

THE CITY OF NEW YORK

**Supplement dated March 31, 2008 to the
Official Statement dated March 25, 2008 relating to
General Obligation Bonds, Fiscal 2008 Series J, Subseries J-3 through J-14**

The mandatory redemption amounts for the Subseries J-4 Bonds set forth on page 5 of the Official Statement should read as follows:

<u>Subseries J-4</u>	
<u>August 1</u>	<u>Amount</u>
2024	\$85,770,000
2025 (1)	14,230,000

(1) Stated maturity.

NEW ISSUE

In the opinion of Bond Counsel, interest on the Bonds will be exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City, and assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended, with respect to the Tax-Exempt Bonds, as described herein, interest on the Tax-Exempt Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes. Interest on the Taxable Bonds will be includable in gross income for federal income tax purposes. See "SECTION III: MISCELLANEOUS—Tax Exemption" and "—Taxable Bonds" herein for further information.

\$1,305,790,000

The City of New York

General Obligation Bonds, Fiscal 2008 Series J

Subseries J-3 through J-14

\$962,630,000 Tax-Exempt Bonds, Subseries J-3 – J-11

\$343,160,000 Taxable Bonds, Subseries J-12 – J-14

ADJUSTABLE RATE BONDS

Dated: Date of Delivery

Due: August 1, as shown on the inside cover pages

The Bonds will be issued as registered bonds. The Bonds will be registered in the nominee name of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds.

The Bonds will be issued initially in Authorized Denominations of \$100,000 or any integral multiple of \$5,000 in excess of \$100,000. Other terms of the Bonds including interest rates, interest payment dates, mandatory and optional redemption and tender provisions are described herein.

The Bonds are subject to redemption and to optional and mandatory tender under the circumstances described herein. Payment of the Purchase Price on the Bonds tendered for purchase as described herein and not remarketed will be made pursuant and subject to the terms of the respective Credit Facilities and Liquidity Facilities described herein provided by Allied Irish Banks, p.l.c., New York Branch, Bank of America, N.A., BNP Paribas, San Francisco Branch, Dexia Credit Local, New York Branch, KBC Bank N.V., New York Branch, Landesbank Baden-Württemberg, New York Branch, Landesbank Hessen-Thüringen Girozentrale, New York Branch, Lloyds TSB Bank plc, New York Branch, and The Bank of Nova Scotia, New York Agency, each such Credit or Liquidity Facility representing a separate obligation of the respective Credit Facility or Liquidity Facility Provider in respect of separate Subseries shown on the inside cover pages.

The Bonds are offered subject to prior sale, when, as and if issued by the City and accepted by the Underwriters, subject to the approval of the legality of the Bonds by Sidley Austin LLP, New York, New York, Bond Counsel to the City, and to certain other conditions. Certain legal matters in connection with the preparation of this Official Statement will be passed upon for the City by Edwards Angell Palmer & Dodge LLP, New York, New York. Certain legal matters will be passed upon for the Underwriters by Clifford Chance US LLP, New York, New York. It is expected that the Bonds will be available for delivery in New York, New York, on or about April 1, 2008.

JPMorgan

(Underwriter and Remarketing Agent for
Subseries J-3 Bonds)

Banc of America Securities LLC

(Underwriter and Remarketing Agent for
Subseries J-4 Bonds)

Morgan Stanley

(Underwriter and Remarketing Agent for
Subseries J-5 Bonds)

DEPFA First Albany Securities LLC

(Underwriter and Remarketing Agent for
Subseries J-6 Bonds)

Citi

(Underwriter and Remarketing Agent for
Subseries J-7 and J-9 Bonds)

UBS Securities LLC

(Underwriter and Remarketing Agent for
Subseries J-8 and J-13 Bonds)

Goldman, Sachs & Co.

(Underwriter and Remarketing Agent for
Subseries J-10 and J-11 Bonds)

Merrill Lynch & Co.

(Underwriter and Remarketing Agent for
Subseries J-12 and J-14 Bonds)

March 25, 2008

**\$1,305,790,000 General Obligation Bonds, Fiscal 2008 Series J
Subseries J-3 through J-14**

Adjustable Rate Bonds

Subseries J-3⁽¹⁾⁽²⁾ Due August 1, 2023		Subseries J-4⁽¹⁾⁽³⁾ Due August 1, 2025		Subseries J-5⁽¹⁾⁽⁴⁾ Due August 1, 2028	
Principal Amount	Price	Principal Amount	Price	Principal Amount	Price
\$150,000,000	100%	\$100,000,000	100%	\$101,405,000	100%
Subseries J-6⁽¹⁾⁽⁵⁾ Due August 1, 2024		Subseries J-7⁽¹⁾⁽⁶⁾ Due August 1, 2021		Subseries J-8⁽¹⁾⁽⁷⁾ Due August 1, 2021	
Principal Amount	Price	Principal Amount	Price	Principal Amount	Price
\$111,225,000	100%	\$100,000,000	100%	\$100,000,000	100%
Subseries J-9⁽¹⁾⁽⁸⁾ Due August 1, 2027		Subseries J-10⁽¹⁾⁽⁹⁾ Due August 1, 2027		Subseries J-11⁽¹⁾⁽¹⁰⁾ Due August 1, 2027	
Principal Amount	Price	Principal Amount	Price	Principal Amount	Price
\$100,000,000	100%	\$100,000,000	100%	\$100,000,000	100%
Subseries J-12^{(1)(11)*} Due August 1, 2029		Subseries J-13^{(1)(12)*} Due August 1, 2019		Subseries J-14^{(1)(13)*} Due August 1, 2019	
Principal Amount	Price	Principal Amount	Price	Principal Amount	Price
\$103,160,000	100%	\$140,000,000	100%	\$100,000,000	100%

* Taxable Bonds.

(1) Term Bonds.

(2) See "APPENDIX B—MULTI-MODAL BONDS." J.P. Morgan Securities Inc. is the Remarketing Agent for the Subseries J-3 Bonds, which will be in the Daily Rate Mode and will be supported by a Credit Facility provided by Allied Irish Banks, p.l.c., New York Branch, which is scheduled to terminate on April 1, 2013.

(3) See "APPENDIX B—MULTI-MODAL BONDS." Banc of America Securities LLC is the Remarketing Agent for the Subseries J-4 Bonds, which will be in the Daily Rate Mode and will be supported by a Liquidity Facility provided by Bank of America, N.A. which is scheduled to terminate on April 1, 2013.

(4) See "APPENDIX B—MULTI-MODAL BONDS." Morgan Stanley & Co. Incorporated is the Remarketing Agent for the Subseries J-5 Bonds, which will be in the Daily Rate Mode and will be supported by a Liquidity Facility provided by Dexia Credit Local, New York Branch, which is scheduled to terminate on April 1, 2015.

(5) See "APPENDIX B—MULTI-MODAL BONDS." DEPFA First Albany Securities LLC is the Remarketing Agent for the Subseries J-6 Bonds, which will bear interest in the Daily Rate Mode and will be supported by a Credit Facility provided by Landesbank Hessen-Thüringen Girozentrale, New York Branch, which is scheduled to terminate on April 1, 2013.

(6) See "APPENDIX B—MULTI-MODAL BONDS." Citigroup Global Markets Inc. is the Remarketing Agent for the Subseries J-7 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 8, 2008. Thereafter the Subseries J-7 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Wednesday effective Wednesday. The Subseries J-7 Bonds will be supported by a Credit Facility provided by Landesbank Baden-Württemberg, New York Branch, which is scheduled to terminate on April 1, 2013.

(7) See "APPENDIX B—MULTI-MODAL BONDS." UBS Securities LLC is the Remarketing Agent for the Subseries J-8 Bonds, which will be in the Daily Rate Mode and will be supported by a Credit Facility provided by Landesbank Baden-Württemberg, New York Branch, which is scheduled to terminate on April 1, 2013.

- (8) See “APPENDIX B—MULTI MODAL BONDS.” Citigroup Global Markets Inc. is the Remarketing Agent for the Subseries J-9 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 8, 2008. Thereafter the Subseries J-9 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Wednesday effective Wednesday. The Subseries J-9 Bonds will be supported by a Liquidity Facility provided by The Bank of Nova Scotia, New York Agency, which is scheduled to terminate on April 1, 2011.
- (9) See “APPENDIX B—MULTI MODAL BONDS.” Goldman, Sachs & Co. is the Remarketing Agent for the Subseries J-10 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 2, 2008. Thereafter the Subseries J-10 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Thursday effective Thursday. The Subseries J-10 Bonds will be supported by a Liquidity Facility provided by BNP Paribas, San Francisco Branch, which is scheduled to terminate on April 1, 2011.
- (10) See “APPENDIX B—MULTI MODAL BONDS.” Goldman, Sachs & Co. is the Remarketing Agent for the Subseries J-11 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 2, 2008. Thereafter the Subseries J-11 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Thursday effective Thursday. The Subseries J-11 Bonds will be supported by a Liquidity Facility provided by KBC Bank N.V., New York Branch, which is scheduled to terminate on April 1, 2011.
- (11) See “APPENDIX B—MULTI MODAL BONDS.” Merrill Lynch, Pierce, Fenner & Smith Incorporated is the Remarketing Agent for the Subseries J-12 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 2, 2008. Thereafter the Subseries J-12 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Thursday effective Thursday. The Subseries J-12 Bonds will be supported by a Liquidity Facility provided by Dexia Credit Local, New York Branch, which is scheduled to terminate on April 1, 2015.
- (12) See “APPENDIX B—MULTI MODAL BONDS.” UBS Securities LLC is the Remarketing Agent for the Subseries J-13 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 8, 2008. Thereafter the Subseries J-13 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Wednesday effective Wednesday. The Subseries J-13 Bonds will be supported by a Liquidity Facility provided by Lloyds TSB Bank plc, New York Branch, which is scheduled to terminate on April 1, 2011.
- (13) See “APPENDIX B—MULTI MODAL BONDS.” Merrill Lynch, Pierce, Fenner & Smith Incorporated is the Remarketing Agent for the Subseries J-14 Bonds, which will bear interest at the Initial Rate from their date of issuance to and including April 2, 2008. Thereafter the Subseries J-14 Bonds will be in the Weekly Rate Mode with the interest rate reset no later than 10:00 a.m. each Thursday effective Thursday. The Subseries J-14 Bonds will be supported by a Liquidity Facility provided by Lloyds TSB Bank plc, New York Branch, which is scheduled to terminate on April 1, 2011.

**RATE PERIOD TABLE
FOR ADJUSTABLE RATE BONDS**

	Daily Rate	Weekly Rate	Commercial Paper Rate	Term Rate	Fixed Rate or Stepped Coupons
Interest Payment Date	1st Business Day of each calendar month	1st Business Day of each calendar month	(1) If Rate Period is six months or less, the Business Day next succeeding the last day of the Rate Period and (2) if Rate Period is more than six months (i) the Business Day next succeeding the last day of the Rate Period and (ii) the first Business Day of the sixth month of the Rate Period	February 1 and August 1 of each year and the Business Day next succeeding the last day of the Rate Period, or as specified by the City	February 1 and August 1 of each year, or as determined by the City
Record Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	The fifteenth day of the calendar month immediately preceding an Interest Payment Date	The fifteenth day of the calendar month immediately preceding an Interest Payment Date
Reset Date	Not later than 10:00 a.m. on each Business Day	Not later than 10:00 a.m. the first day of the Rate Period*	Not later than 12:30 p.m. on the first day of each Commercial Paper Rate Period	Not later than a date 2 Business Days prior to the first day of a Term Rate Period	Not later than the Conversion Date
Rate Periods	Commencing on one Business Day extending to, but not including, the next succeeding Business Day	The Rate Period* will be a period of seven days beginning on the day of the week specified therefor	A period of 1 to 365 days	Commencing on a Conversion Date or a date immediately following a Term Rate Period and ending as specified by the City	Commencing on the Conversion Date extending to the date of conversion, redemption or maturity
Optional Tender Date and Time	On any Business Day not later than 1:00 p.m.	On any Business Day not later than 1:00 p.m.	Not subject to optional tender	Not subject to optional tender	Not subject to optional tender
Notice Period for Optional Tenders	Written notice not later than 11:00 a.m. on the Optional Tender Date	Written notice by 5:00 p.m. not less than seven days prior to the Optional Tender Date	Not subject to optional tender	Not subject to optional tender	Not subject to optional tender
Payment Date for Bonds subject to optional tender	Not later than 3:00 p.m. on the Optional Tender Date	Not later than 3:00 p.m. on the Optional Tender Date	Not subject to optional tender	Not subject to optional tender	Not subject to optional tender
Payment Date for Tendered Bonds upon Mandatory Tender	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on the Mandatory Tender Date	Not later than 3:00 p.m. on a Conversion Date on which an optional redemption could occur

Note: All time references given above refer to New York City time.

The information in this Rate Period Table is provided for the convenience of the Bondholders and is not meant to be comprehensive. See “APPENDIX B—MULTI-MODAL BONDS” for a description of the Adjustable Rate Bonds.

* The Weekly Rate Period with respect to the Subseries J-7 and J-9 through J-14 Bonds will commence as described on the inside cover pages.

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriters to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriters may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover pages hereof. The offering prices may be changed from time to time by the Underwriters. No representations are made or implied by the City or the Underwriters as to any offering of any derivative instruments.

The factors affecting the City's financial condition are complex. This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its location herein. Where agreements, reports or other documents are referred to herein, reference should be made to such agreements, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof. Any electronic reproduction of this Official Statement may contain computer-generated errors or other deviations from the printed Official Statement. In any such case, the printed version controls.

This Official Statement includes by specific reference forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. In light of the important factors that may materially affect economic conditions in the City, the inclusion by specific reference in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the City, its independent auditors or the Underwriters that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. If and when included by specific reference in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the City. These forward-looking statements speak only as of the date they were prepared. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement included herein by specific reference to reflect any change in the City's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based between modifications to the City's financial plan required by law.

**OFFICIAL STATEMENT OF THE CITY OF NEW YORK
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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THIS OFFICIAL STATEMENT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

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**OFFICIAL STATEMENT
OF
THE CITY OF NEW YORK**

This Official Statement provides certain information concerning The City of New York (the “City”) in connection with the sale of the variable rate portion of the City’s General Obligation Bonds, Fiscal 2008 Series J, Subseries J-3 through J-14, consisting of \$1,305,790,000 adjustable rate bonds (the “Adjustable Rate Bonds” or the “Bonds”). In addition to the Adjustable Rate Bonds, \$369,025,000 of the City’s General Obligation Bonds, Fiscal 2008, Subseries J-1 and Series K (the “Tax-Exempt Fixed Rate Bonds”) and \$81,400,000 of the City’s General Obligation Bonds, Fiscal 2008, Subseries J-2 (the “Taxable Fixed Rate Bonds,” and together with the Tax-Exempt Fixed Rate Bonds, the “Fixed Rate Bonds”) will be issued as fixed rate bonds, which are described in a separate official statement and are not offered hereby.

The Bonds will be general obligations of the City for the payment of which the City will pledge its faith and credit. All real property subject to taxation by the City will be subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of and interest on the Bonds.

The factors affecting the City’s financial condition and the Bonds described throughout this Official Statement are complex and are not intended to be summarized in this Introductory Statement. The economic and financial condition of the City may be affected by various financial, social, economic, geo-political and other factors which could have a material effect on the City. This Official Statement (including the information referred to in “SECTION I: INCLUSION BY SPECIFIC REFERENCE”) should be read in its entirety.

