the Issuer to serve as senior managing underwriters, (iii) to select in the case of a direct sale the financial institution or institutions to be party to such direct sale, and (iv) to select in the case of a loan arrangement the financial institution or institutions to be party to such loan arrangement.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the "Preliminary Official Statement"), in connection with the public offering of the Series 2013A Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that the Preliminary Official Statement, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final Official Statement in substantially the form of the Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013A Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2013A Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to deliver such disclosure materials required in connection with the execution and delivery of any Direct Purchase Agreement or Loan Agreement and to make any required certifications in connection therewith.

Each Authorized Officer is hereby authorized, to the extent required, to execute and deliver for and on behalf and in the name of the Issuer a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, or such other form authorized by the Issuer in connection with other financings prior to the issuance of the Series 2013A Notes, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out the Notice of Sale, the Note Purchase Agreement, the Direct Purchase Agreement, the Loan Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2013A Notes, and for implementing the terms of the Series 2013A Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any such Authorized Officer individually.

**SECTION 2.10. Forms of Series 2013A Notes and Authentication Certificate.** The form of registered Series 2013A Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

**SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents.** There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2013A Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

**SECTION 2.12. General Provisions.** As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI of the Resolution may apply equally to the Series 2013A Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2013A Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013A NOTES PROCEEDS**

**SECTION 3.01. Disposition of Series 2013A Note Proceeds.** Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2013A Notes shall be deposited in the Series 2013A Note Proceeds Account which is hereby established in the Proceeds Fund and applied to the payment of Capital Costs, including any Costs of Issuance and accrued interest, and the payment of principal of and interest on Outstanding Series 2013A Notes or DTF Series 2013A Notes.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

**SECTION 4.01. Tax Covenants Relating to the Series 2013A Notes.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income

tax purposes of the interest on the Series 2013A Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the 1986 Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of the "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of the Series 2013A Notes issued as Tax-Exempt Obligations, as amended from time to time.

As used herein, 1986 Code shall mean the Internal Revenue Code of 1986, as amended to the date of initial issuance and delivery of the Series 2013A Notes, and the applicable regulations thereunder, and any reference herein to any section thereof shall, to the extent the provisions of the 1986 Code are included in a successor code or in an equivalent section or sections of such successor code, be deemed to include such successor code and the equivalent section or sections of such successor code and the applicable regulations thereunder.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013A Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under Section 702 of the Resolution (as though such provisions related to Series 2013A Notes rather than Bonds), and (b) neither the Holders of the Notes of any Series (other than the Series 2013A Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2013A Notes and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the 1986 Code (as defined in Section 4.01 hereof) will not affect the then current treatment of interest on the Series 2013A Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**BOND ANTICIPATION NOTES, SERIES 2013A,  
AND RELATED SUBORDINATED INDEBTEDNESS  
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**



**BOND ANTICIPATION NOTES, SERIES 2013A, AND  
RELATED SUBORDINATED INDEBTEDNESS  
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I  
DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "Dedicated Tax Fund Obligation Resolution", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Direct Purchase Agreement" has the meaning given such term Section 2.09 hereof.

"Loan Agreement" has the meaning given such term Section 2.09 hereof.

"Noteholder", "Holder" or "Holder of Notes", or any similar term, means any person who shall be the registered owner of any Outstanding Series 2013A Note or Notes.

"Notice of Sale" shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2013A Notes.

"Series 2013A Bonds" shall mean the Dedicated Tax Fund Bonds, Series 2013A, authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this resolution is adopted.

"Series 2013A Notes" shall mean the Dedicated Tax Fund Bond Anticipation Notes, Series 2013A, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II AUTHORIZATION OF SERIES 2013A NOTES**

**SECTION 2.01. Principal Amount, Designation and Series.** In accordance with the provisions of the Resolution, one or more Series of Dedicated Tax Fund Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013A Notes", subject to redesignation as hereinafter provided) and entitled to the benefit, protection and security of this Supplemental Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding \$2,000,000,000 at any one time Outstanding reduced by the amount of bond anticipation notes then Outstanding issued under the Metropolitan Transportation Authority Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution, adopted December 19, 2012 (the "TRB Series 2013A Notes"). Such Dedicated Tax Fund Bond Anticipation Notes shall be designated as, and shall be distinguished from the Dedicated Tax Fund Bond Anticipation Notes of all other Series by the title, "Dedicated Tax Fund Bond Anticipation Notes, Series 2013A", with such further or different designations as may be provided in any Certificate of Determination.

**SECTION 2.02. Use of Proceeds.** The proceeds of the Series 2013A Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs (including the reimbursement of any amounts advanced by any Related Entity for the interim payment of Capital Costs), including Costs of Issuance related to the Series 2013A Notes and (ii) the payment of the principal and interest of Outstanding Series 2013A Notes or TRB Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013A Notes; Redemption.** The Series 2013A Notes shall be dated the date or dates determined in any

Certificate of Determination. The Series 2013A Notes shall mature on the date or dates and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, the Series 2013A Notes shall not be subject to redemption prior to maturity.

**SECTION 2.04. Interest Payments.** The Series 2013A Notes shall bear interest from the dates determined in any Certificate of Determination, payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013A Notes shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013A Notes shall be issuable in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The Series 2013A Notes shall be numbered from one (1) consecutively upwards.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, the principal and Redemption Price of the Series 2013A Notes shall be payable to the registered owner of each Series 2013A Note when due upon presentation of such Series 2013A Note at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013A Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent to the registered owner at his address as it appears on the registration records or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2013A Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sources of Payment.**

(a) The principal of and interest on the Series 2013A Notes shall be payable solely from (i) the proceeds of any other Series 2013A Notes, (ii) the proceeds of the Series 2013A Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts, in each case if and to the extent such amounts may lawfully be used to make such payments and the Issuer in its discretion elects to apply such amounts to such payments. The interest on the Series 2013A Notes is also payable from amounts available for transfer pursuant to Section 504.3, clause *second*, and Section 504.4, clause *second* of the Resolution for the payment of Subordinated Indebtedness.

(b) There are hereby pledged to the payment of principal and interest on the Series 2013A Notes the proceeds of the Series 2013A Bonds, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is hereby pledged to the payment of interest on the Series 2013A Notes amounts available for transfer

pursuant to Section 504.3, clause *second*, and Section 504.4, clause *second*, of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 506 of the Resolution.

**SECTION 2.08. Delegation to an Authorized Officer.**

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013A Notes:

(a) to determine the amount of the proceeds of the Series 2013A Notes estimated to be necessary to pay the Costs of Issuance of the Series 2013A Notes payable from amounts deposited in the Series 2013A Note Proceeds Account in the Proceeds Fund;

(b) to determine the principal amount of the Series 2013A Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2013A Notes shall be issued in one or more Series or subseries;

(c) to determine the maturity date and principal amount of each maturity of the Series 2013A Notes; provided that the Series 2013A Notes shall mature no later than five years after the date of issuance of such Series 2013A Notes;

(d) to determine the date or dates which the Series 2013A Notes shall be dated and the interest rate or rates of the Series 2013A Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2013A Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2013A Notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(e) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013A Notes; provided, however, that if the Series 2013A Notes are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013A Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(f) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes through competitive bidding or through a negotiated sale, and to determine the purchase price for the Series 2013A Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Note Purchase Agreement described in Section 2.09

of this Supplemental Resolution in the event the Series 2013A Notes are sold, in such officer's discretion, through a negotiated sale, which may include such original premium and original issue discount as shall be determined in any Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2013A Notes;

(g) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Direct Purchase Agreement and to determine the purchase price for the Series 2013A Notes to be paid by such financial institution or institutions which may include such discount or payment to such financial institution or institutions as shall be determined in any Certificate of Determination;

(h) to determine whether to issue any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Loan Agreement and to determine the fees payable pursuant to such Loan Agreement relating to the Series 2013A Notes to be paid to such financial institution or institutions which may include such payment for amounts available to be borrowed but not at the time borrowed under such Loan Agreement to such financial institution or institutions as shall be determined in any Certificate of Determination; provided, however, that such payments shall not exceed 2.00% of the amount available to be borrowed but not at the time borrowed under such Loan Agreement;

(i) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2013A Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2013A Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2013A Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Noteholders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(j) to take all actions required for the Series 2013A Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(k) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013A Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013A Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013A Notes, as appropriate for any purposes, including, if any Series 2013A Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Series 2013A Notes consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Series 2013A Notes or manner of sale.

**SECTION 2.09. Sale of Series 2013A Notes.** Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2013A Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale to be published in order to give notice of the competitive sale of the Series 2013A Notes and one or more bid forms, which Notices of Sale and bid forms shall be in such form as deemed appropriate by such Authorized Officer; (ii) to sell and award all or any portion of the Series 2013A Notes through a negotiated sale to the purchasers who shall be referred to in the Note Purchase Agreement and who shall be selected from the then current list of approved underwriters, which Note Purchase Agreement shall be substantially in the form of the Purchase Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013A Notes as may be approved by the Authorized Officer executing the Note Purchase Agreement (each, a "Note Purchase Agreement"); (iii) to sell and award all or any portion of the Series 2013A Notes through a direct sale to the financial institution or institutions who shall be referred to in the Direct Purchase Agreement or Agreements, which Direct Purchase Agreement or Agreements shall be substantially in the form of the Note Purchase Agreement with such revisions to reflect

the direct sale of the Series 2013A Bonds to such financial institution or institutions as may be approved by the Authorized Officer executing the Direct Purchase Agreement (each, a "Direct Purchase Agreement"); (iv) to issue all or any portion of the Series 2013 Notes directly to any financial institution or institutions referred to in a Loan Agreement or Agreements that is a member of the Federal Home Loan Bank System and is rated at least investment grade by any two nationally recognized rating agencies that rate the Obligations of the Issuer at the request of the Issuer, which may be in the form of a revolving credit agreement, term loan agreement or other form of loan arrangement as may be approved by the Authorized Officer executing the Loan Agreement (each, a "Loan Agreement"); or (v) to undertake any combination of two or more of the foregoing alternatives, as shall be determined in any Certificate of Determination. Each Authorized Officer is hereby authorized (i) to award the Series 2013A Notes pursuant to a Notice of Sale to one or more successful bidders therefor in accordance with the Notice of Sale and bid form, (ii) to select the representative of the underwriters as referred to in the Note Purchase Agreement and to execute and deliver the Note Purchase Agreement for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Note Purchase Agreement, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters; (iii) to select the financial institution or institutions with whom to enter into a Direct Purchase Agreement or Agreements and to execute and deliver the Direct Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Direct Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of the financial institution or institutions; and (iv) to select the financial institution or institutions with whom to enter into a Loan Agreement or Agreements and to execute and deliver the Loan Agreement or Agreements for and on behalf and in the name of the Issuer in such form as may be approved by the officer executing the Loan Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of the financial institution or institutions. Each Authorized Officer is hereby authorized (i) to select potential bidders in the case of a competitive sale, (ii) to select the representative of the underwriters and other underwriters in the case of a negotiated sale from among the underwriters qualified by the Issuer to serve as senior managing underwriters, (iii) to select in the case of a direct sale the financial institution or institutions to be party to such direct sale, and (iv) to select in the case of a loan arrangement the financial institution or institutions to be party to such loan arrangement.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the "Preliminary Official Statement"), in connection with the public offering of the Series 2013A Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that the Preliminary Official Statement, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final Official Statement in substantially the form of the Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013A Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2013A Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to deliver such disclosure materials required in connection with the execution and delivery of any Direct Purchase Agreement or Loan Agreement and to make any required certifications in connection therewith.

Each Authorized Officer is hereby authorized, to the extent required, to execute and deliver for and on behalf and in the name of the Issuer a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, or such other form authorized by the Issuer in connection with other financings prior to the issuance of the Series 2013A Notes, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out the Notice of Sale, the Note Purchase Agreement, the Direct Purchase Agreement, the Loan Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2013A Notes, and for implementing the terms of the Series 2013A Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any such Authorized Officer individually.

**SECTION 2.10. Forms of Series 2013A Notes and Authentication Certificate.** The form of registered Series 2013A Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

**SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents.** There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other



agent with respect to the Series 2013A Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

**SECTION 2.12. General Provisions.** As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI of the Resolution may apply equally to the Series 2013A Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2013A Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013A NOTES PROCEEDS**

**SECTION 3.01. Disposition of Series 2013A Note Proceeds.** Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2013A Notes shall be deposited in the Series 2013A Note Proceeds Account which is hereby established in the Proceeds Fund and applied to the payment of Capital Costs, including any Costs of Issuance and accrued interest, and the payment of principal of and interest on Outstanding Series 2013A Notes or TRB Series 2013A Notes.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

**SECTION 4.01. Tax Covenants Relating to the Series 2013A Notes.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013A Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the 1986 Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of the "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of the Series 2013A Notes issued as Tax-Exempt Obligations, as amended from time to time.

As used herein, 1986 Code shall mean the Internal Revenue Code of 1986, as amended to the date of initial issuance and delivery of the Series 2013A Notes, and the applicable regulations thereunder, and any reference herein to any section thereof shall, to the extent the provisions of the 1986 Code are included in a successor code or in an equivalent section or sections of such successor code, be deemed to include such successor code and the equivalent section or sections of such successor code and the applicable regulations thereunder.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013A Notes, or the Trustee acting on their behalf, shall be entitled to the rights and

remedies provided to Bondholders under Section 702 of the Resolution (as though such provisions related to Series 2013A Notes rather than Bonds), and (b) neither the Holders of the Notes of any Series (other than the Series 2013A Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2013A Notes and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the 1986 Code (as defined in Section 4.01 hereof) will not affect the then current treatment of interest on the Series 2013A Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

**TRIBOROUGH BRIDGE  
AND  
TUNNEL AUTHORITY**

**BOND ANTICIPATION NOTES, SERIES 2013A, AND RELATED SUBORDINATED  
INDEBTEDNESS  
GENERAL REVENUE BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**

**BOND ANTICIPATION NOTES, SERIES 2013A, AND  
RELATED SUBORDINATED INDEBTEDNESS  
GENERAL REVENUE BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I  
DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "General Resolution Authorizing General Revenue Obligations", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Bond Anticipation Notes, Series 2013A, and Related Subordinated Indebtedness General Revenue Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Direct Purchase Agreement" has the meaning given such term in Section 2.09 hereof.

"Loan Agreement" has the meaning given such term in Section 2.09 hereof.

"Noteholder", "Holder" or "Holder of Notes", or any similar term, means any person who shall be the registered owner of any Outstanding Series 2013A Note or Notes.

"Notice of Sale" shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2013A Notes.

"Series 2013A Bonds" shall mean the General Revenue Bonds, Series 2013A, authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this resolution is adopted.

"Series 2013A Notes" shall mean the General Revenue Bond Anticipation Notes, Series 2013A, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II AUTHORIZATION OF SERIES 2013A NOTES**

**SECTION 2.01. Principal Amount, Designation and Series.** In accordance with the provisions of the Resolution, one or more Series of General Revenue Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013A Notes", subject to redesignation as hereinafter provided) and entitled to the benefit, protection and security of this Supplemental Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding \$500,000,000 at any one time Outstanding. Such General Revenue Bond Anticipation Notes shall be designated as, and shall be distinguished from the General Revenue Bond Anticipation Notes of all other Series by the title, "General Revenue Bond Anticipation Notes, Series 2013A", with such further or different designations as may be provided in any Certificate of Determination.

**SECTION 2.02. Use of Proceeds.** The proceeds of the Series 2013A Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs (including the reimbursement of any amounts advanced by any Related Entity for the interim payment of Capital Costs) relating to TBTA Facilities, including Costs of Issuance related to the Series 2013A Notes and (ii) the payment of the principal and interest of Outstanding Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013A Notes; Redemption.** The Series 2013A Notes shall be dated the date or dates determined in any Certificate of Determination. The Series 2013A Notes shall mature on the date or dates and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, the Series 2013A Notes shall not be subject to redemption prior to maturity.

**SECTION 2.04. Interest Payments.** The Series 2013A Notes shall bear interest from the dates determined in any Certificate of Determination, payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013A Notes shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013A Notes shall be issuable in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The Series 2013A Notes shall be numbered from one (1) consecutively upwards.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, the principal and Redemption Price of the Series 2013A Notes shall be payable to the registered owner of each Series 2013A Note when due upon presentation of such Series 2013A Note at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013A Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent to the registered owner at his address as it appears on the registration records or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2013A Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sources of Payment.**

(a) The principal of and interest on the Series 2013A Notes shall be payable solely from (i) the proceeds of any other Series 2013A Notes, (ii) the proceeds of the Series 2013A Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts, in each case if and to the extent such amounts may lawfully be used to make such payments and the Issuer in its discretion elects to apply such amounts to such payments. The interest on the Series 2013A Notes is also payable from amounts available for transfer pursuant to Section 503.1(c) and Section 506.2 of the Resolution for the payment of Subordinated Indebtedness.

(b) There are hereby pledged to the payment of principal and interest on the Series 2013A Notes the proceeds of the Series 2013A Bonds, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is hereby pledged to the payment of interest on the Series 2013A Notes amounts available for transfer pursuant to Section 503.1(c) and Section 506.2 of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 5.01 of the Issuer's 2001 Subordinate Revenue Resolution authorizing Subordinate Revenue Obligations, adopted on March 26, 2002, as heretofore supplemented.

**SECTION 2.08. Delegation to an Authorized Officer.**

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013A Notes:

(a) to determine the amount of the proceeds of the Series 2013A Notes estimated to be necessary to pay the Costs of Issuance of the Series 2013A Notes payable from amounts deposited in the Series 2013A Note Proceeds Account in the Proceeds Fund;

(b) to determine the principal amount of the Series 2013A Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2013A Notes shall be issued in one or more Series or subseries;

(c) to determine the maturity date and principal amount of each maturity of the Series 2013A Notes; provided that the Series 2013A Notes shall mature no later than five years after the date of issuance of such Series 2013A Notes;

(d) to determine the date or dates which the Series 2013A Notes shall be dated and the interest rate or rates of the Series 2013A Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2013A Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2013A Notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(e) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013A Notes; provided, however, that if the Series 2013A Notes are to be redeemable at the election of the Issuer, the Redemption Price shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013A Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(f) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes through competitive bidding or through a negotiated sale, and to determine the purchase price for the Series 2013A Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Note Purchase Agreement described in Section 2.09 of this Supplemental Resolution in the event the Series 2013A Notes are sold, in such officer's discretion, through a negotiated sale, which may include such original premium and original issue discount as shall be determined in any

Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2013A Notes;

(g) to determine the advisability of conducting the sale of all or any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Direct Purchase Agreement and to determine the purchase price for the Series 2013A Notes to be paid by such financial institution or institutions which may include such discount or payment to such financial institution or institutions as shall be determined in any Certificate of Determination;

(h) to determine whether to issue any portion of the Series 2013A Notes directly to any financial institution or institutions referred to in a Loan Agreement and to determine the fees payable pursuant to such Loan Agreement relating to the Series 2013A Notes to be paid to such financial institution or institutions which may include such payment for amounts available to be borrowed but not at the time borrowed under such Loan Agreement to such financial institution or institutions as shall be determined in any Certificate of Determination; provided, however, that such payments shall not exceed 2.00% of the amount available to be borrowed but not at the time borrowed under such Loan Agreement;

(i) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2013A Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2013A Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2013A Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Noteholders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(j) to take all actions required for the Series 2013A Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and



deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(k) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013A Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013A Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013A Notes, as appropriate for any purposes, including, if any Series 2013A Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Series 2013A Notes consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Series 2013A Notes or manner of sale.

**SECTION 2.09. Sale of Series 2013A Notes.** Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2013A Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale to be published in order to give notice of the competitive sale of the Series 2013A Notes and one or more bid forms, which Notices of Sale and bid forms shall be in such form as deemed appropriate by such Authorized Officer; (ii) to sell and award all or any portion of the Series 2013A Notes through a negotiated sale to the purchasers who shall be referred to in the Note Purchase Agreement and who shall be selected from the then current list of approved underwriters, which Note Purchase Agreement shall be substantially in the form of the Purchase Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013A Notes as may be approved by the Authorized Officer executing the Note Purchase Agreement (each, a "Note Purchase Agreement"); (iii) to sell and award all or any portion of the Series 2013A Notes through a direct sale to the financial institution or institutions who shall be referred to in the Direct Purchase Agreement or Agreements, which Direct Purchase Agreement or Agreements shall be substantially in the form of the Note Purchase Agreement with such revisions to reflect the direct sale of the Series 2013A Notes to such financial institution or institutions as may be approved by the Authorized Officer executing the Direct Purchase Agreement (each, a "Direct Purchase Agreement"); (iv) to issue all or any portion of the Series 2013A Notes directly to any

financial institution or institutions referred to in a Loan Agreement or Agreements that is a member of the Federal Home Loan Bank System and is rated at least investment grade by any two nationally recognized rating agencies that rate the Obligations of the Issuer at the request of the Issuer, which may be in the form of a revolving credit agreement, term loan agreement or other form of loan arrangement as may be approved by the Authorized Officer executing the Loan Agreement (each, a "Loan Agreement"); or (v) to undertake any combination of two or more of the foregoing alternatives, as shall be determined in any Certificate of Determination. Each Authorized Officer is hereby authorized (i) to award the Series 2013A Notes pursuant to a Notice of Sale to one or more successful bidders therefor in accordance with the Notice of Sale and bid form, (ii) to select the representative of the underwriters as referred to in the Note Purchase Agreement and to execute and deliver the Note Purchase Agreement for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Note Purchase Agreement, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters; (iii) to select the financial institution or institutions with whom to enter into a Direct Purchase Agreement or Agreements and to execute and deliver the Direct Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Direct Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of the financial institution or institutions; and (iv) to select the financial institution or institutions with whom to enter into a Loan Agreement or Agreements and to execute and deliver the Loan Agreement or Agreements for and on behalf and in the name of the Issuer in such form as may be approved by the officer executing the Loan Agreement or Agreements, said execution being conclusive evidence of such approval and of the selection of the financial institution or institutions. Each Authorized Officer is hereby authorized (i) to select potential bidders in the case of a competitive sale, (ii) to select the representative of the underwriters and other underwriters in the case of a negotiated sale from among the underwriters qualified by the Issuer to serve as senior managing underwriters, (iii) to select in the case of a direct sale the financial institution or institutions to be party to such direct sale, and (iv) to select in the case of a loan arrangement the financial institution or institutions to be party to such loan arrangement.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the "Preliminary Official Statement"), in connection with the public offering of the Series 2013A Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that the Preliminary Official Statement, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final Official Statement in substantially the form of the Preliminary Official Statement, with such changes, omissions, insertions and revisions as such

Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013A Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2013A Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to deliver such disclosure materials required in connection with the execution and delivery of any Direct Purchase Agreement or Loan Agreement and to make any required certifications in connection therewith.

Each Authorized Officer is hereby authorized, to the extent required, to execute and deliver for and on behalf and in the name of the Issuer a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer in connection with the sale of Obligations, or such other form authorized by the Issuer in connection with other financings prior to the issuance of the Series 2013A Notes, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out the Notice of Sale, the Note Purchase Agreement, the Direct Purchase Agreement, the Loan Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2013A Notes, and for implementing the terms of the Series 2013A Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any such Authorized Officer individually.

**SECTION 2.10. Forms of Series 2013A Notes and Authentication Certificate.** The form of registered Series 2013A Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

**SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents.** There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2013A Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

**SECTION 2.12. General Provisions.** As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI

of the Resolution may apply equally to the Series 2013A Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2013A Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013A NOTES PROCEEDS**

**SECTION 3.01. Disposition of Series 2013A Note Proceeds.** Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2013A Notes shall be deposited in the Series 2013A Note Proceeds Account which is hereby established in the Proceeds Fund and applied to the payment of Capital Costs of the TBTA Facilities including any Costs of Issuance and accrued interest, and the payment of principal of and interest on Outstanding Series 2013A Notes.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

**SECTION 4.01. Tax Covenants Relating to the Series 2013A Notes.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013A Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the 1986 Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of the "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of the Series 2013A Notes issued as Tax-Exempt Obligations, as amended from time to time.

As used herein, 1986 Code shall mean the Internal Revenue Code of 1986, as amended to the date of initial issuance and delivery of the Series 2013A Notes, and the applicable regulations thereunder, and any reference herein to any section thereof shall, to the extent the provisions of the 1986 Code are included in a successor code or in an equivalent section or sections of such successor code, be deemed to include such successor code and the equivalent section or sections of such successor code and the applicable regulations thereunder.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013A Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under Section 1002 of the Resolution (as though such provisions related to the Series 2013A Notes rather than Bonds), other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with, the above covenant) to declare the principal of all Notes then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Act, and (b) neither the Holders of the

Notes of any Series (other than the Series 2013A Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2013A Notes and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013A Notes which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the 1986 Code (as defined in Section 4.01 hereof) will not affect the then current treatment of interest on the Series 2013A Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**SERIES 2013B  
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**

**SERIES 2013B  
TRANSPORTATION REVENUE BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Series 2013B Transportation Revenue Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Series 2013B Bonds" shall mean the Transportation Revenue Bonds, Series 2013B, authorized by Article II of this Supplemental Resolution.

"Series 2013A Notes" shall mean the Transportation Revenue Bond Anticipation Notes, Series 2013A, authorized to be issued in one or more Series or subseries in accordance

with Section A-203 of the Standard Resolution Provisions and pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this resolution is adopted.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II**

### **AUTHORIZATION OF SERIES 2013B BONDS**

**SECTION 2.01. Principal Amount, Designation and Series.** Pursuant to the provisions of the Resolution and in order to finance Capital Costs, a Series of Transportation Revenue Bonds (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013B Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2013B Bonds), shall not exceed the amount or amounts determined in a Certificate of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2013B Bonds issued to finance Capital Costs shall not exceed \$2,000,000,000 reduced by the amount of bonds then Outstanding issued under the Metropolitan Transportation Authority Series 2013A Dedicated Tax Fund Bond Supplemental Resolution, adopted December 19, 2012 (excluding all amounts excluded above, such as net original issue discount, underwriters' discount, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2013B Bonds also shall be excluded.

Series 2013B Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title "Transportation Revenue Bonds, Series 2013B" or such other title or titles set forth in one or more Certificates of Determination.

**SECTION 2.02. Purposes.** The purposes for which the Series 2013B Bonds are issued are to fund a portion of the Capital Costs through the payment of principal of and redemption premium, if any, and interest on the Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013B Bonds.** The Series 2013B Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in any Certificate of Determination. The Series 2013B Bonds shall mature on January 1, or such other date as provided in any Certificate of Determination, of each year, in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination.



**SECTION 2.04. Interest Payments.** The Series 2013B Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013B Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013B Bonds shall be issuable in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2013B Bonds shall be numbered as provided in any Certificate of Determination.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, principal and Redemption Price of the Series 2013B Bonds shall be payable to the registered owner of each Series 2013B Bond when due upon presentation of such Series 2013B Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013B Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2013B Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sinking Fund Installments.** The Series 2013B Bonds, if any, determined in any Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in any Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2013B Bonds.

**SECTION 2.08. Redemption Prices and Terms.** The Series 2013B Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount as determined pursuant to Section 2.09.1(f) or in the case of Taxable Obligations as otherwise provided in any Certificate of Determination) determined in any Certificate of Determination, plus accrued interest up to but not including the redemption date.

**SECTION 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013B Bonds:

(a) to determine whether and when to issue any Series 2013B Bonds constituting Capital Cost Obligations, the amount of the Series 2013B Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2013B Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2013B Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2013B Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2013B Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2013B Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2013B Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2013B Bonds shall be dated and the interest rate or rates of the Series 2013B Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2013B Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2013B Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013B Bonds; provided, however, that if the Series 2013B Bonds are to be redeemable at the election of the Issuer, the Redemption Price for Series 2013B Bonds issued as Tax-Exempt Obligations shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013B Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2013B Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2013B Bonds to be paid by the purchasers referred to in one or more Purchase Agreements or the purchase price for the Series 2013B Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in any Certificate of Determination; provided, however, that, in

the case of Series 2013B Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2013B Bonds;

(h) to take all actions required for the Series 2013B Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2013B Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2013B Bonds as Tax Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2013B Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing any Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013B Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2013B Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013B Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute any Certificate of Determination evidencing the determinations made pursuant to this Supplemental Resolution and such

Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013B Bonds are delivered, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013B Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013B Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**SECTION 2.10. Sale of Series 2013B Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Series 2013B Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013B Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2013B Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2013B Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2013B Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct placement of the Series 2013B Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall

deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013B Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of a good faith check, if any, received by the Issuer from the purchasers of the Series 2013B Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2013B Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, the Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2013B Bonds and for implementing the terms of the Series 2013B Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**SECTION 2.11. Forms of Series 2013B Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Series 2013B Bonds, and the Trustee's certificate of authentication, shall be substantially in the

form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**SECTION 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2013B Bonds.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013B BONDS PROCEEDS**

**SECTION 3.01. Disposition and Allocation of Series 2013B Bond Proceeds.** As and to the extent provided in any Certificate of Determination, the proceeds of the sale of the Series 2013B Bonds shall be disposed of or applied, simultaneously with the issuance and delivery of the Series 2013B Bonds, in the following order:

1. a portion of such proceeds shall be applied to pay or provide for the payment of principal and interest on the Series 2013A Notes in accordance with the terms of the Supplemental Resolution authorizing such Series 2013A Notes;

2. the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Series 2013B Bond Proceeds Account which is hereby established in the Proceeds Fund to provide for Costs of Issuance; and

3. accrued interest, if any, received on the sale of the Series 2013B Bonds shall be deposited in the Debt Service Fund.

**SECTION 3.02. Application of Series 2013B Bond Proceeds Account.** All of the proceeds (or such lesser amount as may be determined in any Certificate of Determination) on deposit in the Series 2013B Bond Proceeds Account shall be applied to pay all or any part of the Costs of Issuance relating to the Series 2013B Bonds or to any other Capital Costs.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

**SECTION 4.01. Tax Covenants Relating to the Series 2013B Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013B Bonds issued as Tax Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be

executed by the Issuer in connection with the execution and delivery of any Series 2013B Bonds issued as Tax Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013B Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under Section 702 of the Resolution, and (b) neither the Holders of the Bonds of any Series (other than the Series 2013B Bonds or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Bondholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2013B Bonds and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2013B Bonds which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1001 of the Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013B Bonds which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2013B Bonds issued as Tax Exempt Obligations in determining gross income for Federal income tax purposes.

**METROPOLITAN TRANSPORTATION AUTHORITY**

**SERIES 2013A  
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**



**SERIES 2013A  
DEDICATED TAX FUND REVENUE BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "Dedicated Tax Fund Obligation Resolution", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Series 2013A Dedicated Tax Fund Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Series 2013A Bonds" shall mean the Dedicated Tax Fund Bonds, Series 2013A, authorized by Article II of this Supplemental Resolution.

"Series 2013A Notes" shall mean the Dedicated Tax Fund Anticipation Notes, Series 2013A, authorized to be issued in one or more Series or subseries in accordance with

Section A-203 of the Standard Resolution Provisions and pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this resolution is adopted.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II**

### **AUTHORIZATION OF SERIES 2013A BONDS**

**SECTION 2.01. Principal Amount, Designation and Series.** Pursuant to the provisions of the Resolution and in order to finance Capital Costs, a Series of Dedicated Tax Fund Bonds (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013A Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2013A Bonds), shall not exceed the amount or amounts determined in a Certificate of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2013A Bonds issued to finance Capital Costs shall not exceed \$2,000,000,000 reduced by the amount of bonds then Outstanding issued under the Metropolitan Transportation Authority Series 2013B Transportation Revenue Bond Supplemental Resolution, adopted December 19, 2012 (excluding all amounts excluded above, such as net original issue discount, underwriters' discount, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2013A Bonds also shall be excluded.

