

**EXISTING ISSUES REOFFERED**

On the date of original issuance of the Bonds, Sidley Austin LLP, Bond Counsel, delivered its opinion that interest on the Bonds would 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 (the “Code”), interest on the Bonds is not includable in the gross income of the owners thereof for federal income tax purposes. In connection with the reoffering, Fulbright & Jaworski LLP, Bond Counsel to the City for Tax Matters, will deliver its opinion that certain actions described herein will not in and of themselves adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. See “SECTION III: MISCELLANEOUS —Tax Matters” herein for further information.

**\$101,065,000**

**The City of New York**

**General Obligation Bonds, Fiscal 2006 Series H**

**\$50,535,000 Subseries H-1**

**\$50,530,000 Subseries H-2**

**ADJUSTABLE RATE BONDS**

Reoffering Date: October 16, 2013

Due: January 1, 2036

The Bonds are registered in the nominee name of The Depository Trust Company, New York, New York, which acts as securities depository for the Bonds.

The Bonds have initially been issued 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. *A detailed schedule of the Bonds is set forth on the inside cover page.*

The Bonds of a Subseries are subject to redemption and to optional and mandatory tender under the circumstances described herein. Effective on the Reoffering Date, payment of the Purchase Price of the Bonds of a Subseries tendered for purchase as described herein and not remarketed will be made pursuant and subject to the terms of the Liquidity Facility described herein provided by JPMorgan Chase Bank, National Association (in such capacity, the “Bank” or the “Liquidity Provider”). The obligation of the Liquidity Provider to purchase tendered Bonds pursuant to the terms of the Liquidity Facility can be terminated under certain circumstances as described herein. See “SECTION II: THE BONDS—Liquidity Facility.” In the event of a failure to remarket Bonds of a Subseries and a failure by the Liquidity Provider to purchase such Bonds, the City may, but is not obligated to, purchase such Bonds. Upon any such failure, such Bonds, if not purchased by the City, will continue to be held by the tendering holders and will bear interest at the Maximum Rate.

In connection with the reoffering of the Bonds, certain legal matters will be passed upon by Sidley Austin LLP, New York, New York, Bond Counsel to the City. Certain legal matters will be passed upon for the City by Fulbright & Jaworski LLP, a member of Norton Rose Fulbright, New York, New York, Bond Counsel to the City for Tax Matters. Certain legal matters in connection with the preparation of this Reoffering Circular 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 Remarketing Agent by Squire Sanders (US) LLP, New York, New York, and D. Seaton and Associates, New York, New York, Co-Counsel to the Remarketing Agent. It is expected that the Bonds will be available for delivery in New York, New York, on their date of reoffering which is expected to be on or about October 16, 2013.

**J.P. Morgan**

October 9, 2013

**\$101,065,000 General Obligation Bonds, Fiscal 2006 Series H  
Subseries H-1 and H-2**

**Adjustable Rate Term Bonds  
Maturity Date: January 1, 2036  
Price: 100%**

<b>\$50,535,000 Subseries H-1</b>	<b>\$50,530,000 Subseries H-2</b>
Rate Mode at Delivery Date: Daily	Rate Mode at Delivery Date: Daily
First Interest Payment Date: November 1, 2013	First Interest Payment Date: November 1, 2013
Liquidity Facility Provider: JPMorgan Chase Bank, National Association	Liquidity Facility Provider: JPMorgan Chase Bank, National Association
Scheduled Expiration Date: October 14, 2016	Scheduled Expiration Date: October 14, 2016
Remarketing Agent: J.P. Morgan Securities LLC	Remarketing Agent: J.P. Morgan Securities LLC
CUSIP Number <sup>(1)</sup> : 64966FXB5	CUSIP Number <sup>(1)</sup> : 64966FXC3

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No dealer, broker, salesperson or other person has been authorized by the City or the Remarketing Agent 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 Reoffering Circular, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Remarketing Agent. This Reoffering Circular 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 Reoffering Circular, 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 Reoffering Circular 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 Remarketing Agent may reoffer and sell Bonds to certain dealers and others at prices lower than the reoffering price stated on the inside cover page hereof. The reoffering prices may be changed from time to time by the Remarketing Agent. No representations are made or implied by the City or the Remarketing Agent as to any offering of any derivative instruments.