SECTION I: INCLUSION BY SPECIFIC REFERENCE

Portions of the City’s Official Statement dated March 12, 2008 delivered herewith and relating to the Fixed Rate Bonds, subject to the information contained elsewhere herein, are included herein by specific reference, namely the information under the captions:

- INTRODUCTORY STATEMENT (excluding the first and last paragraphs thereof)
- SECTION I: RECENT FINANCIAL DEVELOPMENTS
- SECTION III: GOVERNMENT AND FINANCIAL CONTROLS
- SECTION IV: SOURCES OF CITY REVENUES
- SECTION V: CITY SERVICES AND EXPENDITURES
- SECTION VI: FINANCIAL OPERATIONS
- SECTION VII: FINANCIAL PLAN
- SECTION VIII: INDEBTEDNESS
- SECTION IX: OTHER INFORMATION
 - Pension Systems
 - Litigation
 - Financial Advisors
 - Financial Statements
 - Further Information
- APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION
- APPENDIX B—FINANCIAL STATEMENTS

The Fixed Rate Bonds described in such Official Statement are not offered by this Official Statement.

SECTION II: THE BONDS

General

The Bonds will be general obligations of the City issued pursuant to the Constitution and laws of the State, including the Local Finance Law (the “LFL”), and the New York City Charter (the “City Charter”) and in accordance with bond resolutions of the Mayor and a certificate of the Deputy Comptroller for Public Finance (the “Certificate”). The Bonds will mature and bear interest as described on the inside

cover pages of this Official Statement and will contain a pledge of the City's faith and credit for the payment of the principal of, redemption premium, if any, and interest on the Bonds. All real property subject to taxation by the City will be subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, to pay the principal of and interest on the Bonds.

Adjustable Rate Bonds

For the terms of the Adjustable Rate Bonds, including optional and mandatory tender provisions, see the inside cover pages, "APPENDIX A—DEFINITIONS" and "APPENDIX B—MULTI-MODAL BONDS." The Adjustable Rate Bonds may be converted to Auction Rate Bonds or other Modes as described in "APPENDIX B—MULTI-MODAL BONDS—Conversion to an Alternate Rate Mode." Auction procedures are not described herein.

Payment Mechanism

Pursuant to the New York State Financial Emergency Act For The City of New York (the "Financial Emergency Act" or the "Act"), a general debt service fund (the "General Debt Service Fund" or the "Fund") has been established for City bonds and certain City notes. Pursuant to the Act, payments of the City real estate tax must be deposited upon receipt in the Fund, and retained under a statutory formula, for the payment of debt service (with exceptions for debt service, such as principal of seasonal borrowings, that is set aside under other procedures). The statutory formula has in recent years resulted in retention of sufficient real estate taxes to comply with the City Covenants (as defined in "Certain Covenants and Agreements below"). If the statutory formula does not result in retention of sufficient real estate taxes to comply with the City Covenants, the City will comply with the City Covenants either by providing for early retention of real estate taxes or by making cash payments into the Fund. The principal of and interest on the Bonds will be paid from the Fund until the Act expires not earlier than July 1, 2008, and thereafter from a separate fund maintained in accordance with the City Covenants. Since its inception in 1978, the Fund has been fully funded at the beginning of each payment period.

If the Control Board determines that retentions in the Fund are likely to be insufficient to provide for the debt service payable therefrom, it must require that additional real estate tax revenues be retained or other cash resources of the City be paid into the Fund. In addition, the Control Board is required to take such action as it determines to be necessary so that the money in the Fund is adequate to meet debt service requirements. For information regarding the termination date of the Act, see "SECTION III: GOVERNMENT AND FINANCIAL CONTROLS—City Financial Management, Budgeting and Controls—*Financial Emergency Act and City Charter*" incorporated by reference herein.

Enforceability of City Obligations

As required by the State Constitution and applicable law, the City pledges its faith and credit for the payment of the principal of and interest on all City indebtedness. Holders of City debt obligations have a contractual right to full payment of principal and interest at maturity. If the City fails to pay principal or interest, the holder has the right to sue and is entitled to the full amount due, including interest to maturity at the stated rate and at the rate authorized by law thereafter until payment. Under the General Municipal Law, if the City fails to pay any money judgment, it is the duty of the City to assess, levy and cause to be collected amounts sufficient to pay the judgment. Decisions indicate that judicial enforcement of statutes such as this provision in the General Municipal Law is within the discretion of a court. Other judicial decisions also indicate that a money judgment against a municipality may not be enforceable against municipal property devoted to public use.

The rights of the owners of Bonds to receive interest, principal and redemption premium, if any, from the City could be adversely affected by a restructuring of the City's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of City securities (including the Bonds) to payment from money retained in the Fund or from other sources would be recognized if a petition were filed by or on behalf of the City under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such money might then be available for the

payment of all City creditors generally. Judicial enforcement of the City's obligation to make payments into the Fund, of the obligation to retain money in the Fund, of the rights of holders of bonds and notes of the City to money in the Fund, of the obligations of the City under the City Covenants and of the State under the State Pledge and Agreement (in each case, as defined in "—Certain Covenants and Agreements") may be within the discretion of a court. For further information concerning rights of owners of Bonds against the City, see "SECTION VIII: INDEBTEDNESS—Indebtedness of the City and Certain Other Entities" included herein by specific reference.

Certain Covenants and Agreements

The City will covenant that: (i) a separate fund or funds for the purpose of paying principal of and interest on bonds and interest on notes of the City (including required payments into, but not from, City sinking funds) shall be maintained by an officer or agency of the State or by a bank or trust company; and (ii) not later than the last day of each month, there shall be on deposit in a separate fund or funds an amount sufficient to pay principal of and interest on bonds and interest on notes of the City due and payable in the next succeeding month. The City currently uses the debt service payment mechanism described above to perform these covenants. The City will further covenant in the Bonds to provide a general reserve for each fiscal year to cover potential reductions in its projected revenues or increases in its projected expenditures during each such fiscal year, to comply with the financial reporting requirements of the Act, as in effect from time to time, to limit its issuance of bond anticipation notes as required by the Act, as in effect from time to time, to include as terms of the Adjustable Rate Bonds the provisions applicable thereto and to comply therewith and with the statutory restrictions.

The State pledges and agrees in the Financial Emergency Act that the State will not take any action that will impair the power of the City to comply with the covenants described in the preceding paragraph (the "City Covenants") or any right or remedy of any owner of the Bonds to enforce the City Covenants (the "State Pledge and Agreement"). In the opinion of Bond Counsel, the enforceability of the City Covenants and the State Pledge and Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases. The City Covenants and the State Pledge and Agreement shall be of no force and effect with respect to any Bond if there is a deposit in trust with a bank or trust company of sufficient cash or cash equivalents to pay when due all principal of, applicable redemption premium, if any, and interest on such Bond.

Use of Proceeds

The proceeds of the Bonds will be used to redeem, at or prior to maturity, the bonds identified in Appendix D hereto by providing, with other City funds, for the payment of the principal of and interest and applicable redemption premium, if any, on such bonds to the extent and to the payment dates shown, including the expenses of the City incurred in connection with the issuance and sale of the Bonds.

Credit Facilities

Each of the Credit Facility Providers listed on the inside cover pages has agreed to provide a Credit Facility in the form of an irrevocable standby letter of credit agreement with respect to the Subseries of Bonds designated on the inside cover pages hereof for such Credit Facility Provider. Each such Credit Facility provides coverage for the principal of tendered Bonds and up to 35 days interest on such Bonds at a maximum interest rate of 9%. The scheduled expiration dates for each of the Credit Facilities are listed on the inside cover pages. For a description of certain provisions of the Credit Facilities to be provided by the Credit Facility Providers, see "APPENDIX B—MULTI-MODAL BONDS." For information regarding the Credit Facility Providers, see "APPENDIX C—THE CREDIT AND LIQUIDITY FACILITY PROVIDERS."

Liquidity Facilities

Each of the Liquidity Providers listed on the inside cover pages has agreed to provide a Liquidity Facility in the form of a standby bond purchase agreement with respect to the Subseries of Bonds designated on the inside cover pages hereof for such Liquidity Facility Provider. Each such Liquidity Facility provides coverage

for the principal of tendered Bonds and up to 35 days interest on such Bonds at a maximum interest rate of 9% based upon a year of 365 days for Tax-Exempt Bonds and 14% for Taxable Bonds. The scheduled expiration date for each of the Liquidity Facilities is listed on the inside cover pages.

Termination Events

Upon the occurrence of the following events, a Liquidity Provider may terminate its respective Liquidity Facility, effective immediately, without notice to any person:

(i) any default by the City shall have occurred and be continuing in the payment of principal of or premium, if any, or interest on any general obligation bond or note of the City or other evidence of indebtedness issued, assumed or guaranteed by the City that is on a parity with the City's general obligation debt;

(ii) the City shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall declare a moratorium, or shall take any action to authorize any of the foregoing;

(iii) an involuntary case or other proceeding shall be commenced against the City seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the City under the federal bankruptcy laws as now or hereafter in effect;

(iv) any provision of the Liquidity Facility, the Certificate or the Bonds relating to the payment of principal or interest on any Bonds shall at any time for any reason cease to be valid and binding on the City as a result of a ruling, finding, decree, order, legislative act or similar action by a governmental authority having jurisdiction over the City, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the City to be null and void or invalid;

(v) the City shall fail to pay when due any amount payable under the Bonds (regardless of any waiver thereof by the holders of the Bonds) or the Purchased Bonds;

(vi) a moratorium shall have been declared or commenced by the United States government, the State of New York or the City with respect to the payment of principal of or interest on any general obligation indebtedness of the City; or

(vii) the ratings assigned by Moody's Investors Services, Inc., Standard & Poor's Ratings Services and Fitch, Inc. to the Bonds are withdrawn or suspended for credit related reasons or reduced below "Baa3", "BBB-", and "BBB-," respectively.

Suspension Conditions

The obligation of the Liquidity Provider to purchase Bonds shall be suspended immediately without notice or demand to any Person, and thereafter the Liquidity Provider shall be under no obligation to purchase Bonds, until such obligation is reinstated as described below, in the event:

(i) if a judgment, described in clause (iv) above under "Termination Events" that is appealable or not final shall be issued by a court of competent jurisdiction, and not overturned or stayed upon appeal within 30 days after issuance thereof, that the Bonds or any provision of the Certificate or the Liquidity Facility relating to the payment of principal of or interest on the Bonds shall cease for any reason to be valid and binding until it is determined that the provisions of the Liquidity Facility, Certificate or Bonds relating to the payment of principal or interest on any Bonds are valid and binding upon the City;

(ii) the City shall publicly contest any provision of the Liquidity Facility, the Certificate or the Bonds relating to the payment of principal or interest on any Bonds, or the City shall publicly deny that it has any obligation to make payments on any Bonds or the City shall claim that any of its general obligation debt is not a valid, binding and enforceable general obligation of the City for any reason whatsoever until it is determined that the provisions of the Liquidity Facility, Certificate or Bonds relating to the payment of principal or interest on any Bonds are valid and binding upon the City;

(iii) upon the commencement of a proceeding described in clause (iii) under “Termination Events” above, until the proceeding is terminated prior to the court entering an order granting the relief sought in such proceeding; or

(iv) upon the occurrence of an event described in clauses (i) or (v) under “Termination Events” above, if such payment default was caused solely by an error or omission of an administrative or operational nature, funds were available to enable the City to make the payment when due and the payment is made within two business days after the City is aware of the failure to make payment, until the payment is made within such specified period.

For a description of certain provisions of the Liquidity Facility to be provided by the Liquidity Provider, see “APPENDIX B—MULTI-MODAL BONDS.” For information regarding the Liquidity Providers, see “APPENDIX C—CREDIT AND LIQUIDITY FACILITY PROVIDERS.”

Optional Redemption

The Bonds are subject to redemption (or purchase in lieu thereof if permitted by the Certificate) prior to maturity, without premium, at the option of the City, in whole or in part, on any Optional Redemption Date, which, for Bonds in the Daily Rate Mode or the Weekly Rate Mode, is any Business Day, upon written notice to Bondholders not later than 11:00 a.m. on the Optional Tender Date.

The City may select Subseries, Rate Modes and amounts of Bonds for optional redemption in its sole discretion. In the event that less than all the Bonds of a Rate Mode, Subseries and maturity subject to redemption are to be redeemed, the Bonds shall be selected for redemption as prescribed by the Certificate.

On and after any redemption date, interest will cease to accrue on the Bonds called for redemption.

Mandatory Redemption

The Bonds are Term Bonds subject to mandatory redemption upon 30 days’ (but not more than 60 days’) notice to Bondholders, by lot within each stated maturity, on each August 1 (or other Mandatory Redemption Date specified in the applicable Rate Mode) at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, in the amounts set forth below:

<u>Subseries J-3</u>		<u>Subseries J-4</u>	
<u>August 1</u>	<u>Amount</u>	<u>August 1</u>	<u>Amount</u>
2021	\$36,565,000	2024	\$83,770,000
2022	98,705,000	2025 (1)	14,230,000
2023 (1)	14,730,000		
<u>Subseries J-5</u>		<u>Subseries J-6</u>	
<u>August 1</u>	<u>Amount</u>	<u>August 1</u>	<u>Amount</u>
2027	\$44,245,000	2023	\$88,640,000
2028 (1)	57,160,000	2024 (1)	22,585,000

(1) Stated maturity.

Subseries J-7	
<u>August 1</u>	<u>Amount</u>
2009	\$ 5,075,000
2010	5,190,000
2011	5,335,000
2012	5,495,000
2013	4,620,000
2019	225,000
2020	45,160,000
2021 (1)	28,900,000

Subseries J-8	
<u>August 1</u>	<u>Amount</u>
2009	\$ 5,075,000
2010	5,195,000
2011	5,345,000
2012	5,490,000
2013	4,615,000
2019	220,000
2020	45,160,000
2021 (1)	28,900,000

Subseries J-9	
<u>August 1</u>	<u>Amount</u>
2025	\$33,155,000
2026	39,790,000
2027 (1)	27,055,000

Subseries J-10	
<u>August 1</u>	<u>Amount</u>
2025	\$33,155,000
2026	39,790,000
2027 (1)	27,055,000

Subseries J-11	
<u>August 1</u>	<u>Amount</u>
2025	\$33,150,000
2026	39,790,000
2027 (1)	27,060,000

Subseries J-12	
<u>August 1</u>	<u>Amount</u>
2019	\$ 3,120,000
2028	74,655,000
2029 (1)	25,385,000

Subseries J-13	
<u>August 1</u>	<u>Amount</u>
2014	\$ 4,615,000
2015	8,720,000
2016	20,245,000
2017	22,500,000
2018	35,885,000
2019 (1)	48,035,000

Subseries J-14	
<u>August 1</u>	<u>Amount</u>
2014	\$ 3,300,000
2015	6,220,000
2016	14,460,000
2017	16,075,000
2018	25,635,000
2019 (1)	34,310,000

(1) Stated maturity.

At the option of the City, there shall be applied to or credited against any of the required amounts the principal amount of any such Term Bonds that have been defeased, purchased or redeemed and not previously so applied or credited.

Defeased Term Bonds shall at the option of the City no longer be entitled, but may be subject, to the provisions thereof for mandatory redemption.

Mandatory and Optional Tender

The Bonds are subject to mandatory and optional tender as described in “APPENDIX B—MULTI-MODAL BONDS.”

