

**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 Bonds, as described herein, interest on the Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes. See "SECTION III: MISCELLANEOUS" herein for further information.

**\$900,165,000**

**The City of New York**

**General Obligation Bonds, Fiscal 2010 Series E and F**

**\$838,490,000 Tax-Exempt Bonds, Series E**

**\$61,675,000 Tax-Exempt Bonds, Series F**

Dated: Date of Delivery

Due: As shown on the inside cover page

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.

Interest on the Bonds will be payable on each February 1 and August 1, commencing February 1, 2010. The Bonds can be purchased in principal amounts of \$5,000 or any integral multiple thereof. Other terms of the Bonds including redemption provisions are described herein. *A detailed schedule of the Bonds is set forth on the inside cover page.*

The Bonds are offered subject to prior sale, when, as and if issued by the City and accepted by the Underwriters. The issuance of the Bonds is 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 Orrick, Herrington & Sutcliffe LLP, New York, New York, Special Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriters by Hawkins Delafield & Wood LLP, New York, New York, counsel to the Underwriters. It is expected that the Bonds will be available for delivery in New York, New York, on or about December 22, 2009.

**Citi**

**J.P. Morgan  
Morgan Stanley**

**Barclays Capital  
Fidelity Capital Markets  
Loop Capital Markets, LLC  
Roosevelt & Cross Incorporated**

**Cabrera Capital Markets, Inc.  
Lebenthal & Co., LLC  
Raymond James & Associates, Inc.**

**Goldman, Sachs & Co.  
Ramirez & Co., Inc.  
Southwest Securities, Inc.**

**Jackson Securities  
MFR Securities, Inc.  
RBC Capital Markets**

**Merrill Lynch & Co.  
Siebert Brandford Shank & Co., LLC**

**M.R. Beal & Company  
Jefferies & Company  
Rice Financial Products Company  
Wachovia Bank, National Association**

**Janney Montgomery Scott LLC  
Morgan Keegan & Company, Inc.  
TD Securities**

December 10, 2009

## \$900,165,000 General Obligation Bonds, Fiscal 2010 Series E and F

<u>August 1,</u>	Series E \$838,490,000 Tax-Exempt Bonds				Series F \$61,675,000 Tax-Exempt Bonds			
	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP*</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP*</u>
2010					\$5,735,000	2 %	0.33%	64966HSW1
2011	\$39,745,000	3%	0.67%	64966HRS1	5,735,000	3	0.69	64966HSX9
2012	49,535,000	3	1.21	64966HRT9	8,370,000	2	1.21	64966HSY7
2013	22,925,000	3	1.60	64966HRU6	1,670,000	2½	1.60	64966HSZ4
2013	18,300,000	5	1.60	64966HRV4	6,700,000	5	1.60	64966HTA8
2014	26,495,000	4	2.00	64966HRW2	1,440,000	3	2.00	64966HTB6
2014	14,500,000	5	2.00	64966HRX0	6,930,000	5	2.00	64966HTC4
2015	18,290,000	3	2.40	64966HRY8	8,365,000	5	2.40	64966HTD2
2015	39,760,000	5	2.40	64966HRZ5				
2016	11,455,000	4	2.76	64966HSA9	8,365,000	5	2.76	64966HTE0
2016	46,590,000	5	2.76	64966HSB7				
2017	23,905,000	4	3.04	64966HSC5	8,365,000	5	3.04	64966HTF7
2017	34,145,000	5	3.04	64966HSD3				
2018	14,090,000	4	3.34	64966HSE1				
2018	25,650,000	5	3.34	64966HSF8				
2019	5,010,000	4	3.52	64966HSG6				
2019	34,675,000	5	3.52	64966HSH4				
2020	12,965,000	4	3.70 <sup>(1)</sup>	64966HSJ0				
2020	45,080,000	5	3.70 <sup>(1)</sup>	64966HSK7				
2021	50,075,000	5	3.82 <sup>(1)</sup>	64966HSL5				
2022	37,845,000	5	3.89 <sup>(1)</sup>	64966HSM3				
2023	36,120,000	5	3.96 <sup>(1)</sup>	64966HSN1				
2024	37,145,000	5	4.03 <sup>(1)</sup>	64966HSP6				
2025	22,940,000	4	4.11	64966HSQ4				
2025	29,800,000	5	4.11 <sup>(1)</sup>	64966HSR2				
2026	10,350,000	4	4.16	64966HSS0				
2026	29,280,000	5	4.16 <sup>(1)</sup>	64966HST8				
2027	52,325,000	5	4.22 <sup>(1)</sup>	64966HSU5				
2028	49,495,000	5	4.30 <sup>(1)</sup>	64966HSV3				

<sup>(1)</sup> Priced to first par call on August 1, 2019.

\* Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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 reoffering prices stated on the inside cover page hereof. The reoffering 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 (including the information referred to in "Section I: Inclusion by Specific Reference") 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 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 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 contained herein 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.

Deloitte & Touche LLP, the City's independent auditor, has not reviewed, commented on or approved, and is not associated with, this Official Statement. The report of Deloitte & Touche LLP relating to the City's financial statements for the fiscal years ended June 30, 2009 and 2008, which is a matter of public record, is included by specific reference in this Official Statement. However, Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of the City, including without limitation any of the information contained in this Official Statement, since the date of such report and has not been asked to consent to the inclusion of its report by specific reference in this Official Statement.

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

	<u>Page</u>		<u>Page</u>
SECTION I: INCLUSION BY SPECIFIC REFERENCE . . . . .	1	Future Tax Developments . . . . .	7
SECTION II: THE BONDS . . . . .	1	Ratings . . . . .	7
General . . . . .	1	Legal Opinions . . . . .	7
Payment Mechanism . . . . .	2	Verification . . . . .	7
Enforceability of City Obligations . . . . .	2	Underwriting . . . . .	8
Certain Covenants and Agreements . . . . .	3	Continuing Disclosure Undertaking . . . . .	8
Use of Proceeds . . . . .	3	Financial Advisors . . . . .	9
Optional Redemption . . . . .	3	APPENDIX A — BONDS TO BE REDEEMED . . . . .	A-1
Bond Certificates . . . . .	3	APPENDIX B — FORM OF LEGAL OPINION OF BOND COUNSEL . . . . .	B-1
SECTION III: MISCELLANEOUS . . . . .	5		
Tax Exemption . . . . .	5		

**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.**

(This page intentionally left blank)

**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 \$900,165,000 aggregate principal amount of the City’s General Obligation Bonds, Fiscal 2010 Series E and F (the “Bonds”). The Bonds consist of \$838,490,000 tax-exempt bonds, Series E (the “Series E Bonds”) and \$61,675,000 tax-exempt bonds, Series F (the “Series F Bonds”).

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, applicable redemption premium, if any, and interest on the Bonds.

The factors affecting the City’s financial condition 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.

Neither this Official Statement nor any statement which may have been made orally or in writing shall be construed as a contract or as a part of a contract with the original purchaser or any holders of the Bonds.

**SECTION I: INCLUSION BY SPECIFIC REFERENCE**

On or about December 17, 2009, the City expects to deliver \$647,820,000 aggregate principal amount of its General Obligation Bonds, Fiscal 2010 Series D (the “Fiscal 2010 Series D Bonds”). Such bonds will be offered by a separate Official Statement. Portions of the City’s Official Statement dated December 10, 2009 delivered herewith and relating to the Fiscal 2010 Series D 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 Statements
  - Further Information (excluding the last paragraph thereof)
- APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION
- APPENDIX B—FINANCIAL STATEMENTS

The Fiscal 2010 Series D 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 City Charter and in accordance with bond

resolutions of the Mayor and a certificate of the Deputy Comptroller for Public Finance (with related proceedings, the “Certificate”). The Bonds will mature and bear interest as described on the cover and inside cover page 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. Interest on the Bonds, calculated on a 30/360 day basis, will be payable to the registered owners thereof as shown on the registration books of the City on the Record Date (the fifteenth day of the calendar month immediately preceding the applicable interest payment date).

### **Payment Mechanism**

Pursuant to the Financial Emergency 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”). 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, 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*” included herein by specific reference.

### **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 when due. 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 New York 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 New York 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 applicable 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 and to limit its issuance of bond anticipation notes as required by the Act, as in effect from time to time.