Series 2013A Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title "Dedicated Tax Fund Bonds, Series 2013A" or such other title or titles set forth in one or more Certificates of Determination.

**SECTION 2.02. Purposes.** The purposes for which the Series 2013A Bonds are issued are to fund a portion of the Capital Costs through the payment of principal of and redemption premium, if any, and interest on the Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013A Bonds.** The Series 2013A Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in any Certificate of Determination. The Series 2013A Bonds shall mature on January 1 of each year, or such other date as provided in any Certificate of Determination, in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination.

**SECTION 2.04. Interest Payments.** The Series 2013A Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013A Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013A Bonds shall be issuable in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2013A Bonds shall be numbered as provided in any Certificate of Determination.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, principal and Redemption Price of the Series 2013A Bonds shall be payable to the registered owner of each Series 2013A Bond when due upon presentation of such Series 2013A Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013A Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2013A Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sinking Fund Installments.** The Series 2013A Bonds, if any, determined in any Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in any Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2013A Bonds.

**SECTION 2.08. Redemption Prices and Terms.** The Series 2013A Bonds may also be subject to ~~redemption prior~~ redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount as determined pursuant to Section 2.09.1(f) or in the case of Taxable Obligations as otherwise provided in any Certificate of Determination) determined in any Certificate of Determination, plus accrued interest up to but not including the redemption date.

**SECTION 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013A Bonds:

(a) to determine whether and when to issue any Series 2013A Bonds constituting Capital Cost Obligations, the amount of the Series 2013A Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2013A Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2013A Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2013A Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2013A Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2013A Bonds, which principal amounts (and the aggregate of all such Series and subséries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2013A Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2013A Bonds shall be dated and the interest rate or rates of the Series 2013A Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2013A Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2013A Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013A Bonds; provided, however, that if the Series 2013A Bonds are to be redeemable at the election of the Issuer, the Redemption Price for Series 2013A Bonds issued as Tax-Exempt Obligations shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013A Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2013A Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2013A Bonds to be paid by the purchasers referred to in one or more Purchase Agreements or the purchase price for the Series 2013A Bonds to be paid by the

winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in any Certificate of Determination; provided, however, that, in the case of Series 2013A Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2013A Bonds;

(h) to take all actions required for the Series 2013A Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2013A Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2013A Bonds as Tax Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2013A Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing any Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013A Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2013A Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013A Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute any Certificate of Determination evidencing the determinations made pursuant to this Supplemental Resolution and such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013A Bonds are delivered, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013A Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013A Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**SECTION 2.10. Sale of Series 2013A Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Series 2013A Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013A Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2013A Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2013A Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2013A Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct placement of the Series 2013A Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013A Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of a good faith check, if any, received by the Issuer from the purchasers of the Series 2013A Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2013A Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, the Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2013A Bonds and for implementing the terms of the Series 2013A Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**SECTION 2.11. Forms of Series 2013A Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Series 2013A Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**SECTION 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2013A Bonds.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013A BONDS PROCEEDS**

**SECTION 3.01. Disposition and Allocation of Series 2013A Bond Proceeds.** As and to the extent provided in any Certificate of Determination, the proceeds of the sale of the Series 2013A Bonds shall be disposed of or applied, simultaneously with the issuance and delivery of the Series 2013A Bonds, in the following order:

1. a portion of such proceeds shall be applied to pay or provide for the payment of principal and interest on the Series 2013A Notes in accordance with the terms of the Supplemental Resolution authorizing such Series 2013A Notes;
2. the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Series 2013A Bond Proceeds Account which is hereby established in the Proceeds Fund to provide for Costs of Issuance; and
3. accrued interest, if any, received on the sale of the Series 2013A Bonds shall be deposited in the Debt Service Fund.

**SECTION 3.02. Application of Series 2013A Bond Proceeds Account.** All of the proceeds (or such lesser amount as may be determined in any Certificate of Determination) on deposit in the Series 2013A Bond Proceeds Account shall be applied to pay all or any part of the Costs of Issuance relating to the Series 2013A Bonds or to any other Capital Costs.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

**SECTION 4.01. Tax Covenants Relating to the Series 2013A Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income



tax purposes of the interest on the Series 2013A Bonds issued as Tax Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series 2013A Bonds issued as Tax Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013A Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under Section 1702 of the Resolution, and (b) neither the Holders of the Bonds of any Series (other than the Series 2013A Bonds or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Bondholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2013A Bonds and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2013A Bonds which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1001 of the Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013A Bonds which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2013A Bonds issued as Tax Exempt Obligations in determining gross income for Federal income tax purposes.

**TRIBOROUGH BRIDGE  
AND  
TUNNEL AUTHORITY**

**SERIES 2013A  
GENERAL REVENUE BOND SUPPLEMENTAL RESOLUTION**

**Adopted December 19, 2012**

**SERIES 2013A  
GENERAL REVENUE BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled "General Resolution Authorizing General Revenue Obligations", as heretofore supplemented (the "Resolution").

**SECTION 1.02. Definitions.**

1. All terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Series 2013A General Revenue Bond Supplemental Resolution (hereinafter referred to as the "Supplemental Resolution") as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Series 2013A Bonds" shall mean the General Revenue Bonds, Series 2013A, authorized by Article II of this Supplemental Resolution.

"Series 2013A Notes" shall mean the General Revenue Bond Anticipation Notes, Series 2013A, authorized to be issued in one or more Series or subseries in accordance with

Section A-203 of the Standard Resolution Provisions and pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this resolution is adopted.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## **ARTICLE II**

### **AUTHORIZATION OF SERIES 2013A BONDS**

**SECTION 2.01. Principal Amount, Designation and Series.** Pursuant to the provisions of the Resolution and in order to finance Capital Costs of the TBTA Facilities, a Series of General Revenue Bonds (which may be issued in one or more Series or subseries and from time to time, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Series 2013A Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay capitalized interest or to pay any Costs of Issuance of the Series 2013A Bonds), shall not exceed the amount or amounts determined in a Certificate of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2013A Bonds issued to finance Capital Costs of the TBTA Facilities shall not exceed \$500,000,000 (excluding all amounts excluded above, such as net original issue discount, underwriters' discount, capitalized interest and Costs of Issuance). For all purposes of this Section 2.01, net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2013A Bonds also shall be excluded.

Series 2013A Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title "General Revenue Bonds, Series 2013A" or such other title or titles set forth in one or more Certificates of Determination.

**SECTION 2.02. Purposes.** The purposes for which the Series 2013A Bonds are issued are to fund a portion of the Capital Costs relating to the TBTA Facilities through the payment of principal of and redemption premium, if any, and interest on the Series 2013A Notes.

**SECTION 2.03. Date, Maturity and Interest for Series 2013A Bonds.** The Series 2013A Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in any Certificate of Determination. The Series 2013A Bonds shall mature on January 1, or such other date as provided in any Certificate of Determination, of each year, in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, determined in any Certificate of Determination.

**SECTION 2.04. Interest Payments.** The Series 2013A Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to any Certificate of Determination. Except as otherwise provided in any Certificate of Determination, interest on the Series 2013A Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in any Certificate of Determination, the Series 2013A Bonds shall be issuable in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2013A Bonds shall be numbered as provided in any Certificate of Determination.

**SECTION 2.06. Places of Payment and Paying Agents.** Except as otherwise provided in any Certificate of Determination, principal and Redemption Price of the Series 2013A Bonds shall be payable to the registered owner of each Series 2013A Bond when due upon presentation of such Series 2013A Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in any Certificate of Determination, interest on the registered Series 2013A Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2013A Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.07. Sinking Fund Installments.** The Series 2013A Bonds, if any, determined in any Certificate of Determination shall be subject to redemption in part, by lot, or otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in any Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2013A Bonds.

**SECTION 2.08. Redemption Prices and Terms.** The Series 2013A Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount as determined pursuant to Section 2.09.1(f) or in the case of Taxable Obligations as otherwise provided in any Certificate of Determination) determined in any Certificate of Determination, plus accrued interest up to but not including the redemption date.

**SECTION 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2013A Bonds:

(a) to determine whether and when to issue any Series 2013A Bonds constituting Capital Cost Obligations, the amount of the Series 2013A Bonds to be applied to finance Capital Costs, and the amount of the proceeds of the Series 2013A Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2013A Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2013A Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2013A Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2013A Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2013A Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2013A Bonds shall be dated and the interest rate or rates of the Series 2013A Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2013A Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2013A Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2013A Bonds; provided, however, that if the Series 2013A Bonds are to be redeemable at the election of the Issuer, the Redemption Price for Series 2013A Bonds issued as Tax-Exempt Obligations shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2013A Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption;

(g) to determine whether the sale of the Series 2013A Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2013A Bonds to be paid by the purchasers referred to in one or more Purchase Agreements or the purchase price for the Series 2013A Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in any Certificate of Determination; provided, however, that, in

the case of Series 2013A Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2013A Bonds;

(h) to take all actions required for the Series 2013A Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2013A Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2013A Bonds as Tax Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2013A Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing any Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013A Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2013A Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2013A Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute any Certificate of Determination evidencing the determinations made pursuant to this Supplemental Resolution and such

Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2013A Bonds are delivered, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Series 2013A Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2013A Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**SECTION 2.10. Sale of Series 2013A Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Series 2013A Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Series 2013A Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2013A Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2013A Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2013A Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct placement of the Series 2013A Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall



deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2013A Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of a good faith check, if any, received by the Issuer from the purchasers of the Series 2013A Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2013A Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, the Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2013A Bonds and for implementing the terms of the Series 2013A Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**SECTION 2.11. Forms of Series 2013A Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Series 2013A Bonds, and the Trustee's certificate of authentication, shall be substantially in the

form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**SECTION 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Series 2013A Bonds.

### **ARTICLE III**

#### **DISPOSITION AND ALLOCATION OF SERIES 2013A BONDS PROCEEDS**

**SECTION 3.01. Disposition and Allocation of Series 2013A Bond Proceeds.** As and to the extent provided in any Certificate of Determination, the proceeds of the sale of the Series 2013A Bonds shall be disposed of or applied, simultaneously with the issuance and delivery of the Series 2013A Bonds, in the following order:

1. a portion of such proceeds shall be applied to pay or provide for the payment of principal of and interest on the Series 2013A Notes in accordance with the terms of the Supplemental Resolution authorizing such Series 2013A Notes;

2. the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Series 2013A Bond Proceeds Account which is hereby established in the Proceeds Fund to provide for Costs of Issuance; and

3. accrued interest, if any, received on the sale of the Series 2013A Bonds shall be deposited in the Debt Service Fund.

**SECTION 3.02. Application of Series 2013A Bond Proceeds Account.** All of the proceeds (or such lesser amount as may be determined in any Certificate of Determination) on deposit in the Series 2013A Bond Proceeds Account shall be applied to pay all or any part of the Costs of Issuance relating to the Series 2013A Bonds or to any other Capital Costs related to the TBTA Facilities.

### **ARTICLE IV**

#### **TAX COVENANT PROVISIONS AND DEFEASANCE**

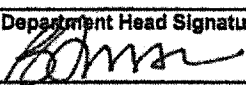

**SECTION 4.01. Tax Covenants Relating to the Series 2013A Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2013A Bonds issued as Tax Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be

executed by the Issuer in connection with the execution and delivery of any Series 2013A Bonds issued as Tax Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2013A Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under Section 1002 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with, the above covenant) to declare the principal of all Bonds then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Holders of the Bonds of any Series (other than the Series 2013A Bonds or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Bondholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.



**SECTION 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2013A Bonds and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2013A Bonds which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1001 of the Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2013A Bonds which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant of the Issuer to the effect of the covenant contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2013A Bonds issued as Tax Exempt Obligations in determining gross income for Federal income tax purposes.

# Staff Summary

<b>Subject</b> Approval of Supplemental Resolutions Authorizing Refunding Bonds
<b>Department</b> Finance
<b>Department Head Name</b> Robert E. Foran, Chief Financial Officer
<b>Department Head Signature</b> 
<b>Project Manager Name</b> Patrick McCoy, Director of Finance 

<b>Date</b> December 19, 2013
<b>Vendor Name</b> N/A
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/17	X		
2	Board	12/19	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 	2	Chief of Staff 

## PURPOSE:

To obtain, as applicable, MTA and TBTA Board approval of the attached supplemental resolutions authorizing the issuance of refunding bonds, from time to time, subject, if applicable, to the refunding policy attached hereto adopted by the Board in May, 2010, as amended from time to time, and provided that the MTA Chief Financial Officer or the MTA Director of Finance makes a determination that the refunding of such bonds or other obligations will be beneficial to the obligors thereof and/or their affiliates and subsidiaries.

With respect to the above-referenced financial transactions, to obtain the MTA and TBTA Board approval, as applicable, delegating authority to the Chairman and Chief Executive Officer, the Vice Chairman, the Chair of the Finance Committee, the Chief Financial Officer of MTA, and the Director of Finance of MTA to award the underwriting of the refunding bonds either pursuant to competitive bidding process or to members (or entities related to such firms) of the MTA underwriting syndicate, and to execute and/or deliver in each case, where appropriate:

- o Notices of Sale and bid forms,
- o Purchase Agreements with underwriters,
- o Related Parity Reimbursement Obligations and other related Parity Debt,
- o Official Statements and other disclosure documents,
- o Continuing Disclosure Agreements and related filings,
- o Dealer Agreements,
- o Related Subordinated Contract Obligations,
- o Verification Reports,
- o Escrow Agreements, and
- o Investment Agreements.

Any such documents will be in substantially the form of any comparable document previously entered into by MTA or TBTA for previous issues and programs, with such changes as approved by any one or more of the foregoing officers. In addition, such officers are hereby authorized to terminate, amend, supplement, replace or extend any such documents (and related Parity Reimbursement Obligations and Parity Debt) and other documents related thereto, as they shall deem advisable. The MTA and TBTA Boards are requested to further delegate to such officers authority to take such other actions as may be necessary or desirable to effectuate such transactions.

# Staff Summary

## **DISCUSSION:**

MTA's portfolio of outstanding indebtedness is \$31.4 billion (exclusive of State Service Contract Bonds, which debt service is paid by the State).

## **ALTERNATIVES:**

The Board could determine that staff seek specific approval for each refunding contemplated in advance of undertaking such refunding. This alternative is not advised as the timing of the Board cycle could result in missed market opportunities.

## **RECOMMENDATION:**

The MTA and TBTA Boards approve the above-referenced amended and restated resolutions and documents and all other actions described above, including the execution and delivery of such other documents, and the taking of all other actions, from time to time deemed necessary or desirable by such officers in connection therewith. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless (a) the Issuer shall have confirmed the effectiveness of this authorization for an additional period, or (b) the Issuer shall have modified or repealed this authorization.

Adopted May 26, 2010

## BOND AND OTHER DEBT OBLIGATIONS REFUNDING POLICY

WHEREAS, The Metropolitan Transportation Authority has a large portfolio of outstanding bonds and other debt obligations; and

WHEREAS, The Metropolitan Transportation Authority desires to achieve the lowest possible interest cost for such bonds; and

WHEREAS, The Metropolitan Transportation Authority desires, from time to time, to benefit from favorable capital market conditions to undertake refundings of the outstanding bonds and other obligations; and

WHEREAS, The Metropolitan Transportation Authority has determined that in order to provide guidance in the issuance of refunding bonds, a refunding policy ("Refunding Policy") is desirable.

WHEREAS, such refunding bonds must be authorized by the Board in accordance with a supplemental resolution for each of the MTA and TBTA credits, such supplemental resolutions are attached hereto;

BE IT RESOLVED by the Metropolitan Transportation Authority that, except as otherwise provided by separate action of the Authority relating to a particular refunding, the Refunding Policy as set forth below shall be adopted and shall apply to all refundings of bonds or other debt obligations described therein hereafter.

## Metropolitan Transportation Authority and Triborough Bridge and Tunnel Authority Bond and Other Debt Obligations Refunding Policy

This bond and other debt obligations refunding policy establishes conditions precedent to any issuance of fixed rate bonds for the purposes of refunding fixed rate bonds previously issued by the MTA or any of the Related Entities.

- For a standard fixed rate refunding, each individual bond maturity is expected to have net present value (NPV) savings (expressed as a percentage of the par amount of refunded bonds) of at least the following amounts at the time of mailing the Preliminary Official Statement and at the time of the initial pricing of the refunding bonds (nothing herein precludes the addition of individual bond maturities that meet the savings criteria, or the deletion of bond maturities that do not meet the savings criteria on the day of pricing):

Years From Call to Maturity	Years to Call		
	0 to 2	3 to 7	8 plus
0 to 5	0.5%	1.0%	2.0%
6 to 10	1.0%	2.5%	4.0%
11 to 15	3.0%	4.0%	5.0%
16 plus	4.0%	5.0%	5.5%

- In addition to achieving the above maturity-by-maturity NPV savings, aggregate NPV savings must be at least 3.0 percent of the par amount of refunded bonds.
- The arbitrage yield must be utilized in calculating NPV savings.
- Actual escrow investments must be used in calculation of refunding savings at the time of pricing.

### Additional Criteria and Instructions

- The evaluation of refunding opportunities with respect to the State Bond Issuance Charge (BIC) shall be factored in as a cost of issuance with respect to total NPV savings requirement calculations. The individual bond-by-bond maturity evaluations shall also include BIC as a factor.
- If it is possible to meet the arbitrage yield in a refunding escrow with SLGS, they should be used. In the event SLGS could provide a yield higher than the arbitrage yield, as many rolling 0 percent SLGS as possible should be used to blend down the arbitrage yield. If the arbitrage yield cannot be met with SLGS or the SLGS window is not open, treasury securities and other open market securities can be considered, consistent with the investment restrictions in the bond resolution.

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**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
TRANSPORTATION REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted December \_\_, 2012**

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**MULTIPLE SERIES  
TRANSPORTATION REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing Transportation Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series Transportation Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the Transportation Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Transportation Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Transportation Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination,

interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes, as well as the specific

Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into

two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall

deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A. shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.



### ARTICLE III

#### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

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**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
DEDICATED TAX FUND REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted December \_\_, 2012**

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**MULTIPLE SERIES  
DEDICATED TAX FUND REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "Dedicated Tax Fund Obligation Resolution" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series Dedicated Tax Fund Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the Dedicated Tax Fund Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Dedicated Tax Fund Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Dedicated Tax Fund Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as



any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or

additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall

deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### ARTICLE III

#### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

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**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

**MULTIPLE SERIES  
GENERAL REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted December \_\_, 2012**

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**MULTIPLE SERIES  
GENERAL REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "General Resolution Authorizing General Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series General Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the General Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.



## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of General Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "General Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds, any provisions relating to pro rata redemption and/or make whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including

(i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

## ARTICLE III

### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.



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**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

**MULTIPLE SERIES  
2001 SUBORDINATE REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted December \_\_, 2012**

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**MULTIPLE SERIES  
2001 SUBORDINATE REVENUE REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Triborough Bridge and Tunnel Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "2001 Subordinate Resolution Authorizing General Revenue Obligations" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series 2001 Subordinate Revenue Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, MTA, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Cross-Credit Obligations" shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of "Capital Costs", but excluding Obligations.

"Refunding Bonds" shall mean the 2001 Subordinate Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and in order to issue (a) Refunding Subordinate Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Subordinate Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Subordinate Revenue Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination,

interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Subordinate Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well

as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds any provisions relating to pro rata redemption and/or make whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in

the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, or to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order



to change interest rate modes or auction periods, if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### **ARTICLE III**

#### **DISPOSITION OF REFUNDING BOND PROCEEDS**

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

(a) the refunding of any Obligations, Parity Debt or Cross-Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof; and

(b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the COI Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Additional Covenants.** 1. The Issuer covenants and agrees that it will not issue any Senior Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Subordinate Revenue Obligations, Parity Debt, Senior Obligations and Senior Parity Debt.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 604 of the Bond Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available

therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Bond Resolution and Calculated Debt Service as defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Bond Resolution for such calendar year.

**Section 4.03. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

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**METROPOLITAN TRANSPORTATION AUTHORITY**

**MULTIPLE SERIES  
STATE SERVICE CONTRACT REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

**Adopted December \_\_, 2012**

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### ARTICLE II

#### AUTHORIZATION OF REFUNDING BONDS

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**MULTIPLE SERIES  
STATE SERVICE CONTRACT REFUNDING BOND  
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Metropolitan Transportation Authority (the "Issuer"), as follows:

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section 1.01. Supplemental Resolution.** This resolution is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled "State Service Contract Obligation Resolution" (the "Resolution").

**Section 1.02. Definitions.**

1. All capitalized terms which are used but not otherwise defined in this Multiple Series State Service Contract Refunding Bond Supplemental Resolution (the "Supplemental Resolution") shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

"Authorized Officer" shall include the officers designated as such in the Resolution, and the Chairman and Chief Executive Officer, the Chair of the Finance Committee, the Chief Financial Officer or the Director of Finance, as well as any officer duly designated as "Acting" in said officer's capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, "Authorized Officer" shall not include any Assistant Secretary of the Issuer.

"Board" shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

"Bond Counsel" shall mean Hawkins Delafield & Wood LLP, Nixon Peabody LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

"Refunding Bonds" shall mean the State Service Contract Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries.

**Section 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

## ARTICLE II

### AUTHORIZATION OF REFUNDING BONDS

**Section 2.01. Authorized Principal Amount, Designation and Series.** 1. Pursuant to the provisions of the Resolution and Section 3.9 of the State Service Contract, and in order to issue Obligations for the purpose of refunding Outstanding Obligations (which may be issued at one time or from time to time in any number of Series or subseries, which for purposes of this Supplemental Resolution shall collectively be referred to herein as the "Refunding Bonds", subject to redesignation as hereinafter provided) entitled to the benefit, protection and security of such provisions are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters' discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of the amount so deposited therein determined in any Certificate of Determination as estimated to be necessary to pay any Costs of Issuance of the Refunding Bonds payable from such Proceeds Account or otherwise applied to pay such Costs of Issuance), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds for the purpose of refunding Outstanding Obligations in accordance with Section 202 of the Resolution. In no event shall the amount of Obligations, upon the issuance of the Refunding Bonds, exceed the amount of Obligations authorized pursuant to the terms of the State Service Contracts, nor shall the aggregate amount of debt service on all State Service Contract Obligations exceed the limitations for such debt service under State law at the time of issuance thereof.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "State Service Contract Bonds, Series [insert calendar year of issuance]" or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until February 28, 2014, unless the Issuer shall have modified or repealed this authorization.

**Section 2.02. Purposes.** The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations deemed advisable by an Authorized Officer in accordance with Section 202 or 203 of the Resolution, as applicable.

**Section 2.03. Dates, Maturities, Principal Amounts and Interest.** The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.



**Section 2.04. Interest Payments.** The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**Section 2.05. Denominations, Numbers and Letters.** Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

**Section 2.06. Places of Payment and Paying Agent.** Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**Section 2.07. Sinking Fund Installments.** The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the Certificate of Determination, on each date in the year or years determined in the Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

**Section 2.08. Redemption Prices and Terms.** The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

**Section 2.09. Delegation to an Authorized Officer.** 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption, and in the case of taxable Refunding Bonds, any provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchasers referred to in the Purchase Agreement or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in

the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; or to enter into any new or amended State Service Contract necessary or advisable to effectuate the purposes of this Supplemental Resolution.

(l) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(m) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(n) to determine such other matters specified in or permitted by (i) Sections 201, 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution.

Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee prior to the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including, in order

to change interest rate modes or auction periods; if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and numbers of the individual subseries or to combine all subseries into a single Series, if any Refunding Bonds consist of a single Series, to divide such Series into two or more subseries and to determine the principal amount of each such subseries, obtain a substitute or additional Credit Facility or to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale.

**Section 2.10. Sale of Refunding Bonds.** If it is determined that any sale of Bonds shall be conducted on a negotiated basis, each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers who shall be on the list of underwriters then approved by the Issuer and shall be referred to in the Purchase Agreement or Agreements, which Purchase Agreement or Agreements shall be substantially in the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the officer executing the Purchase Agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final Official Statement in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form appended to the Purchase Agreement or Notice of Sale, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, tender agency agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate.** Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

**Section 2.12. Appointment of Trustee and Paying Agent.** Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A. shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

### ARTICLE III

#### DISPOSITION OF REFUNDING BOND PROCEEDS

**Section 3.01. Disposition of Refunding Bond Proceeds.** Any proceeds of the sale of the Refunding Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of the Refunding Bonds, at one time or from time to time in one or more Series or subseries, in the Proceeds Account which is deemed to be established for each Series in the Proceeds Fund to be applied, or shall otherwise be applied pursuant to a Certificate of Determination to:

- (a) the refunding of any Obligations in accordance with Section 2.02 hereof; and
- (b) the balance of such proceeds, exclusive of accrued interest, shall be deposited in the Costs of Issuance Account and applied to the payment of Costs of Issuance or otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, and any capitalized interest, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV

### TAX COVENANTS AND DEFEASANCE

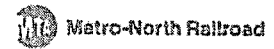
**Section 4.01. Tax Covenants Relating to the Refunding Bonds.** The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

**Section 4.02. Defeasance.** In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

# Schedule E: Miscellaneous Procurement Contracts



Item Number: E

Vendor Name (& Location) Railware, Inc.	
Description Replacement of TDPro Alarm Software-C & S Dept.	
Contract Term (Including Options, if any) One-time software upgrade	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source	

Contract Number 1000021253	AWO/Modification #
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total Amount:	\$185,000 (not-to-exceed)
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	

## Discussion:

Approval is requested for a non-competitive, negotiated, miscellaneous procurement contract with Railware, Inc. to upgrade the present Railware Track Driver Professional (TDPro) Alarm System Software Module in the total not-to-exceed amount of \$185,000. The TDPro Alarm System Software Module captures all mission-critical and safety sensitive alarms that the MNR Centralized Traffic Control (CTC) system generates and it is also responsible for notifying the Rail Traffic Controllers when alarm events occur. These alarms include loss of shunt, overrun, power off, loss of code lines, unsolicited indications and ground detection, among other alarms.

The TDPro module is a legacy software module originally designed to operate on the early operating systems dating back to when the CTC was originally commissioned in the mid 1990's. Since the consolidation of the North and the South CTC systems into one system platform, the module has become incapable of managing the volume of alarms being generated by the CTC system. The module needs to be rewritten so it can operate effectively and efficiently on today's operating software system platforms.

As the Original Equipment Manufacturer (OEM) of the CTC and the proprietary software developer for TDPro, Railware is the only authorized source for modifications made to its CTC systems and is uniquely qualified to provide expert support for all of the software applications and components installed with the CTC systems. These application software systems are unique to Metro-North.

Negotiations with Railware by MNR's P&MM Dept. resulted in a 7.5% or \$15,000 reduction in the original price proposed for the upgrade. The negotiated price of \$185,000 is 7.5% below the engineer's estimate and approximately 17% below the price for other complex software developments similar in nature to TDPro. The price of the upgrade includes design, implementation, testing and training of the TDPro alarm system over an eight week period. This procurement is to be funded by MNR's Operating Budget.



## Schedule H: Modifications to Personal and Miscellaneous Service Contracts



Capital Construction

Item Number: 1

Vendor Name (& Location)		Contract Number	AWO/Modification #
KRATOS/HBE		PS838	1
Description			
IESS Cisco Upgrade		Original Amount:	\$ 710,000
Contract Term (Including Options, if any)		Prior Modifications:	\$ 0
12 Months		Prior Budgetary Increases:	\$0
Option(s) included in Total Amount? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>		Current Amount:	\$ 710,000
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive		This Request	\$ 415,000
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification		% of This Request to Current Amount:	58.45%
Funding Source		% of Modifications (including This Request) to Original Amount:	58.45%
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:			
Requesting Dept/Div & Dept/Div Head Name:			
Security Program/Thomas Reed <i>[Signature]</i> 12/5/2012			

**I. DISCUSSION:**

This contract is for the upgrade of the existing Broadware software system to a Cisco system for the Integrated Electronic Security System ("IESS"). In accordance with Article III of the All Agency Guidelines for the Procurement of Services, MTACC requests Board approval for a modification to the contract to upgrade existing Intergraph software which must also be upgraded in order to complete the upgrade to the Cisco system.

The upgrade from the Broadware system to the Cisco system is required because Broadware Technology Inc. was acquired by Cisco and Cisco is no longer supporting the Broadware system. This modification is for the Intergraph software upgrade and will include installation, configuration, testing and problem resolution. Intergraph is the primary user interface software for the IESS to view and control video and access control. After award, a determination was made that for compatibility reasons, Cisco could not be updated without also upgrading Intergraph, in a controlled and coordinated fashion. A single qualified contractor's control of both upgrades is required in order to provide the necessary compatibility and functionality while maintaining our security operational readiness.

The Contractor proposed \$798,576 while the MTACC in-house estimate was \$404,147. Negotiations and scoping sessions were held and the parties agreed to a cost of \$415,000 which is considered fair and reasonable.



# Schedule H: Modifications to Personal Service & Miscellaneous Contracts

Item Number: 1

<b>Vendor Name (&amp; Location)</b> Fujitsu Network Communications (Richardson, TX)	
<b>Description</b> Maintenance and support services of communications equipment – SONET/ATM network	
<b>Contract Term (Including Options, if any)</b> January 1, 2010 – December 31, 2014	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a	
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Department of Subways, Carmen Bianco	

<b>Contract Number</b> 08L0028	<b>AWO/Modification #</b> 1
<b>Original Amount:</b>	\$ 1,925,000
<b>Prior Modifications:</b>	\$ 0
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 1,925,000
<b>This request</b>	\$ 414,126 (NTE)
<b>% of This Request to Current Amount:</b>	21.5%
<b>% of Modifications (Including This Request) to Original Amount:</b>	21.5%

## Discussion:

This modification is to provide maintenance and support services for 40 additional Fujitsu communication devices installed as part of SONET/ATM Communications Network System (SACNS) Phase 2. Included in these 40 additional devices are 36 new dense wave division multiplexing devices, two SONET multiplexers and two Carrier over Ethernet devices, which provide high speed communications over the network.

Phase 1 of the SACNS, under Contract No. W-32648, designed, furnished and installed a SONET network that transmits all Asynchronous Transfer Mode (ATM) switch traffic from passenger stations in Sub-division "A". Phase 2 of the SACNS, under Contract No. W-32652, provided the ATM switch and ancillary equipment required to complete the SACNS network for Sub-division "B". In both phases, the existing fiber optic cable was extended into each passenger station's communication room, which allowed for delivery of network connectivity to the passenger stations. NYC Transit is now in the process of closing out Contract No. W-32652 and, subsequent to closeout, in-house staff will be responsible for the operation of the SACNS equipment as well as for the coordination of maintenance and support that will be provided by the manufacturer, Fujitsu.

The Board, in June 2009, approved the award of a non-competitive five year contract to Fujitsu to provide unlimited on-site maintenance support of NYC Transit's 58 Fujitsu devices installed in the SACNS network. This service includes remote (24/7) technical assistance, training, software updates and new releases, repair and return of all parts, equipment and components, on-site support and troubleshooting. The work under this modification will provide the same level of service and maintenance support for 40 additional units that were provided under SACNS Phase 2 for the Sub-Division "B" and will be for the period of January 1, 2013 through December 31, 2014. Consistent with the basis of the original non-competitive award and due to the criticality of the network, maintenance of the Fujitsu equipment installed under SACNS Phase 2 will be obtained by contracting directly with the subsystems manufacturer.