Bond Certificates

Book-Entry Only System

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. Reference to the Bonds under the caption “Bond Certificates” shall mean all Bonds that are deposited with DTC from time to time. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Securities Clearing Corporation, and Emerging Markets Clearing Corporation, also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the Financial Industry Regulatory Authority, Inc. Access to the DTC system is also available to both U.S. and non-U.S. securities brokers and dealers, bank, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (under this caption, "*Book-Entry Only System*," a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy (the "Omnibus Proxy") to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Payment of redemption proceeds and principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Fiscal Agent, The Bank of New York, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Fiscal Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Fiscal Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Tender Agent and the Remarketing Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Tender Agent's DTC account.

The services of DTC as securities depository with respect to the Bonds may be discontinued at any time by giving reasonable notice to the City or the Fiscal Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

No assurance can be given by the City that DTC will make prompt transfer of payments to the Participants or that Participants will make prompt transfer of payments to Beneficial Owners. The City is not responsible or liable for payment by DTC or Participants or for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or Participants.

For every transfer and exchange of the Bonds, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other charge that may be imposed in relation thereto.

Unless otherwise noted, certain of the information contained in this subsection "*Book-Entry Only System*" has been extracted from information furnished by DTC. Neither the City nor the underwriters of the Bonds make any representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

SECTION III: MISCELLANEOUS

Supplemental Certificates

For any one or more of the following purposes and at any time or from time to time, the City may enter into a supplement to the Certificate:

- (a) to cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision relating to the Adjustable Rate Bonds;
- (b) to identify particular Adjustable Rate Bonds for purposes not inconsistent with the Certificate, including credit or liquidity support, remarketing, serialization and defeasance; or
- (c) to insert such provisions with respect to the Adjustable Rate Bonds as are necessary or desirable and are not to the prejudice of the Bondholders.

Each supplement is conditioned upon delivery to the City of a Favorable Opinion of Bond Counsel.

Tax Exemption

In the opinion of Sidley Austin LLP, New York, New York, as Bond Counsel, except as provided in the following sentence, interest on the Tax-Exempt Bonds will not be includable in the gross income of the owners of the Tax-Exempt Bonds for purposes of federal income taxation under existing law. Interest on the Tax-Exempt Bonds will be includable in the gross income of the owners thereof retroactive to the date of issue of the Tax-Exempt Bonds in the event of a failure by the City to comply with applicable requirements of the Internal Revenue Code of 1986, as amended, (the "Code") with respect to the Tax-Exempt Bonds, and covenants regarding use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the United States Treasury; and no opinion is rendered by Sidley Austin LLP as to the exclusion from gross income of the interest on the Tax-Exempt Bonds for federal income tax purposes on or after the date on which any action is taken under the Bond proceedings upon the approval of counsel other than such firm.

Interest on the Tax-Exempt Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

Interest on the Tax-Exempt Bonds will not be a specific preference item for purposes of the federal individual or corporate alternative minimum tax. The Code contains other provisions that could result in tax consequences, upon which Sidley Austin LLP renders no opinion, as a result of ownership of such Tax-Exempt Bonds or the inclusion in certain computations (including, without limitation, those related to the corporate alternative minimum tax) of interest that is excluded from gross income. Interest on the Tax-Exempt Bonds owned by a corporation will be included in the calculation of the corporation's federal alternative minimum tax liability.

Ownership of tax-exempt obligations may result in collateral tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S Corporations with excess passive income, individual recipients of Social Security or railroad retirement benefits, taxpayers eligible for the earned income tax credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to the applicability of any such collateral consequences.

Taxable Bonds

Circular 230 Notice

Any discussion of U.S. federal tax issues set forth in this Official Statement relating to the Taxable Bonds was written in connection with the promotion and marketing of the transactions described in this

Official Statement. Such discussion is not intended or written to be legal or tax advice with respect to the Taxable Bonds to any person and is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any U.S. federal tax penalties that may be imposed on such person. Each investor should seek advice based on its particular circumstances from an independent tax advisor.

In General

Interest on the Taxable Bonds will be includable in the gross income of the owners thereof for purposes of federal income taxation. See “Certain U.S. Federal Income Tax Considerations” below. Under existing law, interest on the Taxable Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

Certain U.S. Federal Income Tax Considerations

The following summary of certain United States federal income tax consequences of the purchase, ownership and disposition of the Taxable Bonds is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (including changes in effective dates) or possible differing interpretations. It deals only with Taxable Bonds held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, insurance companies, regulated investment companies, dealers in securities or currencies, persons holding Taxable Bonds as a hedge against currency risks or as a position in a “straddle” for tax purposes, or persons whose functional currency is not the U.S. dollar. It also does not deal with holders other than investors who purchase Taxable Bonds in the initial offering at the first price at which a substantial amount of such substantially identical Taxable Bonds are sold to the general public (except where otherwise specifically noted). Persons considering the purchase of the Taxable Bonds should consult their own tax advisors concerning the application of U.S. federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Taxable Bonds arising under the laws of any other taxing jurisdiction.

As used herein, the term “U.S. Holder” means a beneficial owner of a Taxable Bond that is for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or (b) the trust was in existence on August 20, 1996, and properly elected to continue to be treated as a United States person. Moreover, as used herein, the term “U.S. Holder” includes any holder of a Taxable Bond whose income or gain in respect of its investment in a Taxable Bond is effectively connected with a U.S. trade or business.

Payments of Interest

Payments of interest on a Taxable Bond generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder’s regular method of tax accounting).

Disposition of a Taxable Bond

Except as discussed above, upon the sale, exchange or retirement of a Taxable Bond, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (other than amounts representing accrued and unpaid interest) and such U.S. Holder’s tax basis in the Taxable Bond. A U.S. Holder’s tax basis in a Taxable Bond generally will equal such U.S. Holder’s initial investment in the Taxable Bond. Such gain or loss generally will be long-term capital gain or loss if the Taxable Bond has been held by the U.S. Holder at the time of disposition for more than one year.

Backup Withholding

Backup withholding of U.S. federal income tax may apply to payments made in respect of the Taxable Bonds to registered holders who are not “exempt recipients” and who fail to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the required manner. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Payments made in respect of the Taxable Bonds to a U.S. Holder must be reported to the IRS, unless the U.S. Holder is an exempt recipient or otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner’s U.S. federal income tax provided the required information is furnished to the Internal Revenue Service (“IRS”).

Future Tax Developments

Future legislative proposals, if enacted into law, regulations, rulings or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or interest on the Bonds to be subject to State or local income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. On November 5, 2007, the United States Supreme Court heard oral argument in its review of a decision of the Court of Appeals of Kentucky which held that the Commerce Clause of the United States Constitution prohibits Kentucky from exempting interest on bonds issued by Kentucky and its localities and authorities from Kentucky state income tax while subjecting interest on bonds issued by other states and their localities and authorities to Kentucky state income tax. If the Kentucky decision is affirmed by the United States Supreme Court, it could require states such as the State to eliminate the disparity between the tax treatment of out-of-state bonds and tax treatment of in-state bonds including bonds issued by the City. The impact of this decision may also affect the market price for, or the marketability of, the Bonds.

Legal Opinions

The legality of the authorization and issuance of the Bonds will be covered by the approving legal opinion of Sidley Austin LLP, New York, New York, Bond Counsel to the City. Reference should be made to the form of such opinion set forth in Appendix D hereto for the matters covered by such opinion and the scope of Bond Counsel’s engagement in relation to the issuance of the Bonds. Such firm is also acting as counsel for and against the City in certain other unrelated matters.

Certain legal matters will be passed upon for the City by its Corporation Counsel.

Edwards Angell Palmer & Dodge LLP, New York, New York, Special Counsel to the City, will pass upon certain legal matters in connection with the preparation of this Official Statement. A description of those matters and the nature of the review conducted by that firm is set forth in its opinion which is on file at the office of the Corporation Counsel. Such firm is also acting as counsel for and against the City in certain other unrelated matters.

Certain legal matters will be passed upon by Clifford Chance US LLP, New York, New York, counsel for the Underwriters. Such firm is also acting as counsel for and against the City in certain unrelated matters.

Underwriting

The Subseries J-3 Bonds are being purchased for reoffering by J.P. Morgan Securities Inc. (“JPMorgan”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$13,325.07 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. JPMorgan will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-4 Bonds are being purchased for reoffering by Banc of America Securities LLC who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are

not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Banc of America Securities LLC will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-5 Bonds are being purchased for reoffering by Morgan Stanley & Co. Incorporated (“Morgan Stanley”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$9,008.19 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside covers page of this Official Statement. Morgan Stanley will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-6 Bonds are being purchased for reoffering by DEPFA First Albany Securities LLC (“DEPFA First Albany”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$9,880.54 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. DEPFA First Albany will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-7 Bonds are being purchased for reoffering by Citigroup Global Markets Inc. (“Citigroup”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Citigroup will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-8 Bonds are being purchased for reoffering by UBS Securities LLC (“UBS”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. UBS will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-9 Bonds are being purchased for reoffering by Citigroup who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Citigroup will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-10 Bonds are being purchased for reoffering by Goldman, Sachs & Co. (“Goldman”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Goldman will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-11 Bonds are being purchased for reoffering by Goldman who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$8,883.39 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Goldman will be obligated to purchase all such Bonds if any such Bonds are purchased.

The Subseries J-12 Bonds are being purchased for reoffering by Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill”) who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$10,088.15 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. Merrill will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-13 Bonds are being purchased for reoffering by UBS who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$13,690.77 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside cover pages of this Official Statement. UBS will be obligated to purchase all such Bonds if any such Bonds are purchased. The Subseries J-14 Bonds are being purchased for reoffering by Merrill who has agreed, subject to certain conditions, to purchase such Bonds from the City at an aggregate underwriter’s discount of \$9,779.13 and to make an initial public offering of such Bonds at prices that are not in excess of the initial public offering price set forth on the inside covers page of this Official Statement. Merrill will be obligated to purchase all such Bonds if any such Bonds are purchased.

THE CITY OF NEW YORK

DEFINITIONS

“*Adjustable Rate Bonds*” means the Multi-Modal Bonds that are not Auction Rate Bonds.

“*Allied Irish Bank*” means Allied Irish Banks, p.l.c., New York Branch, the provider of a Credit Facility for the Subseries J-3 Bonds.

“*Authorized Denominations*” means (i) during any Daily Rate Period, any Commercial Paper Rate Period, or any Weekly Rate Period, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000 and (ii) during any Term Rate Period or the Fixed Rate Period, or for Stepped-Coupon Bonds, \$5,000 or any integral multiple thereof.

“*Authorized Officer*” means the Deputy Comptroller for Public Finance and, when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

“*Bank Bond*” or “*Purchased Bond*” means any Multi-Modal Bond held pursuant to a Standby Agreement. The terms of Purchased Bonds are not described in detail in this Official Statement.

“*Bank of America*” means Bank of America, N.A., the provider of a Liquidity Facility for the Subseries J-4 Bonds.

“*BNP Paribas*” means BNP Paribas, San Francisco Branch, the provider of a Liquidity Facility for the Subseries J-10 Bonds.

“*Bondholder*” or “*Holder*” or “*Owner*” means any person who shall be the registered owner of any Multi-Modal Bonds.

“*Book Entry Form*” or “*Book Entry System*” means a form or system under which physical Multi-Modal Bond certificates in fully registered form are registered only in the name of the Securities Depository, with the physical certificates “immobilized” in the custody of the Securities Depository.

“*Business Day*” means a day other than (i) a Saturday and Sunday or (ii) a day on which the City, the New York Stock Exchange, the Fiscal Agent, the Tender Agent, the Auction Agent, the Broker-Dealers, the Remarketing Agents or banks and trust companies in New York, New York, are authorized or required to remain closed.

“*Certificate*” means the Certificate of the Deputy Comptroller for Public Finance of the City, establishing the terms of the Series J Bonds, including all Exhibits, Schedules and Appendices, and related proceedings including any supplemental certificates.

“*City Account*” means the account so designated in the Purchase and Remarketing Fund.

“*Commercial Paper Mode*” means a Rate Mode in which a Multi-Modal Bond for its Commercial Paper Rate Period bears interest at a Commercial Paper Rate.

“*Commercial Paper Rate*” means each rate at which a Multi-Modal Bond bears interest during a Commercial Paper Rate Period.

“*Commercial Paper Rate Period*” means, with respect to a particular Multi-Modal Bond, a period of one to 365 days during which such Bond bears interest at a Commercial Paper Rate; and the first day immediately following the last day of each Commercial Paper Rate Period shall be a Business Day and, with respect to at least the amount of such Bonds to be redeemed by mandatory redemption, shall be not later than the first Business Day of the next December in which such Bond is subject to mandatory redemption.

“*Conversion*” means a change in the Rate Mode of a Multi-Modal Bond. “Convert” is the act of Conversion.

“*Conversion Date*” means the date (which shall be a Business Day) of a Conversion or proposed Conversion.

“*Conversion Notice*” means a notice of a change in the Rate Mode.

“*Credit Facility*” means a Standby Agreement that specifies no Liquidity Conditions and provides for the purchase of Bonds in the event of the City’s failure to pay interest or principal when due.

“*Daily Rate*” means the rate at which Multi-Modal Bonds bear interest during a Daily Rate Period.

“*Daily Rate Mode*” means a Rate Mode in which Multi-Modal Bonds bear interest at a Daily Rate.

“*Daily Rate Period*” means a period commencing on one Business Day and extending to, but not including, the next succeeding Business Day, during which Multi-Modal Bonds bear interest at the Daily Rate.

“*Dexia*” means Dexia Credit Local, New York Branch, the provider of a Liquidity Facility for the Subseries J-5 and J-12 Bonds.

“*Default Notice*” or “*Termination Notice*” means, with respect to a notice given by a Standby Purchaser pursuant to a Standby Agreement to the effect that an event of default thereunder has occurred and that the Liquidity Facility issued by such Standby Purchaser will terminate on the date specified in such notice or any comparable notice.

“*Direct Participant*” means a participant in the book-entry system of recording ownership interests in the Multi-Modal Bonds.

“*DTC*” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as Depository for the Multi-Modal Bonds, or any successor Depository for any Multi-Modal Bonds; and includes each nominee thereof.

“*Electronic Means*” means telephone, telecopy, telegraph, telex, internet, electronic mail, facsimile transmission or any other similar means of electronic communication. Any communication by telephone as an Electronic Means shall be promptly confirmed in writing or by one of the other authorized means of electronic communication.

“*Event of Termination*” means, with respect to a Liquidity Facility, a condition under which the obligations of the provider of a Liquidity Facility to purchase Bonds will be terminated, effective immediately, without notice to any person.

“*Expiration Date*” or “*Scheduled Termination Date*” when used in connection with a particular Standby Agreement means the fixed date on which such Standby Agreement will expire, as such date may be extended from time to time.

“*Favorable Opinion of Bond Counsel*” shall mean an opinion of nationally recognized bond counsel, to the effect that the action proposed to be taken is authorized or permitted by the Certificate and will not adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

“*Fiduciary*” means each Fiscal Agent, Paying Agent, Tender Agent or Auction Agent.

“*Fiscal Agent*” means The Bank of New York and its successors as the City’s fiscal agent.

“*Fitch*” means Fitch, Inc., and its successors and assigns; references to Fitch are effective so long as Fitch is a Rating Agency.

“*Fixed Rate*” means the rate at which Multi-Modal Bonds bear interest in a Fixed Rate Period.

“*Fixed Rate Mode*” means a Rate Mode in which Multi-Modal Bonds bear interest at a Fixed Rate.

“*Fixed Rate Period*” means the period from and including the Conversion Date and extending to the date of a subsequent Conversion (if permitted by the Certificate), or redemption or maturity.

“*Helaba*” means Landesbank Hessen-Thüringen Girozentrale, New York Branch, the provider of a Credit Facility for the Subseries J-6 Bonds.