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”). The City will covenant to make continuing disclosure with respect to the Bonds (the “Undertaking”) to the extent summarized in “SECTION III: MISCELLANEOUS—Continuing Disclosure Undertaking.” In the opinion of Bond Counsel, the enforceability of the City Covenants, the Undertaking 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, the Undertaking 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 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 A 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 in Appendix A and for the payment of certain costs of issuance.

### **Optional Redemption**

The Bonds maturing after August 1, 2019 will be subject to redemption at the option of the City, on or after August 1, 2019 in whole or in part, by lot within each maturity and interest rate, on any date, upon 30 days notice to Bondholders, at par, plus accrued interest to the date of redemption. The City may select amounts, maturities and interest rates for redemption in its sole discretion. On and after any redemption date, interest will cease to accrue on the Bonds called for redemption. Any Bonds that are escrowed to maturity in the future will remain subject to optional redemption by the City.

When Bonds are redeemed, the City will give notice of redemption only to DTC (not to the Beneficial Owners of the Bonds) not less than 30 or more than 60 days prior to the date fixed for redemption.

### **Bond Certificates**

#### *Book-Entry Only System*

The Depository Trust Company (“DTC”), New York, New York, acts 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 of a Series, each in the aggregate principal amount of such maturity.

DTC 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 3.5 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 is the holding company for DTC National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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"). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission.

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. or such other DTC nominee 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 will be sent to DTC. If less than all of the Bonds within a maturity of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity of such Series 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 Mellon, 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.

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 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**

#### **Tax Exemption**

In the opinion of Sidley Austin LLP, New York, New York, as Bond Counsel, interest on the Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

The City has covenanted to comply with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. In the opinion of Bond Counsel, assuming compliance by the City with such provisions of the Code, interest on the Bonds will not be included in the gross income of the owners thereof for purposes of federal income taxation. Failure by the City to comply with such applicable requirements may cause interest on the Bonds to be includable in the gross income of the owners thereof retroactive to the date of issue of the Bonds. Further, Bond Counsel will render no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action taken or not taken after the date of such opinion without the approval of Bond Counsel.

Interest on the 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 no opinion will be rendered by Bond Counsel, as a result of ownership of the 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 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.

The excess, if any, of the amount payable at maturity of any maturity of the Bonds purchased as part of the initial public offering over the issue price thereof constitutes original issue discount. The amount of original issue discount that has accrued and is properly allocable to an owner of any maturity of the Bonds with original issue discount (a "Discount Bond") will be excluded from gross income for federal, State and City income tax purposes to the same extent as interest on the Bonds. In general, the issue price of a maturity of the Bonds is the first price at which a substantial amount of Bonds of that maturity was sold (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers) and the amount of original issue discount accrues in accordance with a constant yield method based on the compounding of interest. A purchaser's adjusted basis in a Discount Bond is to be increased by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond for federal income tax purposes. A portion of the original issue discount that accrues in each year to a corporate owner of a Discount Bond will be included in the calculation of the corporation's alternative minimum tax liability. In addition, original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed above. Consequently, owners of any Discount Bond should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, additional distribution requirements or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

The accrual of original issue discount and its effect on the redemption, sale or other disposition of a Discount Bond that is not purchased in the initial offering at the first price at which a substantial amount of such substantially identical Bonds is sold to the public may be determined according to rules that differ from those described above. An owner of a Discount Bond should consult his tax advisors with respect to the determination for federal income tax purposes of the amount of original issue discount with respect to such Discount Bond and with respect to state and local tax consequences of owning and disposing of such Discount Bond.

The excess, if any, of the tax basis of the Bonds purchased as part of the initial public offering by a purchaser (other than a purchaser who holds the Bonds, as inventory, stock in trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is "bond premium." Bond premium is amortized over the term of the Bonds for federal income tax purposes (or, in the case of a bond with bond premium callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). Owners of the Bonds are required to decrease their adjusted basis in the Bonds by the amount of amortizable bond premium attributable to each taxable year the Bonds are held. The amortizable bond premium on the Bonds attributable to a taxable year is not deductible for federal income tax purposes; however, such amortizable bond premium is treated as an offset to qualified stated interest received on the Bonds. Owners of such Bonds should consult their tax advisors with respect to the determination for federal income tax

purposes of the treatment of bond premiums upon sale or other disposition of such Bonds and with respect to the state and local tax consequences of owning and disposing of such Bonds.