Fujitsu's price of \$414,126 includes maintenance of 40 units for a 24 month period from January 1, 2013 through December 31, 2014. The unit price for support of this additional equipment reflects a 20% discount off their current list price and is the same discount that was applied to their GSA price list in the base contract. Based on this discount level, the price is considered fair and reasonable.

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**METROPOLITAN TRANSPORTATION AUTHORITY**  
**MID-YEAR AND NOVEMBER FORECASTS vs. ACTUAL RESULTS (NON-REIMBURSABLE)**  
**OCTOBER 2012 YEAR-TO-DATE**  
**(\$ in millions)**

	October Year-to-Date			Favorable(Unfavorable) Variance			
	Mid-Year Forecast	November Forecast	Actual	Mid-Year Forecast %		November Forecast %	
<b>Total Revenue</b>	<b>\$5,952.5</b>	<b>\$5,971.8</b>	<b>\$5,944.2</b>	<b>(\$8.3)</b>	<b>(0.1)</b>	<b>(\$27.6)</b>	<b>(0.5)</b>
<b>Total Expenses before Non-Cash Liability Adjs</b>	<b>8,615.5</b>	<b>8,587.9</b>	<b>8,501.4</b>	<b>114.3</b>	<b>1.3</b>	<b>86.6</b>	<b>1.0</b>
Depreciation	1,772.4	1,756.7	1,772.0	0.3	0.0	(15.2)	(0.9)
OPEB Obligation	1,320.5	1,396.0	1,338.5	(17.9)	(1.4)	57.5	4.1
Environmental Remediation	4.4	3.0	4.1	0.3	6.7	(1.1)	(37.1)
<b>Total Expenses</b>	<b>\$11,712.9</b>	<b>\$11,743.5</b>	<b>\$11,615.9</b>	<b>\$97.0</b>	<b>0.8</b>	<b>\$127.6</b>	<b>1.1</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$5,760.4)</b>	<b>(\$5,771.7)</b>	<b>(\$5,671.7)</b>	<b>\$88.7</b>	<b>1.5</b>	<b>\$100.0</b>	<b>1.7</b>
<b>Subsidies</b>	<b>\$4,736.3</b>	<b>\$4,759.1</b>	<b>\$4,773.0</b>	<b>\$36.7</b>	<b>0.8%</b>	<b>\$13.9</b>	<b>0.3%</b>
<b>Debt Service</b>	<b>\$1,794.8</b>	<b>\$1,741.3</b>	<b>\$1,768.2</b>	<b>\$26.6</b>	<b>1.5</b>	<b>(\$26.9)</b>	<b>(1.5)</b>

**NOTE:**

- Results are preliminary and subject to audit review
- Totals may not add due to rounding
- \* Variance exceeds 100%

**MTA CONSOLIDATED**  
**EXPLANATION OF MAJOR VARIANCES BETWEEN NOVEMBER FORECAST AND ACTUAL**  
**OCTOBER 2012 YEAR-TO-DATE**  
**(\$ in millions)**

	Favorable (Unfavorable)		Reason for Variance
	Variance	Percent	
Total Revenue	(\$27.6)	-0.5%	<p>The unfavorable YTD variance primarily reflects the impact of Tropical Storm Sandy on ridership and vehicle traffic levels, specifically, NYCT (\$17.9M), B&amp;T (\$6.8M) and MNR (\$2.3M).</p> <p><u>FMTAC</u> - (\$1.4M) unfavorable due to the impact of a negative shift in the market value of the invested asset portfolio.</p> <p><u>MTA HQ</u> - (\$0.6M) unfavorable variance is close to forecast.</p> <p><u>LIRR</u> - \$0.7M favorable primarily due to the timing of other operating revenue, partially offset by revenue loss as a result of service suspension due to Tropical Storm Sandy.</p> <p><u>MTA Bus</u> - \$0.5M favorable primarily due to higher other operating revenue receipts, partially offset by revenue loss as a result of service suspension due to Tropical Storm Sandy.</p> <p><u>SIR</u> - On forecast.</p>
Total Expenses	\$127.6	1.1%	<p><u>NYCT</u> - \$58.7M favorable primarily due to lower OPEB account expenses (\$53.0M) resulting from the timing of accrual adjustments, and lower total operating expenses (\$20.5M) mostly due to the timing of fringe benefit and non-labor expenses. Partially offsetting these results was an unfavorable variance of (\$14.8M) in depreciation expenses due to a retroactive adjustment in October that will be offset later in the year.</p> <p><u>LIRR</u> - \$27.7M favorable primarily due to curbed spending and the timing of expenses for: retiree unused sick payouts, pension accruals, FELA indemnity expenses, elevator/escalator maintenance, communications, IT hardware/software, outside legal services, miscellaneous inventory adjustments and rolling stock maintenance, pooled material chargeouts greater than reclaims; lower OPEB current expenses (due to fewer retirees), and lower rates and consumption for electric and fuel expense.</p>

**MTA CONSOLIDATED**  
**EXPLANATION OF MAJOR VARIANCES BETWEEN NOVEMBER FORECAST AND ACTUAL**  
**OCTOBER 2012 YEAR-TO-DATE**  
**(\$ in millions)**

	Favorable (Unfavorable)		Reason for Variance
	Variance	Percent	
			<p><u>MTA HQ</u> - \$16.4M favorable primarily due to the timing of expenses for: 2 Broadway, IESS, pensions, OPEB and professional service contracts.</p> <p><u>MNR</u> - \$13.2M favorable primarily due to lower non-labor spending for: electric power, maintenance and other operating contracts (e.g. IT, facility and shop maintenance, environmental remediation), materials &amp; supplies (e.g. propulsion and car body), other business expenses and OPEB obligation expenses.</p> <p><u>MTA Bus</u> - \$11.6M favorable mainly due to the timing of non-labor expenses.</p> <p><u>B&amp;T</u> - \$3.7M favorable primarily due to the timing of major maintenance projects.</p> <p><u>SIR</u> - \$0.3M favorable mostly due to the timing of a labor contract resolution and electric power and fuel underruns.</p> <p><u>Other Expense Adjustments</u> - \$8.1M favorable primarily due to B&amp;T capital transfers, GASB and MTA internal subsidies.</p> <p><u>FMTAC</u> - (\$11.8M) unfavorable primarily due to higher-than-forecasted claim expenses.</p>
Subsidies	13.9	0.3%	The favorable variance was mainly attributable to higher PMT and MTA Aid accruals due to timing, offset by lower City Subsidy to MTA Bus, also due to timing.
Debt Service	(26.9)	-1.5%	Debt service deposits for Transportation Revenue Bonds were made in October, thereby causing a timing variance of \$26.9 million.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Consolidated Accrual Statement of Operations by Category**  
**October 2012**  
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$446.9	\$426.7	(\$20.1)	(4.5)	\$0.0	\$0.0	\$0.0	-	\$446.9	\$426.7	(\$20.1)	(4.5)
Vehicle Toll Revenue	128.9	121.6	(7.3)	(5.7)	0.0	0.0	0.0	-	128.9	121.6	(7.3)	(5.7)
Other Operating Revenue	47.4	47.5	0.1	0.1	0.0	0.0	0.0	-	47.4	47.5	0.1	0.1
Capital & Other Reimbursements	0.0	0.0	0.0	-	127.6	121.4	(6.1)	(4.8)	127.6	121.4	(6.1)	(4.8)
<b>Total Revenue</b>	<b>\$623.2</b>	<b>\$595.8</b>	<b>(\$27.4)</b>	<b>(4.4)</b>	<b>\$127.6</b>	<b>\$121.4</b>	<b>(\$6.1)</b>	<b>(4.8)</b>	<b>\$750.8</b>	<b>\$717.2</b>	<b>(\$33.6)</b>	<b>(4.5)</b>
<b>Expenses</b>												
<b>Labor</b>												
Payroll	\$357.4	\$354.4	\$3.0	0.8	\$48.3	\$40.1	\$8.1	16.8	\$405.7	\$394.6	\$11.1	2.7
Overtime	38.7	51.0	(12.3)	(31.8)	5.4	11.0	(5.5)	*	44.2	62.0	(17.8)	(40.4)
Health and Welfare	69.7	69.1	0.6	0.7	5.4	4.7	0.7	13.5	75.1	73.8	1.3	1.7
OPEB Current Payment	36.1	34.0	2.1	5.9	0.0	0.0	0.0	-	36.1	34.0	2.1	5.9
Pensions	47.0	43.2	3.8	8.1	3.1	3.3	(0.2)	(5.9)	50.1	46.5	3.6	7.2
Other Fringe Benefits	42.0	42.4	(0.3)	(0.8)	13.2	11.4	1.8	13.4	55.3	53.8	1.4	2.6
Reimbursable Overhead	(27.1)	(29.6)	2.7	10.2	27.0	29.8	(2.8)	(10.3)	(0.0)	(0.0)	(0.0)	(49.6)
<b>Total Labor Expenses</b>	<b>\$563.9</b>	<b>\$564.3</b>	<b>(\$0.4)</b>	<b>(0.1)</b>	<b>\$102.4</b>	<b>\$100.3</b>	<b>\$2.1</b>	<b>2.1</b>	<b>\$666.3</b>	<b>\$664.6</b>	<b>\$1.7</b>	<b>0.3</b>
<b>Non-Labor</b>												
Electric Power	\$44.3	\$41.5	\$2.8	6.2	\$0.0	\$0.1	(\$0.1)	*	\$44.3	\$41.6	\$2.7	6.1
Fuel	21.9	21.6	0.3	1.4	0.0	0.0	(0.0)	(16.0)	21.9	21.6	0.3	1.4
Insurance	1.8	1.3	0.5	25.7	0.9	0.7	0.1	13.8	2.6	2.1	0.6	21.8
Claims	16.4	14.5	1.8	11.3	0.0	0.0	0.0	-	16.4	14.5	1.8	11.3
Paratransit Service Contracts	37.0	32.8	4.3	11.8	0.0	0.0	0.0	-	37.0	32.8	4.3	11.8
Maintenance and Other Operating Contracts	49.9	32.3	17.6	35.3	5.7	6.5	(0.8)	(13.2)	55.6	38.8	16.9	30.3
Professional Service Contracts	25.2	26.9	(1.7)	(6.8)	4.3	3.7	0.7	15.2	29.5	30.6	(1.1)	(3.6)
Materials & Supplies	44.1	33.2	11.0	24.9	13.0	9.9	3.1	23.9	57.1	43.0	14.1	24.6
Other Business Expenses	11.8	12.2	(0.4)	(3.2)	1.2	0.3	0.9	74.8	13.0	12.5	0.5	3.8
<b>Total Non-Labor Expenses</b>	<b>\$252.4</b>	<b>\$215.2</b>	<b>\$36.1</b>	<b>14.3</b>	<b>\$25.1</b>	<b>\$21.2</b>	<b>\$3.9</b>	<b>15.7</b>	<b>\$277.4</b>	<b>\$237.4</b>	<b>\$40.1</b>	<b>14.4</b>
<b>Other Expense Adjustments:</b>												
Other	3.4	2.9	0.5	16.1	0.0	0.0	0.0	-	3.4	2.9	0.5	16.1
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$3.4</b>	<b>\$2.9</b>	<b>\$0.5</b>	<b>16.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-</b>	<b>\$3.4</b>	<b>\$2.9</b>	<b>\$0.5</b>	<b>16.1</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$819.7</b>	<b>\$783.4</b>	<b>\$36.2</b>	<b>4.4</b>	<b>\$127.5</b>	<b>\$121.4</b>	<b>\$6.1</b>	<b>4.8</b>	<b>\$947.2</b>	<b>\$904.9</b>	<b>\$42.3</b>	<b>4.5</b>
Depreciation	191.0	199.7	(8.8)	(4.8)	0.0	0.0	0.0	-	191.0	199.7	(8.8)	(4.8)
OPEB Obligation	30.4	(23.1)	53.5	*	0.0	0.0	0.0	-	30.4	(23.1)	53.5	*
Environmental Remediation	0.2	0.2	(0.0)	(0.1)	0.0	0.0	0.0	-	0.2	0.2	(0.0)	(0.1)
<b>Total Expenses</b>	<b>\$1,041.2</b>	<b>\$980.2</b>	<b>\$61.0</b>	<b>7.8</b>	<b>\$127.5</b>	<b>\$121.4</b>	<b>\$6.1</b>	<b>4.8</b>	<b>\$1,168.7</b>	<b>\$1,081.6</b>	<b>\$87.1</b>	<b>7.4</b>
<b>Net Surplus/(Deficit) excluding Subsidies and Debt Service</b>	<b>(\$418.0)</b>	<b>(\$364.4)</b>	<b>\$53.6</b>	<b>12.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.0)</b>	<b>*</b>	<b>(\$418.0)</b>	<b>(\$364.4)</b>	<b>\$53.6</b>	<b>12.8</b>
Subsidies	223.8	337.4	113.6	50.8	0.0	0.0	0.0	-	223.8	337.4	113.6	50.8
Debt Service	174.6	204.5	(30.0)	(17.2)	0.0	0.0	0.0	-	174.6	204.5	(30.0)	(17.2)

- Results are preliminary and subject to audit review.

- Differences are due to rounding.

\* Variance exceeds 100%.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Consolidated Accrual Statement of Operations by Category**  
**October Year-to-Date**  
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$4,241.6	\$4,242.7	\$1.1	0.0	\$0.0	\$0.0	\$0.0	-	\$4,241.6	\$4,242.7	\$1.1	0.0
Vehicle Toll Revenue	1,263.4	1,253.7	(9.7)	(0.8)	0.0	0.0	0.0	-	1,263.4	1,253.7	(9.7)	(0.8)
Other Operating Revenue	447.5	447.8	0.3	0.1	0.0	0.0	0.0	-	447.5	447.8	0.3	0.1
Capital & Other Reimbursements	0.0	0.0	0.0	-	1,181.3	1,146.4	(34.9)	(3.0)	1,181.3	1,146.4	(34.9)	(3.0)
<b>Total Revenue</b>	<b>\$5,952.5</b>	<b>\$5,944.2</b>	<b>(\$8.3)</b>	<b>(0.1)</b>	<b>\$1,181.3</b>	<b>\$1,146.4</b>	<b>(\$34.9)</b>	<b>(3.0)</b>	<b>\$7,133.8</b>	<b>\$7,090.6</b>	<b>(\$43.2)</b>	<b>(0.6)</b>
<b>Expenses</b>												
<b>Labor</b>												
Payroll	\$3,484.1	\$3,476.7	\$7.3	0.2	\$416.2	\$392.8	\$23.4	5.6	\$3,900.3	\$3,869.5	\$30.7	0.8
Overtime	408.4	445.7	(37.2)	(9.1)	83.0	93.3	(10.3)	(12.4)	491.5	538.9	(47.5)	(9.7)
Health and Welfare	707.6	699.0	8.5	1.2	43.6	43.9	(0.3)	(0.7)	751.2	742.9	8.2	1.1
OPEB Current Payment	349.6	348.0	1.5	0.4	0.0	0.0	0.0	-	349.6	348.0	1.6	0.4
Pensions	1,191.2	1,222.8	(31.6)	(2.7)	46.0	60.9	(14.9)	(32.4)	1,237.2	1,283.8	(46.5)	(3.8)
Other Fringe Benefits	449.0	447.6	1.3	0.3	113.9	110.5	3.4	3.0	562.9	558.2	4.7	0.8
Reimbursable Overhead	(276.9)	(265.6)	(11.4)	(4.1)	276.5	265.3	11.2	4.0	(0.4)	(0.3)	(0.2)	(40.6)
<b>Total Labor Expenses</b>	<b>\$6,312.9</b>	<b>\$6,374.4</b>	<b>(\$61.5)</b>	<b>(1.0)</b>	<b>\$879.2</b>	<b>\$866.7</b>	<b>\$12.5</b>	<b>1.3</b>	<b>\$7,292.1</b>	<b>\$7,341.1</b>	<b>(\$49.0)</b>	<b>(0.7)</b>
<b>Non-Labor</b>												
Electric Power	\$422.0	\$401.3	\$20.7	4.9	\$0.2	\$0.7	(\$0.4)	-	\$422.2	\$402.0	\$20.2	4.8
Fuel	215.2	208.4	6.8	3.2	0.0	0.0	(0.0)	(1.3)	215.3	208.5	6.8	3.2
Insurance	14.9	12.8	2.1	14.0	8.2	7.2	1.0	12.8	23.1	19.9	3.1	13.5
Claims	159.8	177.0	(17.3)	(10.8)	0.0	0.0	0.0	-	159.8	177.0	(17.3)	(10.8)
Paratransit Service Contracts	316.2	302.8	13.4	4.2	0.0	1.5	(1.5)	-	316.2	304.3	11.9	3.8
Maintenance and Other Operating Contracts	417.7	356.0	61.8	14.8	50.5	54.4	(3.9)	(7.7)	468.2	410.3	57.9	12.4
Professional Service Contracts	213.2	195.4	17.8	8.4	32.2	29.6	2.7	8.3	245.4	224.9	20.5	8.4
Materials & Supplies	396.2	358.7	37.6	9.5	105.6	82.8	22.8	21.6	501.8	441.5	60.4	12.0
Other Business Expenses	124.1	91.8	32.3	26.1	5.3	3.6	1.7	32.1	129.5	95.4	34.1	26.3
<b>Total Non-Labor Expenses</b>	<b>\$2,279.4</b>	<b>\$2,104.2</b>	<b>\$175.2</b>	<b>7.7</b>	<b>\$202.1</b>	<b>\$179.7</b>	<b>\$22.4</b>	<b>11.1</b>	<b>\$2,481.4</b>	<b>\$2,283.8</b>	<b>\$197.6</b>	<b>8.0</b>
<b>Other Expense Adjustments:</b>												
Other	23.4	22.8	0.5	2.3	0.0	0.0	0.0	-	23.4	22.8	0.5	2.3
General Reserve	0.0	0.0	0.0	-	0.0	0.0	0.0	-	0.0	0.0	0.0	-
<b>Total Other Expense Adjustments</b>	<b>\$23.4</b>	<b>\$22.8</b>	<b>\$0.5</b>	<b>2.3</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>-</b>	<b>\$23.4</b>	<b>\$22.8</b>	<b>\$0.5</b>	<b>2.3</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$8,615.6</b>	<b>\$8,501.4</b>	<b>\$114.2</b>	<b>1.3</b>	<b>\$1,181.3</b>	<b>\$1,146.4</b>	<b>\$34.9</b>	<b>3.0</b>	<b>\$9,796.9</b>	<b>\$9,647.8</b>	<b>\$149.1</b>	<b>1.5</b>
Depreciation	1,772.4	1,772.0	0.4	0.0	0.0	0.0	0.0	-	1,772.4	1,772.0	0.4	0.0
OPEB Obligation	1,320.5	1,338.4	(17.9)	(1.4)	0.0	0.0	0.0	-	1,320.5	1,338.4	(17.9)	(1.4)
Environmental Remediation	4.4	4.1	0.4	8.0	0.0	0.0	0.0	-	4.4	4.1	0.4	8.0
<b>Total Expenses</b>	<b>\$11,712.9</b>	<b>\$11,615.9</b>	<b>\$97.0</b>	<b>0.8</b>	<b>\$1,181.3</b>	<b>\$1,146.4</b>	<b>\$34.9</b>	<b>3.0</b>	<b>\$12,894.2</b>	<b>\$12,762.2</b>	<b>\$131.9</b>	<b>1.0</b>
<b>Net Surplus/(Deficit) excluding Subsidies and Debt Service</b>	<b>(\$5,760.4)</b>	<b>(\$5,671.7)</b>	<b>\$88.7</b>	<b>1.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.0)</b>	<b>-</b>	<b>(\$5,760.4)</b>	<b>(\$5,671.7)</b>	<b>\$88.7</b>	<b>1.5</b>
Subsidies	4,736.3	4,773.0	36.7	0.8	0.0	0.0	0.0	-	4,736.3	4,773.0	36.7	0.8
Debt Service	1,794.8	1,768.2	26.6	1.5	0.0	0.0	0.0	-	1,794.8	1,768.2	26.6	1.5

- Results are preliminary and subject to audit review.

- Differences are due to rounding.

\* Variance exceeds 100%.

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(\$ in millions)

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Generic Revenue or Expense Category	Nonreimb or Reimb	OCTOBER		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Farebox Revenue	NR	(20.1)	(4.5)	Lower ridership attributed to Tropical Storm Sandy resulted in unfavorable passenger revenue at NYCT, MNR, MTA Bus and the LIRR of (\$16.2M), (\$2.4M), (\$0.8M) and (\$0.7M) respectively.	1.1	0.0	Year-to-date revenues were only slightly higher due to the negative impact of Tropical Storm Sandy which negated over \$20M in higher revenues reported through September. NYCT and the LIRR were favorable by \$5.5M and \$1.8M, respectively, while MNR and MTA Bus were unfavorable by (\$4.9M) and (\$1.2M), respectively.
Vehicle Toll Revenue	NR	(7.3)	(5.7)	The unfavorable result was primarily due to lower traffic volume and average toll as a result of Tropical Storm Sandy.	(9.7)	(0.8)	The unfavorable result was primarily due to lower traffic volume and average toll, primarily as a result of Tropical Storm Sandy.
Other Operating Revenue	NR	0.1	0.1	Higher revenues during the month reflect favorable outcomes of: \$0.6M at MNR due to higher advertising revenue and station rents; \$0.4M at the LIRR due to higher rentals; and \$0.3M at MTA Bus due to higher student fare reimbursements, insurance recoveries and misc revenues. These outcomes were partially offset by an unfavorable result of (\$1.4M) at FMTAC due to a negative shift in the market value of the invested asset portfolio.	0.3	0.1	Higher YTD revenues reflect favorable outcomes of \$3.9M at MNR due to higher net GCT retail revenue and greater station rents and concessions, \$2.2M at B&T due to higher revenue from the Battery Parking Garage, E-ZPass administrative fees, and non-revenue fleet vehicle auctions, \$1.1M at MTA Bus due to greater student fare reimbursements and insurance recoveries, and \$0.7M at the LIRR due to higher station privileges, rental and miscellaneous revenue. These outcomes were partially offset by unfavorable results of (\$6.6M) at FMTAC due to the impact of a negative shift in the market value of the invested asset portfolio, and (\$1.0M) at MTA HQ due to lower rental income and the timing of sales at the Transit Museum.
Payroll	NR	3.0	0.8	A higher number of vacancies resulted in favorable variances of \$1.4M at NYCT, \$1.2M at MTAHQ, \$1.0 at B&T, and \$0.9M at MNR. These results were partially offset by unfavorable variances of (\$1.0M) at MTA Bus due to higher rates of pay and reimbursable billings, and (\$0.5M) at SIR, mostly attributable to timing.	7.3	0.2	Higher vacancies were primarily responsible for YTD favorable variances of \$4.8M at B&T, \$4.0M at MTAHQ, \$3.3M at the LIRR, \$1.7M at NYCT, and \$0.7M at SIR. These results were partially offset by an unfavorable variance of (\$7.8M) at MTA Bus, primarily due to higher average rates of pay and timing.
Overtime	NR	(12.3)	(31.8)	The overage was primarily driven by additional requirements for vacancy/availability coverage and signals and bus maintenance at NYCT (\$5.7M); greater open job coverage requirements, relief day overtime, and higher rates at the LIRR (\$3.9M); higher coverage required for Tropical Storm Sandy at MNR (\$1.3M); and higher vacancy/absence coverage at MTA Bus (\$0.6M); and the timing of reimbursements for directed patrol at MTA HQ (\$0.5M). (See Overtime Decomposition Report for more details)	(37.2)	(9.1)	The YTD overage reflects the impact of reclassification adjustments (partially offset in payroll), additional requirements for vacancy/availability coverage, and higher signals, track and bus maintenance to eliminate backlogs at NYCT (\$24.1M); higher open job coverage, relief day overtime, and rates at the LIRR (\$7.0M); the impacts of the summer preventive maintenance initiative, traffic delays due to construction, and higher vacancies/absence coverage (including coverage for Tropical Storm Sandy) at MTA Bus (\$3.3M); the timing of reimbursements for directed patrol at MTA HQ (\$1.2M); Tropical Storm Sandy coverage at MNR (\$1.0M); and vacancy coverage requirements at SIR (\$0.6M). (See Overtime Decomposition Report for more details)
Health and Welfare	NR	0.5	0.7	NYCT and MTA Bus had favorable variances of \$1.3M and \$0.3M, respectively, primarily due to timing. Partially offsetting these results were unfavorable variances of (\$0.6M) and (\$0.5M) at MTA HQ and the LIRR, respectively, primarily due to higher rates. Other agency variances were minor.	8.5	1.2	Timing was responsible for favorable variances at NYCT and MNR of \$9.9M and \$1.3M, respectively. MTA HQ, the LIRR and B&T were unfavorable by (\$1.4M), (\$0.7M) and (\$0.3M), respectively, primarily due to higher rates. SIR was unfavorable by (\$0.2M) primarily due to timing.

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(\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	OCTOBER		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
OPEB - Current Payment	NR	2.1	5.9	The overall favorable variance was primarily due to the timing of expenses: NYCT (\$2.6M); the LIRR (\$0.7M); and B&T (\$0.2M). These results were partially offset by an unfavorable variance of (\$1.1M) at MTA Bus due to a higher number of retirees.	1.6	0.4	The overall favorable variance was attributable to fewer retirees and timing: The LIRR (\$2.5M); NYCT (\$1.9M); and B&T (\$0.7M). These results were partially offset by unfavorable variances of (\$1.6M) at MTA Bus; (\$1.1M) at MTAHQ; and increased medical premiums for retirees of (\$0.8M) at MNR.
Pensions	NR	3.8	8.1	Timing was responsible for favorable variances of \$3.3M and \$1.6M at the LIRR and MTAHQ, respectively, and an unfavorable variance of (\$0.2M) at SIR. MTABus was (\$0.7M) unfavorable due to an actuarial re-estimate.	(31.6)	(2.7)	The unfavorable result was mainly due to higher accrued expenses applicable to the NYCERS fiscal-year ending June, 2013 at NYCT (\$30.2M), the timing of accruals at the LIRR (\$3.1M) and SIR (0.7M), and prior period charges at MTA Bus (\$3.3M). These results were partially offset by favorable variances of \$5.5M at MTAHQ and \$0.3M at MNR due to timing.
Other Fringe Benefits	NR	(0.3)	(0.8)	NYCT had an unfavorable variance of (\$0.5M) primarily due to lower direct overhead credits resulting from reimbursable payroll underruns. MTAHQ was unfavorable by (\$0.4M), primarily due to the timing of FICA expenses. Partially offsetting these results were favorable variances at MNR of \$0.4M, primarily due to lower employee claims payments; and at B&T, \$0.2M, primarily due to higher vacancies.	1.3	0.3	The overall result was attributable to favorable variances of \$4.4M at the LIRR reflecting lower FELA indemnity payments, Railroad Retirement taxes and Unemployment Insurance, and \$2.3M at MNR primarily due to higher vacancies and lower employee claims. B&T was favorable by \$0.6M due to vacancies. MTA Bus was favorable by \$0.3M. Partially offsetting these results were unfavorable variances due to timing -- (\$4.9M) at NYCT due to higher Workers' Compensation costs and lower direct overhead credits; and (\$1.1M) at MTA HQ due primarily to the timing FICA expenses and FELA.
Reimbursable Overhead	NR	2.7	10.2	The favorable result largely reflects the timing of expense recovery billings of \$2.7M at MTAHQ, and higher project activity at NYCT and MNR of (\$0.7M) and (\$0.3M), respectively. These results were partially offset by unfavorable variances of (\$0.6M) at the LIRR and (\$0.3M) at B&T. The overall favorable result has a corresponding unfavorable impact (higher expenses) on the reimbursable budget.	(11.4)	(4.1)	The year-to-date result largely reflects the impact of lower project activity--(\$3.6M) at NYCT, (\$3.5M) at MNR, (\$3.3M) at the LIRR, and (\$0.3M) at B&T. MTAHQ had an unfavorable variance of (\$0.7M) due to the timing of expense recovery billings. The overall unfavorable result has a corresponding favorable impact (lower expenses) on the reimbursable budget.
Electric Power	NR	2.8	6.2	The overall favorable outcome primarily reflects the impact of lower consumption (primarily due to the suspension of service in anticipation of Tropical Storm Sandy), rates and the timing of adjustments: \$2.2M at NYCT; \$1.0M at MNR; and \$0.4M at MTA HQ. These results were partially offset by the unfavorable timing of electrical facilities payments, (\$1.1M), at the LIRR.	20.7	4.9	The overall favorable outcome primarily reflects lower consumption (including the impacts in anticipation of Tropical Storm Sandy), rates, and the timing of adjustments: \$8.5M at the LIRR, \$5.6M at MNR, \$4.3M at NYCT, \$1.0M at B&T, \$0.7M at MTA HQ and \$0.5M at SIR.
Fuel	NR	0.3	1.4	Variance primarily reflects timing: MTA Bus \$0.8M favorable; MNR \$0.2M favorable; NYCT (\$0.7M) unfavorable.	6.8	3.2	Timing accounted for most of the favorable variance of \$5.9M at MTA Bus and \$0.4M at MTA HQ. The LIRR was \$0.8M favorable primarily due to lower consumption. Partially offsetting these results was an unfavorable variance of (\$0.4M) at MNR in part due to higher fuel prices.