“*Initial Rate*” means each rate per annum at which Multi-Modal Bonds will bear interest during the Initial Rate Period, as set forth in the Certificate.

“*Initial Rate Period*” means the period commencing on the Issue Date and extending to and including the date set forth in the Certificate as the last day of the Initial Rate Period for the Bonds.

“*Interest Payment Date*” means with respect to (a) any Daily Rate Period, any Weekly Rate Period, or any case not specified, the first Business Day of each month; (b) any Commercial Paper Rate Period of six months or less, the Business Day following the last day of the Rate Period; (c) any Commercial Paper Rate Period exceeding six months, the Business Day following the last day of the Rate Period and the first Business Day of the sixth month; (d) any Term Rate Period, each day that is the first day of the Maturity Month or the Opposite Month and the Business Day following the last day of the Rate Period, or as specified by the City; and (e) the Fixed Rate Period, or for Stepped-Coupon Bonds, each day that is the first day of the Maturity Month or the Opposite Month, commencing as determined by the City. If any such date is not a Business Day, the Interest Payment Date shall be the following Business Day. Interest shall be payable on each Mandatory Tender Date, redemption date or maturity date.

“*Issue Date*” means April 1, 2008.

“*KBC Bank*” means KBC Bank N.V., New York Branch, the provider of a Liquidity Facility for the Subseries J-11 Bonds.

“*LBBW*” means Landesbank Baden-Württemberg, New York Branch, the provider of a Credit Facility for the Subseries J-7 and J-8 Bonds.

“*LFL*” means the Local Finance Law of the State, as in effect from time to time.

“*LIBOR*” means the offered rate (rounded up to the next highest one one-thousandth of one percent (0.001%)) for deposits in U.S. dollars for a one-month period which appears on the Telerate Page 3750 at approximately 11:00 A.M., London Time, on each date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market.

“*Liquidity Condition*” means an event of immediate termination or suspension as specified in a Liquidity Facility, under which condition the Standby Purchaser is not obligated to purchase Multi-Modal Bonds, and, accordingly, such Bonds are not subject to tender for purchase.

“*Liquidity Enhanced Bonds*” means the Multi-Modal Bonds bearing interest in the Daily Rate Mode, Weekly Rate Mode, Commercial Paper Mode or Term Rate Mode.

“*Liquidity Facility*” means a Standby Agreement that is not a Credit Facility.

“*Lloyds*” means Lloyds TSB Bank plc, the provider of a Liquidity Facility for the Subseries J-13 and J-14 Bonds.

“*Mandatory Redemption Date*” means, in each year so specified in the Multi-Modal Bonds, (a) for Stepped-Coupon Bonds or Bonds in the Term Rate Mode or the Fixed Rate Mode, the first day of the Maturity Month, (b) for Bonds in the Daily Rate Mode, the Weekly Rate Mode or the Commercial Paper Mode, the first Business Day in the Maturity Month (which will be an Interest Payment Date), and (c) for Bonds an Auction Period, the first regularly scheduled Interest Payment Date on or after the first day of the Maturity Month.

“*Mandatory Tender Date*” means any date on which a Multi-Modal Bond is subject to mandatory tender in accordance with the Certificate.

“*Maturity Month*” and “*Opposite Month*” mean the respective months indicated below:

<u>Maturity Month</u>	<u>Opposite Month</u>
August	February

“*Maximum Rate*” means, with respect to (i) the Liquidity Enhanced Bonds that are Tax-Exempt Bonds, 9%, (ii) other Liquidity Enhanced Bonds, 14%, (iii) Purchased Bonds, 25%, or (iv) all other Bonds, such rate not exceeding 25% as may be specified by the Certificate.

“*Moody’s*” means Moody’s Investors Service, and its successors and assigns; references to Moody’s are effective so long as Moody’s is a Rating Agency.

“*Multi-Modal Bonds*” means \$1,305,790,000 of the City’s General Obligation Bonds, Fiscal 2008 Series J, Subseries J-3 through J-14.

“*Optional Redemption Date*” means, (1) for Bonds in the Daily Rate Mode or the Weekly Rate Mode, any Business Day, (2) for Bonds in the Commercial Paper Mode or the Term Rate Mode, each Mandatory Tender Date, (3) for Auction Rate Bonds, each Interest Payment Date following an Auction Period, and (4) for Stepped-Coupon Bonds and Bonds in the Fixed Rate Mode, any day on or after the first day of the first Maturity Month or Opposite Month following the tenth anniversary of the Conversion Date, or with a Favorable Opinion of Bond Counsel, as specified by an Authorized Officer of the City upon Conversion.

“*Optional Tender Date*” means any Business Day during a Daily Rate Period or a Weekly Rate Period.

“*Paying Agent*” means the Fiscal Agent and any additional paying agent for the Multi-Modal Bonds designated by the City.

“*Purchase Account*” means the account so designated in the Purchase and Remarketing Fund.

“*Purchase and Remarketing Fund*” means the Fiscal 2008 Series J Purchase and Remarketing Fund established pursuant to the Certificate.

“*Purchase Price*” means 100% of the principal amount of any Tendered Bond, plus (if not otherwise provided for) accrued and unpaid interest thereon to the Tender Date.

“*Rate*” means the rate of interest payable on Stepped-Coupon Bonds and each Daily Rate, Commercial Paper Rate, Weekly Rate, Term Rate, Purchased Bond Rate, the Fixed Rate or Auction Rate.

“*Rate Mode*” or “*Mode*” means Stepped-Coupon Bonds or the Daily Rate Mode, Commercial Paper Rate Mode, Weekly Rate Mode, Term Rate Mode, Fixed Rate Mode or Auction Rate Mode.

“*Rate Period*” means a period in which Multi-Modal Bonds are Stepped-Coupon Bonds, or any Daily Rate Period, any Commercial Paper Rate Period, any Weekly Rate Period, any Term Rate Period, the Fixed Rate Period or any Auction Period.

“*Rating Agency*” means each nationally recognized statistical rating organization that has, at the request of the City, a short-term rating in effect for the Multi-Modal Bonds of a Subseries.

“*Rating Category*” means one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

“*Rating Confirmation*” means a written notice from each Rating Agency that its rating on the Multi-Modal Bonds will not be suspended, withdrawn or reduced (by Moody’s) or reduced in Rating Category (by other Rating Agencies) solely as a result of action proposed to be taken under the Certificate.

“*Record Date*” means, with respect to each Interest Payment Date (unless otherwise specified by an Authorized Officer of the City), (i) for the Initial Rate Period, any Daily Rate Period, any Commercial

Paper Rate Period, any Weekly Rate Period or any Auction Period, the close of business on the Business Day preceding such Interest Payment Date, and (ii) during any Term Rate Period or the Fixed Rate Period, or for Stepped-Coupon Bonds, the fifteenth day of the calendar month immediately preceding an Interest Payment Date.

“*Remarketing Agent*” means each remarketing agent for Liquidity Enhanced Bonds appointed and serving in such capacity.

“*Remarketing Agreement*” means each Remarketing Agreement between the City and the Remarketing Agent for a Liquidity Enhanced Bond, as in effect from time to time.

“*Remarketing Proceeds Account*” means the account so designated in the Purchase and Remarketing Fund which may consist of one or more accounts established for the deposit of remarketing proceeds from the remarketing of one or more subseries of the City’s bonds into which such remarketing proceeds may be deposited prior to the withdrawal of such proceeds to pay the purchase price of tendered bonds of that subseries.

“*Reset Date*” means the date on which the interest rate on an Adjustable Rate Bond is to be determined.

“*S&P*” means Standard & Poor’s Ratings Services and its successors and assigns; references to S&P are effective so long as S&P is a Rating Agency.

“*Scotiabank*” means The Bank of Nova Scotia, New York Agency, the provider of a Liquidity Facility for the Subseries J-9 Bonds.

“*Securities Depository*” or “*Depository*” or “*DTC*” means The Depository Trust Company and its nominees, successors and assigns or any other securities depository selected by the City which agrees to follow the procedures required to be followed by such securities depository in connection with the Multi-Modal Bonds.

“*Series 2008 J Bonds*,” “*Series J Bonds*” or “*Fiscal 2008 Series J Bonds*” means the City’s General Obligation Bonds, Fiscal 2008 Series J, expected to be issued April 1, 2008.

“*SIFMA Municipal Index*” means the Securities Industry and Financial Markets Association Municipal Swap Index disseminated by Municipal Market Data, a Thomson Financial Services Company, or its successor; or, if at the time a Weekly Rate is to be determined Municipal Market Data had not provided the relevant information on the SIFMA Municipal Index for the most recent Wednesday, then the rate determined by Municipal Market Data on the Tuesday next preceding the beginning of the Weekly Rate Period for which such Weekly Rate is to be determined.

“*Standby Agreement*” or “*Alternate Standby Agreement*” means an agreement providing, to the extent required by the LFL, for the purchase of any Liquidity Enhanced Bonds, as in effect from time to time.

“*Standby Purchaser*,” “*Credit Facility Provider*,” “*Liquidity Provider*,” “*Provider*,” “*Subseries Bank*” or “*Bank*” means any provider of a Standby Agreement then in effect for Liquidity Enhanced Bonds. Initially, the Standby Purchasers for the Fiscal 2008 Series J, Subseries J-3 through J-14 Bonds are as follows:

<u>Subseries</u>	<u>Initial Liquidity Provider</u>
J-3	Allied Irish Bank
J-4	Bank of America
J-5	Dexia
J-6	Helaba
J-7	LBBW
J-8	LBBW
J-9	Scotiabank
J-10	BNP Paribas
J-11	KBC Bank
J-12	Dexia
J-13	Lloyds
J-14	Lloyds

“*Stepped-Coupon Bonds*” means Multi-Modal Bonds bearing interest at rates and for periods of time that are specified without reference to future events or contingencies.

“*Subseries*” shall mean the Multi-Modal Bonds of Subseries J-3 through J-14 or such Subseries of Multi-Modal Bonds as may be identified from time to time.

“*Suspension Condition*” means, with respect to a Liquidity Facility, a condition under which the obligations of the provider of a Liquidity Facility to purchase Bonds will be suspended.

“*Tender Agent*” means the Fiscal Agent and any additional Tender Agent appointed by the City.

“*Tender Date*” means each Optional Tender Date or Mandatory Tender Date.

“*Tender Notice*” means the notice delivered by the Holder of a Liquidity Enhanced Bond subject to optional tender pursuant to the Certificate.

“*Tendered Bond*” means a Bond mandatorily tendered or tendered at the option of the Holder thereof for purchase in accordance with the Certificate, including a Bond deemed tendered, but not surrendered on the applicable Tender Date.

“*Term Rate*” means the rate at which Multi-Modal Bonds bear interest during a Term Rate Period.

“*Term Rate Mode*” means a Rate Mode in which Multi-Modal Bonds bear interest at a Term Rate.

“*Term Rate Period*” means a period commencing on a Conversion Date or a date immediately following a Term Rate Period and extending for a period specified by the City.

“*Termination Date*” means the date on which a Standby Agreement will terminate as set forth in a Default Notice delivered by the Standby Purchaser in accordance with the Standby Agreement.

“*Weekly Rate*” means the rate at which Multi-Modal Bonds bear interest during a Weekly Rate Period.

“*Weekly Rate Mode*” means a Rate Mode in which a Multi-Modal Bonds bear interest at a Weekly Rate.

“*Weekly Rate Period*” means a period commencing on a Conversion Date or the date (Thursday unless otherwise specified by an Authorized Officer of the City) following a Weekly Rate Period, and extending for 7 days.

“*Written Notice*,” “*written notice*” or “*notice in writing*” means notice in writing which may be delivered by hand or first class mail and includes Electronic Means.

MULTI-MODAL BONDS

The Multi-Modal Bonds are subject to the provisions summarized below. Capitalized terms used in this “APPENDIX B—MULTI-MODAL BONDS” which are not otherwise defined in the Official Statement are defined in “APPENDIX A—DEFINITIONS.”

General

\$1,305,790,000 aggregate principal amount of the City’s General Obligation Bonds, Fiscal 2008 Series J, are to be issued as Multi-Modal Bonds, designated as Subseries J-3 through J-14.

The Subseries J-3, J-4, J-5, J-6 and J-8 Bonds will bear interest at a Daily Rate. The Bonds of Subseries J-7 and J-9 through J-14 will bear interest at an Initial Rate to and including the dates specified on the inside cover pages, and thereafter at a Weekly Rate. The Bonds of Subseries J-4, J-5, and J-9 through J-14 will be issued as Liquidity Enhanced Bonds backed by a Liquidity Facility, and the Bonds of Subseries J-3, and J-6 through J-8 will be issued as Liquidity Enhanced Bonds backed by a Credit Facility. The Subseries J-3 through J-14 Bonds are subject to mandatory tender for purchase as described under “Mandatory Tender for Purchase” and so long as such Bonds are in a Daily Rate Mode or Weekly Rate Mode, are subject to optional tender for purchase as described under “Optional Tender for Purchase.” The Multi-Modal Bonds of each Subseries will continue in a Rate Mode until converted to another Rate Mode and will bear interest at a rate determined in accordance with the procedures for determining the interest rate during such Rate Mode. See “Conversion to an Alternate Rate Mode” and “Interest Rates and Reset Dates” below.

During any Initial Rate Period for the Liquidity Enhanced Bonds, a Daily Rate Period, a Commercial Paper Rate Period or a Weekly Rate Period, interest will be computed on the basis of a 365-day or 366-day year for the actual number of days elapsed and for Stepped-Coupon Bonds or during a Term Rate Period and the Fixed Rate Period, interest will be computed on the basis of a 360-day year of twelve 30-day months.

Interest on the Multi-Modal Bonds will be the interest accruing and unpaid through and including the day preceding the Interest Payment Date and will be payable on each Interest Payment Date to the registered owner thereof as shown on the registration books kept by the Fiscal Agent at the close of business on the applicable Record Date.

Conversion to an Alternate Rate Mode

Subject to the conditions in the Certificate, the City may convert all or a portion of the Multi-Modal Bonds in one Rate Mode to a different Rate Mode by delivering a Conversion Notice to, as applicable, the Remarketing Agent, the applicable Standby Purchaser, DTC, the Broker-Dealers, the Auction Agent, the Fiscal Agent and the Tender Agent specifying the Multi-Modal Bonds to be converted, the Conversion Date and the Rate Mode that will be effective on the Conversion Date. The City must deliver such Conversion Notice not less than 15 days prior to the Conversion Date or a shorter period if acceptable to the Fiscal Agent and DTC. The Tender Agent is to give written notice to the registered owner of each Liquidity Enhanced Bond of the City’s election to convert to another Rate Mode and the Conversion Date. Such notice is to be given, by first-class mail, not later than three calendar days after receipt by the Tender Agent of the Conversion Notice.

The Tender Agent, no later than three days after receipt of the Conversion Notice, is to give notice by first-class mail to the Holders of Liquidity Enhanced Bonds to be converted, which notice must state (i) the Conversion Date; (ii) that the Rate Mode will not be converted unless the City receives on the Conversion Date a Favorable Opinion of Bond Counsel; (iii) the name and address of the principal corporate trust offices of the Fiscal Agent and Tender Agent; (iv) that the Liquidity Enhanced Bonds to be converted will be subject to mandatory tender for purchase on the Conversion Date at the Purchase Price; and (v) that upon the Conversion, if there is on deposit with the Tender Agent on the Conversion

Date an amount sufficient to pay the Purchase Price of the Bonds so converted, such Bonds not delivered to the Tender Agent will be deemed to have been properly tendered for purchase and will cease to represent a right on behalf of the Holder thereof to the payment of principal of or interest thereon and shall represent only the right to payment of the Purchase Price on deposit with the Tender Agent, without interest accruing thereon from and after the Conversion Date.