Interest paid on tax-exempt obligations will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of interest on the Bonds from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (i) are not “exempt recipients,” and (ii) either fail to provide certain identifying information (such as the beneficial owner’s taxpayer identification number) in the required manner or have been identified by the Internal Revenue Service (the “IRS”) as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. 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 federal income tax liability provided the required information is furnished to the 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 U.S. 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. Further, legislation or regulatory actions and proposals may affect the economic value of the federal or State tax exemption or the market value of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or State tax legislation, regulations, rulings or litigation, as to which Bond Counsel expresses no opinion.

### **Ratings**

The Bonds have been rated “Aa3” by Moody’s Investors Service, Inc. (“Moody’s”), “AA” by Standard & Poor’s Ratings Services (“Standard & Poor’s”) and “AA–” by Fitch, Inc. (“Fitch”). Such ratings reflect only the views of Moody’s, Standard & Poor’s and Fitch from which an explanation of the significance of such ratings may be obtained. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely. Any such downward revision or withdrawal could have an adverse effect on the market prices of such 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 as set forth in Appendix B 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.

Orrick, Herrington & Sutcliffe LLP, New York, New York, Special Disclosure Counsel to the City, will pass upon certain legal matters in connection with the preparation of this Official Statement.

Certain legal matters will be passed upon for the Underwriters by Hawkins Delafield & Wood LLP, New York, New York, counsel for the Underwriters.

### **Verification**

The accuracy of (i) the mathematical computations of the adequacy of the maturing principal of and interest earned on the government obligations to be held in escrow to pay principal, interest not otherwise paid and redemption premiums, if any, on the bonds identified in Appendix A hereof and (ii) certain

mathematical computations supporting the conclusion that the Bonds are not “arbitrage bonds” under the Code, will be verified by a verification agent selected by the City.

### **Underwriting**

The Bonds are being purchased for reoffering by the Underwriters for whom Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co., Incorporated and Siebert Brandford Shank & Co., LLC are acting as lead managers. The compensation for services rendered in connection with the underwriting of the Bonds shall be \$4,565,810.31. All of the Bonds will be purchased if any are purchased.

Certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by the City as Underwriters) for the distribution of the Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation with such broker-dealers.

### **Continuing Disclosure Undertaking**

As authorized by the Act, and to the extent that (i) Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934, as amended (the “1934 Act”) requires the underwriters (as defined in the Rule) of securities offered hereby (under this caption, if subject to the Rule, the “securities”) to determine, as a condition to purchasing the securities, that the City will covenant to the effect of the Undertaking, and (ii) the Rule as so applied is authorized by a federal law that as so construed is within the powers of Congress, the City agrees with the record and beneficial owners from time to time of the outstanding securities (under this caption, if subject to the Rule, “Bondholders”) to provide:

(a) within 185 days after the end of each fiscal year, to the Electronic Municipal Market Access system (“EMMA”) ([www.emma.msrb.org](http://www.emma.msrb.org)) established by the Municipal Securities Rulemaking Board (the “MSRB”), core financial information and operating data for the prior fiscal year, including, (i) the City’s audited general purpose financial statements, prepared in accordance with generally accepted accounting principles in effect from time to time, and (ii) material historical quantitative data on the City’s revenues, expenditures, financial operations and indebtedness generally of the type found herein in Sections IV, V and VIII and under the captions “2005-2009 Summary of Operations” in Section VI and “Pension Systems” in Section IX included by specific reference herein; and

(b) in a timely manner, to EMMA, notice of any of the following events with respect to the securities, if material:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the security;
- (7) modifications to rights of security holders;
- (8) bond calls;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the securities;
- (11) rating changes; and
- (12) failure of the City to comply with clause (a) above.

Event (3) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (3) may not be applicable, since the terms of the securities do not provide for “debt service reserves.”

Events (4) and (5). The City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the securities, unless the City applies for or participates in obtaining the enhancement.