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Generic Revenue or Expense Category	Nonreimb or Reimb	OCTOBER		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Insurance	NR	0.5	25.7	Timing was responsible for the favorable variance at FMTAC of \$0.5M. Other agency variances were minor.	2.1	14.0	Timing was responsible for the favorable variance of \$3.5M at FMTAC and unfavorable variances at MTA HQ and NYCT of (\$0.5M) and (\$0.4M), respectively. B&T was (\$0.6M) unfavorable, primarily due to higher property insurance expenses. Other agency variances were minor.
Claims	NR	1.8	11.3	FMTAC was \$1.8M favorable due to a reduction in required reserves based on an actuarial re-estimate.	(17.3)	(10.8)	FMTAC was unfavorable by (\$13.5M) due to an increase in required reserves based on an actuarial re-estimate. NYCT, MTAHQ and MNR were unfavorable by (\$2.1M), (\$0.4M) and (\$0.2M), respectively, due to higher-than-anticipated payouts. The LIRR was (\$1.1M) unfavorable due to timing.
Paratransit Service Contracts	NR	4.3	11.6	Variance due to the timing of expenses and the increased utilization of lower cost taxis and vouchers.	13.4	4.2	The favorable outcome at NYCT was mostly due to increased utilization by riders of lower costing taxis and vouchers, fewer completed trips, reduced call center activity, stricter eligibility certifications, and fewer vehicle rehabilitations.
8-IX Maintenance and Other Operating Contracts	NR	17.6	35.3	The overall favorable result was largely attributable to lower spending and timing at: NYCT (\$6.0M) for maintenance service & repairs, painting and vehicle purchases; MTA HQ (\$4.7M) for maintenance and repairs; B&T (\$3.0M) for E-ZPass tag purchases, major maintenance and painting; MTA Bus (\$1.6M) primarily timing; the LIRR (\$1.5M) for elevator & escalator maintenance, security, communications and joint facilities; and MNR (\$0.8M) for New Haven shop improvements and non-revenue vehicle maintenance, as well as the timing of GCT and rental expenses.	61.8	14.8	The overall favorable result was largely attributable to repressed spending and timing at: NYCT (\$14.2M) for facility maintenance, painting and vehicle purchases; B&T (\$12.6M) for major maintenance, painting, facility maintenance and repair services, E-ZPass tag purchases and telephone services; MTA HQ (\$11.1M) mostly for maintenance and repair expenses; MNR (\$10.8M) primarily for deferred locomotive overhauls, M-2 car disposals, vehicle repairs, facility maintenance, shop equipment and telephone services; MTA Bus (\$7.1M) for Nova Bus overhauls; and the LIRR (\$5.8M) for rubbish removal, communications, plant equipment, elevator & escalator maintenance, IESS and security.
Professional Service Contracts	NR	(1.7)	(6.8)	The overall unfavorable variance was mainly due to timing: MTA HQ (\$3.3M) for a NYS assessment on debt issued in 2012 and temporary services; the LIRR (\$0.8M) for MTA chargebacks; and MNR (\$0.4M) primarily for bridge inspection billings. Partially offsetting these results was a \$2.5M favorable variance at NYCT due to the timing of expenses for office related equipment and supplies.	17.8	8.4	The overall favorable variance was mainly due to curbed spending and the timing of expenses at: MTA HQ (\$6.7M) for hardware/software purchases, 2 Broadway and MTA PD services; the LIRR (\$5.6M) for IT software/hardware, data center, training, postage and consulting; B&T (\$2.5M) for planning studies, financial services fees, office equipment maintenance and repair and consulting; MNR (\$2.2M) for legal services, IT, audit, training, medical, advertising and bridge inspections; and MTA Bus (\$0.7M).
Materials & Supplies	NR	11.0	24.9	The favorable result largely reflects the timing of: vehicle maintenance requirements and inventory obsolescence adjustments at NYCT (\$5.0M); corporate inventory adjustments and lower usage of running repair material in the Support Shops at the LIRR (\$3.6M); lower usage of rolling stock parts and supplies at MNR (\$2.0M); and lower expenses for small equipment and supplies at B&T (\$0.3M).	37.6	9.5	Lower-than-forecasted usage as a result of changes in project schedules (timing) resulted in favorable outcomes of: \$19.0M at the LIRR, \$7.5M at NYCT, \$6.4M at MNR, \$2.7M at MTA Bus, \$1.3M at B&T, and \$0.6M at SIR.

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**(\$ in millions)**

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Generic Revenue or Expense Category	Nonreimb or Reimb	OCTOBER		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)			Favorable (Unfavorable)		
		\$	%		\$	%	
Other Business Expenses	NR	(0.4)	(3.2)	FMTAC was (\$1.6M) unfavorable due to higher general and administrative expenses and the LIRR was (\$1.0M) unfavorable due to timing. These results were partially offset by favorable variances of \$1.1M at NYCT primarily due to lower Metro Card Vending Machine (MVM) debit/credit card fees and stationery expenses; \$0.5M at MNR as a result of lower non-operating expenses for Maintenance of Equipment; \$0.3M at MTAHQ due the timing of Metro-Card inventory purchases and; \$0.2M at MTABus due to timing.	32.3	26.1	MTAHQ was \$22.1M favorable due the timing of a prior-year SIRTOA reimbursement. MNR was \$6.3M favorable as a result of lower NJT Subsidy Payments due to an over accrual of 2011 costs related to Tropical Storm Irene. NYCT was \$3.8M favorable primarily due to lower Metro Card Vending Machine (MVM) debit/credit card fees and stationery expenses. B&T and the LIRR were favorable by \$1.6M and \$0.2M, respectively, due to timing and lower debit/credit card fees. MTABus was \$0.6M favorable due to timing. These results were partially offset by an unfavorable variance of (\$2.2M) at FMTAC due to higher general and administrative expenses.
Other Expense Adjustments	NR	0.5	16.1	Variance due to the timing of expenses.	0.5	2.3	Variance due to the timing of expenses.
Depreciation	NR	(8.8)	(4.6)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$12.7M) at NYCT, (\$0.5M) at MTA Bus, and (\$0.4M) at MTAHQ, and favorable variances of \$3.4M at MNR and \$1.1M at the LIRR.	0.4	0.0	Minor variance.
Other Post-Employment Benefits	NR	53.5	*	Reflects the value associated with the unfunded accrued liability for post employment benefits.	(17.9)	(1.4)	Reflects the value associated with the unfunded accrued liability for post employment benefits.
Environmental Remediation	NR	(0.0)	(0.1)	Minor variance.	0.4	8.0	Favorable variance reflects overall lower remediation efforts: MNR \$2.6M favorable; and MTA Bus (\$2.2M) unfavorable.
Capital & Other Reimbursements	R	(6.1)	(4.8)	Timing and changes in capital project activity were primarily responsible for the following unfavorable results: (\$6.3M) at NYCT; (\$2.9M) at the LIRR; (\$0.8M) at MTACC; (\$0.6M) at MTA Bus and (\$0.5M) at B&T. These results were partially offset by favorable variances of \$2.7M and \$2.2M at MNR and MTAHQ, respectively.	(34.9)	(3.0)	Timing and changes in capital project activity were primarily responsible for the following unfavorable results: (\$18.4M) at MNR; (\$11.1M) at the LIRR; (\$2.9M) at MTACC; (\$1.9M) at MTA HQ; and (\$1.8M) at MTA Bus. These results were partially offset by favorable variances of \$0.5M at both NYCT and SIR.
Payroll	R	8.1	16.8	The overall favorable variance was primarily due to timing and changes in project activity: NYCT (\$6.9M); the LIRR (\$1.1M); and MTA Bus (\$0.4M). Other agency variances were minor.	23.4	5.6	The YTD favorable variance was primarily due to timing and changes in project activity: NYCT (\$15.0M); the LIRR (\$4.0M); MNR (\$3.4M); MTA Bus (\$1.1M); and MTACC (\$0.6M). These results were partially offset by an unfavorable variance of (\$0.4M) at B&T, and (\$0.2M) at SIR.
Overtime	R	(5.5)	*	The unfavorable outcome was primarily the result of additional track work requirements at NYCT (\$4.5M), higher-than-projected activity on the West Haven Station and Danbury Branch Signal System projects at MNR (\$0.6M), and the timing of project activity at the LIRR (\$0.5M).	(10.3)	(12.4)	The year-to-date unfavorable outcome was primarily attributable to NYCT (\$7.5M) resulting from additional track work requirements, and the timing of project activity at both the LIRR and MNR of (\$1.5M).

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Generic Revenue or Expense Category	Nonreimb or Reimb	OCTOBER		Reason for Variance	YEAR-TO-DATE		Reason for Variance
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Health and Welfare	R	\$ 0.7	13.5	Timing was responsible for the favorable variance at NYCT of \$0.6M. Other agency variances were minor.	\$ (0.3)	(0.7)	NYCT and B&T had unfavorable variances of (\$1.3M) and (\$0.3M), respectively, due to timing. Partially offsetting these results were favorable variances of \$0.5M at both MTACC and MNR, primarily due to lower project activity. Other agency variances were minor.
Pensions	R	(0.2)	(5.9)	The timing of accruals was responsible for an unfavorable variance of (\$0.3M) at the LIRR. All other agency variances were minor.	(14.9)	(32.4)	NYCT was (\$13.1M) unfavorable due to higher NYCERS expenses based on current actuarial information. The timing of accruals was responsible for unfavorable variances of (\$2.8M), (\$0.2M) and (\$0.2M) at the LIRR, MTAHQ and SIR, respectively. These results were partially offset by favorable variances of \$0.9M at MNR due to lower project activity and \$0.3M at MTACC.
Other Fringe Benefits	R	1.8	13.4	NYCT had a favorable variance of \$1.8M primarily due to lower direct overhead expenses resulting from reimbursable payroll underruns. Partially offsetting this result was an unfavorable variance at MNR of (\$0.2M) primarily due to higher rates and project activity. Other agency variances were minor.	3.4	3.0	NYCT had a favorable variance of \$3.0M primarily due to lower direct overhead expenses resulting from reimbursable payroll underruns. MTACC was favorable by \$0.5M primarily due to lower engineering overhead rates for project employees. The LIRR had a favorable variance of \$0.4M, primarily due to timing. Partially offsetting these results was an unfavorable variance at MTA HQ of (\$0.3M) due to a claims accrual adjustment.
Reimbursable Overhead	R	(2.8)	(10.3)	The unfavorable result largely reflects the timing of expense recovery billings of (\$2.7M) at MTAHQ, and higher project activity at NYCT and MNR of (\$0.7M) and (\$0.4M), respectively. These results were partially offset by favorable variances of \$0.6M at the LIRR and \$0.3M at B&T. The overall unfavorable result has a corresponding favorable impact (lower expenses) on the non-reimbursable budget.	11.2	4.0	The year-to-date result largely reflects the impact of lower project activity—\$3.6M at NYCT; \$3.3M at both MNR and the LIRR; and \$0.3M at B&T. MTAHQ had an favorable variance of \$0.7M due to the timing of expense recovery billings. The overall favorable result has a corresponding unfavorable impact (higher expenses) on the non-reimbursable budget.
Electric Power	R	(0.1)	-	Minor variance.	(0.4)	-	Minor variance.
Insurance	R	0.1	13.8	Agency variances were minor.	1.0	12.6	The LIRR had a favorable variance of \$0.8M primarily due to lower Force Account Insurance associated with project activity. MNR was favorable by \$0.4M, primarily due to lower project activity.
Paratransit Service Contracts	R	-	-	No variances.	(1.5)	-	Unfavorable outcome reflects funding for the Automatic Vehicle Locator and Interactive Voice Response systems at NYCT.
Maintenance and Other Operating Contracts	R	(0.8)	(13.2)	Unfavorable results primarily reflect higher costs at MNR for the New Haven Independent Wheel True Shop. Other agency variances were minor.	(3.9)	(7.7)	Unfavorable YTD results reflect the timing of safety equipment expenses at NYCT (\$2.2M) and project activity at the LIRR (\$2.0M). Partially offsetting these results was a favorable variance of \$0.3M at MTA Bus primarily due timing.

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OCTOBER					YEAR-TO-DATE				
Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)		Reason for Variance	Favorable (Unfavorable)		Reason for Variance		
		\$	%		\$	%			
Professional Service Contracts	R	0.7	15.2	The overall favorable results were due to timing: (\$1.3M) at NYCT for data center expenses; (\$0.5M) at MTA HQ for West Side Yard project activity; (\$0.3M) at MTA CC for engineering services; and (\$0.3M) at the LIRR for project activity. Partially offsetting these results was an unfavorable variance of (\$1.9M) at MNR due to the timing of West Haven Station project expenses.	2.7	8.3	The overall favorable results were due to timing: (\$2.0M) at the LIRR for project activity; (\$1.4M) at MTA HQ for risk management and West Side Yard project activity; and (\$0.8M) at MTA CC for MTA chargebacks and engineering services. Partially offsetting these results were unfavorable variances of (\$0.8M) at NYCT primarily due to the timing of EDP repair and information technology expenses, and West Haven Station project expenses at MNR (\$0.7M).		
Materials & Supplies	R	3.1	23.9	The favorable outcome was primarily a result of timing and changes in project activity, and payments for project material--\$1.6 at the LIRR and \$0.8M at MNR. NYCT was \$0.8M favorable, largely due to the timing of vehicle maintenance requirements.	22.8	21.6	The year-to-date favorable outcome largely reflects the impact of scheduling and scope changes on a number of projects -- \$11.1M at MNR and timing and payments for material--\$6.7M at the LIRR; and the timing of non-vehicle maintenance requirements--\$5.1M at NYCT.		
Other Business Expenses	R	0.9	74.8	MNR was \$0.8M favorable due to lower-than projected expenses on the New Haven Independent Wheel True Shop, PBX Equipment Upgrade project and Positive Train Control project.	1.7	32.1	Timing was responsible for most of the favorable variances at MNR, MTACC and the LIRR of \$1.6M, \$0.4M and \$0.3M, respectively and an unfavorable variance of (\$0.7M) at NYCT.		
Subsidies	NR	113.6	50.8	The favorable variance of \$113.6M for the month was the result of higher Payroll Mobility Taxes (PMT) that exceeded the budget by \$119.7M due primarily to timing of accrual for PMT Replacement Funds (\$50.0M) and timing accrual adjustments (\$69.7M), and to favorable real estate taxes of \$4.6M. This was primarily offset by unfavorable City Subsidy to MTA Bus (\$13.8M), due to timing.	36.7	0.8	The favorable year-to-date variance of \$36.7M was due to higher PMT (\$34.3M) and MTA Aid (\$17.6M) due to timing of accruals, and to higher real estate transactions (\$24.5M) due to higher than expected real estate activity in the MCTD region and in New York City. This was partially offset by unfavorable City Subsidies to MTA Bus (\$41.7M) due to timing.		
Debt Service	NR	(30.0)	(17.2)	The unfavorable variance of \$30.0 million or 17.2% was due to timing of debt service deposits related to refundings and also to the deposit of November's debt service for Transportation Revenue bonds during the month of October, in addition to timing of new money transactions.	26.6	1.5	The favorable variance of \$26.6 million or 1.5% was primarily due to lower-than-budgeted variable rates. Debt service estimates have been adjusted in the November Final Forecast to reflect the savings realized from lower variable rates.		

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan – Mid-Year Forecast**  
**Overtime Reporting**  
**October 2012**

The attached table presents consolidated results of overtime on the basis of hours and costs, followed by an overtime legend.

For detailed overtime results please refer to the Agency reports located in the financial reporting sections of Agency operating committee agendas.

Below is a summary of the major consolidated variances for October 2012 (month and year-to-date).

**2012 OVERTIME REPORTING - PRELIMINARY OCTOBER RESULTS (NON-REIMBURSABLE)**

**Month**

Total overtime was (\$12.1M), or (31%), unfavorable to forecast.

*Programmatic/Routine Maintenance* had an unfavorable variance of (\$4.4M), the bulk of which was incurred by NYCT, mostly due to efforts to mitigate backlogs in signals, and greater subway track maintenance requirements.

*Weather Emergencies* had an unfavorable variance of (\$3.7M), most of which was attributable to preparation work performed in anticipation of Tropical Storm Sandy.

*Vacancy/Absentee Coverage* had a (\$2.8M) unfavorable variance mostly attributable to:

- NYCT – vacancies specifically in train operators, conductors, and RTO supervisor positions;
- LIRR – vacancies in the Maintenance of Equipment Department, Train Operations and Customer Service.

*Unscheduled Service* had an unfavorable variance of (\$1.3M) mostly attributable to bus traffic delays, diversions, and extra bus trips at NYCT.

**Year-to-Date**

Total year-to-date overtime was (\$36.6M), or (9%), unfavorable to forecast.

*Vacancy/Absentee Coverage* was (\$14.1M) unfavorable mostly due to vacancies and availability issues at NYCT, the LIRR, MTA Bus, and B&T.

*Programmatic/Routine Maintenance* was (\$13.2M) unfavorable mostly due to:

- NYCT – (\$13.6M) in additional coverage required to mitigate maintenance and inspection backlogs in Signals, and fleet reliability maintenance improvements on buses; and



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan – Mid-Year Forecast**  
**Overtime Reporting**  
**October 2012**

- MTA Bus – (\$1.7M) reflects the impact of expedited summer preventive maintenance efforts.
- These results were partially offset by favorable variances of \$1.2M at the LIRR due to increased management oversight of Maintenance of Equipment, and \$0.8M at MNR due mainly to better-than-anticipated rolling stock performance and fewer right-of-way maintenance needs.

*Unscheduled Service* was (\$9.9M) unfavorable mostly attributable to NYCT and is reflective of reclassification adjustments (partially offset in Payroll), and the impact of bus traffic delays, diversions, and extra bus trips.

*Weather Emergencies* was (\$2.9M) unfavorable mostly due to preparation work performed in anticipation of Tropical Storm Sandy.

*Other* of \$2.1M and *Scheduled Service* of \$1.8M were favorable year-to-date.

Metropolitan Transportation Authority  
2012 July Financial Plan  
Non-Reimbursable/Reimbursable Overtime  
(\$ in millions)

	October						October Year-to-Date					
	Mid-Year Forecast		Actuals		Var. - Fav./(Unfav)		Mid-Year Forecast		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>												
<u>Scheduled Service</u>	123,630	\$16.4	124,348	\$15.6	(718) (0.6%)	\$0.8 5.1%	1,201,612	\$153.0	1,176,708	\$151.1	24,904 2.1%	\$1.8 1.2%
<u>Unscheduled Service</u>	15,769	\$6.9	15,900	\$6.1	(131) (0.8%)	(\$1.3) (18.8%)	139,020	\$63.9	141,818	\$73.8	(2,798) (2.0%)	(\$9.9) (15.5%)
<u>Programmatic/Routine Maintenance</u>	84,166	\$7.6	79,928	\$12.1	4,237 5.0%	(\$4.4) (58.3%)	781,659	\$105.6	727,935	\$119.1	53,725 6.9%	(\$13.2) (12.5%)
<u>Unscheduled Maintenance</u>	2,685	\$0.1	2,736	\$0.1	(50) -1.9%	(\$0.0) 0.0%	20,467	\$1.1	17,959	\$1.2	2,509 12.3%	(\$0.1) -12.1%
<u>Vacancy/Absentee Coverage</u>	99,803	\$4.8	137,790	\$7.6	(37,987) -38.1%	(\$2.8) -57.3%	976,157	\$54.7	1,152,796	\$68.8	(176,639) -18.1%	(\$14.1) -25.9%
<u>Weather Emergencies</u>	11,339	\$0.6	93,548	\$4.2	(82,208) -725.0%	(\$3.7) -663.2%	140,385	\$8.7	204,782	\$11.6	(64,398) -45.9%	(\$2.9) -32.7%
<u>Safety/Security/Law Enforcement</u>	10,114	\$0.8	13,848	\$1.1	(3,534) -34.9%	(\$0.3) -34.6%	109,083	\$8.8	102,709	\$9.2	6,374 5.8%	(\$0.4) -4.3%
<u>Other</u>	15,749	\$1.5	13,975	\$2.0	1,774 11.3%	(\$0.5) (31.6%)	72,385	\$11.8	71,071	\$9.6	1,294 1.8%	\$2.1 18.2%
Subtotal	363,255	\$36.7	481,873	\$50.8	(118,617) (32.7%)	(\$12.1) (31.2%)	3,440,747	\$407.8	3,595,778	\$444.4	(155,031) (4.5%)	(\$36.6) (9.0%)
<b>REIMBURSABLE OVERTIME</b>	52,283	\$5.4	69,936	\$10.9	(17,652)	(\$5.5)	470,017	\$82.5	537,917	\$92.9	(67,900)	(\$10.4)
<b>TOTAL OVERTIME</b>	415,539	\$44.1	551,808	\$61.7	(136,269)	(\$17.6)	3,910,764	\$490.2	4,133,695	\$537.2	(222,931)	(\$47.0)

\* Exceeds 100%

NOTES: Totals may not add due to rounding.

Percentages are based on each type of Overtime and not on Total Overtime.

SIR's Overtime information is not included in October's Overtime Decomposition Report. As a result, the YTD budget and actual dollars do not reconcile to the consolidated financial report.

NYCT Overtime hours data unavailable

Metropolitan Transportation Authority  
2012 July Financial Plan  
Non-Reimbursable/Reimbursable Overtime  
(\$ in millions)

	September						September Year-to-Date					
	Mid-Year Forecast		Actuals		Var. - Fav./Unfav)		Mid-Year Forecast		Actuals		Var. - Fav./Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>												
<u>Scheduled Service</u>	118,816	\$15.1	125,666	\$14.7	(7,050) (5.9%)	\$0.4 2.7%	1,077,982	\$136.6	1,052,360	\$135.6	25,621 2.4%	\$1.0 .7%
<u>Unscheduled Service</u>	16,078	\$6.7	15,658	\$8.9	419 2.6%	(\$2.2) (32.6%)	123,251	\$57.1	125,918	\$65.2	(2,667) (2.2%)	(\$8.2) (14.3%)
<u>Programmatic/Routine Maintenance</u>	76,282	\$9.1	70,574	\$12.6	(292) (0.4%)	(\$3.5) (38.7%)	697,494	\$98.2	648,006	\$106.5	49,487 7.1%	(\$8.3) (8.4%)
<u>Unscheduled Maintenance</u>	2,707	\$0.1	2,693	\$0.2	14 0.5%	(\$0.0) -13.0%	17,782	\$0.9	15,223	\$1.1	2,559 14.4%	(\$0.2) -17.2%
<u>Vacancy/Absentee Coverage</u>	94,282	\$4.5	112,314	\$6.7	(18,032) -19.1%	(\$2.2) -48.5%	876,353	\$49.9	1,022,607	\$62.2	(146,454) -16.7%	(\$12.3) -24.8%
<u>Weather Emergencies</u>	10,723	\$0.6	3,961	\$0.2	6,762 63.1%	\$0.3 56.4%	129,045	\$8.2	111,234	\$7.4	17,811 13.8%	\$0.8 9.7%
<u>Safety/Security/Law Enforcement</u>	10,434	\$0.8	(35,474)	(\$1.9)	45,907 440.0%	\$2.7 322.5%	98,969	\$8.0	89,062	\$8.1	9,908 10.0%	(\$0.1) -1.2%
<u>Other</u>	6,249	\$1.2	(5,280)	\$1.0	11,528 13.9%	\$0.2	56,616	\$10.2	57,097	\$7.5	(481) (0.8%)	\$2.7 26.4%
Subtotal	335,570	\$38.2	296,313	\$42.5	39,257 11.7%	(\$4.3) (11.3%)	3,077,492	\$369.0	3,121,708	\$393.6	(44,216) (1.4%)	(\$24.5) (6.8%)
<b>REIMBURSABLE OVERTIME</b>	46,861	\$8.8	52,283	\$9.4	(5,421)	(\$0.7)	417,734	\$77.1	467,982	\$81.9	(50,248)	(\$4.8)
<b>TOTAL OVERTIME</b>	382,431	\$46.9	348,595	\$51.9	33,836	(\$5.0)	3,495,225	\$446.1	3,589,689	\$475.5	(94,464)	(\$29.4)

\* Exceeds 100%

NOTES: Totals may not add due to rounding.

Percentages are based on each type of Overtime and not on Total Overtime.

SIR's Overtime information is not included in September's Overtime Decomposition Report. As a result, the YTD budget and actual dollars do not reconcile to the consolidated financial report.

NYCT Overtime hours data unavailable

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2012 Overtime Reporting**  
**Overtime Legend**

<b><u>Type</u></b>	<b><u>Definition</u></b>
<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Consolidated Accrual Subsidy Detail**  
**October 2012**

	Current Month			Year-to-Date		
	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance
<b>Accrued Subsidies:</b>						
<b>Dedicated Taxes</b>						
Mass Transportation Operating Assistance Fund (MMTOA)	\$0.0	\$0.0	\$0.0	\$1,343.4	\$1,343.5	\$0.0
Petroleum Business Tax	52.7	53.9	1.2	512.4	514.5	2.2
MRT 1 (Gross)	14.3	14.9	0.6	143.5	153.8	10.3
MRT 2 (Gross)	7.1	6.3	1.2	71.0	78.2	7.2
Urban Tax	31.3	34.2	2.8	317.5	324.5	7.0
Investment Income	-	-	-	0.0	-	-
	<b>\$105.4</b>	<b>\$111.2</b>	<b>\$5.9</b>	<b>\$2,387.8</b>	<b>\$2,414.5</b>	<b>\$26.7</b>
<b>New State Taxes and Fees</b>						
Payroll Mobility Taxes	59.4	129.0	69.7	1,094.1	1,128.3	34.3
Payroll Mobility Tax Replacement Funds	-	50.0	50.0	152.5	151.3	(1.2)
MTA Aid Taxes <sup>1</sup>	-	-	-	210.7	228.3	17.6
	<b>\$59.4</b>	<b>\$179.0</b>	<b>\$119.7</b>	<b>\$1,457.2</b>	<b>\$1,507.9</b>	<b>\$50.7</b>
<b>State and Local Subsidies</b>						
NYS Operating Assistance	-	-	-	187.9	187.9	-
NYC and Local 18b:						
New York City	-	-	-	160.6	160.6	-
Nassau County	-	-	-	11.6	11.6	-
Suffolk County	-	-	-	7.5	7.5	-
Westchester County	-	-	-	7.3	7.3	-
Putnam County	-	-	-	0.4	0.4	-
Dutchess County	-	-	-	0.4	0.4	-
Orange County	-	-	-	0.1	0.1	-
Rockland County	-	-	-	0.0	0.0	-
CDOT Subsidies	6.0	7.5	1.4	59.9	58.9	(1.0)
Station Maintenance	12.6	13.1	0.5	132.1	134.1	2.0
	<b>\$18.6</b>	<b>\$20.6</b>	<b>\$1.9</b>	<b>\$567.9</b>	<b>\$568.9</b>	<b>\$1.0</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$183.4</b>	<b>\$310.8</b>	<b>\$127.4</b>	<b>\$4,412.9</b>	<b>\$4,481.3</b>	<b>\$78.4</b>
City Subsidy to MTA Bus	40.4	28.6	(13.8)	\$323.4	281.7	(41.7)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$223.8</b>	<b>\$337.4</b>	<b>\$113.6</b>	<b>\$4,736.3</b>	<b>\$4,773.0</b>	<b>\$36.7</b>
<b>Inter-Agency Subsidy Transactions</b>						
B&T Operating Surplus Transfer	42.2	35.2	(7.0)	355.5	444.1	78.6
	<b>\$42.2</b>	<b>\$35.2</b>	<b>(\$7.0)</b>	<b>\$355.5</b>	<b>\$444.1</b>	<b>\$78.6</b>
<b>Total Accrued Subsidies</b>	<b>\$266.0</b>	<b>\$372.6</b>	<b>\$106.6</b>	<b>\$5,101.7</b>	<b>\$5,217.1</b>	<b>\$115.3</b>

<sup>1</sup> License, Vehicle Registration, Tax and Auto Rental Fees  
Note: Differences are due to rounding.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Consolidated Accrual Subsidy Detail**  
**Explanation of Variances**  
(\$ in millions)

**October 2012**

Accrued Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	1.2	2.3%	The slightly favorable PBT result for the month was mostly due to timing in accruals by MTA Accounting. The YTD result is very close to the target.
MRT(b) 1 (Gross)	0.6	4.1%	MRT-1 transactions were higher than budget for the month and for the year.
MRT(b) 2 (Gross)	1.2	17.3%	MRT-2 transactions were higher budget for the month and for the year.
Urban Tax	2.8	9.0%	Urban taxes were favorable for the month due to higher than expected commercial real estate transactions in New York City. YTD transactions are also slightly favorable.
Payroll Mobility Taxes	69.7	> 100%	The favorable variance for the month was primarily due to the timing of accruals by MTA Accounting. YTD transactions are close to the target.
CDOT Subsidies	1.4	23.6%	The favorable variance was due primarily to timing. Year-to-date results are close to the target.
Station Maintenance	0.5	3.9%	The slightly favorable variance for the month was due to timing. Year-to-date results are close to the target.
City Subsidy to MTA Bus	(13.8)	(74.2%)	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus. YTD transactions are close to the target.
B&T Operating Surplus Transfer	(7.0)	(18.5%)	The unfavorable variance was due primarily to the timing of accruals for the month.

**Year-to-Date**

Accrued Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	2.2	0.4%	See explanation for the month.
MRT(b) 1 (Gross)	10.3	7.2%	The YTD variance was favorable.
MRT(b) 2 (Gross)	7.2	10.1%	The YTD variance was favorable.
Urban Tax	7.0	2.2%	See explanation for the month.
Payroll Mobility Taxes	34.3	3.1%	See explanation for the month.
MTA Aid Taxes	17.8	8.4%	The year-to-date favorable variance was due to timing of accruals.
CDOT Subsidies	(1.0)	(1.6%)	See explanation for the month.
Station Maintenance	2.0	1.6%	See explanation for the month.
City Subsidy to MTA Bus	(41.7)	(7.3%)	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
B&T Operating Surplus Transfer	78.5	21.5%	The favorable YTD variance was due to the timing of booking accruals.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**JULY FINANCIAL PLAN - MID-YEAR FORECAST (1)**  
**DEBT SERVICE**  
**(\$ in millions)**

October 2012

	MID-YEAR Forecast	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					
NYC Transit	\$12.3	\$0.0	\$12.3		
Commuter Railroads	2.6	0.0	2.6		
<i>Dedicated Tax Fund Subtotal</i>	\$14.9	\$0.0	\$14.9	100.0%	Timing of debt service deposits.
MTA Transportation Revenue:					
NYC Transit	\$61.4	\$92.4	(\$30.9)		
Commuter Railroads	41.0	59.1	(18.2)		
MTA Bus	1.7	3.7	(2.0)		
<i>MTA Transportation Subtotal</i>	\$104.1	\$155.2	(\$51.2)	-49.2%	Timing of debt service deposits related to refunding and new money transactions.
Commercial Paper:					
NYC Transit	\$1.8	\$0.1	\$1.8		
Commuter Railroads	1.1	0.0	1.1		
MTA Bus	0.0	0.0	0.0		
<i>Commercial Paper Subtotal</i>	\$3.0	\$0.1	\$2.9	96.1%	Lower than budgeted rates, timing of interest payments.
2 Broadway COPs:					
NYC Transit	\$0.0	\$0.0	\$0.0		
Bridges & Tunnels	0.0	0.0	0.0		
MTA HQ	0.0	0.0	0.0		
<i>2 Broadway COPs Subtotal</i>	\$0.0	\$0.0	\$0.0	0.0%	
TBTA General Resolution (2)					
NYC Transit	\$15.6	\$16.2	(\$0.6)		
Commuter Railroads	7.3	7.2	0.1		
Bridges & Tunnels	17.6	13.4	4.2		
<i>TBTA General Resolution Subtotal</i>	\$40.5	\$36.8	\$3.7	9.1%	Timing of debt service deposits.
TBTA Subordinate (2)					
NYC Transit	\$6.8	\$6.8	(\$0.1)		
Commuter Railroads	2.9	3.0	(0.1)		
Bridges & Tunnels	2.6	2.7	(0.0)		
<i>TBTA Subordinate Subtotal</i>	\$12.2	\$12.4	(\$0.2)	-1.9%	
<b>Total Debt Service</b>	<b>\$174.6</b>	<b>\$204.5</b>	<b>(\$30.0)</b>	<b>-17.2%</b>	
Debt Service by Agency:					
NYC Transit	\$97.8	\$115.4	(\$17.6)		
Commuter Railroads	54.9	69.4	(14.5)		
MTA Bus	1.7	3.7	(2.0)		
Bridges & Tunnels	20.2	16.0	4.1		
MTAHQ	0.0	0.0	0.0		
<b>Total Debt Service</b>	<b>\$174.6</b>	<b>\$204.5</b>	<b>(\$30.0)</b>	<b>-17.2%</b>	

*Totals may not add due to rounding.*

**Notes:**

- (1) Budgeted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

**METROPOLITAN TRANSPORTATION AUTHORITY  
JULY FINANCIAL PLAN - MID-YEAR FORECAST (1)  
DEBT SERVICE  
(\$ in millions)**

October 2012 Year-to-Date

	MID-YEAR Forecast	Actual	Variance	% Variance	Explanation
Dedicated Tax Fund:					
NYC Transit	\$261.0	\$247.3	\$13.6		
Commuter Railroads	55.3	53.2	2.1		
<i>Dedicated Tax Fund Subtotal</i>	\$316.3	\$300.5	\$15.8	5.0%	Timing of debt service deposits.
MTA Transportation Revenue:					
NYC Transit	\$555.4	\$562.6	(\$7.3)		
Commuter Railroads	365.2	364.7	0.5		
MTA Bus	19.1	23.9	(4.8)		
<i>MTA Transportation Subtotal</i>	\$939.6	\$951.2	(\$11.5)	-1.2%	
Commercial Paper:					
NYC Transit	\$9.5	\$0.7	\$8.8		
Commuter Railroads	5.9	0.4	5.5		
MTA Bus	0.2	0.2	0.0		
<i>Commercial Paper Subtotal</i>	\$15.6	\$1.3	\$14.3	91.9%	Lower than budgeted rates, timing of interest payments.
2 Broadway COPs:					
NYC Transit	\$4.6	\$4.6	\$0.0		
Bridges & Tunnels	0.7	0.7	0.0		
MTA HQ	0.6	0.6	0.0		
<i>2 Broadway COPs Subtotal</i>	\$5.9	\$5.9	\$0.0	0.0%	
TBTA General Resolution (2)					
NYC Transit	\$162.3	\$169.3	(\$6.9)		
Commuter Railroads	74.4	75.8	(1.4)		
Bridges & Tunnels	157.6	140.0	17.7		
<i>TBTA General Resolution Subtotal</i>	\$394.4	\$385.0	\$9.4	2.4%	
TBTA Subordinate (2)					
NYC Transit	\$67.0	\$67.8	(\$0.7)		
Commuter Railroads	29.5	29.8	(0.3)		
Bridges & Tunnels	26.5	26.8	(0.3)		
<i>TBTA Subordinate Subtotal</i>	\$123.0	\$124.3	(\$1.3)	-1.1%	
<b>Total Debt Service</b>	<b>\$1,794.8</b>	<b>\$1,768.2</b>	<b>\$26.6</b>	<b>1.5%</b>	
Debt Service by Agency:					
NYC Transit	\$1,059.8	\$1,052.3	\$7.5		
Commuter Railroads	530.3	523.8	6.5		
MTA Bus	19.3	24.1	(4.8)		
Bridges & Tunnels	184.8	167.4	17.4		
MTA HQ	0.6	0.6	0.0		
<b>Total Debt Service</b>	<b>\$1,794.8</b>	<b>\$1,768.2</b>	<b>\$26.6</b>	<b>1.5%</b>	

Totals may not add due to rounding.