If less than all of the Adjustable Rate Bonds of a Subseries then subject to a particular Rate Mode are to be converted to a new Rate Mode, the particular Multi-Modal Bonds which are to be converted to a new Rate Mode will be selected by the Fiscal Agent (or, if the City so elects, the City) subject to the provisions of the Certificate regarding Authorized Denominations.

If a Favorable Opinion of Bond Counsel cannot be obtained, or if the election to convert was withdrawn by the City, or if the Remarketing Agent has notified the Fiscal Agent, the City and the applicable Standby Purchaser that it has been unable to remarket the Multi-Modal Bonds on the Conversion Date, the Multi-Modal Bonds will bear interest in compliance with the Certificate.

Interest Rates and Reset Dates

General. The rate at which the Adjustable Rate Bonds will bear interest during any Rate Period will be the rate of interest that, if borne by the Adjustable Rate Bonds for such Rate Period, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for bonds or other securities which are comparable as to federal income tax treatment, credit and maturity or tender dates with the federal income tax treatment, credit and maturity or tender dates of the Adjustable Rate Bonds, would be the lowest interest rate that would enable the Adjustable Rate Bonds to be sold at a price equal to the principal amount thereof, plus accrued interest, thereon, if any. No Rate Period for Liquidity Enhanced Bonds will extend beyond the scheduled Expiration Date of the Standby Agreement then in effect.

Maximum Rate. The Liquidity Enhanced Bonds may not bear interest at a rate greater than the Maximum Rate.

Daily Rate. The Daily Rate for any Business Day is to be determined by the Remarketing Agent and announced by 10:00 a.m., New York City time, on such Business Day. For any day which is not a Business Day, the Daily Rate will be the Daily Rate for the immediately preceding Business Day.

If (i) a Daily Rate for a Daily Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Rate so established is held to be invalid or unenforceable with respect to a Daily Rate Period, or (iv) pursuant to the Remarketing Agreement the Remarketing Agent is not then required to establish a Daily Rate, the Daily Rate for such Daily Rate Period will be the SIFMA Municipal Index for Tax-Exempt Bonds or LIBOR for Taxable Bonds on the date such Daily Rate was to have been determined by the Remarketing Agent.

Weekly Rate. Unless otherwise provided by the City pursuant to the Certificate, the Weekly Rate is to be determined by the Remarketing Agent and announced by 10:00 a.m., New York City time, on the day specified for each Subseries on the inside cover pages. The Weekly Rate Period means a period commencing on the day specified for each Subseries on the inside cover pages and extending to and including the sixth day thereafter, e.g. if commencing on a Thursday then extending to and including the next Wednesday.

If (i) a Weekly Rate has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Weekly Rate determined by the Remarketing Agent is held to be invalid or unenforceable with respect to a Weekly Rate Period, or (iv) pursuant to the Remarketing Agreement, the Remarketing Agent is not then required to establish a Weekly Rate, the Weekly Rate will be the SIFMA Municipal Index for Tax-Exempt Bonds or LIBOR for Taxable Bonds on the date such Weekly Rate was to be determined by the Remarketing Agent.

Commercial Paper Rate. The Commercial Paper Rate Period for each Adjustable Rate Bond in a Commercial Paper Rate Mode is to be determined by the Remarketing Agent and announced by 12:30 p.m., New York City time, on the first day of each Commercial Paper Rate Period. Commercial

Paper Rate Periods may be from 1 to 365 days. If the Remarketing Agent fails to specify the next succeeding Commercial Paper Rate Period, such Commercial Paper Rate Period will be the shorter of (i) seven days or (ii) the period remaining to but not including the maturity or redemption date of such Bond. Each Adjustable Rate Bond in a Commercial Paper Mode is to bear interest during a particular Commercial Paper Rate Period at a rate per annum equal to the interest rate determined above corresponding to the Commercial Paper Rate Period. An Adjustable Rate Bond can have a Commercial Paper Rate Period and bear interest at a Commercial Paper Rate that differs from other Adjustable Rate Bonds in the Commercial Paper Rate Mode.

If (i) a Commercial Paper Rate for a Commercial Paper Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Commercial Paper Rate determined by the Remarketing Agent is held to be invalid or unenforceable with respect to a Commercial Paper Rate Period, or (iv) pursuant to the Remarketing Agreement, the Remarketing Agent is not then required to establish a Commercial Paper Rate, the Commercial Paper Rate will be the SIFMA Municipal Index for Tax-Exempt Bonds or LIBOR for Taxable Bonds on the date such Commercial Paper Rate Period was to have been determined by the Remarketing Agent.

Term Rate. The Term Rate for any Term Rate Period is to be determined by the Remarketing Agent not later than a date two Business Days prior or the first day of the next Term Rate Period. If the Remarketing Agent is unable to remarket all of the Adjustable Rate Bonds at the interest rate determined by the Remarketing Agent pursuant to the previous sentence, the Remarketing Agent may at any time prior to the first day of a Term Rate Period increase the interest rate to that rate of interest which would be the lowest rate that would enable the Adjustable Rate Bonds to be sold on such first day at a price of par, plus accrued interest, if any. No less than 20 Business Days prior to the end of each Term Rate Period, the City must deliver to the Fiscal Agent, the Tender Agent and the Remarketing Agent written notice of the City's determination of the next succeeding Term Rate Period, which Term Rate Period is to end on the day preceding a Business Day. However, if the City fails to specify the next succeeding Term Rate Period, such Term Rate Period will be the same period as the immediately preceding Term Rate Period but not later than a day preceding a Business Day that is prior to the maturity date.

If for any reason, the interest rate for the Adjustable Rate Bonds in the Term Rate Mode is not determined by the Remarketing Agent in the manner specified above, the interest rate will be equal to Municipal Market Data General Obligation Yield on bonds with the same federal income tax treatment and the then long-term ratings as the Bonds that mature on a date that is as nearly as practical the same date as the date on which the new Term Rate Period for such Adjustable Rate Bonds will end. Such interest rate will be based upon the Municipal Market Data General Obligation Yield for Tax-Exempt Bonds or LIBOR for Taxable Bonds for the most recent period for which information is available on the date the interest rate is to be determined. If such index or its equivalent is no longer published, the interest rate on such Adjustable Rate Bonds will be the interest rate then in effect on such Adjustable Rate Bonds.

Fixed Rate or Stepped Coupons. The rate or rates for Bonds in the Fixed Rate Mode or Stepped-Coupon Bonds shall be determined by the Remarketing Agent or other investment banking firm or firms with which the City has entered into an agreement for the purchase, as underwriters, of the Multi-Modal Bonds on the Conversion Date to Fixed Rate Bonds or Stepped-Coupon Bonds as agreed to by the City. If the rate or rates for Bonds in the Fixed Rate Mode or Stepped-Coupon Bonds have not been determined as aforesaid for any reason, then the former Rate Period will continue in effect, unless the City elects another Rate Mode in accordance with the Certificate.

Once the Multi-Modal Bonds are converted to bear interest as Bonds in the Fixed Rate Mode or Stepped-Coupon Bonds, the Multi-Modal Bonds will not be converted to bear interest at any other rate until such time as the Adjustable Rate Bonds are subject to optional redemption. Once the Multi-Modal Bonds in the Fixed Rate Mode or Stepped-Coupon Bonds are subject to optional redemption, the City may on any potential optional redemption date convert the interest rate on all or part of such Multi-Modal Bonds to an Auction Rate or, provided a Liquidity Facility is in effect to the extent required

by the LFL, a Daily Rate, a Weekly Rate, a Commercial Paper Rate or a Term Rate. If for any reason a new interest rate is not determined, then the former Rate Mode will continue in effect, unless the City elects another Rate Mode in accordance with the Certificate.

Optional Tender for Purchase

General. If a Subseries of Bonds is supported by a Credit Facility, or by a Liquidity Facility with no Liquidity Condition in effect, an Adjustable Rate Bond or any portion thereof equal to an Authorized Denomination may be tendered for purchase, at the Purchase Price, at the option of its registered owner on any Business Day during a Daily Rate Mode or a Weekly Rate Mode upon giving notice of the registered owner's election to tender in the manner and at the times described below. Notice of an election to tender an Adjustable Rate Bond registered in the name of DTC is to be given by the DTC Participant on behalf of the Beneficial Owner of the Adjustable Rate Bond and will not be given by DTC. Notice of the election to tender for purchase of an Adjustable Rate Bond registered in any other name is to be given by the registered owner of such Adjustable Rate Bond or its attorney-in-fact.

A DTC Participant or the registered owner of an Adjustable Rate Bond must give written notice of its irrevocable election to tender such Adjustable Rate Bond or a portion thereof for purchase at its option to the Tender Agent and the Remarketing Agent at their respective principal offices, in the case of Adjustable Rate Bonds bearing interest in a Daily Rate Mode, by no later than 11:00 a.m. on any Business Day which such Adjustable Rate Bond or portion thereof is to be purchased and in the case of Adjustable Rate Bonds bearing interest in a Weekly Rate Mode by no later than 5:00 p.m., New York City time, on the seventh day prior to the Business Day when such Adjustable Rate Bond or portion thereof is to be purchased. In addition, the registered owner of an Adjustable Rate Bond is required to deliver such Bond to the Tender Agent at its principal corporate trust office at or prior to 1:00 p.m., New York City time, on such Optional Tender Date.

The Multi-Modal Bonds in a Commercial Paper Mode, Term Mode, Fixed Rate Mode or an Auction Rate Mode are not subject to optional tender for purchase.

Mandatory Tender for Purchase

If a Subseries of Bonds is supported by a Credit Facility, or by a Liquidity Facility with no Liquidity Condition in effect, the Liquidity Enhanced Bonds which are affected by the following actions are subject to mandatory tender and purchase at the Purchase Price on the following dates (each, a "Mandatory Tender Date"):

- (a) on each Conversion Date for the Adjustable Rate Bonds being converted to a different Rate Mode;
- (b) on the Business Day following each Rate Period for the Adjustable Rate Bonds in the Commercial Paper Mode or the Term Rate Mode;
- (c) on a Business Day that is not less than one Business Day prior to the Expiration Date of the Standby Agreement then in effect with respect to a Subseries of Adjustable Rate Bonds, which will be drawn upon to pay the Purchase Price of tendered Adjustable Rate Bonds, unless such Standby Agreement has been extended, or a substitute delivered with Rating Confirmation, at least 15 days prior to such Expiration Date;
- (d) unless clause (c) is applicable or Rating Confirmation is provided on a date not later than the effective date of an Alternate Standby Agreement delivered pursuant to the Certificate with respect to a Subseries of Adjustable Rate Bonds, on which date the Standby Agreement in effect prior to the Alternate Standby Agreement will be drawn upon to pay the Purchase Price of tendered Adjustable Rate Bonds that are not remarketed;
- (e) on a Business Day that is not less than one Business Day prior to the Termination Date of a Standby Agreement relating to a Subseries of Adjustable Rate Bonds specified in a Default Notice delivered in accordance with the Standby Agreement; and

- (f) if a Credit Facility is in effect for the Bonds of a Subseries, upon any failure by the City to provide funds to the Fiscal Agent for the payment of principal or interest when due on such Bonds, in which event the Fiscal Agent shall cause a draw to be made pursuant to each Credit Facility for the immediate purchase of the applicable Bonds and notice of mandatory tender to be given to each Holder of such Bonds, effective on the same day or, if funds are not available therefor until the next Business Day pursuant to the Credit Facility because of late delivery of the draw notice, then on such next Business Day.

Stepped-Coupon Bonds and Bonds in the Fixed Rate Mode shall be subject to mandatory tender for purchase in lieu of redemption on any redemption date, and thereafter to optional or mandatory tender for purchase, all as may be provided for by a supplement to the Certificate in accordance with the Certificate and the LFL.

Whenever Adjustable Rate Bonds are to be tendered for purchase in accordance with (a) above, the Tender Agent is to give notice to the Holders of Adjustable Rate Bonds indicating that such Bonds are subject to mandatory tender for purchase on the date specified in such notice. The Tender Agent is to give notice by first-class mail and not later than three calendar days after receipt by the Tender Agent of the Conversion Notice from the City. The failure of any Holder of any portion of Adjustable Rate Bonds to receive such notice will not affect the validity of such Conversion to a new Rate Mode.

Whenever Adjustable Rate Bonds are to be tendered for purchase in accordance with (c), (d) or (e) above, the Tender Agent is to give notice to the Holders of Adjustable Rate Bonds indicating that such Bonds are subject to mandatory tender for purchase on the date specified in such notice. The Tender Agent is to give such notice by first-class mail and not less than five calendar days prior to the effective date of the expiration or earlier termination of the affected Standby Agreement then in effect or of the effective date of an Alternate Standby Agreement or prior to the date specified in the Default Notice. The failure of any Holder of any portion of Adjustable Rate Bonds to receive such notice will not affect the validity of the proceedings in connection with the effectiveness of the affected Standby Agreement.

Bonds Deemed Purchased

The Adjustable Rate Bonds or portions thereof required to be purchased upon a tender at the option of the registered owner thereof or upon a mandatory tender will be deemed to have been tendered and purchased for all purposes of the Certificate, irrespective of whether such Adjustable Rate Bonds have been presented and surrendered to the Tender Agent, if on the Tender Date money sufficient to pay the Purchase Price thereof are held by the Tender Agent. The former registered owner of a Tendered Bond or an Adjustable Rate Bond deemed to have been tendered and purchased will have no claim thereunder or under the Certificate or otherwise for payment of any amount other than the Purchase Price.

Purchase Price and Payment

On each Tender Date, a Tendered Bond will be purchased at the applicable Purchase Price. The Purchase Price of a Tendered Bond is the principal amount of the Adjustable Rate Bond to be tendered or the amount payable to the registered owner of a Purchased Bond following receipt by such owner of a purchase notice from the Remarketing Agent, plus accrued and unpaid interest from the immediately preceding Interest Payment Date. If the date of purchase is an Interest Payment Date, then the Purchase Price will not include accrued and unpaid interest, which will be paid to the Holder of record on the applicable Record Date.

The Purchase Price of a Tendered Bond held in a book-entry-only system will be paid, in same-day funds, to DTC in accordance with DTC's standard procedures for effecting same-day payments, as described herein under the heading "Book-Entry Only System." Payment will be made without presentation and surrender of the Tendered Bonds to the Tender Agent and DTC will be responsible for effecting payment of the Purchase Price to the DTC Participants.

The Purchase Price of any other Adjustable Rate Bond will be paid, in same-day funds, only after presentation and surrender of the Adjustable Rate Bond to the Tender Agent at its designated office.

Payment will be made by 3:00 p.m., New York City time, on the Tender Date on which an Adjustable Rate Bond is presented and surrendered to the Tender Agent.

The Purchase Price is payable solely from, and in the following order of priority, the proceeds of the remarketing of Adjustable Rate Bonds tendered for purchase, money made available by the Standby Purchaser under the Standby Agreement then in effect and money furnished by or on behalf of the City (which has no obligation to do so).

No Extinguishment

Bonds held by any Standby Purchaser or by the Fiscal Agent or the Tender Agent for the account of any Standby Purchaser following payment of the purchase price of such Bonds by the Fiscal Agent or the Tender Agent with money provided by any Standby Purchaser shall not be deemed to be retired, extinguished or paid and shall for all purposes remain outstanding.