Event (6) is relevant only to the extent interest on the securities is tax-exempt.

Event (8). The City does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (i) the terms, dates and amounts of redemption are set forth in detail in the final official statement (as defined in the Rule), (ii) the only open issue, which securities will be redeemed in the case of a partial redemption, (iii) notice of redemption is given to the Bondholders as required under the terms of the securities and (iv) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced prior to optional redemptions or security purchases.

No Bondholder may institute any suit, action or proceeding at law or in equity (“Proceeding”) for the enforcement of the Undertaking or for any remedy for breach thereof, unless such Bondholder shall have filed with the Corporation Counsel of the City evidence of ownership and a written notice, of and request to, cure such breach, and the City shall have refused to comply within a reasonable time. All Proceedings shall be instituted only as specified herein, in the federal or State courts located in the Borough of Manhattan, State and City of New York, and for the equal benefit of all holders of the outstanding securities benefitted by the same or a substantially similar covenant, and no remedy shall be sought or granted other than specific performance of the covenant at issue.

Any amendment to the Undertaking may only take effect if:

(a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City, or type of business conducted; the Undertaking, as amended, would have complied with the requirements of the Rule at the time of award of the securities after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the City (such as, but without limitation, the City’s financial advisor or bond counsel); and the annual financial information containing (if applicable) the amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the “impact” (as that word is used in the letter from the staff of the SEC to the National Association of Bond Lawyers dated June 23, 1995) of the change in the type of operating data or financial information being provided; or

(b) all or any part of the Rule, as interpreted by the staff of the SEC at the date of the Undertaking, ceases to be in effect for any reason, and the City elects that the Undertaking shall be deemed terminated or amended (as the case may be) accordingly.

For purposes of the Undertaking, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares investment power which includes the power to dispose, or to direct the disposition of, such security, subject to certain exceptions, as set forth in the Undertaking. An assertion of beneficial ownership must be filed, with full documentary support, as part of the written request to the Corporation Counsel described above.

### **Financial Advisors**

The City has retained Public Resources Advisory Group and A.C. Advisory, Inc. to act as financial advisors with respect to the City’s financing program and the issuance of the Bonds.

THE CITY OF NEW YORK

(This page intentionally left blank)

## BONDS TO BE REDEEMED

The City expects to redeem City bonds listed below (the “Bonds To Be Redeemed”), at or prior to maturity, by applying the proceeds of the Bonds, 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. The refunding is contingent upon the delivery of the Bonds.

The Bonds To Be Redeemed 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>Interest Rate</u>	<u>Payment Date</u>	<u>Amount</u>
1998C	November 18, 1997	November 15, 2037	5.500%	January 21, 2010	\$ 1,485,000 (p)(t)
1998F	January 6, 1998	August 1, 2023	5.000	February 1, 2010	2,335,000 (p)(t)
1998G	February 18, 1998	August 1, 2010	5.000	February 1, 2010	37,285,000 (p)
		August 1, 2011	5.000	February 1, 2010	2,315,000 (p)
		August 1, 2018	5.000	February 1, 2010	28,090,000 (p)(t)
1998H	April 1, 1998	August 1, 2011	5.000	January 21, 2010	6,085,000 (p)
		August 1, 2011	5.250	January 21, 2010	1,115,000 (p)
		August 1, 2012	5.000	January 21, 2010	1,595,000 (p)
		August 1, 2013	5.000	January 21, 2010	3,595,000 (p)
		August 1, 2013	5.500	January 21, 2010	2,175,000 (p)
		August 1, 2015	5.000	January 21, 2010	970,000 (p)
		August 1, 2016	5.000	January 21, 2010	1,875,000 (p)
		August 1, 2018	5.125	January 21, 2010	1,625,000 (p)(t)
		August 1, 2022	5.000	January 21, 2010	64,865,000 (p)(t)
1998I	June 11, 1998	August 1, 2025	5.125	January 21, 2010	16,515,000 (p)(t)
		May 15, 2028	5.000	January 21, 2010	11,295,000 (a)(t)
1998J	June 1, 1998	August 1, 2011	5.000	January 21, 2010	2,775,000 (p)
		August 1, 2012	5.000	January 21, 2010	715,000 (p)
		August 1, 2012	5.350	January 21, 2010	1,870,000 (p)
		August 1, 2013	5.375	January 21, 2010	355,000 (p)
		August 1, 2015	5.000	January 21, 2010	5,085,000 (p)
		August 1, 2015	5.200	January 21, 2010	880,000 (p)
		August 1, 2016	5.000	January 21, 2010	710,000 (p)
		August 1, 2016	5.200	January 21, 2010	2,265,000 (p)
		August 1, 2017	5.000	January 21, 2010	1,535,000 (p)
		August 1, 2023	5.000	January 21, 2010	81,515,000 (p)(t)
1999A	July 23, 1998	August 1, 2010	4.800	January 21, 2010	1,640,000 (a)
		August 1, 2012	5.300	January 21, 2010	570,000 (p)