**Notes:**

- (1) Budgeted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule
- (2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared
- (3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Cash Subsidy Detail by Agency**  
(\$ in millions)

October 2012

	NYC Transit			Commuter Railroads			MTA Bus			MTA Bus			MTA Bus			TOTAL		
	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance
<b>Cash Subsidies:</b>																		
<b>Dedicated Taxes</b>																		
MMTOA <sup>1</sup>	\$107.1	\$107.1	\$0.0	\$53.4	\$53.4	\$0.0	\$0.4	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$160.8	\$160.8	\$0.0
Petroleum Business Tax	50.5	45.8	(4.7)	8.8	8.1	(0.6)	-	-	-	-	-	-	-	-	-	59.5	53.9	(5.6)
MRT <sup>2</sup> 1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	14.3	16.5	2.2	14.3	16.5	2.2
MRT <sup>2</sup> 2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	7.1	8.1	1.0	7.1	8.1	1.0
Other MRT <sup>2</sup> Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Urban Tax	31.3	-	(31.3)	-	-	-	-	-	-	-	-	-	-	-	-	31.3	0.0	(31.3)
Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$189.0	\$152.9	(\$36.0)	\$62.3	\$61.5	(\$0.8)	\$0.4	\$0.4	(\$0.0)	\$0.0	\$0.0	\$0.0	\$21.4	\$24.6	\$3.2	\$271.0	\$239.4	(\$31.6)
<b>New State Taxes and Fees</b>																		
Payroll Mobility Tax	53.6	47.8	(5.7)	10.3	9.2	(1.1)	-	-	-	-	-	-	-	-	-	63.9	57.1	(6.8)
Payroll Mobility Tax Replacement Funds	0.0	41.0	41.0	0.0	8.1	8.1	-	-	-	-	-	-	-	-	-	0.0	50.0	50.0
MTA Aid <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$53.6	\$88.8	\$35.2	\$10.3	\$17.3	\$7.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$63.9	\$107.1	\$43.2
<b>State and Local Subsidies</b>																		
NYS Operating Assistance	-	-	-	0.0	0.5	0.5	-	-	-	-	-	-	-	-	-	0.0	0.5	0.5
NYC and Local 18b:																		
New York City	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Nassau County	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Suffolk County	-	-	-	0.0	1.8	1.8	-	-	-	-	-	-	-	-	-	0.0	1.8	1.8
Westchester County	-	-	-	0.0	1.8	1.8	-	-	-	-	-	-	-	-	-	0.0	1.8	1.8
Putnam County	-	-	-	0.0	0.1	0.1	-	-	-	-	-	-	-	-	-	0.0	0.1	0.1
Dutchess County	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Orange County	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Rockland County	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
CDOT Subsidies	-	-	-	6.0	6.9	0.9	-	-	-	-	-	-	-	-	-	6.0	6.9	0.9
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
<b>Other Subsidy Adjustments</b>																		
Inter-Agency Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Pay-As-You-Go Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
	\$0.0	\$0.0	\$0.0	\$6.0	\$11.2	\$5.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$6.0	\$11.2	\$5.2
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$242.5</b>	<b>\$242.7</b>	<b>\$0.2</b>	<b>\$78.5</b>	<b>\$88.8</b>	<b>\$11.4</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>(\$0.0)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$21.4</b>	<b>\$24.6</b>	<b>\$3.2</b>	<b>\$342.9</b>	<b>\$357.7</b>	<b>\$14.8</b>
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	\$18.5	18.5	-	-	-	-	18.5	18.5	0.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$242.5</b>	<b>\$242.7</b>	<b>\$0.2</b>	<b>\$78.5</b>	<b>\$88.8</b>	<b>\$11.4</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>(\$0.0)</b>	<b>\$18.5</b>	<b>\$18.5</b>	<b>\$0.0</b>	<b>\$21.4</b>	<b>\$24.6</b>	<b>\$3.2</b>	<b>\$361.4</b>	<b>\$376.2</b>	<b>\$14.8</b>
<b>Inter-Agency Subsidy Transactions</b>																		
B&T Operating Surplus Transfer	14.3	13.1	(1.2)	23.7	22.2	(1.6)	-	-	-	-	-	-	-	-	-	38.0	35.2	(2.8)
	\$14.3	\$13.1	(\$1.2)	\$23.7	\$22.2	(\$1.6)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$38.0	\$35.2	(\$2.8)
<b>Total Cash Subsidies</b>	<b>\$256.8</b>	<b>\$255.8</b>	<b>(\$1.0)</b>	<b>\$102.2</b>	<b>\$111.2</b>	<b>\$9.0</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>(\$0.0)</b>	<b>\$18.5</b>	<b>\$18.5</b>	<b>\$0.0</b>	<b>\$21.4</b>	<b>\$24.6</b>	<b>\$3.2</b>	<b>\$399.4</b>	<b>\$411.4</b>	<b>\$12.0</b>

<sup>1</sup>Metropolitan Mass Transportation Operating Assistance Fund  
<sup>2</sup>License, Vehicle Registration, Taxi and Auto Rental Fees  
Note: Differences are due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Cash Subsidy Detail by Agency**  
(\$ in millions)

	NYC Transit			Connecticut Railroads			MTA Bus			MTA Metro-North			TOTAL		
	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance	Mid-Year Forecast	Actual	Variance
<b>Cash Subsidies:</b>															
<b>Dedicated Taxes</b>															
WATOA <sup>1</sup>	\$510.1	\$518.2	0.1	\$258.8	\$258.8	0.0	\$1.8	\$1.8	(0.0)	\$0.0	\$0.0	0.0	\$0.0	\$0.0	0.0
Petroleum Business Tax	447.2	431.6	(15.6)	78.8	76.2	(2.6)	-	0.0	-	-	0.0	-	-	0.0	-
MRT <sup>2</sup> 1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	143.1	153.0	9.9
MRT <sup>2</sup> 2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	70.8	76.7	5.9
Other MRT <sup>2</sup> Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	(2.5)	2.5	(2.5)
Urban Tax	313.4	289.2	(24.2)	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-
Investment Income	-	-	-	0.5	-	(0.5)	-	-	-	-	-	-	-	-	-
	\$1,278.7	\$1,240.6	(\$38.7)	\$338.2	\$335.0	(\$3.2)	\$1.8	\$1.8	(\$0.0)	\$0.0	\$0.0	\$0.0	\$211.4	\$226.7	\$15.3
<b>New State Taxes and Fees</b>															
Payroll Mobility Tax	826.6	808.2	(20.3)	254.7	256.5	1.8	-	-	-	-	-	-	-	-	-
Payroll Mobility Tax Replacement Funds	117.1	180.6	43.6	35.4	40.6	5.2	-	-	-	-	-	-	-	-	-
MTA Aid <sup>3</sup>	120.6	72.5	(48.1)	71.0	42.7	(28.3)	-	-	-	-	-	-	-	-	-
	\$1,064.2	\$1,038.4	(\$25.8)	\$361.2	\$339.6	(\$21.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>State and Local Subsidies</b>															
NYS Operating Assistance	79.1	79.1	-	14.6	15.1	0.5	0.3	0.3	-	-	-	-	-	-	-
NYC and Local 15b															
New York City	123.1	123.2	0.1	1.4	0.5	(0.9)	0.6	0.4	(0.1)	-	-	-	-	-	-
Nassau County	-	-	-	8.7	8.7	0.0	-	-	-	-	-	-	-	-	-
Suffolk County	-	-	-	5.6	7.5	1.9	-	-	-	-	-	-	-	-	-
Westchester County	-	-	-	5.5	5.5	0.0	-	-	-	-	-	-	-	-	-
Putnam County	-	-	-	0.3	2.0	1.8	-	-	-	-	-	-	-	-	-
Dutchess County	-	-	-	0.3	0.3	(0.0)	-	-	-	-	-	-	-	-	-
Orange County	-	-	-	0.1	0.2	0.1	-	-	-	-	-	-	-	-	-
Rockland County	-	-	-	0.6	0.1	(0.5)	-	-	-	-	-	-	-	-	-
CDOT Subsidies	-	-	-	64.3	57.6	(6.7)	-	-	-	-	-	-	-	-	-
Station Maintenance	-	-	-	155.7	132.3	(23.3)	-	-	-	-	-	-	-	-	-
<b>Other Subsidy Adjustments</b>															
Inter-Agency Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NYCT Charge Back of MTA Bus Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pay-As-You-Go Capital	(11.5)	(11.5)	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$190.7	\$190.8	\$0.1	\$386.6	\$228.8	(\$157.7)	\$0.8	\$0.7	(\$0.1)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2,534.5</b>	<b>\$2,470.1</b>	<b>(\$64.4)</b>	<b>\$996.0</b>	<b>\$904.7</b>	<b>(\$91.3)</b>	<b>\$2.8</b>	<b>\$2.5</b>	<b>(\$0.1)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$211.4</b>	<b>\$226.7</b>	<b>\$15.3</b>
City Subsidy to MTA Bus	-	-	-	-	-	-	-	-	-	\$234.0	232.9	(1.08)	-	-	-
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2,534.5</b>	<b>\$2,470.1</b>	<b>(\$64.4)</b>	<b>\$996.0</b>	<b>\$904.7</b>	<b>(\$91.3)</b>	<b>\$2.8</b>	<b>\$2.5</b>	<b>(\$0.1)</b>	<b>\$234.0</b>	<b>\$232.9</b>	<b>(\$1.1)</b>	<b>\$211.4</b>	<b>\$226.7</b>	<b>\$15.3</b>
<b>Inter-Agency Subsidy Transactions</b>															
B&T Operating Surplus Transfer	149.5	187.7	18.21	255.2	271.6	16.5	-	-	-	-	-	-	-	-	-
	\$149.5	\$187.7	\$18.2	\$255.2	\$271.6	\$16.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Cash Subsidies</b>	<b>\$2,684.0</b>	<b>\$2,657.8</b>	<b>(\$26.2)</b>	<b>\$1,251.1</b>	<b>\$1,176.3</b>	<b>(\$74.8)</b>	<b>\$2.8</b>	<b>\$2.5</b>	<b>(\$0.1)</b>	<b>\$234.0</b>	<b>\$232.9</b>	<b>(\$1.1)</b>	<b>\$211.4</b>	<b>\$226.7</b>	<b>\$15.3</b>

<sup>1</sup> Metropolitan Mass Transportation Operating Assistance Fund  
<sup>2</sup> License, Vehicle Registration, Tax and Auto Rental Fees  
<sup>3</sup> Note: Differences are due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Consolidated Subsidy Cash**  
**Explanation of Variances**  
(\$ in millions)

**October 2012**

Cash Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	(5.6)	-9.4%	PBT receipts were unfavorable for the month and year-to-date.
MRT <sup>M</sup> 1 (Gross)	2.2	15.3%	MRT-1 cash receipts were higher than the budget for the month. Year-to-date receipts were also favorable due to higher-than-expected MRT-1 receipts.
MRT <sup>M</sup> 2 (Gross)	1.0	14.5%	MRT-2 cash receipts were higher than the budget for the month. Year-to-date results were also favorable due to higher-than-expected MRT-2 receipts.
Urban Tax	(31.3)	(100.0%)	The unfavorable variance for the month was primarily due to timing of receipts of Urban taxes which were recorded in November. This will be reversed in the November report.
Payroll Mobility Tax	(6.8)	(10.7%)	The unfavorable variance was due to lower receipts than were budgeted for the month. Year-to-date receipts were close to the target.
NYS Operating Assistance	0.5	>100%	The variance was due to timing. YTD results are slightly unfavorable.
Suffolk County	1.9	>100%	The variance was due to timing. YTD results are on target.
Westchester County	1.8	>100%	Same as explanation above. YTD results are on target.
Putnam County	0.1	>100%	Same as explanation above
CDOT Subsidies	0.9	14.8%	The favorable variance was due primarily to timing.
B&T Operating Surplus Transfer	(2.6)	-7.2%	The unfavorable variance was mostly timing related.

**Year-to-Date**

Cash Subsidies	Variance \$	Variance %	Explanations
Petroleum Business Tax	(18.4)	-3.5%	See explanation for the month.
MRT <sup>M</sup> 1 (Gross)	9.9	5.9%	See explanation for the month.
MRT <sup>M</sup> 2 (Gross)	5.9	9.3%	See explanation for the month.
Urban Tax	(24.2)	(7.7%)	See explanation for the month.
Payroll Mobility Tax	(18.5)	(1.7%)	See explanation for the month.
MTA Aid <sup>M</sup>	(76.4)	(39.9%)	The unfavorable YTD variance were due to timing delays in collections and transfer of the taxes and fees by NYS.
NYS Operating Assistance	0.5	0.5%	See explanation for the month.
New York City Operating Assistance	(0.9)	(0.7%)	See explanation for the month.
Suffolk County	1.9	33.3%	The favorable YTD variance was due to timing.
Putnam County	1.8	> 100%	The YTD variance were due to timing.
CDOT Subsidies	(6.7)	(10.4%)	The unfavorable YTD variance was primarily due to timing delays and lower Metro-North expenses.
Station Maintenance	(23.3)	(15.0%)	The unfavorable YTD variance was due to timing.
B&T Operating Surplus Transfer	34.7	8.6%	The favorable YTD variance was due to underruns in expenses and to timing.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Total Positions by Function and Agency**  
**October 2012**

Category	Mid-Year Budget	Actual	Favorable/ (Unfavorable)
<b>Total Positions</b>	<b>65,934</b>	<b>64,930</b>	<b>1,004</b>
NYC Transit	45,884	45,308	576
Long Island Rail Road	6,533	6,443	90
Metro-North Railroad	6,169	5,966	203
Bridges & Tunnels	1,648	1,553	95
Headquarters	1,737	1,628	109
Staten Island Railway	272	265	7
Capital Construction Company	132	129	3
Bus Company	3,559	3,638	(79)
<b>Non-reimbursable</b>	<b>59,711</b>	<b>59,631</b>	<b>80</b>
NYC Transit	41,377	41,351	26
Long Island Rail Road	5,756	5,855	(99)
Metro-North Railroad	5,523	5,487	36
Bridges & Tunnels	1,604	1,509	95
Headquarters	1,887	1,588	99
Staten Island Railway	269	262	7
Capital Construction Company	-	-	-
Bus Company	3,495	3,579	(84)
<b>Reimbursable</b>	<b>6,223</b>	<b>5,299</b>	<b>924</b>
NYC Transit	4,507	3,957	550
Long Island Rail Road	777	588	189
Metro-North Railroad	646	479	167
Bridges & Tunnels	44	44	-
Headquarters	50	40	10
Staten Island Railway	3	3	-
Capital Construction Company	132	129	3
Bus Company	84	59	5
<b>Total Full Time</b>	<b>65,763</b>	<b>64,690</b>	<b>1,073</b>
NYC Transit	45,725	45,081	634
Long Island Rail Road	6,533	6,443	90
Metro-North Railroad	6,168	5,966	203
Bridges & Tunnels	1,648	1,553	95
Headquarters	1,737	1,628	109
Staten Island Railway	272	265	7
Capital Construction Company	132	129	3
Bus Company	3,548	3,616	(68)
<b>Total Full-Time Equivalents</b>	<b>175</b>	<b>240</b>	<b>(65)</b>
NYC Transit	159	217	(58)
Long Island Rail Road	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital Construction Company	-	-	-
Bus Company	15	22	(7)

Note: Totals may differ due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Total Positions by Function and Agency**  
**October 2012**

Function/Agency	Mid-Year Budget	Actual	Favorable/ (Unfavorable)
<b>Administration</b>	<b>4,288</b>	<b>3,989</b>	<b>299</b>
NYC Transit	1,942	1,823	119
Long Island Rail Road	613	583	30
Metro-North Railroad	495	473	22
Bridges & Tunnels	50	63	(13)
Headquarters	955	883	72
Staten Island Railway	29	25	4
Capital Construction Company	16	14	2
Bus Company	188	125	63
<b>Operations</b>	<b>29,074</b>	<b>28,986</b>	<b>89</b>
NYC Transit	21,684	21,531	153
Long Island Rail Road	2,182	2,169	(7)
Metro-North Railroad	2,093	2,065	28
Bridges & Tunnels	774	679	95
Headquarters	-	-	-
Staten Island Railway	91	94	(3)
Capital Construction Company	-	-	-
Bus Company	2,270	2,447	(177)
<b>Maintenance</b>	<b>29,196</b>	<b>28,751</b>	<b>445</b>
NYC Transit	20,466	20,274	192
Long Island Rail Road	3,632	3,573	59
Metro-North Railroad	3,490	3,338	152
Bridges & Tunnels	407	402	5
Headquarters	-	-	-
Staten Island Railway	152	146	6
Capital Construction Company	-	-	-
Bus Company	1,049	1,018	31
<b>Engineering/Capital</b>	<b>1,736</b>	<b>1,696</b>	<b>40</b>
NYC Transit	1,218	1,198	20
Long Island Rail Road	126	118	8
Metro-North Railroad	91	90	1
Bridges & Tunnels	147	141	6
Headquarters	-	-	-
Staten Island Railway	-	-	-
Capital Construction Company	116	115	1
Bus Company	38	34	4
<b>Public Safety</b>	<b>1,640</b>	<b>1,509</b>	<b>131</b>
NYC Transit	574	482	92
Long Island Rail Road	-	-	-
Metro-North Railroad	-	-	-
Bridges & Tunnels	270	268	2
Headquarters	782	745	37
Staten Island Railway	-	-	-
Capital Construction Company	-	-	-
Bus Company	14	14	-
<b>Total Positions</b>	<b>65,934</b>	<b>64,930</b>	<b>1,004</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan - 2012 Mid-Year Forecast**  
**Total Positions by Function and Occupational Group**  
**October 2012**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>Mid-Year Budget</b>	<b>Actual</b>	<b>Variance Favorable/ (Unfavorable)</b>
<b>Administration</b>	<b>4,288</b>	<b>3,989</b>	<b>299</b>
Managers/Supervisors	1,528	1,407	121
Professional, Technical, Clerical	2,584	2,583	21
Operational Hourlies	176	19	157
<b>Operations</b>	<b>29,074</b>	<b>28,986</b>	<b>89</b>
Managers/Supervisors	3,237	3,110	127
Professional, Technical, Clerical	1,112	1,100	12
Operational Hourlies	24,725	24,775	(50)
<b>Maintenance</b>	<b>29,196</b>	<b>28,751</b>	<b>445</b>
Managers/Supervisors	4,727	4,592	135
Professional, Technical, Clerical	2,393	2,246	147
Operational Hourlies	22,076	21,913	163
<b>Engineering/Capital</b>	<b>1,736</b>	<b>1,696</b>	<b>40</b>
Managers/Supervisors	457	427	30
Professional, Technical, Clerical	1,277	1,267	10
Operational Hourlies	2	2	-
<b>Public Safety</b>	<b>1,640</b>	<b>1,509</b>	<b>131</b>
Managers/Supervisors	252	178	74
Professional, Technical, Clerical	143	123	20
Operational Hourlies	1,245	1,208	37
<b>Total Positions</b>	<b>65,934</b>	<b>64,830</b>	<b>1,004</b>
Managers/Supervisors	10,201	9,714	487
Professional, Technical, Clerical	7,509	7,299	210
Operational Hourlies	48,224	47,917	307

		(millions)					
		<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
		<u>Commuter</u>	<u>Transit</u>	<u>Total</u>	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>
	From Date:	(General Fd)	(TA Stab)		(General Fd)	(TA Stab)	
	To Date:	10/01/12	10/01/12	10/01/12	01/01/12	01/01/12	01/01/12
		10/31/12	10/31/12	10/31/12	10/31/12	10/31/12	10/31/12
<u>Opening Balance</u>		\$191.447	\$152.652	\$344.099	\$164.354	\$100.873	\$265.228
<u>RECEIPTS</u>							
Interest Earnings		0.026	0.029	0.055	0.131	0.189	0.320
<u>New York State</u>							
State and regional mass transit taxes - MMTOA		53.400	107.500	160.900	258.834	520.995	779.829
MTTF		8.083	45.804	53.888	76.165	431.601	507.766
Total Dedicated Taxes Received		61.483	153.304	214.788	334.999	952.596	1,287.595
Less DTF Debt Service		0.000	0.000	0.000	53.183	247.329	300.512
Net Dedicated Taxes for Operations		61.483	153.304	214.788	281.816	705.267	987.083
Payroll Mobility Tax		46.776	133.133	179.909	218.791	622.712	841.502
MTA Aid Trust Taxes		0.000	0.000	0.000	42.684	72.508	115.191
Operating Assistance - 18b		0.000	0.000	0.000	14.626	79.336	93.962
NYS School Fares		0.000	0.000	0.000	0.000	12.626	12.626
Additional Mass Transp Operating Assistance		0.000	n/a	0.000	0.000	n/a	0.000
Total - New York State		\$108.260	\$286.437	\$394.697	\$557.916	\$1,492.448	\$2,050.364
<u>Local</u>							
X-27	Dutchess County						
	Operating Assistance - 18b	\$0.000	n/a	\$0.000	\$0.285	n/a	\$0.285
	Station Maintenance	0.000	n/a	0.000	2.297	n/a	2.297
Nassau County	Operating Assistance - 18b	0.000	n/a	0.000	8.688	n/a	8.688
	Station Maintenance	0.000	n/a	0.000	0.000	n/a	0.000
New York City	Operating Assistance - 18b	0.468	0.000	0.468	0.936	123.672	124.608
	Urban - Real Property & Mortgage Recording Tax	n/a	0.000	0.000	n/a	289.187	289.187
	Additional Assistance New York City	n/a	0.000	0.000	n/a	0.000	0.000
	Station Maintenance	0.000	n/a	0.000	89.206	n/a	89.206
Orange County	Operating Assistance - 18b	0.037	n/a	0.037	0.146	n/a	0.146
	Station Maintenance	0.000	n/a	0.000	0.475	n/a	0.475
Putnam County	Operating Assistance - 18b	0.095	n/a	0.095	0.380	n/a	0.380
	Station Maintenance	0.000	n/a	0.000	0.898	n/a	0.898
Rockland County	Operating Assistance - 18b	0.007	n/a	0.007	0.029	n/a	0.029
	Station Maintenance	0.000	n/a	0.000	0.051	n/a	0.051
Suffolk County	Operating Assistance - 18b	1.879	n/a	1.879	7.518	n/a	7.518
	Station Maintenance	0.000	n/a	0.000	17.183	n/a	17.183
Westchester County	Operating Assistance - 18b	1.836	n/a	1.836	7.342	n/a	7.342
	Station Maintenance	0.000	n/a	0.000	19.267	n/a	19.267
Total - Local		\$4.322	\$0.000	\$4.322	\$154.702	\$412.859	\$567.561

			(millions)					
			<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	<u>Commuter</u>	<u>Transit</u>				<u>Commuter</u>	<u>Transit</u>	
	<u>(General Fd)</u>	<u>(TA Stab)</u>				<u>(General Fd)</u>	<u>(TA Stab)</u>	
From Date:	10/01/12	10/01/12	10/01/12			01/01/12	01/01/12	01/01/12
To Date:	10/31/12	10/31/12	10/31/12			10/31/12	10/31/12	10/31/12
<b><u>MTA Bridges and Tunnels- Surplus Transfers</u></b>	22.150	13.085	35.235			271.621	167.700	439.321
<b>Total Subsidy and Other Receipts</b>	<b>\$134.732</b>	<b>\$299.522</b>	<b>\$434.254</b>			<b>\$984.240</b>	<b>\$2,073.007</b>	<b>\$3,057.246</b>
<b><u>MTA Sources for Interagency Loans</u></b>								
B&T Necessary Reconstruction Reserve	\$0.000	\$0.000	\$0.000			\$0.000	\$0.000	\$0.000
MTA Capital Program - Non-Resolution Funds	0.000	0.000	0.000			0.000	0.000	0.000
MRF-2 Corporate Account	0.000	0.000	0.000			0.000	0.000	0.000
Revenue Anticipation Notes	0.000	0.000	0.000			0.000	0.000	0.000
<b>Total Loans</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>			<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Receipts and Loans Received</b>	<b>\$134.732</b>	<b>\$299.522</b>	<b>\$434.254</b>			<b>\$984.240</b>	<b>\$2,073.007</b>	<b>\$3,057.246</b>

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		(millions)					
		<u>Current Month Stabilization Fund</u>			<u>Year to Date Stabilization Fund</u>		
	From Date To Date	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>	<u>Commuter</u>	<u>Transit</u>	<u>Total</u>
		<u>(General Fd)</u>	<u>(TA Stab)</u>		<u>(General Fd)</u>	<u>(TA Stab)</u>	
		10/01/12 10/31/12	10/01/12 10/31/12	10/01/12 10/31/12	01/01/12 10/31/12	01/01/12 10/31/12	01/01/12 10/31/12
<u>Brought forward from prior page</u>							
Opening Balance		\$191,447	\$152,652	\$344,099	\$164,354	\$100,873	\$265,228
Total Receipts and Loans Received		134,757	299,551	434,309	984,370	2,073,196	3,057,566
Total Cash and Receipts Available		\$326,204	\$452,203	\$778,407	\$1,148,725	\$2,174,069	\$3,322,794
<u>DISBURSEMENTS</u>							
<u>Revenue Supported Debt Service</u>		59,179	93,175	152,353	367,861	588,038	955,899
<u>Agency Operations</u>							
MTA Long Island Railroad		37,366	0,000	37,366	453,301	0,000	453,301
MTA Metro-North Rail Road		28,660	0,000	28,660	126,563	0,000	126,563
MTA New York City Transit		0,000	280,000	280,000	0,000	1,505,000	1,505,000
MTA NYCT for SIRTQA		0,000	0,434	0,434	0,000	2,437	2,437
Capital Program Contribution		0,000	0,000	0,000	0,000	0,000	0,000
Forward Energy Contracts		0,000	0,000	0,000	0,000	0,000	0,000
Capital Security Account		0,000	0,000	0,000	0,000	0,000	0,000
Repayment of GASB Loans		0,000	0,000	0,000	0,000	0,000	0,000
Total Debt Service and Operations		\$125,204	\$373,609	\$498,813	\$947,725	\$2,095,475	\$3,043,199
<u>Repayment of Interagency Loans</u>							
B&T Necessary Reconstruction Reserve		0,000	0,000	0,000	0,000	0,000	0,000
MTA Capital Program - Non-Resolution Funds		0,000	0,000	0,000	0,000	0,000	0,000
MRT-2 Corporate Account		0,000	0,000	0,000	0,000	0,000	0,000
Revenue Anticipation Notes		0,000	0,000	0,000	0,000	0,000	0,000
Total Loans Payback		\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Disbursements		\$125,204	\$373,609	\$498,813	\$947,725	\$2,095,475	\$3,043,199
<u>STABILIZATION FUND BALANCE</u>		<u>\$201,000</u>	<u>\$78,594</u>	<u>\$279,594</u>	<u>\$201,000</u>	<u>\$78,594</u>	<u>\$279,594</u>
<u>Ending Loan Balances</u>							
B&T Necessary Reconstruction Reserve		0,000	0,000	0,000	0,000	0,000	0,000
MTA Capital Program - Non-Resolution Funds		155,000	345,000	500,000	155,000	345,000	500,000
MRT-2 Corporate Account		0,000	0,000	0,000	0,000	0,000	0,000
Revenue Anticipation Notes		0,000	0,000	0,000	0,000	0,000	0,000
		<u>\$155,000</u>	<u>\$345,000</u>	<u>\$500,000</u>	<u>\$155,000</u>	<u>\$345,000</u>	<u>\$500,000</u>
<u>End of Month NYCT Operating Fund borrowing from</u>							
<u>MTA Invest Pool not included in Ending Loan Balances</u>							
<u>above</u>		n/a	\$568,283	\$568,283	n/a	\$568,283	\$568,283
<u>Total Loan Balances (including negative Operating and Stabilization Fund Balances)</u>					<u>\$155,000</u>	<u>\$913,283</u>	<u>\$1,068,283</u>

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**METROPOLITAN TRANSPORTATION AUTHORITY  
FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS  
2012 ADOPTED BUDGET AND ACTUALS  
OCTOBER 2012**

<b>FAREBOX RECOVERY RATIOS</b>		
	<b>2012 <u>Mid-Year Forecast</u></b>	<b>2012 <u>YTD Actual</u></b>
New York City Transit	36.3%	36.9%
Staten Island Railway	11.1%	13.0%
Long Island Rail Road	30.1%	32.2%
Metro-North Railroad	39.1%	47.1%
Bus Company	<u>30.6%</u>	<u>30.5%</u>
<b>MTA Agency Average</b>	<b>35.4%</b>	<b>36.8%</b>

<b>FAREBOX OPERATING RATIOS</b>		
	<b>2012 <u>Mid-Year Forecast</u></b>	<b>2012 <u>YTD Actual</u></b>
New York City Transit	56.3%	55.6%
Staten Island Railway	18.4%	19.8%
Long Island Rail Road	47.0%	49.5%
Metro-North Railroad	58.9%	63.9%
Bus Company	<u>36.9%</u>	<u>37.0%</u>
<b>MTA Agency Average</b>	<b>54.1%</b>	<b>54.5%</b>

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain cost that are not subject to Agency control, but are provided centrally by MTA.