Liquidity Conditions

Upon the occurrence of a Suspension Condition, as specified in a Liquidity Facility, the Standby Purchaser's obligations to purchase the related Bonds shall immediately be suspended (but not terminated) without notice or demand to any person and thereafter the Standby Purchaser shall be under no obligation to purchase such Bonds (nor shall such Bonds be subject to optional or mandatory tender for purchase) unless and until the Standby Purchaser's commitment is reinstated pursuant to the Liquidity Facility. Promptly upon the occurrence of such suspension condition, the Standby Purchaser shall notify the City, the Tender Agent, the Fiscal Agent and the Remarketing Agent of such suspension in writing and the Tender Agent shall promptly relay such notice to the Bondholders upon receipt; but the Standby Purchaser shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the suspension of its obligation to purchase such Bonds. If the suspension condition shall be cured as described in the Liquidity Facility, the obligations of the Standby Purchaser under the Liquidity Facility shall be reinstated (unless the Standby Purchaser's obligations shall have expired or shall otherwise have been terminated or suspended as provided in the Liquidity Facility).

Upon the occurrence of an Event of Termination, the Standby Purchaser's obligation under the Liquidity Facility to purchase the related Bonds shall immediately terminate without notice or demand to any person, and thereafter the Standby Purchaser shall be under no obligation to purchase such Bonds (nor shall such Bonds be subject to optional or mandatory tender for purchase). Promptly upon the occurrence of such event the affected Standby Purchaser shall give written notice of the same to the City, the Tender Agent, the Fiscal Agent and the Remarketing Agent and the Tender Agent shall promptly relay such notice to the Bondholders upon receipt; but the affected Standby Purchaser shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the termination of its obligation to purchase such Bonds.

There are no Liquidity Conditions in the Credit Facilities applicable to the Subseries J-3 or J-6 through J-8 Bonds.

Inadequate Funds for Tender

If the funds available for purchase of Bonds backed by a Standby Purchaser are inadequate for the purchase of all such Bonds tendered on any purchase date, or a Liquidity Condition shall exist under a Liquidity Facility then the affected Bonds shall bear interest from such date at the lower of (x) the SIFMA Municipal Index plus 3% for Tax-Exempt Bonds or LIBOR plus 3% for Taxable Bonds and (y) the highest rate provided by law for interest on accrued claims against municipalities as of such date and shall no longer be subject to optional or mandatory tender for purchase (except upon Conversion); and the Tender Agent shall immediately: (i) return all such undefeased tendered Bonds to the owners thereof; (ii) return all money received for the purchase of such Bonds to the persons providing such money; and (iii) give written notice to all such Bondowners. Under a Credit Facility, or a Liquidity Facility as long as no Liquidity Condition exists, the obligation to deposit funds in sufficient amounts to purchase such Bonds pursuant to the applicable Standby Agreement shall remain enforceable pursuant to the terms thereof

and hereof, and shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient to purchase all such Bonds that were required to be purchased on such tender date, together with any interest which has accrued to the subsequent purchase date.

Remarketing of Bonds Upon Tender

Pursuant to the Remarketing Agreement, the Remarketing Agent is required to use its best efforts to remarket a Tendered Bond on its Tender Date at a price equal to the Purchase Price or, if such Adjustable Rate Bonds are being remarketed upon their conversion from the Term Rate Mode or the Fixed Rate Mode, such Bonds will be remarketed at a price equal to par. The Remarketing Agreement sets forth, among other things, certain conditions to the Remarketing Agent's obligation to remarket Tendered Bonds.

On each Tender Date, the Remarketing Agent is to give notice by electronic means to the Fiscal Agent, the Tender Agent, the Standby Purchaser and the City specifying the principal amount of Bonds which have been tendered for purchase and remarketed, along with the principal amount of Tendered Bonds, if any, for which it has not arranged a remarketing. The Tender Agent is, on such Tender Date, to obtain funds under the applicable Standby Agreement in accordance with its terms in an amount equal to the difference between the Purchase Price of the Tendered Bonds subject to purchase and the remarketing proceeds available to the Tender Agent.

Defeasance

For the purpose of determining whether Multi-Modal Bonds shall be deemed to have been defeased, the interest to come due on such Multi-Modal Bonds shall be calculated at the maximum applicable rate; and if, as a result of such Multi-Modal Bonds having borne interest at less than the maximum rate for any period, the total amount on deposit for the payment of interest on such Multi-Modal Bonds exceeds the total amount required, the balance shall be paid to the City. In addition, Multi-Modal Bonds shall be deemed defeased only if there shall have been deposited money in an amount sufficient for the timely payment of the maximum amount of principal of and interest on such Multi-Modal Bonds that could become payable to the Bondholders upon the exercise of any applicable optional or mandatory tender for purchase.

Standby Agreements

For each Subseries of Adjustable Rate Bonds that is not defeased and is subject to optional or mandatory tender for purchase, the City shall, as required by law, keep in effect one or more Credit Facilities or Liquidity Facilities for the benefit of the Bondholders of such Subseries, which shall require a financially responsible party or parties other than the City to purchase all or any portion of such Adjustable Rate Bonds duly tendered by the holders thereof for repurchase prior to the maturity of such Adjustable Rate Bonds. A financially responsible party or parties, for the purposes of this paragraph, shall mean a person or persons determined by the Mayor and the Comptroller of the City to have sufficient net worth and liquidity to purchase and pay for on a timely basis all of the Adjustable Rate Bonds which may be tendered for repurchase by the holders thereof. The initial Standby Agreements are either Credit Facilities or Liquidity Facilities. The scheduled expiration dates for the Credit and Liquidity Facilities are listed on the inside cover page.

If a Standby Agreement is to be extended or replaced, the City shall give Written Notice to each affected Bondholder at least ten days prior to the extension or replacement.

Each owner of an Adjustable Rate Bond bearing interest at a Daily, Weekly, Commercial Paper Rate or Term Rate (and not defeased) will be entitled to the benefits and subject to the terms of the Credit Facility or Liquidity Facility for such Bond. Subject to the terms of the Credit Facility or Liquidity Facility, the Standby Purchaser agrees to make available to the Tender Agent, upon receipt of an appropriate demand for payment, the Purchase Price for Adjustable Rate Bonds of the stated Subseries. The initial Standby Purchaser commitments under the Credit and Liquidity Facilities will be sufficient to pay the Purchase Price of the Subseries J-3 through J-14 Bonds as follows:

<u>Subseries</u>	<u>Standby Purchaser</u>	<u>Credit or Liquidity Facility</u>	<u>Expiration Date</u>
J-3	Allied Irish Bank	Credit	April 1, 2013
J-4	Bank of America	Liquidity	April 1, 2013
J-5	Dexia	Liquidity	April 1, 2015
J-6	Helaba	Credit	April 1, 2013
J-7	LBBW	Credit	April 1, 2013
J-8	LBBW	Credit	April 1, 2013
J-9	Scotiabank	Liquidity	April 1, 2011
J-10	BNP Paribas	Liquidity	April 1, 2011
J-11	KBC Bank	Liquidity	April 1, 2011
J-12	Dexia	Liquidity	April 1, 2015
J-13	Lloyds	Liquidity	April 1, 2011
J-14	Lloyds	Liquidity	April 1, 2011

No Standby Purchaser is responsible for another Standby Purchaser's performance of its obligations under a Standby Agreement.

So long as a Credit Facility backs a Subseries of Bonds or no Liquidity Condition is in effect, mandatory purchase of the Adjustable Rate Bonds shall occur under the circumstances provided therefor, including failure to extend or replace the Standby Agreement relating to such Subseries of Liquidity Enhanced Bonds and (at the option of the Standby Purchaser) other events, which may include without limitation breaches of covenants. Notwithstanding the other provisions of the Adjustable Rate Bonds and the Certificate, upon the purchase of an Adjustable Rate Bond by the Standby Purchaser, all interest accruing thereon from the last date for which interest was paid shall accrue for the benefit of and be payable to the Standby Purchaser.

To the extent described in the Adjustable Rate Bonds and each Credit Facility or Liquidity Facility, the City shall have the right to terminate each Credit Facility or Liquidity Facility upon not less than 15 days notice to the Standby Purchaser and may seek a substitute provider or providers to assume the rights and obligations of the Standby Purchaser. The holders of the affected Adjustable Rate Bonds shall be notified of any assumption of the Standby Purchaser's rights and obligations.

The preceding is a summary of certain provisions expected to be included in the initial Credit Facilities and Liquidity Facilities and proceedings under which the Multi-Modal Bonds are to be issued, and is subject in all respects to the underlying documents, copies of which will be available for inspection during business hours at the office of the Fiscal Agent. Information regarding the Standby Purchasers is included herein as "APPENDIX C—CREDIT AND LIQUIDITY FACILITY PROVIDERS." Neither the City nor the Underwriter makes any representation with respect to the information in "APPENDIX C—CREDIT AND LIQUIDITY FACILITY PROVIDERS."

CREDIT AND LIQUIDITY FACILITY PROVIDERS**Allied Irish Banks, p.l.c.**

THIS DOCUMENT REPRESENTS ONLY A SUMMARY OF THE INFORMATION REFERRED TO HEREIN. EXCEPT TO THE LIMITED EXTENT DESCRIBED HEREIN, THIS DOCUMENT DOES NOT ATTEMPT TO DESCRIBE THE BUSINESS OR ANALYZE THE CONDITION, FINANCIAL OR OTHERWISE, OF ALLIED IRISH BANKS, p.l.c. (“AIB”) OR OTHERWISE DESCRIBE ANY RISKS ASSOCIATED WITH AIB. EACH BONDHOLDER MUST RELY ON THAT HOLDER’S OWN KNOWLEDGE, INVESTIGATION AND EXAMINATION OF AIB AND AIB’S CREDITWORTHINESS.

AIB reports its financial information on a consolidated basis, which includes AIB and certain affiliates and subsidiaries (“AIB Group”). AIB Group provides a diverse and comprehensive range of banking, financial and related services principally in Ireland, Britain, Poland and the United States. AIBGroup is currently organized into four (4) divisions: Republic of Ireland; Great Britain & Northern Ireland; Poland; and Capital Markets (which includes AIB’s New York Branch). AIB is the largest banking corporation organized under the laws of Ireland. As of December 31, 2007, AIB’s total assets were EUR178 billion. Profit before taxation from continuing operations for the year ending December 31, 2007 amounted to EUR 2,508 million. Profit attributable to equity holders of the parent was EUR 1,949 million. Return on average ordinary shareholders’ equity was 21.8% and return on average total assets was 1.21%.

AIB’s New York Branch files quarterly reports on Form FFIEC-002 (“Call Reports”) with the Federal Reserve Bank of New York, 33 Liberty Street, New York, NY 10001 and with the New York State Banking Department at 1 State Street, New York, NY 10004. The Call Reports are publicly available.

AIB is an Irish registered public limited company and its ordinary shares are quoted on the Dublin and London stock exchanges. The Group’s ordinary shares (symbol AIB) and non-cumulative preference shares (symbol AIBPr) are traded in the USA on the New York Stock Exchange in the form of American Depositary Shares (“ADS”) and each ADS is evidenced by an American Depositary Receipt (“ADR”). AIB, as a foreign private issuer of securities in the United States, is required to file an annual report on Form 20-F with the U.S. Securities and Exchange Commission (“SEC”) pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) within 6 months after the end of each fiscal year. Moreover, a foreign issuer, unlike domestic companies, is required to submit to the SEC under the Exchange Act on Form 6-K, only those interim reports and other materials that the issuer prepares in accordance with home country or home market requirements or delivers to its security holders. Exchange Act documents filed by AIB are publicly available at the public reference facilities maintained by the SEC at 100 F Street, NE, Washington, D.C. 20549 and at its regional office at 3 World Financial Center, Suite 400, New York, NY 10281-1022. Copies of documents filed by AIB with the SEC may also be accessed electronically by means of the SEC’s home page on the Internet at “<http://www.sec.gov>”.

Any of the documents referred to herein (other than exhibits to such documents) are available upon request, without charge, by writing to the Office of Investor Relations, Allied Irish Banks, p.l.c., Bankcentre, Ballsbridge, Dublin 4, Ireland. Additional information about AIB, including a copy of AIB Group’s Annual Report and Form 20-F, is presently available on the Internet at “<http://www.aibgroup.com>”.

Note: The exchange rate as at 12/31/07 - EUR1 = \$1.4721

Bank of America, N.A.

Bank of America, N.A. (the “Bank”) is a national banking association organized under the laws of the United States, with its principal executive offices located in Charlotte, North Carolina. The Bank is a wholly-owned indirect subsidiary of Bank of America Corporation (the “Corporation”) and is engaged in a general consumer banking, commercial banking and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services. As of December 31, 2007, the Bank had consolidated assets of \$1,312,794,218,000, consolidated deposits of \$793,571,969,000 and stockholder’s equity of \$108,480,218,000 based on regulatory accounting principles.

The Corporation is a bank holding company and a financial holding company, with its principal executive offices located in Charlotte, North Carolina. Additional information regarding the Corporation is set forth in its Annual Report on Form 10-K for the fiscal year ended December 31, 2006, together with any subsequent documents it filed with the Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Additional information regarding the foregoing is available from the filings made by the Corporation with the SEC, which filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, United States, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning the Corporation and the Bank contained herein is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced herein.

The Liquidity Facility has been issued by the Bank. Moody’s Investors Service, Inc. (“Moody’s”) currently rates the Bank’s long-term debt as “Aaa” and short-term debt as “P-1.” The outlook is stable. Standard & Poor’s rates the Bank’s long-term debt as “AA+” and its short-term debt as “A-1+.” The outlook is stable. Fitch Ratings, Inc. (“Fitch”) rates long-term debt of the Bank as “AA” and short-term debt as “F1+.” The outlook is negative. Further information with respect to such ratings may be obtained from Moody’s, Standard & Poor’s and Fitch, respectively. No assurances can be given that the current ratings of the Bank’s instruments will be maintained.

The Bank will provide copies of the most recent Bank of America Corporation Annual Report on Form 10-K, any subsequent reports on Form 10-Q, and any required reports on Form 8-K (in each case as filed with the SEC pursuant to the Exchange Act), and the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

Bank of America Corporate Communications
100 North Tryon Street, 18th Floor
Charlotte, North Carolina 28255
Attention: Corporate Communications

PAYMENTS OF THE PURCHASE PRICE OF THE BONDS WILL BE MADE FROM DRAWINGS UNDER THE LIQUIDITY FACILITY IF REMARKETING PROCEEDS ARE NOT AVAILABLE. ALTHOUGH THE LIQUIDITY FACILITY IS A BINDING OBLIGATION OF THE BANK, THE BONDS ARE NOT DEPOSITS OR OBLIGATIONS OF THE CORPORATION OR ANY OF ITS AFFILIATED BANKS AND ARE NOT GUARANTEED BY ANY OF THESE ENTITIES. THE BONDS ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY AND ARE SUBJECT TO CERTAIN INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.

The delivery hereof shall not create any implication that there has been no change in the affairs of the Corporation or the Bank since the date hereof, or that the information contained or referred to in this Appendix C is correct as of any time subsequent to its date.

BNP Paribas

The BNP Paribas Group (the “Group”) (of which BNP Paribas, a French corporation (société anonyme), is the parent company) is a European leader in banking and financial services. It has approximately 150,500 employees, 118,700 of whom are based in Europe. The Group occupies leading positions in three significant fields of activity: Corporate and Investment Banking, Asset Management & Services and Retail Banking. It is present in 85 countries and has a strong presence in all the key financial centers. Present throughout Europe, in all its business lines, France and Italy are its two domestic markets in retail banking. BNP Paribas has a significant and growing presence in the United States and leading positions in Asia and in emerging markets.