<u>Series</u>	<u>Dated Date</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Payment Date</u>	<u>Amount</u>
		August 1, 2013	5.100%	January 21, 2010	\$ 7,055,000 (p)
1999C	August 20, 1998	August 15, 2028	5.000	January 21, 2010	56,280,000 (a)(t)
1999D	August 20, 1998	August 1, 2017	5.000	January 21, 2010	2,355,000 (p)
1999E	January 7, 1999	August 1, 2010	4.400	February 1, 2010	2,420,000 (p)
		August 1, 2014	4.750	February 1, 2010	7,865,000 (p)
		August 1, 2016	4.875	February 1, 2010	6,100,000 (p)
		August 1, 2017	4.900	February 1, 2010	6,545,000 (p)
		August 1, 2022	5.000	February 1, 2010	4,560,000 (p)(t)
1999F	January 26, 1999	August 1, 2011	5.125	February 1, 2010	90,000 (p)
		August 1, 2012	5.125	February 1, 2010	95,000 (p)
		August 1, 2016	5.000	February 1, 2010	4,725,000 (p)
		August 1, 2018	5.000	February 1, 2010	5,890,000 (p)(t)
		August 1, 2022	5.000	February 1, 2010	6,000,000 (p)(t)
1999H	March 18, 1999	March 15, 2021	5.000	January 21, 2010	7,880,000 (a)(t)
		March 15, 2029	5.000	January 21, 2010	126,490,000 (p)(t)
1999I	April 21, 1999	April 15, 2017	4.750	January 21, 2010	9,745,000 (p)
		April 15, 2018	4.750	January 21, 2010	10,205,000 (p)
		April 15, 2029	5.000	January 21, 2010	39,540,000 (a)(t)
1999J	June 15, 1999	May 15, 2029	5.125	January 21, 2010	11,690,000 (a)(t)
2000A	June 1, 2000	May 15, 2011	6.500	May 15, 2010	190,000 (p)
		May 15, 2012	6.500	May 15, 2010	205,000 (p)
		May 15, 2013	6.375	May 15, 2010	215,000 (p)
		May 15, 2014	6.375	May 15, 2010	225,000 (p)
		May 15, 2016	6.000	May 15, 2010	260,000 (p)
		May 15, 2017	6.100	May 15, 2010	85,000 (p)
		May 15, 2017	6.500	May 15, 2010	195,000 (p)
		May 15, 2018	6.000	May 15, 2010	225,000 (p)
		May 15, 2018	6.100	May 15, 2010	60,000 (p)
		May 15, 2020	6.000	May 15, 2010	250,000 (p)
		May 15, 2020	6.125	May 15, 2010	85,000 (p)
		May 15, 2024	5.500	May 15, 2010	430,000 (p)(t)
2000B	June 1, 2000	August 1, 2011	5.700	August 1, 2010	2,865,000 (p)
		August 1, 2013	5.800	August 1, 2010	175,000 (p)
2000C	June 1, 2000	August 1, 2011	5.700	August 1, 2010	300,000 (p)
2001B	October 10, 2000	August 1, 2011	5.750	August 1, 2010	25,870,000 (p)
		August 1, 2012	5.000	August 1, 2010	8,715,000 (p)
		August 1, 2014	5.300	August 1, 2010	1,835,000 (p)
		August 1, 2014	5.750	August 1, 2010	855,000 (p)
		August 1, 2017	5.375	August 1, 2010	7,680,000 (p)
		August 1, 2018	5.375	August 1, 2010	1,530,000 (p)
2001C	October 10, 2000	August 1, 2012	5.125	August 1, 2010	2,675,000 (p)
		August 1, 2013	5.250	August 1, 2010	2,400,000 (p)
		August 1, 2014	5.300	August 1, 2010	2,920,000 (p)