In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.



Metropolitan Transportation Authority  
State of New York

New York City Transit  
Long Island Rail Road  
Metro-North Railroad  
Bridges and Tunnels  
Bus Company

## **Report on Revenue Passengers and Vehicles Ridership Data Thru October, 2012**

**NOTE: Ridership data are preliminary and subject to revision as well as adjustments warranted by annual audit review.**

Prepared by:  
MTA Division of Management & Budget

Thursday November 29, 2012

# Metropolitan Transportation Authority

October

Revenue Passengers	2010	2011	Percent Change	2012	Percent Change
MTA New York City Transit	204,007,806	203,261,681	-0.37%	192,257,293	-5.41%
MTA New York City Subway	142,035,154	144,166,578	1.50%	137,094,949	-4.91%
MTA New York City Bus	61,972,651	59,095,103	-4.64%	55,162,344	-6.65%
MTA Staten Island Railway	408,020	425,857	4.37%	411,875	-3.28%
MTA Long Island Rail Road	6,804,525	6,903,268	1.45%	6,621,963	-4.07%
MTA Metro-North Railroad	7,027,596	7,042,872	0.22%	6,778,734	-3.75%
East of Hudson	6,867,305	6,945,233	1.13%	6,639,906	-4.40%
Harlem Line	2,275,602	2,283,643	0.35%	2,180,348	-4.52%
Hudson Line	1,361,131	1,359,385	-0.13%	1,304,322	-4.05%
New Haven Line	3,230,572	3,302,205	2.22%	3,155,236	-4.45%
West of Hudson	160,291	97,639	-39.09%	138,828	42.18%
Port Jervis Line	110,500	46,093	-58.29%	87,075	88.91%
Pascack Valley Line	49,791	51,546	3.52%	51,753	0.40%
MTA Bus Company	10,772,444	10,571,255	-1.87%	9,989,731	-5.50%
MTA Bridges & Tunnels	25,470,647	24,135,980	-5.24%	22,928,321	-5.00%
Total All Agencies	229,020,391	228,204,933	-0.36%	216,059,595	-5.32%
(Excludes Bridges & Tunnels)					
Weekdays:	20	20		22	
Holidays:	1	1		1	
Weekend Days:	10	10		8	
Days	31	31		31	

Thursday, November 29, 2012

# Metropolitan Transportation Authority

October

Revenue Passengers Year to Date	2010	2011	Percent Change	2012	Percent Change
MTA New York City Transit	1,918,734,279	1,912,671,318	-0.32%	1,949,868,965	1.94%
MTA New York City Subway	1,332,679,416	1,358,696,896	1.95%	1,392,630,736	2.50%
MTA New York City Bus	586,054,863	553,974,422	-5.47%	557,238,229	0.59%
MTA Staten Island Railway	3,627,466	3,786,313	4.38%	3,803,565	0.46%
MTA Long Island Rail Road	68,007,262	66,999,848	-1.48%	69,287,137	3.41%
MTA Metro-North Railroad	67,195,926	67,750,409	0.83%	69,660,815	2.82%
East of Hudson	65,632,396	66,312,178	1.04%	68,228,380	2.89%
Harlem Line	21,734,842	21,772,949	0.18%	22,324,920	2.54%
Hudson Line	13,001,681	13,053,166	0.40%	13,341,256	2.21%
New Haven Line	30,895,873	31,486,063	1.91%	32,562,204	3.42%
West of Hudson	1,563,530	1,438,231	-8.01%	1,432,435	-0.40%
Port Jervis Line	1,092,975	956,956	-12.44%	904,219	-5.51%
Pascack Valley Line	470,555	481,275	2.28%	528,216	9.75%
MTA Bus Company	100,583,116	98,164,840	-2.40%	100,500,278	2.38%
MTA Bridges & Tunnels	244,728,229	236,396,757	-3.40%	238,243,854	0.78%
Total All Agencies	2,158,148,049	2,149,372,728	-0.41%	2,193,120,760	2.04%
(Excludes Bridges & Tunnels)					
Weekdays:	209	207		212	
Holidays:	7	6		7	
Weekend Days:	88	91		86	
Days	304	304		305	

Thursday, November 29, 2012

# Metropolitan Transportation Authority

October

12 Month Averages	2010	2011	Percent Change	2012	Percent Change
MTA New York City Transit	191,686,043	191,254,871	-0.22%	195,245,530	2.09%
MTA New York City Subway	133,064,425	135,851,291	2.09%	139,530,709	2.71%
MTA New York City Bus	58,621,619	55,403,579	-5.49%	55,714,821	0.56%
MTA Staten Island Railway	360,315	377,428	4.75%	383,392	1.58%
MTA Long Island Rail Road	6,795,180	6,712,357	-1.22%	6,939,191	3.38%
MTA Metro-North Railroad	6,717,049	6,804,181	1.30%	6,995,683	2.81%
East of Hudson	6,560,893	6,657,561	1.47%	6,856,715	2.99%
Harlem Line	2,175,102	2,189,101	0.64%	2,243,010	2.46%
Hudson Line	1,296,445	1,308,964	0.97%	1,337,349	2.17%
New Haven Line	3,089,346	3,159,496	2.27%	3,276,356	3.70%
West of Hudson	156,156	146,621	-6.11%	138,968	-5.22%
Port Jervis Line	109,463	98,248	-10.24%	86,374	-12.09%
Pascack Valley Line	46,694	48,372	3.59%	52,594	8.73%
MTA Bus Company	10,043,515	9,817,383	-2.25%	10,051,394	2.38%
MTA Bridges & Tunnels	24,321,186	23,615,230	-2.90%	23,779,390	0.70%
Total All Agencies	215,602,102	214,966,220	-0.29%	219,615,190	2.16%
(Excludes Bndges & Tunnels)					
Weekdays:	20	20		22	
Holidays:	1	1		1	
Weekend Days:	10	10		8	
Days	31	31		31	

Thursday, November 29, 2012

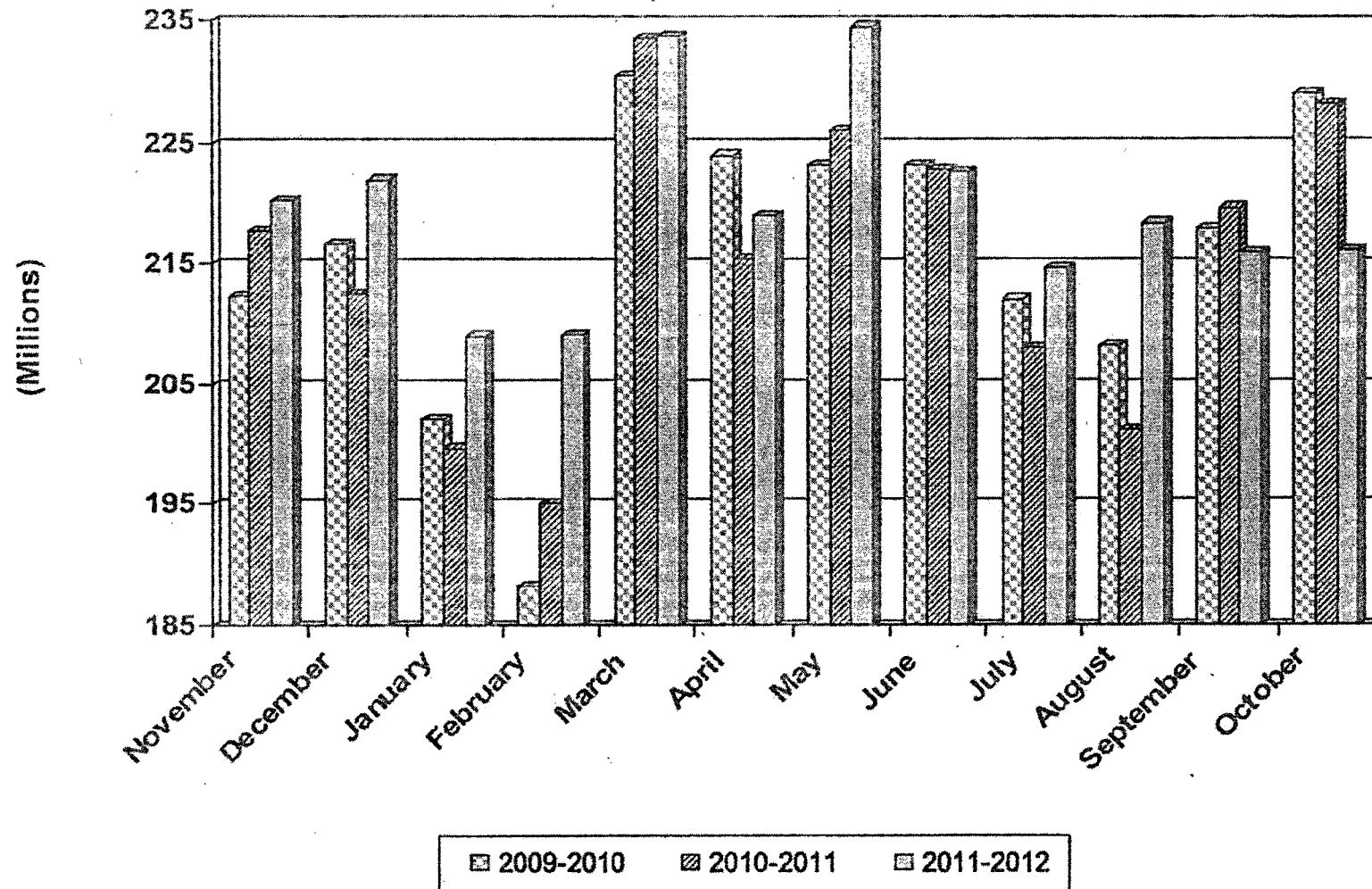
# Metropolitan Transportation Authority

October

Average Weekday Passengers	2010	2011	Percent Change	2012	Percent Change
MTA New York City Transit	7,778,563	7,785,087	0.08%	7,966,376	2.33%
MTA New York City Subway	5,419,113	5,519,975	1.86%	5,672,967	2.77%
MTA New York City Bus	2,359,451	2,265,112	-4.00%	2,293,410	1.25%
MTA Staten Island Railway	17,241	18,063	4.77%	18,739	3.75%
MTA Long Island Rail Road	285,328	288,692	1.18%	268,456	-7.01%
MTA Metro-North Railroad	287,333	286,373	-0.33%	260,037	-9.20%
East of Hudson	279,708	281,728	0.72%	253,095	-10.16%
Harlem Line	93,240	93,197	-0.05%	83,525	-10.38%
Hudson Line	55,261	54,963	-0.54%	49,582	-9.79%
New Haven Line	131,207	133,568	1.80%	119,988	-10.17%
West of Hudson	7,625	4,645	-39.08%	6,942	49.45%
Port Jervis Line	5,256	2,192	-58.29%	4,354	98.63%
Pascack Valley Line	2,369	2,453	3.54%	2,588	5.50%
MTA Bus Company	421,441	415,028	-1.52%	423,060	1.94%
MTA Bridges & Tunnels	837,927	801,026	-4.40%	736,300	-8.08%
Total All Agencies	8,789,906	8,793,243	0.04%	8,936,668	1.63%
(Excludes Bridges & Tunnels)					
Weekdays:	20	20		22	
Holidays:	1	1		1	
Weekend Days:	10	10		8	
Days	31	31		31	

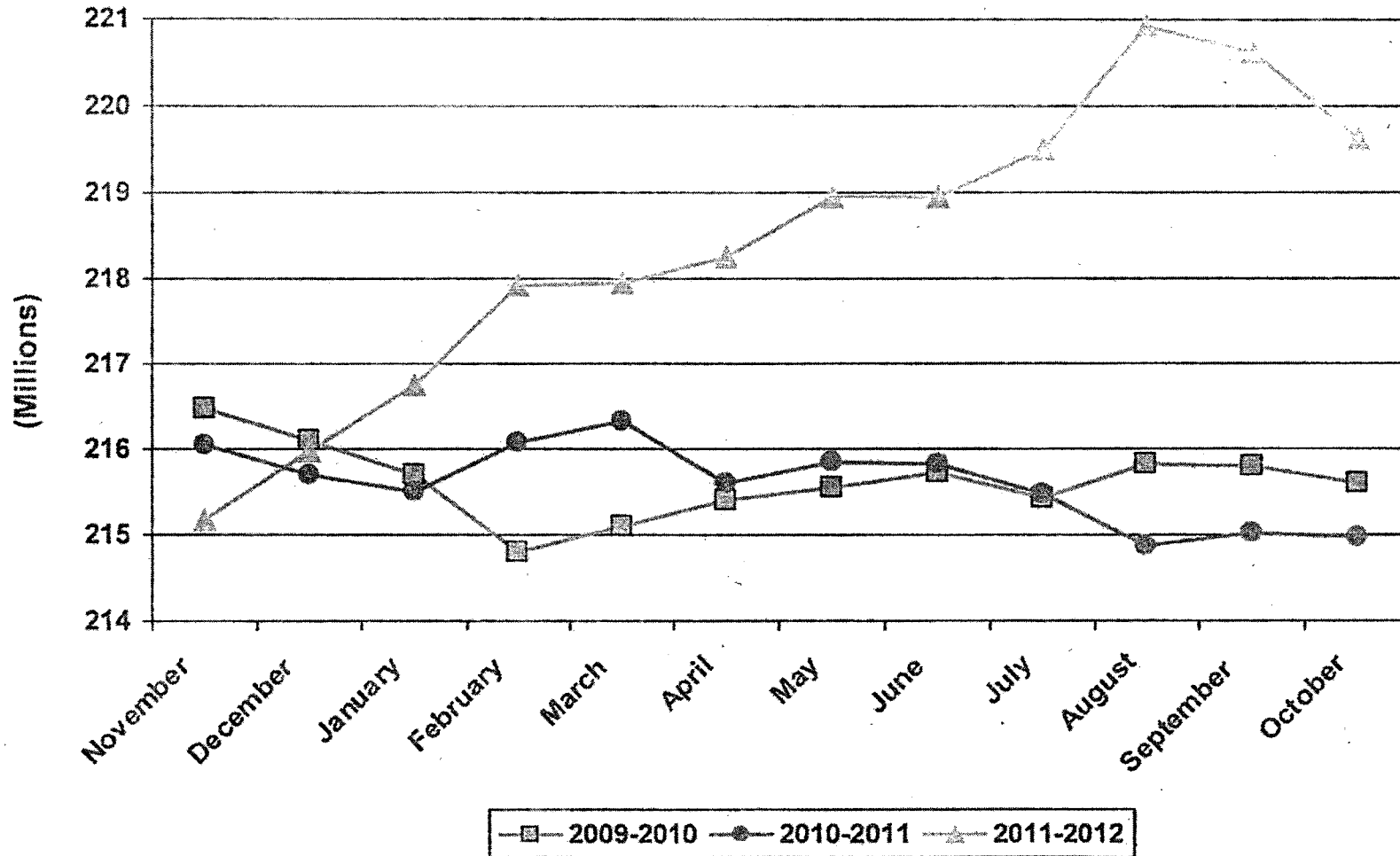
Thursday, November 29, 2012

## Metropolitan Transportation Authority Revenue Passengers

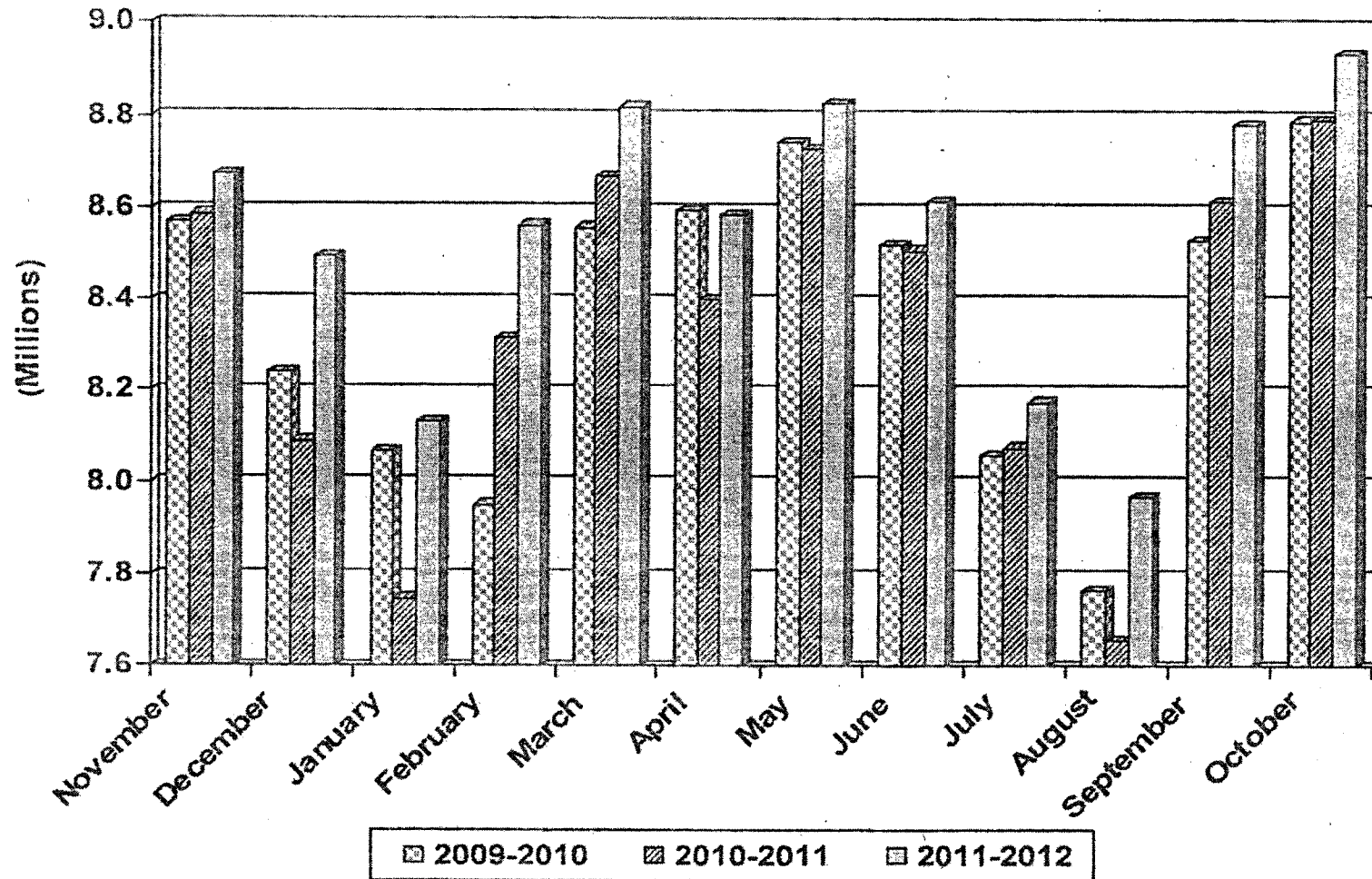




## Metropolitan Transportation Authority 12 Month Averages



## Metropolitan Transportation Authority Average Weekday Passengers



## Metropolitan Transportation Authority

October

## Metropolitan Transportation Authority

## Revenue Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	212,377,004	217,697,861	2.51%	220,299,709	1.20%
December	216,700,171	212,524,052	-1.93%	221,961,809	4.44%
January	202,097,591	199,626,481	-1.22%	209,004,100	4.70%
February	188,151,877	195,117,125	3.70%	209,133,184	7.18%
March	230,569,713	233,530,153	1.28%	233,767,193	0.10%
April	223,935,466	215,359,706	-3.83%	219,033,599	1.71%
May	223,140,121	225,993,773	1.28%	234,553,251	3.79%
June	223,103,562	222,752,375	-0.16%	222,587,490	-0.07%
July	212,066,298	207,985,786	-1.92%	214,708,274	3.23%
August	208,201,066	201,155,187	-3.38%	218,349,505	8.55%
September	217,861,963	219,645,196	0.82%	215,924,570	-1.69%
October	229,020,391	228,204,933	-0.36%	216,059,595	-5.32%
12 Month Ave	215,602,102	214,966,220	-0.29%	219,615,190	2.16%
Year-to-Date	2,158,148,049	2,149,372,728	-0.41%	2,193,120,760	2.04%

## 12 Month Averages

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	216,476,649	216,045,507	-0.20%	215,183,041	-0.40%
December	216,108,986	215,697,497	-0.19%	215,969,520	0.13%
January	215,688,613	215,491,739	-0.09%	216,750,821	0.58%
February	214,795,870	216,072,176	0.59%	217,918,826	0.85%
March	215,088,340	216,318,879	0.57%	217,938,579	0.75%
April	215,393,701	215,604,232	0.10%	218,244,737	1.22%
May	215,564,882	215,842,037	0.13%	218,958,027	1.44%
June	215,716,640	215,812,771	0.04%	218,944,287	1.45%
July	215,424,334	215,472,729	0.02%	219,504,494	1.87%
August	215,837,119	214,885,572	-0.44%	220,937,354	2.82%
September	215,801,488	215,034,175	-0.36%	220,627,301	2.60%
October	215,602,102	214,966,220	-0.29%	219,615,190	2.16%

## Average Weekday Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	8,567,163	8,586,114	0.22%	8,673,296	1.02%
December	8,239,048	8,088,436	-1.83%	8,484,117	5.02%
January	8,064,743	7,746,524	-3.95%	8,130,473	4.96%
February	7,949,176	8,315,195	4.60%	8,560,503	2.95%
March	8,556,327	8,669,386	1.32%	8,818,988	1.73%
April	8,594,113	8,398,302	-2.28%	8,584,112	2.21%
May	8,743,836	8,725,524	-0.21%	8,825,740	1.15%
June	8,518,239	8,506,573	-0.14%	8,613,505	1.26%
July	8,057,781	8,074,383	0.21%	8,173,203	1.22%
August	7,764,501	7,654,456	-1.42%	7,966,505	4.08%
September	8,527,032	8,611,764	0.99%	8,782,820	1.99%
October	8,789,906	8,793,243	0.04%	8,936,668	1.63%

## MTA New York City Transit

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	188,959,291	193,742,556	2.53%	195,863,623	1.15%
December	192,538,951	188,644,573	-2.02%	197,113,772	4.49%
January	180,082,876	178,374,136	-0.95%	186,071,099	4.32%
February	167,702,719	174,315,460	3.94%	186,338,266	6.90%
March	205,362,791	208,218,803	1.39%	206,156,917	-0.03%
April	189,272,046	191,839,355	-3.73%	194,878,440	1.58%
May	198,755,061	201,322,443	1.29%	208,871,044	3.75%
June	197,916,536	197,664,346	-0.12%	197,662,990	-0.01%
July	187,797,149	184,243,874	-1.89%	190,289,284	3.29%
August	184,255,087	178,166,924	-3.30%	193,238,945	8.46%
September	193,582,215	195,244,293	0.86%	192,094,788	-1.61%
October	204,807,806	203,261,681	-0.37%	192,257,293	-5.41%
12 Month Ave	191,686,043	191,254,871	-0.22%	195,245,530	2.09%
Year-to-Date	1,918,734,279	1,912,671,318	-0.32%	1,949,868,965	1.94%
12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	192,499,817	192,084,649	-0.22%	191,439,959	-0.34%
December	192,194,849	191,760,118	-0.23%	192,145,726	0.20%
January	191,837,331	191,617,723	-0.11%	192,787,140	0.61%
February	191,029,938	192,168,785	0.60%	193,789,040	0.84%
March	191,288,994	192,408,786	0.58%	193,783,883	0.72%
April	191,561,615	191,787,395	0.12%	194,037,140	1.17%
May	191,692,882	192,001,343	0.16%	194,666,190	1.39%
June	191,843,219	191,981,994	0.07%	194,664,402	1.40%
July	191,551,415	191,685,888	0.07%	195,189,019	1.82%
August	191,902,428	191,178,541	-0.38%	196,425,021	2.74%
September	191,860,730	191,317,048	-0.28%	196,162,562	2.53%
October	191,686,043	191,254,871	-0.22%	195,245,530	2.09%
Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	7,559,289	7,582,993	0.31%	7,658,485	1.00%
December	7,285,618	7,144,832	-1.93%	7,497,041	4.93%
January	7,129,049	6,844,588	-3.99%	7,178,274	4.88%
February	7,033,952	7,381,871	4.95%	7,585,010	2.75%
March	7,557,902	7,698,602	1.46%	7,813,477	1.49%
April	7,613,298	7,440,152	-2.27%	7,599,664	2.14%
May	7,734,333	7,728,432	-0.06%	7,820,439	1.18%
June	7,523,882	7,518,270	-0.10%	7,608,338	1.22%
July	7,092,619	7,104,704	0.17%	7,201,810	1.37%
August	6,837,492	6,758,450	-1.15%	7,021,993	3.90%
September	7,535,550	7,616,195	1.07%	7,756,444	1.84%
October	7,778,563	7,786,087	0.08%	7,966,376	2.33%

## MTA New York City Subway

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	129,502,770	135,682,453	4.77%	139,666,952	2.94%
December	134,590,912	135,836,140	0.93%	142,068,824	4.59%
January	124,549,460	127,637,258	2.48%	132,812,778	4.05%
February	118,664,456	124,055,125	6.33%	132,381,109	6.71%
March	141,662,474	146,487,199	3.41%	147,401,147	0.62%
April	137,500,468	136,237,054	-0.92%	139,080,375	2.09%
May	136,822,536	141,880,529	3.70%	148,496,485	4.66%
June	137,816,880	140,586,973	2.01%	141,988,322	1.00%
July	131,521,063	131,263,666	-0.20%	137,228,468	4.54%
August	129,371,936	127,893,199	-1.14%	139,253,563	8.88%
September	134,732,986	138,488,313	2.79%	136,895,540	-1.15%
October	142,035,154	144,166,578	1.50%	137,094,949	-4.91%
12 Month Ave	133,064,425	135,851,291	2.09%	139,530,709	2.71%
Year-to-Date	1,332,679,416	1,358,696,896	1.95%	1,392,630,736	2.50%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	131,757,665	133,579,398	1.38%	136,183,500	1.95%
December	131,655,550	133,683,168	1.54%	136,702,889	2.26%
January	131,522,192	133,940,485	1.84%	137,134,183	2.38%
February	131,209,805	134,556,374	2.55%	137,828,015	2.43%
March	131,623,244	134,958,434	2.53%	137,904,177	2.18%
April	131,931,646	134,853,150	2.21%	138,141,120	2.44%
May	132,214,165	135,274,649	2.31%	138,692,450	2.53%
June	132,478,393	135,505,323	2.28%	138,809,063	2.44%
July	132,378,135	135,483,874	2.35%	139,306,129	2.82%
August	132,807,095	135,360,646	1.92%	140,252,826	3.61%
September	132,965,404	135,673,673	2.04%	140,120,012	3.28%
October	133,064,425	135,851,291	2.09%	139,530,709	2.71%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	5,180,638	5,307,376	2.25%	5,456,286	2.81%
December	5,082,646	5,137,650	1.08%	5,392,467	4.96%
January	4,925,418	4,892,789	-0.66%	5,113,166	4.50%
February	4,907,727	5,260,405	7.19%	5,391,274	2.49%
March	5,235,369	5,423,118	3.59%	5,530,836	1.99%
April	5,258,453	5,285,535	0.71%	5,427,522	2.49%
May	5,332,941	5,450,248	2.23%	5,557,889	1.97%
June	5,249,681	5,355,314	2.01%	5,475,383	2.24%
July	4,998,748	5,097,919	1.98%	5,211,599	2.23%
August	4,826,516	4,863,820	0.77%	5,081,510	4.48%
September	5,258,598	5,415,945	3.03%	5,526,784	2.05%
October	5,419,113	5,519,975	1.86%	5,672,967	2.77%

## Metropolitan Transportation Authority

October

## MTA New York City Bus

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	59,458,522	58,060,105	-2.35%	56,294,571	-3.04%
December	57,948,039	52,608,425	-8.87%	55,044,948	4.24%
January	55,533,410	50,736,876	-8.64%	53,258,321	4.97%
February	51,036,263	50,260,335	-1.52%	53,957,157	7.36%
March	63,720,317	61,731,605	-3.09%	60,755,770	-1.58%
April	61,771,578	55,602,301	-9.99%	55,798,065	0.35%
May	61,932,523	58,441,914	-4.02%	60,374,559	1.57%
June	60,097,655	57,097,375	-4.99%	55,676,568	-2.49%
July	56,276,086	52,960,206	-5.86%	53,070,816	0.17%
August	54,883,150	50,273,725	-9.40%	53,985,382	7.38%
September	58,849,229	58,754,980	-3.56%	55,199,248	-2.74%
October	61,972,651	59,095,103	-4.64%	55,162,344	-6.65%
12 Month Ave	58,621,619	55,403,579	-5.49%	55,714,821	0.56%
Year-to-Date	586,054,863	553,974,422	-5.47%	557,238,229	0.59%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	60,742,152	58,505,251	-3.66%	55,256,460	-5.55%
December	60,539,299	58,076,949	-4.07%	55,442,837	-4.54%
January	60,315,140	57,677,238	-4.37%	55,652,957	-3.51%
February	59,820,131	57,612,411	-3.69%	55,961,026	-2.87%
March	59,665,750	57,448,352	-3.72%	55,879,706	-2.73%
April	59,629,969	58,934,245	-4.52%	55,896,020	-1.82%
May	59,478,717	56,726,694	-4.63%	55,973,740	-1.33%
June	59,364,826	56,476,671	-4.87%	55,855,339	-1.10%
July	59,173,280	56,202,014	-5.02%	55,862,890	-0.60%
August	58,095,333	55,817,896	-5.55%	56,172,195	0.63%
September	58,895,326	55,643,375	-5.52%	56,042,551	0.72%
October	58,621,619	55,403,579	-5.49%	55,714,821	0.56%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	2,368,651	2,275,616	-3.93%	2,202,199	-3.23%
December	2,202,973	2,007,182	-8.89%	2,104,574	4.85%
January	2,203,631	1,951,788	-11.43%	2,065,108	5.81%
February	2,126,225	2,121,466	-0.22%	2,193,736	3.41%
March	2,352,533	2,275,484	-3.28%	2,282,642	0.31%
April	2,354,845	2,144,616	-8.93%	2,172,142	1.28%
May	2,401,392	2,276,186	-5.13%	2,262,550	-0.69%
June	2,274,201	2,160,956	-4.98%	2,132,955	-1.30%
July	2,093,872	2,006,784	-4.16%	1,990,211	-0.63%
August	2,010,888	1,894,630	-5.76%	1,940,483	2.42%
September	2,278,952	2,200,250	-3.45%	2,229,660	1.34%
October	2,359,451	2,265,112	-4.00%	2,293,410	1.25%