The Group has three divisions: Retail Banking, Asset Management and Services and Corporate and Investment Banking, the latter two of which also constitute “core businesses”. Operationally, the Retail Banking division is itself comprised of three core businesses: French Retail Banking, International Retail Banking and Financial Services, Italian Retail Banking (BNL bc). The Group has additional activities, including those of its listed real estate subsidiary, Klépierre, which are conducted outside of its core businesses.

As of June 30, 2007, the Group had consolidated assets of €1,663.6 billion (compared to €1,440.3 billion as of December 31, 2006), consolidated loans and receivables due from customers of €426.8 billion (compared to €393.1 billion as of December 31, 2006), consolidated items due to customers of €321.9 billion (compared to €298.7 billion as of December 31, 2006) and shareholders’ equity (Group share including income as of June 30, 2007) of €52.2 billion (compared to €49.5 billion as of December 31, 2006). Pre-tax net income as of June 30, 2007 was €6.8 billion (compared to €10.6 billion for the year ended December 31, 2006). Net income, Group share as of June 30, 2007 was €4.8 billion (compared to €7.3 billion for the year ended December 31, 2006). Revenues as of June 30, 2007 were €16.4 billion (compared to 27.9 billion for the year ended December 31, 2006).

The Group currently has long-term senior debt ratings of “Aa1” with stable outlook from Moody’s, “AA+” with stable outlook from Standard & Poor’s and “AA” with stable outlook from Fitch Ratings.

The information concerning BNP Paribas and the Group contained herein is furnished solely to provide limited introductory information regarding BNP Paribas and the Group and does not purport to be comprehensive.

The delivery of the information contained in this Appendix shall not create any implication that there has been no change in the affairs of BNP Paribas or the Group since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

Dexia Credit Local

Dexia Credit Local (“Dexia”) is a subsidiary of the Dexia Group, which was created in 1996. The Dexia Group is a major European banking organization that is the product of several cross-border mergers. Dexia is an authentically European bank in terms of both its management organization and the scope of its different lines of business. The Dexia Group is listed on the Brussels, Paris and Luxembourg stock exchanges. With a stock market capitalization of over 24 billion euros as of December 31, 2006, the Dexia Group ranks in the top third of the Euronext 100 companies.

Dexia specializes in the Dexia Group’s first line of business – public and project finance and financial services for the public sector. Dexia has recognized expertise in local public sector financing and project finance. It is backed by a network of specialized banks, which employ over 3,500 professionals. Through this network of subsidiaries, affiliates and branches, Dexia is present in almost all of the countries of the European Union as well as Central Europe, the United States of America and Canada. Dexia also has operations in Latin America, the Asian-Pacific Region including Australia, and the countries around the Mediterranean.

Dexia is a bank with its principal office located in Paris, France. In issuing the facility, Dexia will act through its New York Branch, which is licensed by the Banking Department of the State of New York as an unincorporated branch of Dexia Credit Local, Paris. Dexia is the leading local authority lender in

Europe, funding its lending activities in 2006 primarily through the issuance of euro and U.S. dollar-denominated bonds. In 2006, total funding raised by Dexia and Dexia Municipal Agency was 15.7 billion euros.

The Dexia Group is the owner of Financial Security Assurance Holdings Ltd. (“FSA Holdings”), the holding company for Financial Security Assurance Inc., a leading financial guaranty insurer.

As of December 31, 2006, Dexia had total consolidated assets of 304 billion euros, outstanding medium and long-term loans to customers of 241 billion euros and shareholders’ equity of over 7.98 billion euros (Tier I plus Tier II), and for the year then ended had consolidated net income of 1.082 billion euros. These figures were determined in accordance with generally accepted accounting principles in France. Dexia maintains its records and prepares its financial statements in euros. At December 31, 2006, the exchange rate was 1.0000 euro equals 1.317 United States dollar. Such exchange rate fluctuates from time to time.

Dexia is rated Aa1 long-term and P-1 short-term by Moody’s, AA long-term and A-1+ short-term by S&P, and AA+ long-term and F1+ short-term by Fitch.

Dexia will provide without charge a copy of its most recent publicly available annual report. Written requests should be directed to: Dexia Credit Local, New York Branch, 445 Park Avenue, 7th Floor, New York, New York 10022, Attention: General Manager. The delivery of this information shall not create any implication that the information contained or referred to herein is correct as of any time subsequent to its date.

KBC Bank N.V.

KBC Bank N.V., New York Branch (“KBC NYB”) is an unincorporated branch of KBC Bank N.V., a naamloze vennootschap (public company of limited liability) organized under the laws of Belgium, whose principal office is located in Brussels, Belgium. KBC Bank N.V. conducts operations through additional offices and agencies in the United States and around the world. Created on June 4, 1998 through the combination of two predecessor Belgian banks, Kredietbank N.V. and CERA Bank C.V., KBC Bank N.V. is subject to regulation by the Belgium Banking Commission and to Belgian banking and accounting law. KBC Bank N.V. maintains its records and prepares its financial statements in accordance with accounting principles generally accepted in Belgium. Such records and financial statements are maintained and prepared in Euro currency (EUR).

One of the largest commercial banks in Belgium, KBC Bank N.V. operates as a universal bank, engaged in commercial and investment banking, and offers comprehensive financial services. In contrast with the two other major Belgian banks, KBC Bank N.V.’s branches in Belgium are located exclusively in Flanders and Brussels. KBC Bank N.V. is indirectly represented through CBC Banque S.A., a majority-owned subsidiary with branches in the Walloon region and Brussels.

KBC NYB was originally established in 1977 as a New York Branch of Kredietbank N.V., and has been relicensed by the Banking Department of the State of New York as a New York Branch of KBC Bank N.V. to provide a full range of services in New York. In addition to handling foreign exchange transactions, KBC NYB is active in international payment transactions and the clearing of commercial payments and professional transactions in U.S. Dollars. KBC NYB is also involved in providing financial services, particularly credit, for European (including Belgian) companies operating in the United States, as well as for United States corporations.

Selected Consolidated Financial Data of KBC Bank N.V.

	Year Ended December 31, 2006 (EUR Millions)
Total Assets	EUR 325,400
Amounts Owed to Customers	180,031
Loans and Advances to Customers	132,400
Total Equity	17,219
Net Income	3,430

Conversion Rate: As of December 31, 2006, EUR 0.759 = US\$1.00

KBC NYB will provide, upon written request and without charge, a copy of KBC Bank N.V.'s Annual Report for the year ended December 31, 2006. Written requests should be directed to: KBC Bank N.V., New York Branch, 1177 Avenue of the Americas, New York, New York 10036, Attention: Controller.

The delivery of this Official Statement shall not create any implication that there has been no change in the affairs of KBC Bank N.V. since December 31, 2006 or that information contained or referred to in this Appendix is current as of any time subsequent to such date.

Landesbank Baden-Württemberg (“LBBW”)

LBBW is a public law institution (*rechtsfähige Anstalt des öffentlichen Rechts*) owned and controlled jointly by the State of Baden-Württemberg, the Savings Bank Association of Baden-Württemberg (the Association of Baden-Württemberg), the City of Stuttgart, the Savings Bank and Giro Association of Rheinland-Pfalz (SGV-RP), and Landeskreditbank Baden-Württemberg (L-Bank). Baden-Württemberg holds 35.611% of LBBW's nominal capital, the Association of Baden-Württemberg holds 35.611%, Stuttgart holds 18.932%, the SGV RP holds 4.923% and L-Bank holds 4.923%. With a balance sheet total of approximately € 428.3 billion at December 31, 2006, the LBBW Group is among the ten largest German banks and among the 50 largest credit institutions in the world.

The LBBW Act (*Gesetz über die Landesbank Baden-Württemberg*; the “LBBW Act”) authorizes LBBW to engage in all types of banking and financial service activities as well as in all other activities that are useful to LBBW, including issuing mortgage Pfandbriefe (*Hypothekendarlehen*), public sector Pfandbriefe (*Öffentliche Pfandbriefe* or *Kommunalobligationen*), and other debt obligations. In addition, LBBW is the central bank for the savings banks (*Sparkassen*) in the State of Baden-Württemberg. LBBW also performs the activities of a savings bank through its brand “BW-Bank” in the territory of Stuttgart.

Furthermore, LBBW together with its 100 per cent subsidiary Landesbank Rheinland-Pfalz is the central banking institution for the savings banks in Rheinland-Pfalz. In addition, the owners of LBBW and Landesbank Sachsen Girozentrale (Sachsen LB) agreed to integrate Sachsen LB into LBBW group as a wholly owned subsidiary of LBBW. Sachsen LB will continue to be the central bank for the saving banks in Saxony and will become the centre of expertise of LBBW Group for Eastern Europe.

As a German “universal bank,” LBBW provides a comprehensive range of commercial banking and investment banking services to businesses, other banking institutions, governmental entities, counties, municipalities, other organizations and individuals. LBBW makes loans, extends guaranties, underwrites securities, deals and trades in debt and equity securities and makes equity investments. LBBW underwrites, trades in, and acts as paying agent and fiscal agent with respect to debt securities issued by the State of Baden-Württemberg.

The New York Branch of LBBW was licensed by the Banking Department of New York State in December 1998, and amended its license in April 1999 to reflect the merger that created LBBW. The Branch is not required to be and is not a member of the Federal Deposit Insurance Corporation (the “FDIC”). The Branch is engaged in numerous business activities such as extending credit and providing banking services to the middle market clientele of Baden-Württemberg and their North American subsidiaries, as well as to international corporations. The Branch is also involved in the financing of commercial real estate in select U.S. cities and in public finance with U.S. municipal entities. The Branch

also engages in capital markets and asset management activities, which include the management of an investment portfolio consisting entirely of investment-grade notes, including floating- and fixed-rate asset-backed securities, collateralized obligations, and senior debt medium-term notes issued by higher quality banks, finance companies, and other corporate issuers. The Branch funds itself with corporate, bank and government entity deposits, and the issuance of certificates of deposit, medium-term notes and other obligations. The Branch is active in both the inter-bank and corporate markets.

LBBW became a financial holding company on August 7, 2006. So long as it maintains that designation, it is able to engage in a broad range of financial activities, including underwriting and dealing in securities, in the United States. In addition, LBBW recently organized LBBW Securities, LLC and registered it as a broker-dealer in the United States.

Phase-out of Guaranty Obligation and Maintenance Obligation

In 2001 and 2002, the European Commission, the Federal Republic of Germany and the German federal states (including Baden-Württemberg) reached agreements to make the Guaranty Obligation (*Gewährträgerhaftung*) and Maintenance Obligation (*Anstaltslast*) of the owners of German Landesbanken compatible with the state aid provisions of the Treaty Establishing the European Community, as amended by the Treaty on European Union. Under these agreements, Germany and its federal states began to phase out the Guaranty and Maintenance Obligations. On July 18, 2005, this phase-out was completed. Obligations of LBBW incurred after that date are no longer backed by the Guaranty Obligation or Maintenance Obligation of its owners. Furthermore, LBBW became capable of being subject to insolvency proceedings after 18 July 2005.

Landesbank Hessen-Thüringen Girozentrale, New York Branch

Landesbank Hessen-Thüringen Girozentrale (“Helaba”) took its present name on July 1, 1992 upon the effectiveness of the Treaty on the Formation of a Joint Savings Banks Organization (the “State Treaty”) between the federal states of Hesse and Thuringia. The former Hessische Landesbank was formed in 1953 by the merger of Hessische Landesbank Darmstadt (founded 1940), Nassauische Landesbank Wiesbaden (founded 1840) and Landeskreditkasse zu Kassel (founded 1832).

Helaba is a legal entity under public law. The owners of Helaba are the states of Hesse and Thuringia and the Savings Banks and Giro Association Hesse-Thuringia (Sparkassen- und Giroverband Hessen-Thüringen - SGVHT) (the “Association”), a joint institution of the municipal savings banks in Hesse and Thuringia. The savings banks are at the same time customers, owners and partners of Helaba, and therefore are of particular importance.

Helaba, like other banking institutions in Germany, is subject to governmental supervision and regulation by the Federal Financial Services Supervisory Authority, an independent authority with regulatory powers, with the assistance of the Deutsche Bundesbank under the German Banking Act of July 10, 1961, as amended. State supervision of Helaba and the Association is exercised by the Thuringian Ministry of Finance and the Hessian Ministry for Economics. Executive bodies of Helaba are the Board of Guarantors, the Supervisory Board and the Board of Managing Directors.

Headquartered in Frankfurt/Main and Erfurt, the strategic business model of Helaba is based upon three lines of business “Multinational Corporations & Investment Banking”, “Private Customers & SME Business” and “Public Development & Infrastructure”.

“Multinational Corporations & Investment Banking” activities concentrate on Real Estate, Corporate Finance, Financial Institutions and Public Finance, Global Markets, Asset Management and Transactions Business.

In the “Private Customers & SME Business” segment Helaba functions as a central product supplier and services platform for the S-Group savings banks (“S-Gruppe Sparkassen”) in Hesse and Thuringia. This concept provides a framework for products and customer business with the savings banks on the basis of a single economic entity. Via the legally dependent Landesbausparkasse Hessen-Thüringen (home savings & loan operation), Helaba is the market leader in the Bausparkassen business in both

states. Frankfurter Sparkasse AG, a wholly owned, fully consolidated subsidiary of Helaba, is a leading retail bank in the Frankfurt/Main region and with 1822direkt has established a significant foothold in national direct bank business.

Within “Public Development & Infrastructure Business” Helaba undertakes public development functions on behalf of the State of Hesse via the “Landestreuhandstelle Hessen - Bank für Infrastruktur” (LTH - Bank für Infrastruktur) – a legally dependent institute within Helaba. LTH - Bank für Infrastruktur, which emerged from the former Landestreuhandstelle Hessen as of January 1, 2007, benefits immediately from the guarantor’s liability of the State of Hesse. Helaba also owns participations in numerous other development facilities in Hesse and Thuringia, in particular the InvestitionsBank Hessen.

The Bank’s business abroad is conducted essentially by the branches of Helaba in New York, London and Dublin, the subsidiary Helaba Dublin Landesbank Hessen-Thüringen International and the joint ventures LB(Swiss) Privatbank AG and Banque LBLux S.A., in which Bayerische Landesbank also owns an interest. The Bank has representative offices in Paris, Madrid, Mumbai, Moscow and Shanghai.

The New York Branch of Helaba, licensed under New York law, provides a full range of wholesale commercial banking services in the New York City metropolitan area and throughout the United States.

In the year ending December 31, 2006, total assets of Helaba and its consolidated subsidiaries rose by 2.0% to €167.7 billion from €164.4 billion. Business volume totaled €240.0 billion, compared with €233.0 billion in the prior year. Helaba decreased its risk provision to €40 million from €115.5 million. Helaba’s operating profit after risk provisioning rose 57.7% to €340.8 million from €216.1 million.

Helaba will provide without charge, upon written request, a copy of its most recent Annual Report. Requests should be directed to Landesbank Hessen-Thüringen Girozentrale, New York Branch, 420 Fifth Avenue, 24th Floor, New York, NY 10018, Tel: (212) 703-5200, Fax: (212) 703-5256. The most current published financial information may also be obtained via Helaba’s website: www.helaba.de.