<u>Series</u>	<u>Dated Date</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Payment Date</u>	<u>Amount</u>
2001D	January 9, 2001	August 1, 2017	5.375%	August 1, 2010	\$ 1,375,000 (a)
		August 1, 2012	5.050	August 1, 2010	125,000 (p)
		August 1, 2013	5.125	August 1, 2010	130,000 (p)
		August 1, 2014	5.200	August 1, 2010	125,000 (p)
		August 1, 2015	5.250	August 1, 2010	130,000 (p)
		August 1, 2016	5.000	August 1, 2010	145,000 (p)
		August 1, 2017	5.000	August 1, 2010	150,000 (p)
		August 1, 2018	5.125	August 1, 2010	120,000 (p)
2001H	March 29, 2001	August 1, 2019	5.125	August 1, 2010	130,000 (p)
		March 15, 2013	4.600	March 15, 2011	2,160,000 (a)
		March 15, 2014	4.750	March 15, 2011	700,000 (a)
		March 15, 2014	5.250	March 15, 2011	27,570,000 (a)
		March 15, 2015	4.750	March 15, 2011	2,220,000 (a)
		March 15, 2015	5.250	March 15, 2011	28,000,000 (a)
		March 15, 2016	4.875	March 15, 2011	1,650,000 (a)
		March 15, 2016	5.250	March 15, 2011	27,850,000 (a)
		March 15, 2017	4.875	March 15, 2011	610,000 (a)
		March 15, 2017	5.375	March 15, 2011	11,230,000 (p)
2002A-1	November 1, 2001	March 15, 2018	5.000	March 15, 2011	460,000 (p)
		November 1, 2015	5.250	November 1, 2011	28,555,000 (p)
		November 1, 2016	5.250	November 1, 2011	4,710,000 (p)
		November 1, 2018	5.000	November 1, 2011	10,890,000 (a)
2002B	December 20, 2001	November 1, 2019	5.100	November 1, 2011	18,885,000 (p)
		December 1, 2012	5.000	December 1, 2011	1,105,000 (a)
		December 1, 2012	5.500	December 1, 2011	23,785,000 (a)
		December 1, 2013	5.625	December 1, 2011	3,235,000 (p)
		December 1, 2014	5.000	December 1, 2011	3,960,000 (p)
		December 1, 2016	5.000	December 1, 2011	12,265,000 (p)
		December 1, 2016	5.200	December 1, 2011	7,750,000 (a)
2002C	March 21, 2002	December 1, 2018	5.300	December 1, 2011	6,440,000 (p)
		March 15, 2013	5.250	March 15, 2012	8,660,000 (p)
2002D	June 3, 2002	March 15, 2019	5.300	March 15, 2012	7,375,000 (a)
		June 1, 2013	5.625	June 1, 2012	3,090,000 (p)
2002G	June 3, 2002	June 1, 2019	5.250	June 1, 2012	2,020,000 (p)
		June 1, 2020	5.250	June 1, 2012	1,300,000 (p)
		August 1, 2016	5.750	August 1, 2012	3,355,000 (p)
2003I	March 6, 2003	August 1, 2018	5.750	August 1, 2012	60,000 (p)
2003J	June 4, 2003	March 1, 2019	5.750	March 1, 2013	635,000 (a)
2004J	May 20, 2004	June 1, 2011	3.600	June 1, 2011	4,940,000 (p)
		June 1, 2019	5.500	June 1, 2013	9,870,000 (p)
2006J-1	June 6, 2006	May 15, 2011	3.750	May 15, 2011	6,995,000 (p)
		June 1, 2011	4.250	June 1, 2011	1,900,000 (p)

<u>Series</u>	<u>Dated Date</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Payment Date</u>	<u>Amount</u>
		June 1, 2011	5.000%	June 1, 2011	\$ 10,750,000 (p)