## MTA Bus Company

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	10,046,831	10,198,423	1.51%	10,166,855	-0.31%
December	9,892,130	9,445,337	-4.52%	9,949,597	5.34%
January	9,371,140	8,948,729	-4.51%	9,578,127	7.03%
February	8,639,731	8,807,613	1.94%	9,658,843	9.66%
March	10,853,986	10,784,536	-0.73%	10,947,264	1.51%
April	10,513,925	9,607,308	-7.77%	9,980,123	2.71%
May	10,538,187	10,577,404	0.37%	10,856,580	2.64%
June	10,362,337	10,157,752	-1.97%	10,030,937	-1.25%
July	9,709,091	9,359,812	-3.60%	9,576,499	2.31%
August	9,598,938	9,112,914	-5.06%	9,925,419	8.93%
September	10,213,437	10,147,416	-0.65%	9,875,745	-1.69%
October	10,772,444	10,571,255	-1.87%	9,989,731	-5.50%
12 Month Ave	10,043,515	9,817,383	-2.25%	10,051,394	2.38%
Year-to-Date	100,583,116	98,164,840	-2.40%	100,500,278	2.38%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	10,009,579	10,056,139	0.47%	9,814,753	-2.40%
December	9,999,375	10,018,906	0.20%	9,856,774	-1.62%
January	9,892,552	9,983,705	-0.09%	9,908,224	-0.75%
February	9,945,934	9,997,696	0.52%	9,980,160	-0.18%
March	9,962,511	9,991,083	0.29%	9,993,721	0.03%
April	9,985,131	9,923,032	-0.72%	10,015,622	0.93%
May	10,011,372	9,926,300	-0.85%	10,038,887	1.13%
June	10,026,747	9,909,251	-1.17%	10,028,319	1.20%
July	10,030,373	9,880,153	-1.50%	10,046,368	1.68%
August	10,062,789	9,839,651	-2.22%	10,114,160	2.78%
September	10,060,099	9,834,149	-2.25%	10,099,855	2.70%
October	10,043,515	9,817,383	-2.25%	10,051,394	2.38%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	411,985	409,255	-0.66%	405,717	-0.86%
December	384,693	368,375	-4.24%	389,201	5.85%
January	384,035	353,022	-8.06%	379,963	7.63%
February	371,850	382,662	2.90%	401,678	4.97%
March	410,253	408,662	-0.88%	419,885	3.25%
April	409,886	383,699	-6.39%	396,206	3.26%
May	419,911	416,250	-0.87%	414,301	-0.47%
June	399,709	392,545	-1.79%	391,846	-0.18%
July	371,177	365,281	-1.59%	366,675	0.38%
August	360,375	349,686	-2.97%	363,875	4.06%
September	406,532	403,218	-0.57%	412,133	2.21%
October	421,441	415,028	-1.52%	423,060	1.94%

## MTA Staten Island Railway

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	352,352	383,054	8.72%	405,710	5.91%
December	343,956	359,753	4.59%	391,429	8.80%
January	338,263	356,396	5.36%	385,644	8.21%
February	309,924	333,719	7.68%	367,154	10.02%
March	397,877	427,999	7.62%	415,419	-2.94%
April	380,950	366,489	-3.80%	364,882	-0.44%
May	372,053	406,054	9.14%	410,031	0.98%
June	386,819	404,083	4.46%	388,184	-3.93%
July	328,874	327,303	-0.48%	326,507	0.37%
August	325,403	333,401	2.46%	352,063	5.60%
September	379,483	405,022	6.73%	379,807	-6.23%
October	408,020	425,857	4.37%	411,875	-3.28%
12 Month Ave	360,315	377,428	4.75%	383,392	1.58%
Year-to-Date	3,627,466	3,786,313	4.38%	3,803,565	0.46%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	345,187	362,874	5.12%	379,315	4.53%
December	343,928	364,190	5.99%	381,954	4.88%
January	343,143	365,701	6.57%	384,393	5.11%
February	343,096	367,683	7.17%	387,179	5.30%
March	345,315	370,210	7.21%	386,130	4.30%
April	348,704	369,005	5.82%	385,997	4.60%
May	350,936	371,839	5.96%	386,328	3.90%
June	353,259	373,277	5.67%	385,003	3.14%
July	353,800	373,146	5.47%	385,103	3.20%
August	356,855	373,813	4.75%	386,658	3.44%
September	358,568	375,941	4.85%	384,557	2.29%
October	360,315	377,428	4.75%	383,392	1.58%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	15,818	16,414	3.76%	17,302	5.41%
December	14,334	15,030	4.85%	16,526	9.86%
January	15,203	15,224	0.14%	16,557	8.75%
February	14,600	15,698	7.52%	16,578	5.60%
March	15,962	17,125	7.29%	16,934	-1.12%
April	15,838	15,552	-1.74%	15,800	1.53%
May	16,238	17,127	5.48%	16,842	-1.67%
June	15,922	16,610	4.32%	16,434	-1.06%
July	13,507	13,821	2.32%	14,002	1.31%
August	13,002	13,291	2.22%	13,710	3.15%
September	16,136	17,244	6.87%	17,300	0.33%
October	17,241	18,063	4.77%	18,739	3.76%



## MTA Long Island Rail Road

## Revenue Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,532,672	6,563,349	0.47%	6,815,374	3.84%
December	7,002,228	6,985,089	-0.24%	7,167,781	2.62%
January	6,247,660	5,890,855	-5.71%	6,431,656	9.18%
February	5,811,552	5,836,491	0.43%	6,373,026	9.19%
March	7,007,149	7,031,512	0.35%	7,102,376	1.01%
April	6,931,286	6,651,980	-4.03%	6,858,130	3.10%
May	6,743,764	6,739,212	-0.07%	7,172,588	6.43%
June	7,275,744	7,178,901	-1.39%	7,235,529	0.79%
July	7,238,718	7,042,470	-2.71%	7,289,683	3.51%
August	7,108,665	6,837,184	-3.82%	7,482,932	9.44%
September	6,634,199	6,887,985	0.76%	6,719,248	-2.45%
October	6,804,525	6,903,268	1.45%	6,621,963	-4.07%
12 Month Ave	6,795,180	6,712,357	-1.22%	6,939,191	3.38%
Year-to-Date	68,007,262	66,999,848	-1.48%	69,287,137	3.41%

## 12 Month Averages

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,943,609	6,797,737	-2.10%	6,733,359	-0.95%
December	6,912,571	6,796,308	-1.68%	6,748,584	-0.70%
January	6,880,250	6,766,575	-1.65%	6,793,651	0.40%
February	6,857,326	6,769,653	-1.29%	6,838,362	1.03%
March	6,857,302	6,770,583	-1.26%	6,844,267	1.08%
April	6,848,013	6,747,406	-1.47%	6,861,448	1.69%
May	6,843,765	6,747,027	-1.41%	6,897,563	2.23%
June	6,827,208	6,738,623	-1.30%	6,902,282	2.43%
July	6,823,244	6,722,269	-1.48%	6,922,883	2.98%
August	6,819,437	6,699,846	-1.76%	6,976,695	4.14%
September	6,811,276	6,704,129	-1.57%	6,962,633	3.86%
October	6,795,180	6,712,357	-1.22%	6,939,191	3.38%

## Average Weekday Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	295,964	287,221	-2.95%	298,001	3.75%
December	280,003	279,299	-0.25%	296,869	6.29%
January	272,255	269,444	-1.03%	281,448	4.46%
February	269,143	270,350	0.45%	281,543	4.14%
March	271,905	273,253	0.50%	286,283	4.76%
April	276,901	276,597	-0.11%	286,139	2.71%
May	291,072	280,553	-3.61%	286,384	2.79%
June	290,508	287,735	-0.95%	300,288	4.36%
July	296,549	300,068	1.19%	300,228	0.05%
August	280,172	286,920	4.73%	286,121	7.18%
September	285,944	288,504	0.90%	304,876	5.71%
October	285,328	288,692	1.18%	288,466	-7.01%

## MTA Metro-North Railroad

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,485,758	6,810,467	5.01%	6,948,147	2.02%
December	6,822,806	7,089,300	2.40%	7,338,230	3.53%
January	6,057,658	6,058,385	0.01%	6,537,572	7.91%
February	5,587,951	5,823,842	2.39%	6,395,893	9.82%
March	5,938,210	7,087,303	1.85%	7,145,215	1.10%
April	6,837,281	6,804,593	-0.48%	6,972,024	2.46%
May	6,731,056	6,948,660	3.23%	7,242,998	4.24%
June	7,158,126	7,327,291	2.36%	7,269,950	-0.76%
July	6,532,466	7,012,229	0.28%	7,214,301	2.88%
August	6,912,973	6,704,764	-3.01%	7,349,146	9.51%
September	6,852,629	6,960,470	1.57%	6,754,982	-2.95%
October	7,027,596	7,042,872	0.22%	6,778,734	-3.75%
12 Month Ave	6,717,049	6,804,181	1.30%	6,995,683	2.81%
Year-to-Date	67,195,926	67,750,409	0.83%	69,660,815	2.82%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,678,456	6,744,108	0.98%	6,815,655	1.05%
December	6,658,262	6,757,974	1.50%	6,836,482	1.15%
January	6,635,337	6,758,035	1.85%	6,876,414	1.75%
February	6,619,578	6,769,359	2.26%	6,924,085	2.29%
March	6,634,219	6,780,117	2.20%	6,930,578	2.22%
April	6,640,238	6,777,395	2.07%	6,944,531	2.47%
May	6,655,928	6,795,528	2.10%	6,969,059	2.55%
June	6,666,207	6,809,625	2.15%	6,964,280	2.27%
July	6,665,502	6,811,272	2.19%	6,981,120	2.49%
August	6,695,600	6,793,822	1.47%	7,034,818	3.55%
September	6,710,814	6,802,808	1.37%	7,017,694	3.16%
October	6,717,049	6,804,181	1.30%	6,995,683	2.81%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	284,108	290,232	2.16%	293,791	1.23%
December	274,400	280,900	2.37%	294,479	4.83%
January	264,201	264,246	0.02%	274,231	3.78%
February	259,822	264,614	1.92%	275,894	4.19%
March	270,305	273,743	1.27%	282,429	3.17%
April	276,191	280,302	1.49%	286,303	2.14%
May	282,281	283,152	0.31%	285,774	0.92%
June	288,218	293,413	1.80%	296,618	1.09%
July	283,928	290,510	2.32%	290,489	-0.01%
August	273,549	286,109	-2.72%	280,806	5.52%
September	283,870	286,603	0.96%	291,967	1.87%
October	287,333	286,373	-0.33%	280,037	-9.20%

## East of Hudson

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,336,672	6,554,086	5.01%	6,851,079	2.96%
December	6,761,647	6,924,468	2.41%	7,201,122	4.00%
January	5,917,527	5,916,958	-0.01%	6,407,976	8.30%
February	5,556,169	5,685,834	2.33%	6,265,036	10.19%
March	6,759,641	6,896,269	1.87%	5,994,607	1.43%
April	6,675,240	6,648,157	-0.41%	6,831,738	2.76%
May	6,580,762	6,788,759	3.16%	7,054,292	4.55%
June	6,992,372	7,164,509	2.46%	7,121,125	-0.61%
July	6,832,493	6,854,351	0.32%	7,062,979	3.04%
August	6,747,243	6,551,648	-2.90%	7,192,537	9.78%
September	6,693,644	6,860,460	2.49%	6,618,194	-3.53%
October	6,867,305	6,945,233	1.13%	6,639,906	-4.40%
12 Month Ave	6,560,893	6,657,561	1.47%	6,856,715	2.99%
Year-to-Date	66,632,396	66,312,178	1.04%	68,228,380	2.89%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	6,516,991	6,587,344	1.08%	6,673,977	1.32%
December	6,497,963	6,600,912	1.58%	6,697,032	1.46%
January	6,476,421	6,600,865	1.92%	6,737,950	2.08%
February	6,461,804	6,611,670	2.32%	6,766,217	2.64%
March	6,476,509	6,622,223	2.25%	6,794,411	2.60%
April	6,482,725	6,619,966	2.12%	6,809,710	2.87%
May	6,498,836	6,637,299	2.13%	6,835,170	2.98%
June	6,508,511	6,651,644	2.18%	6,831,555	2.70%
July	6,509,653	6,653,485	2.21%	6,848,940	2.94%
August	6,539,204	6,637,166	1.50%	6,902,348	4.00%
September	6,554,367	6,651,067	1.48%	6,882,159	3.47%
October	6,560,893	6,657,561	1.47%	6,856,715	2.99%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	276,266	282,409	2.22%	286,936	2.31%
December	267,059	273,395	2.37%	287,900	5.31%
January	256,833	256,810	-0.01%	267,748	4.26%
February	252,703	257,367	1.85%	269,157	4.58%
March	262,962	268,296	1.27%	275,580	3.49%
April	269,823	272,859	1.50%	279,630	2.48%
May	274,774	275,544	0.28%	279,003	1.26%
June	280,680	286,011	1.90%	289,538	1.23%
July	276,308	282,826	2.29%	283,280	0.23%
August	266,011	258,877	-2.68%	273,992	5.83%
September	276,296	281,839	2.01%	284,787	1.05%
October	279,708	281,728	0.72%	253,095	-10.16%

## Harlem Line

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	2,112,525	2,198,951	4.09%	2,247,234	2.20%
December	2,253,657	2,297,316	1.93%	2,343,967	2.03%
January	1,996,515	1,975,045	-1.05%	2,127,333	7.71%
February	1,670,292	1,913,040	2.29%	2,075,606	8.50%
March	2,287,299	2,304,100	0.73%	2,321,334	0.75%
April	2,228,459	2,188,956	-1.77%	2,235,081	2.11%
May	2,164,271	2,223,927	2.76%	2,318,904	4.27%
June	2,300,223	2,320,897	0.90%	2,318,256	-0.11%
July	2,226,434	2,198,107	-1.27%	2,274,018	3.45%
August	2,179,564	2,111,456	-3.12%	2,311,944	9.50%
September	2,269,183	2,253,778	2.16%	2,162,096	-4.07%
October	2,275,602	2,283,643	0.35%	2,180,348	-4.52%
12 Month Ave	2,175,102	2,189,101	0.64%	2,243,010	2.46%
Year-to-Date	21,734,842	21,772,949	0.18%	22,324,920	2.54%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	2,189,026	2,182,304	-0.31%	2,193,125	0.50%
December	2,180,277	2,185,926	0.26%	2,197,013	0.51%
January	2,171,309	2,184,137	0.59%	2,209,703	1.17%
February	2,164,529	2,197,599	1.07%	2,223,250	1.63%
March	2,167,053	2,189,099	1.02%	2,224,687	1.63%
April	2,165,757	2,185,807	0.93%	2,228,530	1.95%
May	2,166,905	2,190,778	1.10%	2,236,445	2.08%
June	2,166,318	2,192,501	1.21%	2,236,225	1.99%
July	2,164,473	2,190,141	1.19%	2,242,551	2.39%
August	2,171,702	2,184,485	0.59%	2,259,258	3.42%
September	2,174,882	2,188,431	0.62%	2,251,618	2.89%
October	2,175,102	2,189,101	0.64%	2,243,010	2.46%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	92,842	93,593	1.13%	95,500	1.71%
December	89,618	91,183	1.75%	94,527	3.67%
January	87,248	86,168	-1.24%	89,422	3.76%
February	85,507	86,918	1.65%	88,675	3.17%
March	89,165	89,286	0.14%	91,890	2.92%
April	90,162	90,375	0.20%	92,081	1.89%
May	91,128	90,816	-0.34%	91,782	1.06%
June	92,885	93,237	0.38%	94,958	1.85%
July	90,784	91,588	0.89%	92,071	0.53%
August	86,582	84,033	-2.94%	88,674	5.52%
September	91,552	93,133	1.73%	93,799	0.72%
October	93,240	93,197	-0.05%	83,525	-10.38%

## Hudson Line

## Revenue Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	1,237,169	1,303,840	5.39%	1,332,264	2.18%
December	1,318,485	1,350,557	2.43%	1,374,664	1.78%
January	1,154,801	1,159,493	0.41%	1,228,283	5.93%
February	1,084,284	1,108,812	2.26%	1,201,829	8.39%
March	1,328,645	1,340,022	0.86%	1,343,475	0.26%
April	1,316,029	1,312,919	-0.24%	1,334,926	1.68%
May	1,322,076	1,349,153	2.05%	1,389,291	3.72%
June	1,382,018	1,408,063	1.88%	1,394,023	-1.00%
July	1,360,953	1,358,800	-0.16%	1,401,131	3.12%
August	1,360,653	1,297,903	-4.61%	1,433,031	10.41%
September	1,331,091	1,358,616	2.07%	1,300,945	-4.24%
October	1,361,131	1,359,385	-0.13%	1,304,322	-4.05%
12 Month Ave	1,296,445	1,308,964	0.97%	1,337,349	2.17%
Year-to-Date	13,001,681	13,053,166	0.40%	13,341,256	2.21%

## 12 Month Averages

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	1,297,335	1,302,001	0.36%	1,311,332	0.72%
December	1,291,438	1,304,673	1.02%	1,313,341	0.66%
January	1,285,984	1,305,064	1.48%	1,319,074	1.07%
February	1,281,336	1,307,108	2.01%	1,326,825	1.51%
March	1,282,587	1,308,058	1.98%	1,327,113	1.46%
April	1,283,101	1,307,797	1.92%	1,328,947	1.62%
May	1,287,366	1,310,054	1.76%	1,333,125	1.76%
June	1,288,608	1,312,224	1.83%	1,331,955	1.50%
July	1,287,086	1,312,045	1.94%	1,335,483	1.79%
August	1,292,766	1,306,815	1.09%	1,346,743	3.06%
September	1,295,206	1,309,109	1.07%	1,341,937	2.51%
October	1,296,445	1,308,964	0.97%	1,337,349	2.17%

## Average Weekday Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	53,993	55,266	2.36%	56,109	1.53%
December	52,201	53,368	2.24%	55,081	3.23%
January	50,220	50,319	0.20%	51,340	2.03%
February	49,456	50,296	1.70%	51,721	2.83%
March	51,678	51,763	0.16%	52,943	2.28%
April	53,066	53,787	1.36%	54,535	1.39%
May	55,015	54,625	-0.71%	54,880	0.47%
June	55,395	56,110	1.28%	56,478	0.66%
July	54,811	55,677	1.58%	55,674	0.35%
August	53,417	51,158	-4.23%	54,403	6.34%
September	54,777	55,594	1.49%	55,710	0.21%
October	55,261	54,963	-0.54%	49,582	-9.79%

## New Haven Line

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	2,986,978	3,151,295	5.50%	3,271,581	3.82%
December	3,189,305	3,276,593	2.74%	3,482,491	6.28%
January	2,766,211	2,782,420	0.59%	3,052,360	9.70%
February	2,601,593	2,663,982	2.40%	2,687,601	12.15%
March	3,153,697	3,252,147	3.12%	3,329,798	2.39%
April	3,130,752	3,146,282	0.50%	3,261,731	3.67%
May	3,094,415	3,215,679	3.92%	3,376,087	4.99%
June	3,310,131	3,435,549	3.79%	3,408,846	-0.78%
July	3,245,106	3,297,444	1.61%	3,387,830	2.74%
August	3,207,026	3,142,289	-2.02%	3,447,562	9.71%
September	3,156,370	3,248,066	2.91%	3,155,153	-2.86%
October	3,230,572	3,302,205	2.22%	3,155,236	-4.45%
12 Month Ave	3,089,346	3,159,496	2.27%	3,276,356	3.70%
Year-to-Date	30,895,873	31,486,063	1.91%	32,562,204	3.42%
12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	3,030,630	3,103,039	2.39%	3,169,520	2.14%
December	3,026,248	3,110,313	2.78%	3,186,678	2.46%
January	3,019,128	3,111,664	3.06%	3,209,173	3.13%
February	3,015,940	3,116,863	3.35%	3,236,141	3.83%
March	3,029,869	3,125,067	3.24%	3,242,612	3.76%
April	3,033,867	3,126,362	3.05%	3,252,233	4.03%
May	3,044,564	3,136,487	3.02%	3,265,800	4.12%
June	3,054,585	3,146,918	3.02%	3,263,375	3.70%
July	3,058,084	3,151,280	3.05%	3,270,907	3.80%
August	3,074,736	3,145,885	2.31%	3,286,347	4.78%
September	3,084,279	3,153,527	2.25%	3,288,604	4.28%
October	3,089,346	3,159,496	2.27%	3,276,356	3.70%
Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	129,431	133,250	2.95%	137,327	3.06%
December	125,240	128,844	2.88%	136,282	7.33%
January	119,365	120,323	0.80%	126,986	5.54%
February	117,740	120,153	2.05%	127,761	6.33%
March	122,119	125,247	2.56%	130,747	4.39%
April	125,565	128,697	2.49%	133,014	3.35%
May	128,631	130,101	1.14%	132,341	1.72%
June	132,400	136,664	3.22%	138,101	1.05%
July	130,711	135,361	3.56%	135,335	-0.02%
August	126,012	123,686	-1.85%	130,905	5.84%
September	129,667	133,112	2.42%	135,278	1.63%
October	131,207	133,568	1.80%	119,988	-10.17%

## Metropolitan Transportation Authority

October

## West of Hudson

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	149,086	156,381	4.89%	87,088	-37.93%
December	161,259	164,834	2.22%	138,108	-16.21%
January	140,131	141,427	0.92%	129,596	-8.37%
February	131,782	138,098	4.72%	130,857	-5.18%
March	168,569	171,034	1.46%	150,608	-11.94%
April	162,021	156,436	-3.45%	140,286	-10.32%
May	150,294	159,901	6.39%	148,716	-6.99%
June	165,754	162,782	-1.79%	148,825	-8.57%
July	159,973	157,878	-1.31%	151,322	-4.15%
August	165,730	153,116	-7.61%	158,609	2.28%
September	158,985	109,010	-37.09%	136,788	38.77%
October	160,291	97,639	-39.09%	138,828	42.18%
12 Month Ave	156,156	146,621	-6.11%	138,968	-5.22%
Year-to-Date	1,563,530	1,438,231	-8.01%	1,432,435	-0.40%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	161,465	156,764	-2.91%	141,678	-9.62%
December	160,299	157,062	-2.02%	139,451	-11.21%
January	158,916	157,170	-1.10%	138,465	-11.90%
February	157,774	157,689	-0.05%	137,869	-12.57%
March	157,710	157,894	0.12%	136,167	-13.76%
April	157,513	157,429	-0.05%	134,821	-14.36%
May	157,092	158,230	0.72%	133,889	-15.38%
June	156,696	157,882	0.82%	132,726	-15.99%
July	155,849	157,807	1.28%	132,179	-16.24%
August	156,396	156,756	0.23%	132,470	-15.49%
September	156,447	151,842	-2.94%	135,535	-10.74%
October	156,156	146,621	-6.11%	138,968	-5.22%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	7,840	7,823	-0.22%	4,855	-37.94%
December	7,341	7,505	2.23%	6,579	-12.34%
January	7,368	7,436	0.92%	6,483	-12.82%
February	6,919	7,247	4.75%	6,537	-9.80%
March	7,343	7,447	1.42%	6,849	-8.03%
April	7,368	7,443	1.02%	6,673	-10.35%
May	7,507	7,618	1.48%	6,771	-11.12%
June	7,538	7,402	-1.81%	7,080	-4.35%
July	7,622	7,884	3.44%	7,209	-8.56%
August	7,538	7,232	-4.06%	6,824	-5.64%
September	7,574	4,764	-37.10%	7,180	50.71%
October	7,625	4,645	-39.08%	6,942	49.45%

Thursday November 26, 2012

## Metropolitan Transportation Authority

October

## Port Jervis Line

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	105,554	107,453	1.80%	46,692	-56.56%
December	115,022	114,571	-0.39%	85,576	-25.31%
January	98,769	96,984	-1.81%	80,570	-18.92%
February	82,218	94,908	2.92%	81,756	-13.85%
March	117,630	117,095	-0.45%	93,911	-19.80%
April	113,758	108,000	-5.06%	88,819	-17.76%
May	105,774	111,086	5.03%	93,989	-15.40%
June	115,518	116,786	1.10%	94,452	-19.12%
July	111,651	110,772	-0.79%	97,178	-12.27%
August	116,730	104,640	-10.36%	100,855	-3.62%
September	110,427	50,582	-54.19%	85,604	69.24%
October	110,500	46,093	-58.29%	87,075	88.91%
12 Month Ave	109,463	98,248	-10.24%	86,374	-12.09%
Year-to-Date	1,092,975	956,956	-12.44%	904,219	-5.51%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	116,288	109,821	-5.73%	93,185	-14.99%
December	115,152	109,583	-4.84%	90,769	-17.17%
January	113,937	108,435	-3.95%	89,401	-18.31%
February	112,881	109,659	-2.85%	88,308	-19.47%
March	112,547	109,614	-2.61%	86,374	-21.20%
April	112,093	109,134	-2.64%	84,775	-22.32%
May	111,499	109,578	-1.72%	83,350	-23.94%
June	111,010	109,683	-1.19%	81,489	-25.71%
July	110,061	109,610	-0.41%	80,356	-26.69%
August	110,231	108,603	-1.48%	80,040	-26.30%
September	109,994	103,616	-5.80%	82,959	-19.94%
October	109,463	98,248	-10.24%	86,374	-12.09%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	5,550	5,376	-3.14%	2,336	-56.54%
December	5,238	5,218	-0.38%	4,077	-21.86%
January	5,192	5,098	-1.81%	4,031	-20.93%
February	4,839	4,981	2.03%	4,084	-18.01%
March	5,126	5,100	-0.50%	4,271	-16.25%
April	5,174	5,138	-0.69%	4,224	-17.79%
May	5,282	5,293	0.20%	4,280	-19.14%
June	5,254	5,311	1.09%	4,493	-15.40%
July	5,320	5,531	3.96%	4,630	-16.29%
August	5,310	5,037	-5.14%	4,396	-12.73%
September	5,281	2,409	-54.21%	4,491	86.43%
October	5,256	2,192	-58.29%	4,354	98.63%

Thursday, November 26, 2012



## Pascack Valley Line

Revenue Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	43,532	46,828	12.40%	50,376	2.86%
December	46,237	50,263	8.71%	52,532	4.51%
January	41,362	44,443	7.45%	49,026	10.31%
February	39,584	43,100	8.94%	49,091	13.90%
March	50,939	53,939	5.89%	56,697	5.11%
April	48,263	48,436	0.36%	51,467	6.26%
May	44,520	48,805	9.62%	54,727	12.13%
June	50,236	45,986	-8.44%	54,373	18.21%
July	48,322	47,106	-2.52%	54,144	14.94%
August	49,000	48,476	-1.07%	55,754	15.01%
September	48,558	49,428	1.79%	51,184	3.55%
October	49,791	51,546	3.52%	51,753	0.40%
12 Month Ave	46,694	48,372	3.59%	52,594	8.73%
Year-to-Date	470,555	481,275	2.28%	528,216	9.75%

12 Month Averages					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	45,179	47,143	4.35%	48,493	2.86%
December	45,147	47,479	5.17%	48,682	2.53%
January	44,978	47,736	6.13%	49,064	2.78%
February	44,893	48,030	6.99%	49,563	3.19%
March	45,163	48,280	6.90%	49,793	3.13%
April	45,420	48,295	6.33%	50,046	3.63%
May	45,593	48,652	6.71%	50,539	3.88%
June	45,666	48,298	5.72%	51,237	6.08%
July	45,789	48,197	5.26%	51,824	7.52%
August	46,165	48,153	4.31%	52,430	8.88%
September	46,453	48,226	3.82%	52,576	9.02%
October	46,694	48,372	3.59%	52,594	8.73%

Average Weekday Passengers					
Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	2,290	2,447	6.86%	2,519	2.94%
December	2,103	2,287	8.75%	2,502	9.40%
January	2,176	2,338	7.45%	2,452	4.88%
February	2,079	2,286	8.97%	2,453	8.25%
March	2,217	2,347	5.86%	2,578	9.84%
April	2,194	2,305	5.04%	2,449	6.25%
May	2,225	2,325	4.50%	2,491	7.14%
June	2,284	2,091	-8.46%	2,587	23.72%
July	2,302	2,353	2.22%	2,579	9.60%
August	2,228	2,195	-1.50%	2,428	10.62%
September	2,313	2,355	1.82%	2,689	14.16%
October	2,369	2,453	3.54%	2,588	5.50%

## Metropolitan Transportation Authority

October

## MTA Bridges &amp; Tunnels

## Revenue Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	23,629,477	24,016,670	1.64%	23,443,442	-2.39%
December	23,496,526	22,969,330	-2.24%	23,665,382	3.03%
January	22,330,921	20,406,730	-8.61%	21,776,550	6.70%
February	18,147,302	20,176,144	5.37%	21,260,142	5.47%
March	24,489,353	23,928,232	-2.28%	23,927,645	0.00%
April	24,570,400	23,593,365	-3.98%	23,651,425	0.25%
May	25,980,868	25,144,889	-3.22%	25,192,764	0.19%
June	25,937,063	25,289,003	-2.50%	25,233,383	-0.22%
July	25,981,715	25,490,768	-1.89%	24,863,950	-2.45%
August	26,202,259	24,253,530	-7.44%	25,649,843	5.75%
September	24,617,701	23,976,098	-2.61%	23,740,051	-0.98%
October	25,470,647	24,135,980	-5.24%	22,928,321	-5.00%
12 Month Ave	24,321,186	23,615,230	-2.90%	23,779,390	0.70%
Year-to-Date	244,728,229	236,396,757	-3.40%	238,243,854	0.78%

## 12 Month Averages

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	24,312,718	24,353,452	0.17%	23,567,461	-3.23%
December	24,281,949	24,309,519	0.11%	23,625,465	-2.81%
January	24,311,989	24,149,337	-0.67%	23,739,450	-1.70%
February	24,138,250	24,235,073	0.40%	23,831,450	-1.67%
March	24,179,125	24,188,313	0.04%	23,831,401	-1.48%
April	24,180,766	24,106,894	-0.31%	23,836,239	-1.12%
May	24,201,331	24,037,229	-0.68%	23,640,229	-0.82%
June	24,233,298	23,983,224	-1.03%	23,835,592	-0.62%
July	24,243,422	23,942,313	-1.24%	23,783,356	-0.66%
August	24,276,190	23,779,919	-2.04%	23,899,699	0.50%
September	24,282,335	23,726,452	-2.29%	23,880,028	0.65%
October	24,321,186	23,615,230	-2.90%	23,779,390	0.70%

## Average Weekday Passengers

Service Month	2009-2010	2010-2011	Percentage Change	2011-2012	Percentage Change
November	814,894	822,205	0.90%	801,634	-2.50%
December	812,383	764,702	-5.87%	793,943	3.82%
January	767,480	882,304	11.10%	748,115	-9.65%
February	698,047	750,861	7.57%	768,649	2.37%
March	814,359	789,941	-3.12%	797,238	1.05%
April	839,381	812,864	-3.16%	808,640	-0.52%
May	857,707	833,621	-2.81%	831,734	-0.23%
June	877,977	855,894	-2.52%	853,960	-0.23%
July	867,327	853,553	-1.59%	829,225	-2.85%
August	860,105	832,806	-3.17%	842,006	1.10%
September	839,296	823,591	-1.87%	820,995	-0.32%
October	837,927	801,026	-4.40%	736,300	-8.08%

# **Fuel Hedge Program**

MTA Finance Committee  
December 2012

# Hedge Activity

## Ultra Low Sulfur Diesel Hedges

	<u>Start</u>	<u>End</u>	<u>Lock in Price/Gal</u>	<u>Gallons Hedged/Mn</u>
Trade 1	Mar-2011	Feb-2012	\$3.160	527,426
Trade 2	Apr-2011	Mar-2012	\$3.117	534,788
Trade 3	Jun-2011	May-2012	\$3.050	546,448
Trade 4	Jun-2011	May-2012	\$2.980	559,284
Trade 5	Jul-2011	Jun-2012	\$2.852	292,193
Trade 6	Jan-2012	Jun-2013	\$2.889	1,115,342
Trade 7	Mar-2012	Aug-2013	\$3.121	356,011
Trade 8	Apr-2012	Sep-2013	\$3.213	207,523
Trade 9	May-2012	Oct-2013	\$3.161	193,328
Trade 10	Jun-2012	Nov-2013	\$2.995	176,219
Trade 11	Jun-2012	Nov-2013	\$2.767	200,779
Trade 12	Aug-2012	Jan-2014	\$2.696	154,550
Trade 13	Sep-2012	Feb-2014	\$2.915	127,692
Trade 14	Oct-2012	Mar-2014	\$3.057	129,030
Trade 15	Dec-2012	Oct-2014	\$2.890	367,758

## Natural Gas Hedge

	<u>Start</u>	<u>End</u>	<u>Lock in Price/MMBtu</u>	<u>MMBtus Hedged/Mn</u>
Trade 1	Apr-2011	Mar-2012	\$4.242	235,766

### Commodity Prices Assumed in Financial Plan

	<u>Diesel Fuel</u>		<u>Natural Gas</u>	
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>
2012 November Plan	\$3.11	\$2.93	\$2.60	\$3.38

## Annual Impact on November Financial Plan (as of 12/10/2012)

	(\$ in millions)	
	<u>2012</u>	<u>2013</u>
<u>Ultra Low Sulfur Diesel</u>		
Current Prices vs. November Plan	\$0.329	\$0.037
Impact of Hedge	<u>2.852</u>	<u>(2.049)</u>
Net Impact: Fav/(Unfav)	\$3.181	(\$2.012)
 <u>Compressed Natural Gas</u>		
Current Prices vs. November Plan	(\$2.176)	(\$4.851)
Impact of Hedge	<u>(1.058)</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	(\$3.234)	(\$4.851)
 <u>Summary</u>		
Current Prices vs. November Plan	(\$1.847)	(\$4.814)
Impact of Hedge	<u>1.794</u>	<u>(2.049)</u>
Net Impact: Fav/(Unfav)	(\$0.053)	(\$6.863)

Estimated impacts are based on monthly average price times forecast usage, which may differ from actual purchases.