The Brussels I agreement between the European Commission, the German federal government and the German states on July 17, 2001 provides for the abolition or replacement, following a transitional phase, of maintenance obligation (Anstaltslast) and statutory guarantee (Gewährträgerhaftung). On July 19, 2005, maintenance obligation was replaced by a normal market ownership structure’ between the owners and Helaba. Statutory guarantee is scheduled to expire as follows: Obligations that already existed on July 18, 2001 will also in the future and without limitation in time be subject to statutory guarantee. This applies irrespective of their maturity. Obligations incurred after July 18, 2001 but prior to July 19, 2005 are covered in full by statutory guarantee, if their maturity ends by December 31, 2015. Liabilities created after July 18, 2005 do not benefit from statutory guarantee.

Since July 19, 2005 Helaba’s long-term credit ratings on an unguaranteed basis are Aa2 from Moody’s Investors Service, A+ from Fitch Ratings and A from Standard & Poor’s Rating Services. Helaba’s short-term credit ratings are P-1 from Moody’s, F1+ from Fitch and A-1 from Standard & Poor’s. For Helaba’s liabilities subject to statutory guarantee, long-term credit ratings of Aaa from Moody’s, AAA from Fitch, AA from Standard & Poor’s and short-term credit ratings of P-1 from Moody’s, F1+ from Fitch, A-1+ from Standard & Poor’s apply.

Helaba has supplied information relating to it in the previous paragraphs. Helaba does not accept any responsibility for any information contained in this Official Statement other than the information relating to Helaba.

NOTE: The official (FOREX fixing) exchange rate on December 29, 2006, the last trading day in 2006, was € 0.7586. = US \$1.00

Lloyds TSB Bank plc

Lloyds TSB Bank plc (the “Bank”) is a wholly-owned subsidiary of Lloyds TSB Group plc (“LTSB Group”). The Bank and its subsidiaries (the “Bank’s Group”) comprise one of the leading United Kingdom-based financial services groups, whose businesses provide a wide range of banking and financial services in the United Kingdom and overseas.

At the end of 2006, total consolidated assets of LTSB Group were nearly £344 billion. The total number of persons employed by LTSB Group and its subsidiaries was approximately 76,000.

The activities of the Bank’s Group are organised into three divisions described below:

UK Retail Banking

UK Retail Banking provides banking, financial services, mortgages and private banking to some 16 million personal customers through our multi-channel distribution capabilities.

Insurance and Investments

Insurance and Investments offers life assurance, pensions, and investment products, general insurance and fund management services.

Wholesale and International Banking

Wholesale and International Banking provides banking and related services for major United Kingdom and multinational corporates and financial institutions, and small and medium-sized United Kingdom businesses. It also provides asset finance and share registration services to personal and corporate customers, manages Bank’s Group’s activities in financial markets through its treasury function and provides banking and financial services overseas.

Availability of Public Information

The Bank will provide, upon request, to each person to whom this Official Statement is delivered a copy of the most recently available (i) Annual Report and Accounts of LTSB Group for the fiscal year ended December 31, 2006 (ii) Annual Report on Form 20F of LTSB Group. Written requests should be directed to the Bank at 1251 Avenue of the Americas, 39th Floor, New York, New York 10020; Attention: Structured Finance. Additional information (including a full copy of such Report and Accounts) is available from the LTSB Group web site at <http://www.investorrelations.lloydstsb.com>.

Scotiabank

The Bank of Nova Scotia (“Scotiabank” or the “Bank”), founded in 1832, is a Canadian chartered bank with its principal office located in Toronto, Ontario. Scotiabank is one of North America’s premier financial institutions and Canada’s most international bank. With over 58,000 employees, Scotiabank and its affiliates serve over 12 million customers throughout the world.

Scotiabank provides a full range of personal, commercial, corporate and investment-banking services through its network of branches located in all Canadian provinces and territories. Outside Canada, Scotiabank has branches and offices in over 50 countries and provides a wide range of banking and related financial services, both directly and through subsidiary and associated banks, trust companies and other financial firms.

For the fiscal year ended October 31, 2007, Scotiabank recorded total assets of CDN\$411.5 billion (US\$433.2 billion) and total deposits of CDN\$288.5 billion (US\$303.7 billion). Net income for the fiscal year ended October 31, 2007 equaled CDN\$4.045 billion (US\$4.258 billion), compared to CDN\$3.579 billion (US\$3.767 billion) for the prior fiscal year. Amounts above are shown in Canadian dollars and also reflect the United States dollar equivalent as of October 31, 2007 (1.0000 United States dollar equals 0.95 Canadian dollars).

For the quarter ended January 31, 2008, Scotiabank recorded total assets of CDN\$449.4 billion (US\$448.4 billion) and total deposits of CDN\$316.8 billion (US\$316.1 billion). Net income for the quarter ended January 31, 2008 equaled CDN\$835 million (US\$833 million), compared to CDN\$1.0 billion (US\$997.8 million) for the same period the prior year. Amounts above are shown in Canadian dollars and also reflect the United States dollar equivalent as of Wednesday, January 31, 2008 (1.0000 United States dollar equals 1.0022 Canadian dollars).

Scotiabank will provide to anyone, upon written request, a copy of its most recent annual report, as well as a copy of its most recent quarterly financial report. Requests should be directed to: The Bank of Nova Scotia, New York Agency, One Liberty Plaza, 26th Floor, New York, NY, 10006. Attention: Public Finance Department.

The information concerning the Bank contained herein is furnished solely to provide limited introductory information regarding the Bank and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced above.

The delivery of this disclosure information by the Bank shall not create any implication that there has been no change in the affairs of the Bank since the date hereof, or that the information contained or referred to in this disclosure information is correct as of any time subsequent to its date.

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BONDS TO BE REDEEMED

The City expects to redeem its multi-modal bonds listed below (the “Bonds To Be Redeemed”), at or prior to maturity, by applying the proceeds of the Fiscal 2008 Subseries J-3 through Subseries J-10, with other City funds, to provide for the payment of the principal of and interest and redemption premium, if any, on such bonds to the extent and to the payment dates set forth below. Additional bonds to be redeemed from proceeds of other Subseries of Fiscal 2008 Series J and from Fiscal 2008 Series K are described in the Official Statement of the City dated March 12, 2008. The refunding is contingent upon the delivery of the Fiscal 2008 Series J and K Bonds.

The bonds are being provided for in whole or in part as indicated in the notes.

Bonds To Be Redeemed that are to be paid at maturity which are redeemable by their terms, if any, may be called for redemption at the option of the City if the escrow account is hereafter restructured to provide for their redemption. Any such restructuring must preserve (a) the sufficiency of the escrow account to pay the principal, interest to maturity or redemption, and any redemption premium on all Bonds To Be Redeemed and (b) to the extent applicable, the exclusion from gross income for federal income tax purposes of interest on the refunding bonds and the Bonds To Be Redeemed.

<u>Series</u>	<u>Dated Date</u>	<u>Maturities</u>	<u>Payment Date</u>	<u>Amount</u>
1992D	February 1, 1992	February 1, 2020	May 1, 2008	\$ 33,000,000 ^(a)
		February 1, 2021	May 7, 2008	33,000,000 ^(a)
		February 1, 2022	May 7, 2008	33,000,000 ^(a)
1993B	October 29, 1992	October 1, 2019	May 9, 2008	33,825,000 ^{(a)(t)}
		October 1, 2020	May 7, 2008	42,000,000 ^(a)
		October 1, 2021	May 1, 2008	42,000,000 ^(a)
		October 1, 2022	May 2, 2008	42,000,000 ^(a)
1994B4	August 18, 1993	August 15, 2021	May 5, 2008	14,400,000 ^(a)
		August 15, 2022	May 5, 2008	17,800,000 ^(a)
		August 15, 2023	May 5, 2008	17,800,000 ^(a)
1994E6	December 29, 1993	August 1, 2019	May 2, 2008	20,000,000 ^(a)
1994H7	April 12, 1994	August 1, 2018	May 23, 2008	15,425,000 ^(a)
1995B10	November 16, 1994	August 15, 2024	May 6, 2008	50,000,000 ^(a)
1995B11	November 16, 1994	August 15, 2022	May 9, 2008	78,500,000 ^{(a)(t)}
2001BW	October 10, 2000	August 1, 2030	May 1, 2008	50,000,000 ^{(a)(t)}
2001BM	October 10, 2000	August 1, 2030	May 6, 2008	50,000,000 ^{(a)(t)}
2001H	March 29, 2001	March 15, 2029	May 6, 2008	75,350,000 ^{(a)(t)}
		March 15, 2031	May 7, 2008	100,000,000 ^{(a)(t)}
2002A2	November 1, 2001	November 1, 2018	May 6, 2008	31,225,000 ^{(a)(t)}
2002A3	November 1, 2001	November 1, 2031	May 7, 2008	100,000,000 ^{(a)(t)}
2002A4	November 1, 2001	November 1, 2029	May 1, 2008	65,000,000 ^{(a)(t)}
2002A5	November 1, 2001	November 1, 2027	May 5, 2008	65,000,000 ^{(a)(t)}
2002A9	November 1, 2001	November 1, 2023	May 1, 2008	120,000,000 ^{(a)(t)}
2002A11	November 1, 2001	November 1, 2020	May 1, 2008	20,000,000 ^{(a)(t)}
2003G4	January 22, 2003	August 1, 2026	May 1, 2008	54,550,000 ^{(a)(t)}
2003H3	January 22, 2003	August 1, 2026	May 1, 2008	12,725,000 ^{(a)(t)}
2005C2	August 18, 2004	August 15, 2034	May 2, 2008	50,000,000 ^{(a)(t)}
2007C3	January 9, 2007	January 1, 2031	May 2, 2008	40,000,000 ^{(a)(t)}

^(a) The amount shown is being defeased and is all of the bonds of this description, except those, if any, that have been previously defeased.

^(t) The defeased bonds will be credited against the following redemptions:

1993B 2019 Term Bond	
<u>October 1</u>	<u>Amount</u>
2018	\$12,775,000
2019	21,050,000

1995B11 2022 Term Bond	
<u>August 15</u>	<u>Amount</u>
2020	\$12,500,000
2021	66,000,000

2001BW and 2001BM 2030 Term Bond	
<u>August 1</u>	<u>Amount</u>
2019	\$9,625,000
2020	13,175,000
2021	6,200,000
2022	6,025,000
2023	6,375,000
2024	6,725,000
2025	7,125,000
2026	7,975,000
2027	8,450,000
2028	8,925,000
2029	9,425,000
2030	9,975,000

2001H 2031 Term Bond	
<u>March 15</u>	<u>Amount</u>
2019	\$13,975,000
2020	10,800,000
2021	9,325,000
2022	4,625,000
2027	14,225,000
2028	12,625,000
2030	16,775,000
2031	17,650,000

2001H 2029 Term Bond	
<u>March 15</u>	<u>Amount</u>
2019	\$6,250,000
2022	5,200,000
2023	10,400,000
2024	11,075,000
2025	11,800,000
2026	12,550,000
2028	2,325,000
2029	15,750,000

2002A2 2018 Term Bond	
<u>November 1</u>	<u>Amount</u>
2018	\$31,225,000

2002A3 2031 Term Bond	
<u>November 1</u>	<u>Amount</u>
2029	\$15,050,000
2030	41,375,000
2031	43,575,000

2002A4 2029 Term Bond	
<u>November 1</u>	<u>Amount</u>
2027	\$3,525,000
2028	37,275,000
2029	24,200,000

2002A5 2027 Term Bond	
<u>November 1</u>	<u>Amount</u>
2026	\$33,175,000
2027	31,825,000

2002A9 2023 Term Bond	
<u>November 1</u>	<u>Amount</u>
2021	\$39,270,000
2022	52,575,000
2023	28,155,000

2002A11 2020 Term Bond	
<u>November 1</u>	<u>Amount</u>
2019	\$10,000,000
2020	10,000,000

2003G4 2026 Term Bond	
<u>August 1</u>	<u>Amount</u>
2018	\$4,575,000
2019	4,875,000
2020	6,350,000
2021	6,800,000
2022	6,800,000
2023	6,800,000
2024	6,800,000
2025	4,900,000
2026	6,650,000

2003H3 2026 Term Bond		2005C2 2034 Term Bond	
<u>August 1</u>	<u>Amount</u>	<u>August 15</u>	<u>Amount</u>
2018	\$1,100,000	2029	\$4,885,000
2019	1,175,000	2030	9,200,000
2020	1,275,000	2031	8,205,000
2021	1,325,000	2032	8,630,000
2022	1,400,000	2033	9,080,000
2023	1,500,000	2034	10,000,000
2024	1,575,000		
2025	1,675,000		
2026	1,700,000		
		2007C3 2031 Term Bond	
		<u>January 1</u>	<u>Amount</u>
		2030	\$34,775,000
		2031	5,225,000

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FORM OF LEGAL OPINION OF BOND COUNSEL

April , 2008

HONORABLE WILLIAM C. THOMPSON, JR.
COMPTROLLER
The City of New York
Municipal Building
New York, New York 10007

Dear Comptroller Thompson:

We have acted as counsel to The City of New York (the "City"), a municipal corporation of the State of New York (the "State"), in the issuance of its General Obligation Bonds, Fiscal 2008 Series J, Subseries J-3 through J-14, (the "Bonds").

The Bonds are issued pursuant to the provisions of the Constitution of the State, the Local Finance Law of the State, and the Charter of the City, and in accordance with a certificate of the Deputy Comptroller for Public Finance and related proceedings (the "Certificate").

Based on our examination of existing law, such legal proceedings and such other documents as we deem necessary to render this opinion, we are of the opinion that:

1. The Bonds have been duly authorized, executed and issued in accordance with the Constitution and statutes of the State and the Charter of the City and constitute valid and legally binding obligations of the City for the payment of which the City has validly pledged its faith and credit, and all real property within the City subject to taxation by the City is subject to the levy by the City of *ad valorem* taxes, without limit as to rate or amount, for payment of the principal of and interest on the Bonds.

2. Interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

3. Except as provided in the following sentence, interest on the Subseries J-3 through J-11 Bonds (the "Tax-Exempt Bonds") Bonds is not includable in the gross income of the owners of the Tax-Exempt Bonds for purposes of federal income taxation under existing law. Interest on Tax-Exempt the Bonds will be includable in the gross income of the owners thereof retroactive to the date of issue of the Tax-Exempt Bonds in the event of a failure by the City to comply with the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and the covenants regarding use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the United States Treasury; and we render no opinion as to the effect on the exclusion from gross income of interest on the Tax-Exempt Bonds of any action taken or not taken after the date of this opinion without our approval or upon the advice of counsel other than ourselves.

4. Interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum tax. The Code contains other provisions that could result in tax consequences, upon which we render no opinion, as a result of ownership of such Bonds or the inclusion in certain computations (including without limitation those related to the corporate alternative minimum tax) of interest that is excluded from gross income.

5. The excess, if any, of the amount payable at maturity of any maturity of the Tax-Exempt Bonds over the initial offering price of such Tax-Exempt Bonds to the public at which price a substantial amount of such maturity is sold represents original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Tax-Exempt Bonds. The Code further provides that such original issue discount excluded as interest accrues in accordance with a constant interest method based on the compounding of interest, and that a holder's

adjusted basis for purposes of determining a holder's gain or loss on disposition of Tax-Exempt Bonds with original issue discount will be increased by the amount of such accrued interest.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable, and the enforcement of related contractual and statutory covenants of the City and the State may also be subject to the exercise of the State's police powers and of judicial discretion in appropriate cases.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. Such opinions may be adversely affected by actions taken or events occurring, including a change in law, regulation or ruling (or in the application or official interpretation of any law, regulation or ruling) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions are taken or such events occur and we have no obligation to update this opinion in light of such actions or events.

Very truly yours,

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