- (p) The amount shown is being defeased and is a portion of the bonds of this description.
- (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:

<b>1998C</b>	
<b>2037 Term Bond</b>	
<u>November 15</u>	<u>Amount</u>
2028	\$1,485,000

<b>1998F</b>	
<b>2023 Term Bond</b>	
<u>August 1</u>	<u>Amount</u>
2021	\$ 315,000
2023	2,020,000

<b>1998G</b>	
<b>2018 Term Bond</b>	
<u>August 1</u>	<u>Amount</u>
2017	\$28,090,000

<b>1998H</b>	
<b>2018 Term Bond</b>	
<u>August 1</u>	<u>Amount</u>
2017	\$1,160,000
2018	465,000

<b>1998H</b>	
<b>2022 Term Bond</b>	
<u>August 1</u>	<u>Amount</u>
2019	\$14,835,000
2020	11,835,000
2021	26,025,000
2022	12,170,000

<b>1998H</b>	
<b>2025 Term Bond</b>	
<u>August 1</u>	<u>Amount</u>
2023	\$ 2,310,000
2025	14,205,000

<b>1998I</b>	
<b>2028 Term Bond</b>	
<u>May 15</u>	<u>Amount</u>
2026	\$3,250,000
2027	3,410,000
2028	4,635,000

**1998J  
2023 Term Bond**

<u>August 1</u>	<u>Amount</u>
2020	\$20,915,000
2021	22,080,000
2022	23,665,000
2023	14,855,000

**1999C  
2028 Term Bond**

<u>August 15</u>	<u>Amount</u>
2024	\$11,485,000
2025	5,555,000
2026	4,085,000
2027	17,150,000
2028	18,005,000

**1999E  
2022 Term Bond**

<u>August 1</u>	<u>Amount</u>
2019	\$2,610,000
2020	1,950,000

**1999F  
2018 Term Bond**

<u>August 1</u>	<u>Amount</u>
2017	\$5,890,000

**1999F  
2022 Term Bond**

<u>August 1</u>	<u>Amount</u>
2019	\$1,415,000
2020	1,540,000
2021	1,450,000
2022	1,595,000

**1999H  
2021 Term Bond**

<u>March 15</u>	<u>Amount</u>
2021	\$7,880,000

**1999H  
2029 Term Bond**

<u>March 15</u>	<u>Amount</u>
2021	\$13,595,000
2024	16,435,000
2025	16,255,000
2026	19,960,000
2027	27,855,000
2028	17,100,000
2029	15,290,000

**1999I  
2029 Term Bond**

<u>April 15</u>	<u>Amount</u>
2025	\$ 9,125,000
2026	9,580,000
2028	10,160,000
2029	10,675,000

**1999J  
2029 Term Bond**

<u>May 15</u>	<u>Amount</u>
2027	\$4,240,000
2028	3,335,000
2029	4,115,000

**2000A  
2024 Term Bond**

<u>May 15</u>	<u>Amount</u>
2023	\$205,000
2024	225,000



SIDLEY AUSTIN LLP  
 787 SEVENTH AVENUE  
 NEW YORK, NY 10019  
 (212) 839 5300  
 (212) 839 5599 FAX

BEIJING  
 BRUSSELS  
 CHICAGO  
 DALLAS  
 FRANKFURT  
 GENEVA  
 HONG KONG  
 LONDON  
 LOS ANGELES  
 FOUNDED 1866

NEW YORK  
 PALO ALTO  
 SAN FRANCISCO  
 SHANGHAI  
 SINGAPORE  
 SYDNEY  
 TOKYO  
 WASHINGTON, D.C.

December 22, 2009

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 2010 Series E and F (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. The City has covenanted to comply with applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. Assuming compliance by the City with such provisions of the Code, interest on the Bonds will not be included in the gross income of the owners thereof for purposes of federal income taxation. Failure by the City to comply with such applicable requirements may cause interest on the Bonds to be includable in the gross income of the owners thereof retroactive to the date of issue of the Bonds. Further, we render no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action taken or not taken after the date of this opinion without our approval.
4. Interest on the 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 Bonds over the initial offering price of such 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 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 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,