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**DECEMBER 2012**  
**MTA REAL ESTATE**  
**FINANCE COMMITTEE AGENDA ITEMS**

**1. ACTION ITEMS**

**MTA METRO-NORTH RAILROAD**

- a. Lease with F.A.M. Group LLC for the operation of a retail concession space at New Hamburg Station in the Town of Poughkeepsie, Hamlet of New Hamburg, New York
- b. Lease with Copper Roof Deli, LLC for the operation a retail concession space at the Beacon Station in Beacon, New York

**METROPOLITAN TRANSPORTATION AUTHORITY**

- c. Agreements necessary to effectuate improvements to the Connecting Corridor in Penn related to the Moynihan Station

**2. INFORMATION ITEMS**

- a. Status report on month-to-month licenses
- b. Status report on Grand Central Terminal Vanderbilt Hall events
- c. Status report on Grand Central Terminal Graybar Passage retail kiosks
- d. Amendment to Easement Agreement reserved by the City of New York in 76 East Houston Street, New York, New York
- e. Temporary Easement with Goeury Corp. Inc., and Hertz Corp., in support of Metro-North's North White Plains Garage Project, in White Plains, New York
- f. Correction to Staff Summary for a License Agreement with Bayis Ester for a Recreation Area in Vicinity of NYC Transit's 38<sup>th</sup> Street Yard, Brooklyn, New York
- g. Amendment between Metro-North and CPG Partners, L.P., to provide supplementary employees' parking spaces on major annual shopping holidays at the Harriman Parking Facility

<u>Legal Name</u>	<u>Popular Name</u>	<u>Abbreviation</u>
New York City Transit Authority	MTA New York City Transit	NYC Transit
The Long Island Rail Road Company	MTA Long Island Rail Road	LIRR
Metropolitan Suburban Bus Authority	MTA Long Island Bus	LI Bus
Metro-North Commuter Railroad Company	MTA Metro-North Railroad	MNR
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels	MTA B&T
MTA Capital Construction Company	MTA Capital Construction	MTACC
MTA Bus Company	MTA Bus Company	MTA Bus

*Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated SIR).*

*Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).*



# **MTA METRO NORTH RAILROAD**

# Staff Summary

Subject <b>LEASE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature <i>Jeffrey B. Rosen</i>
Project Manager Name <b>ALICIA BIGGS</b>

Date <b>DECEMBER 17, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/17/12	x		
2	Board	12/19/12	x		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal <i>[Signature]</i>
3	Chief of Staff <i>[Signature]</i>		
2	Chief Financial Officer <i>[Signature]</i>		

AGENCY: MTA Metro-North Railroad ("Metro-North")  
 LESSEE: F.A.M. Group LLC  
 LOCATION: New Hamburg Station on Metro-North's Hudson Line  
 ACTIVITY: Retail sale of coffee, teas, non-alcoholic beverages, breakfast bakery items, newspapers and magazines  
 ACTION REQUESTED: Approval of terms  
 TERM: Ten years  
 SPACE: Approximately 85 sq. ft.

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$2,700.00	\$225.00	3%	\$31.76
	2	\$2,781.00	\$231.75	3%	\$32.72
	3	\$2,864.43	\$238.70	3%	\$33.70
	4	\$2,950.36	\$245.86	3%	\$34.71
	5	\$3,038.87	\$253.24	3%	\$35.75
	6	\$3,130.04	\$260.84	3%	\$36.82
	7	\$3,223.94	\$268.66	3%	\$37.93
	8	\$3,320.66	\$276.72	3%	\$39.07
	9	\$3,420.28	\$285.02	3%	\$40.24
	10	\$3,522.89	\$293.57	3%	\$41.45

## COMMENTS:

In response to a recent MTA request for proposals for a retail concession space at Metro-North's New Hamburg Station, two proposals were received. The highest rent was proposed by F.A.M. Group LLC, which offered \$2,700 for the initial year with 3% annual increases over the term of the lease. Such rent exceeds the estimated fair market rental value of \$1,500 per annum, as estimated by MTA Real Estate's independent consultant. Over the 10 year term, the present value of the proposed rent, using a 9% discount rate, is \$19,454. The second proposal was submitted by Airport Restaurant, Inc., which proposed rent with a present value of \$13,861.

## Staff Summary

### FINANCE COMMITTEE MEETING F.A.M. Group LLC (Cont'd.)



Metropolitan Transportation Authority

Page 2 of 2

The president of F.A.M. Group, Mr. Felipe Cordero, is a local resident and is very familiar with the station. He plans to offer coffee, tea, pastries, fruits, snacks and newspapers/magazines. Mr. Cordero has the financial capacity to renovate and operate the concession, and will personally guarantee F.A.M. Group's obligations under the lease.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with F.A.M. Group LLC on the above-described terms and conditions.

# Staff Summary

Subject <b>LEASE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature <i>Jeffrey B. Rosen</i>
Project Manager Name <b>ALICIA BIGGS</b>

Date <b>DECEMBER 17, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
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1	Finance Committee	12/17/12	x		
2	Board	12/19/12	x		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal <i>[Signature]</i>
3	Chief of Staff <i>[Signature]</i>		
2	Chief Financial Officer <i>[Signature]</i>		

AGENCY: MTA Metro-North Railroad ("Metro-North")

LESSEE: Copper Roof Deli LLC

LOCATION: Beacon Station on Metro-North's Hudson Line

ACTIVITY: Retail sale of coffee, teas, non-alcoholic beverages, breakfast bakery items, newspapers and magazines

ACTION REQUESTED: Approval of terms

TERM: Ten years

SPACE: 255 sq. ft. concession space along with 90 sq. ft. of storage space

COMPENSATION:	Year	Annual	Monthly	% Increase	Per Sq. Ft.
	1	\$5,100.00	\$425.00	3%	\$14.78
	2	\$5,253.00	\$437.75	3%	\$15.23
	3	\$5,410.59	\$450.88	3%	\$15.68
	4	\$5,572.91	\$464.41	3%	\$16.15
	5	\$5,740.09	\$478.34	3%	\$16.64
	6	\$5,912.30	\$492.69	3%	\$17.14
	7	\$6,089.67	\$507.47	3%	\$17.65
	8	\$6,272.36	\$522.70	3%	\$18.18
	9	\$6,460.53	\$538.38	3%	\$18.73
	10	\$6,654.34	\$554.53	3%	\$19.29

## COMMENTS:

In response to a recent MTA request for proposals for a retail concession space at Metro-North's Beacon Station, four proposals were received. The highest proposal came from Airport Restaurant, Inc., which offered \$6,300 for the initial year with 3% annual increases over the term of the lease, a present value of \$45,826 calculated using a 9% discount rate. The second highest proposal was from Debo Food Service LLC, which proposed \$5,100 in the first year with 4.5% increases over the term, with a present value of \$39,233. Copper Roof Deli also proposed a first year rent of \$5,100, with 3% increases over the term of the lease and a present value of \$36,747.

## Staff Summary

FINANCE COMMITTEE MEETING  
Copper Roof Deli LLC (Cont'd.)  
Page 2 of 2



Metropolitan Transportation Authority

Finally, Nance Cohen offered \$4,200 in the first year with 3% increases over the term of the lease, yielding a present value of \$30,289.

All things being equal, MTA Real Estate would recommend award to the high bidder, but in this case Real Estate recommends awarding the lease to Copper Roof Deli, whose bid was a close third. The credit and background checks and financial information of Airport Restaurant LLC did not convince Real Estate that the proposer has the financial wherewithal to renovate and operate the shop in the required manner. The second highest proposer, Debo Food Services, refused to provide an estimated cost of proposed improvements, despite repeated requests, and likewise failed to demonstrate sufficient financial capacity to construct and open the concession.


Accordingly, MTA Real Estate recommends that the lease be awarded to Copper Roof Deli LLC. The proposed rent from Copper Roof Deli exceeds the estimated fair market rental value of \$5,040 per annum, as estimated by MTA Real Estate's independent consultant. The managing member of Copper Roof Deli, Mr. Timothy Owen, owns a deli located in Beacon approximately one mile from the station, which will support the concession at the Beacon station. Mr. Owen is also a construction contractor and therefore is in a position to renovate the concession space in a relatively short period. He has a good credit history and demonstrated the financial capacity, verified in his credit report, to build out and operate the concession. Mr. Owen will personally guarantee the obligations of the corporate entity under the lease.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease agreement with Copper Roof Deli LLC on the above-described terms and conditions.

# METROPOLITAN TRANSPORTATION AUTHORITY



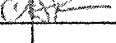
## Staff Summary

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<b>Subject</b> Moynihan Station Development Project Connecting Corridor
<b>Department</b> Real Estate
<b>Department Head Name</b> Jeffrey Rosen
<b>Department Head Signature</b> 
<b>Project Manager/Division Head</b>

<b>Date</b> December 17, 2012
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	LI Committee	12/17		x	
2	Finance	12/17	x		
3	MTA Board	12/19	x		

Internal Approvals			
Order	Approval	Order	Approval
1	MTA Legal 		
2	MTA Chief Financial Officer 		
3	MTA Chief of Staff 		

### Purpose:

To obtain Board authorization for the MTA, LIRR and NYCT to enter the following agreements necessary to effectuate improvements to the Connecting Corridor in Penn Station ("Connecting Corridor Improvements") which are necessary to advance Phase 1 of the Moynihan Station project (the "Project"): (1) a Subway/Railroad License and Indemnity Agreement among MTA, LIRR, NYCT and Moynihan Station Development Corporation ("MSDC"); (2) an amendment to the existing lease between LIRR and Vornado Realty Trust in Penn Station and: (3) any other agreements necessary to effectuate Phase 1 of the Project.

### Discussion:

In May, 2012, the Board authorized the MTA and LIRR to execute several agreements with MSDC and Amtrak to allow the commencement of the work in Penn Station to effectuate Phase 1 of the development of Moynihan Station. The agreements which were authorized at that time allowed the commencement of the expansion of the existing West End Concourse ("WEC") in Penn Station. Since that time, MSDC has issued contracts for the construction improvements to the WEC, and that work is ongoing.

Phase 1 also includes improvement to the area known as the "Connecting Corridor," which connects the Eighth Avenue Subway to Penn Station, including the WEC. A new \$30 million USDOT grant to MSDC will fund the Connecting Corridor Improvements. A portion of that work will occur within areas owned or controlled by LIRR and NYCT. The improvements include expansion and rehabilitation of the Connecting Corridor underneath Eighth Avenue between Penn Station and the expanded WEC, the relocation of the subway stairs at 33<sup>rd</sup> Street and 8<sup>th</sup> Avenue and associated subway mezzanine work, the construction of an ADA-accessible ramp, and the reconfiguration of subway entrance gates to the 8<sup>th</sup> Avenue subway, within the Connecting Corridor. Pursuant to the proposed Subway/Railroad License and Indemnity Agreement, NYCT and LIRR will provide MSDC a license to allow MSDC and its contractors to enter NYCT and LIRR space in order to perform the Connecting Corridor Improvements. MSDC and its contractors will undertake the construction in accordance with plans submitted to and approved by NYCT and LIRR in accordance with commonly-accepted industry standards. Under the Subway/Railroad License and Indemnity Agreement, MSDC will reimburse NYCT for various specified categories of force account costs and expenses, estimated at approximately \$1,250,000. LIRR force account costs will be reimbursed in accordance with the terms of the earlier Phase 1 Agreement. Under the Subway/Railroad License and Indemnity Agreement, MSDC will provide broad indemnification to MTA, NYCT and LIRR, among others, including with respect to both its design and construction work.

In order to construct the ADA-accessible ramp, which is part of the Connecting Corridor improvements, MSDC needs to utilize 186 square feet of space ("ADA Space") which is currently leased by LIRR to Vornado Realty Trust ("Vornado") and subleased by Vornado to HSBC Bank. As part of the proposed transaction, LIRR will amend its lease with Vornado in order to recapture the ADA Space after May 31, 2015, which is the expiration of the HSBC sublease. MSDC has agreed to pay LIRR approximately \$1.140 million, which LIRR shall cause to be disbursed to Vornado, for the recapture of the leased ADA Space. MSDC will be responsible to Vornado for the cost and performance of the work necessary to relocate the retail storefront and to deliver a retail storefront of equivalent quality of the current storefront which currently exists, as of the date of the leasehold amendment.

### Recommendation:

It is recommended that the Board authorize the MTA, LIRR and NYCT to execute: (1) a Subway/Railroad License and Indemnity Agreement among MTA, LIRR, NYCT and MSDC; (2) an amendment to the existing lease between LIRR and Vornado Realty Trust in Penn Station; and (3) any other necessary agreements to effectuate Phase 1 of the Project.



# **INFORMATION ITEMS**

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date December 17, 2012  
To Members of the Finance Committee  
From Jeffrey B. Rosen, Director, Real Estate  
Re Status of Month-to-month Licenses for Passenger Amenities

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In June 1988, the MTA Board adopted a policy, which allows the Real Estate Department to enter into month-to-month agreements for "passenger service oriented concessions without individual Committee or Board approval". Attached is a status report of month-to-month agreements, which were executed pursuant to the policy.

## TENANTS CURRENTLY ON MONTH-TO-MONTH AGREEMENTS

**MONTH: DECEMBER 2012**

AGENCY	LOCATION (STATION)	TENANT/USE	SF	DATE OF AGREEMENT	MONTHLY COMPENSATION	COMMENT
1. NYCT	WTC Station 8 <sup>th</sup> Ave. Line, Manhattan	Fakhrul Alam/Newsstand	420	January 2004	\$121.54	Special site conditions will require interim tenancy until there is a station rehab.
2. NYCT	West 4 <sup>th</sup> St. Station, Manhattan	Bachubhai Mehta/Newsstand (2)	96	June 2006	\$15,435.00	Board approved new term agreement in Nov. 2012. Agreement being reviewed for approval and execution.
3. NYCT	Grand Street Station (B and D trains), Manhattan	Mahabubar Rahman	91	April 2006	\$882.00	Board approved new term agreement in Nov. 2012. Agreement being reviewed for approval and execution.
4. NYCT	179 <sup>th</sup> Street Station (F train), Queens	Bachubhai Mehta/Newsstand	180	January 2008	\$1,400.00	Publicly offered in Oct. 2011.
5. NYCT	51 <sup>st</sup> Street-Lexington Avenue (6 train)	Bachubhai Mehta/Newsstand (2)	192	June 2008	\$7,600.00	Board approved new term agreement in June 2012. Agreement being reviewed for approval and execution.
6. NYCT	Astor Place (6 train), Manhattan	Fakhrul Alam/Newsstand	60	September 2008	\$3,900.00	Board approved new term agreement in July 2012. Agreement being reviewed for approval and execution.
7. LIRR	Bellmore Station, Bellmore, NY	Newsstation, Inc./Newsstand	120	March 2009	\$300	To be publicly offered Winter 2012-2013.
8. LIRR	Wantagh Station, Wantagh, NY	Newsstation, Inc./Newsstand	121	March 2009	\$300	To be publicly offered offered Winter 2012-2013.
9. LIRR	Massapequa Station, Massapequa, NY	Newsstation, Inc./Newsstand	120	September 2009	\$150	To be publicly offered Winter 2012-2013.
10. NYCT	34 <sup>th</sup> St-Penn Station, Broadway 7 <sup>th</sup> Ave. Line	IRT News, Inc. / Newsstands (4)	720	February 2010	\$12,000	To be publicly offered Winter 2012-2013.
11. LIRR	Hicksville Station, Hicksville, NY	Sunset Airport Trans Corp./Taxi Parking (4 spaces)	648	December 2011	\$4,795.54	Agreement being reviewed for approval and execution
12. LIRR	Hicksville Station, Hicksville, NY	LI Yellow Cab Corp./Taxi Parking (1 space)	162	December 2011	\$350.00	Agreement being reviewed for approval and execution
13. MNR	Grand Central Terminal	Bobbi Brown, Professional Cosmetic, Inc./retail store	744	August 2012	\$20,000	To be publicly offered second quarter 2013

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date December 17, 2012  
To Members of the Finance Committee  
From Jeffrey B. Rosen, Director, Real Estate  
Re **GCT's Vanderbilt Hall Events Forecast**

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The following report will be presented to the Real Estate Committee by GCT Development on a monthly basis. The events forecast will show events planned for Vanderbilt Hall in the next three to four month period. This calendar will always be subject to last minute changes for technical or scheduling reasons.

December 2012 Event Forecast

Event	Date	Description	Space	Use
Holiday Fair	November 3 - December 31	Holiday Fair runs through December 24.	Vanderbilt Hall	Public

# Memorandum



## Metropolitan Transportation Authority

State of New York

Date December 17, 2012  
To Members of the Finance Committee  
From Jeffrey B. Rosen, Director, Real Estate  
Re **GCT – Graybar Passage Retail Kiosks**

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The following report will be presented by GCT Development office of the Real Estate Department whenever a new retail Permit Agreement has been entered into under the Retail Kiosk program approved by the MTA Board in January 2006.

GRAND CENTRAL TERMINAL

GRAYBAR PASSAGE RETAIL KIOSK PROGRAM

New Licensees-Month of December

Licensee	License Dates	Use	Monthly Compensation
MKTG Inc. d/b/a Johnnie Walker Blue	12/1/2012-12/31/2012	Engraving of Johnnie Walker Blue Bottles	12/2012: 27,500

# Staff Summary



Metropolitan Transportation Authority

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<b>Subject</b> <b>AMENDMENT TO EASEMENT AMENDMENT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JEFFREY B. ROSEN</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>MICHAEL T. THADATHIL</b>

<b>Date</b> <b>DECEMBER 17, 2012</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/17/12		x	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

**AGENCY:** MTA New York City Transit ("NYCT")  
**GRANTOR:** Elizabeth Houston Associates, L.P. f/k/a Elizabeth Houston Associates ("Grantor")  
**LOCATION:** 76 East Houston Street, New York, New York (Manhattan Block 521, Lot 86)  
**ACTIVITY:** Amendment to easement reserved by the City of New York (the "City") in 76 East Houston  
**ACTION REQUESTED:** Approval of terms  
**COMPENSATION:** None

## COMMENTS

In 1962, the City on behalf of NYCT, reserved certain easements in the property located at 76 East Houston Street, to accommodate vents and a shaftway relating to a subway fan plant located under Houston Street. The reservation included a right for NYCT to access the shaft and easement area through any building to be constructed on the property in the future and provided that plans for construction on the property would be subject to review and approval by NYCT.

Plans to construct a two-story building on the lot were recently filed. Upon review of said plans, NYCT has determined that it requires, in addition to the access granted by the 1962 easement, a right to remove and replace the equipment for the fan plant through the easement shaft and the proposed building. Grantor has agreed to grant these additional rights to the City and to NYCT at no additional cost.

Under the proposed agreement, the Grantor will provide a passageway through the proposed building. On notice, the Grantor will open the doorways to the passageway. The Grantor will also build a doorway to the vent shaft, the key to which will be held by NYCT. The Grantor will clear gutters and drains monthly to ensure that water does not seep into the easement area.

Based on the foregoing, MTA Real Estate will enter into this amendment on the above-described terms.



# Staff Summary

Subject <b>TEMPORARY EASEMENT AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>BENSON GOODWYN</b>

Date <b>DECEMBER 17, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/17/12		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad ("Metro-North")  
 GRANTOR/LESSOR: Goeury Corporation, Inc.  
 LESSEE/CONSENTEE: Hertz Corporation  
 LOCATION: 66 Haarlem Avenue, White Plains, NY  
 ACTIVITY: Approval of Terms  
 TERM: 2 years  
 SUBJECT AREA: Aerial communications cable over portions of Grantor's property and bracketed to building  
 USE: Bracket a communications line to the building facade

## COMMENTS

As part of the North White Plains Parking Garage Project, Metro-North requires that a temporary aerial communications line servicing Metro-North's facility at 525 North Broadway, be brought from Haarlem Avenue through the above referenced Grantor's property and bracketed onto the wall of the building leased from the Grantor by Hertz. As such, Real Estate acquired a temporary easement from Grantor and consent from the Lessee, both parties have agreed to this temporary installation for no compensation. Issuance of subject easement falls under the Policy on Construction Access Agreements approved by the Board on February 24, 2010.

# Staff Summary



Metropolitan Transportation Authority

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<b>Subject</b> <b>LICENSE AGREEMENT</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>JEFFREY B. ROSEN</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>ARTURO ESPINOZA</b>

<b>Date</b> <b>DECEMBER 17, 2012</b>
<b>Vendor Name</b>
<b>Contract Number</b>
<b>Contract Manager Name</b>
<b>Table of Contents Ref. #</b>

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/17/12		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

**AGENCY:** MTA New York City Transit ("NYCT")  
**LICENSEE:** Bayis Ester Chana, Inc. ("Bayis Ester")  
**LOCATION:** Vacant land, BMT Right-of-Way, part of Brooklyn Block 5582, Lots 2 and 7, adjacent to 945 39<sup>th</sup> Street, Brooklyn, NY (the "Property")  
**ACTIVITY:** Recreation area for a school  
**TERM:** 10 years, terminable at will by NYCT upon 60 days' notice  
**SPACE:** Approximately 4,900 square feet


**COMPENSATION:**

Year	Annual Compensation	Monthly	PSF	% increase
1	\$10,000.00	\$833.33	\$2.04	N/A
2	\$10,300.00	\$858.33	\$2.10	3%
3	\$10,609.00	\$884.08	\$2.17	3%
4	\$10,927.27	\$910.61	\$2.23	3%
5	\$11,255.09	\$937.92	\$2.30	3%
6	\$11,592.74	\$966.06	\$2.37	3%
7	\$11,940.52	\$995.04	\$2.44	3%
8	\$12,298.74	\$1,024.90	\$2.51	3%
9	\$12,667.70	\$1,055.64	\$2.59	3%
10	\$13,047.73	\$1,087.31	\$2.66	3%

**COMMENTS**

A license to Bayis Ester to use the Property for a recreation area was approved by the Finance Committee on July 23, 2012 and by the full MTA Board on July 25, 2012. In that staff summary the compensation was incorrectly stated as a 5% annual increase from \$10,000 in the first license year. The annual increase that was agreed upon between NYCT and the Licensee is 3% from \$10,000 in the first license year as correctly shown in the above table. The July 23, 2012 staff summary is attached for reference.





# Staff Summary

Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature 
Project Manager Name <b>ARTURO ESPINOZA</b>

Date <b>JULY 23, 2012</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

FOR REFERENCE  
PURPOSES  
ONLY

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	7/23/12	X		
2	Board	7/25/12	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 	1	Legal 
2	Chief of Staff 		
3	Chief Financial Officer 		

AGENCY: MTA New York City Transit ("NYCT")

LICENSEE: Bayis Ester Chana, Inc. ("Bayis Ester")

LOCATION: Vacant land, BMT Right-of-Way, Part of Brooklyn Block 5582, Lots 2 and 7, adjacent to 945 39<sup>th</sup> Street, Brooklyn, NY (the "Property")

ACTIVITY: Recreation area for a school

ACTION REQUESTED: Approval of terms

TERM: Ten years, terminable at will by NYCT upon 60 days' notice.

SPACE: Approximately 4,900 square feet

COMPENSATION:	Year	Annual Compensation	Monthly	PSF	% increase
	1	\$10,000.00	\$833.33	\$2.07	N/A
	2	\$10,500.00	\$875.00	\$2.18	5%
	3	\$11,025.00	\$918.75	\$2.28	5%
	4	\$11,578.25	\$964.89	\$2.40	5%
	5	\$12,155.06	\$1,012.92	\$2.52	5%
	6	\$12,762.82	\$1,063.57	\$2.65	5%
	7	\$13,400.96	\$1,116.75	\$2.78	5%
	8	\$14,071.00	\$1,172.58	\$2.92	5%
	9	\$14,774.55	\$1,231.21	\$3.06	5%
	10	\$15,513.28	\$1,292.77	\$3.22	5%

## COMMENTS

Congregation Senz of Lakewood owns a building adjacent to the Property, (an unused strip of land associated with NYCT's 38<sup>th</sup> Street Yard), where it operates a primary school and childcare facility through Bayis Ester. Bayis Ester proposes to use the Property as a playground.

The Property is located directly behind Bayis Ester's school building, with no direct access from the street. The building housing the school is the only privately-owned real estate directly adjacent to the Property. Nearby property owners, however, could access the Property were they also allowed to use other portions of NYCT's right-of-way. Therefore, a request for proposals (RFP) for the licensing of the Property was issued and the neighboring owners notified thereof. Bayis Ester was the sole respondent to the RFP.

## Staff Summary

FINANCE COMMITTEE MEETING  
Bayla Ester Chana, Inc. (Cont'd.)



Metropolitan Transportation Authority

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Bayla Ester will be responsible for the construction of a masonry wall, leaving a 3' buffer between such wall and the existing fence that is on the side of the property that faces the NYCT operating right-of-way, and for installing a 6' fence along the borderlines of the Property perpendicular to the right-of-way. Plans for these and any additional installations to support the playground use such as paving and drainage will be subject to NYCT review and approval. Appropriate conditions on use, maintenance, insurance, and an agreement to indemnify NYCT would be obtained from Bayla Ester as part of the license agreement.

Based upon the foregoing, MTA Real Estate Department requests authorization to enter into a license agreement with Bayla Ester on the above-described terms and conditions.

**FOR REFERENCE  
PURPOSES  
ONLY**

# Staff Summary

Subject	<b>AMENDMENT TO LICENSE AGREEMENT</b>
Department	<b>REAL ESTATE</b>
Department Head Name	<b>JEFFREY B. ROSEN</b>
Department Head Signature	
Project Manager Name	<b>DAVID A. ROTH</b>

Date	<b>DECEMBER 17, 2012</b>
Vendor Name	
Contract Number	
Contract Manager Name	
Table of Contents Ref. #	

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/17/12		X	

Internal Approvals			
Order	Approval	Order	Approval
			Legal
	Chief of Staff		
	Chief Financial Officer		

**AGENCY:** MTA Metro-North ("Metro-North")  
**LICENSEE:** CPG Partners, L.P. ("CPG")  
**LOCATION:** Harriman Parking Facility, Central Valley, New York  
**ACTIVITY:** Supplementary parking for CPG employees' passenger vehicles during major annual shopping events (the "Events").  
**ACTION REQUESTED:** Approval of license modification  
**TERM:** Five years, subject to termination rights by Licensor or Licensee on 60 days' notice  
**SPACE:** Up to 700 parking spaces per Event  
**COMPENSATION:** Daily rate of \$2.52 per parking space in accordance with the All-Agency policy on short-term use of agency property by commercial entities as approved by the Board on January 26, 2011.

## COMMENTS

MTA Real Estate ("RED") is amending the compensation terms of the License Agreement that was provided as an information item pursuant to MTA Board Policy on November 14, 2011 (see attached). Subsequent to this information item, negotiations were reopened and concluded which resulted in Metro-North providing an additional use of 50 more spaces per event resulting in an average rate of \$2.52 per space, preserving a revenue stream for a parking facility that would otherwise be underutilized during non-commuting times.

Based on the foregoing, RED requests authorization to modify the License Agreement with CPG Partners, L.P.

# Staff Summary



Metropolitan Transportation Authority

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Subject <b>LICENSE AGREEMENT</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>JEFFREY B. ROSEN</b>
Department Head Signature
Project Manager Name <b>DAVID ROTH</b>

Date <b>NOVEMBER 14, 2011</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Finance Committee	11/14/11		X					

**AGENCY:** MTA Metro-North ("Metro-North")  
**LICENSEE:** CPG Partners, L.P. ("CPG")  
**LOCATION:** Harriman Parking Facility, Central Valley, New York  
**ACTIVITY:** Supplementary parking for CPG employees' passenger vehicles during major annual shopping events (the "Events").  
**ACTION REQUESTED:** Approval of terms  
**TERM:** Five years, subject to termination on 60 days' notice  
**SPACE:** Up to 650 parking spaces per Event  
**COMPENSATION:** Daily rate of \$2.75 per parking space in accordance with the All-Agency policy on short-term use of agency property by commercial entities as approved by the Board on January 26, 2011.

## COMMENTS

CPG owns and operates the Woodbury Common Premium Outlet Mall in Central Valley, New York. During major annual shopping Events (normally, Memorial Day weekend, Labor Day weekend, Columbus Day weekend, and Thanksgiving weekend, and the day after Christmas, but possibly including other holiday weekends) the stores at Woodbury Common utilize extra seasonal employees, requiring additional employee parking beyond that provided in the lots at the mall. CPG currently utilizes the spaces in question pursuant to a license agreement that will expire on November 30, 2011. CPG has requested a new license to extend for five years beginning December 1, 2011. The spaces would otherwise remain unused on the weekends in question.

Compensation under the new agreement will be \$2.75 per space per day (up from \$2.39), with annual increases in accordance with the above-stated policy.

Based on the foregoing, RED will to enter into a license agreement with CPG on the terms and conditions outlined above.