The factors affecting the City’s financial condition are complex. This Reoffering Circular 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 Reoffering Circular may contain computer-generated errors or other deviations from the printed Reoffering Circular. In any such case, the printed version controls.

This Reoffering Circular 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 Reoffering Circular of such forecasts, projections and estimates should not be regarded as a representation by the City, its independent auditors or the Remarketing Agent 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 Reoffering Circular, 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.

Deloitte & Touche LLP, the City’s independent auditor, has not reviewed, commented on or approved, and is not associated with, this Reoffering Circular. The report of Deloitte & Touche LLP relating to the City’s financial statements for the fiscal years ended June 30, 2012 and 2011, which is a matter of public record, is included in this Reoffering Circular. 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 Reoffering Circular, since the date of such report and has not been asked to consent to the inclusion of its report in this Reoffering Circular.

**REOFFERING CIRCULAR OF THE CITY OF NEW YORK  
TABLE OF CONTENTS**

	<u>Page</u>		<u>Page</u>
SECTION I: INCLUSION BY SPECIFIC REFERENCE . . . . .	1	SECTION III: MISCELLANEOUS . . . . .	10
SECTION II: THE BONDS . . . . .	2	Supplemental Certificates . . . . .	10
General . . . . .	2	Tax Matters . . . . .	10
Adjustable Rate Bonds . . . . .	2	Legal Opinions . . . . .	11
Payment Mechanism . . . . .	2	Expected Ratings . . . . .	12
Enforceability of City Obligations . . . . .	2	Financial Advisors . . . . .	12
Certain Covenants and Agreements . . . . .	3	APPENDIX A—DEFINITIONS . . . . .	A-1
Liquidity Facility . . . . .	3	APPENDIX B—MULTI-MODAL BONDS . . . . .	B-1
Optional Redemption . . . . .	6	APPENDIX C—ORIGINAL OPINION OF BOND COUNSEL . . . . .	C-1
Mandatory Redemption . . . . .	7	APPENDIX D—FORM OF LEGAL OPINION OF BOND COUNSEL . . . . .	D-1
Notice of Redemption . . . . .	7	APPENDIX E—FORM OF LEGAL OPINION OF BOND COUNSEL TO THE CITY FOR TAX MATTERS . . . . .	E-1
Mandatory and Optional Tender . . . . .	7	APPENDIX F—THE BANK . . . . .	F-1
Special Considerations Relating to the Bonds . . . . .	7		
Book-Entry Only System . . . . .	8		

**IN CONNECTION WITH THIS REOFFERING, THE REMARKETING AGENT 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 REOFFERING CIRCULAR AND THE TERMS OF THE REOFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.**

**RATE PERIOD TABLE  
FOR ADJUSTABLE RATE BONDS**

	<b>Daily Rate</b>	<b>Two-Day Rate</b>	<b>Weekly Rate</b>	<b>Commercial Paper Rate</b>
Interest Payment Date	First Business Day of each calendar month	First Business Day of each calendar month	First Business Day of each calendar month	First Business Day of each calendar month and the Business Day following the last day of the Rate Period
Record Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date	Business Day preceding each Interest Payment Date
Reset Date	Not later than 10:00 a.m. on each Business Day	Not later than 10:00 a.m. on the first day of the Rate Period and, thereafter, on each Monday, Wednesday and Friday that is a Business Day	Not later than 4:00 p.m. on the Business Day preceding the first day of the Rate Period	No later than 12:30 p.m. on the first day of each Commercial Paper Rate Period
Rate Periods	Commencing on one Business Day extending to, but not including, the next succeeding Business Day	Commencing on a Monday, Wednesday or Friday that is a Business Day and extending to, but not including, the next day on which a Two-Day Rate is required to be reset	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
Notice Period for Optional Tenders	Written notice not later than 10:30 a.m. on the Optional Tender Date	Written notice by 3:00 p.m. on a Business Day not less than two Business Days prior to the Optional Tender Date	Written notice by 5:00 p.m. on a Business Day not less than seven days prior to the Optional Tender Date	Not subject to optional tender
Optional Tender Date and Time (after Initial Period)	On any Business Day not later than 1:00 p.m.	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
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 later than 3:00 p.m. on the Optional Tender Date	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

*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.

WHILE THE ADJUSTABLE RATE BONDS MAY IN THE FUTURE BE CONVERTED TO AUCTION RATE BONDS, TERM RATE BONDS, FIXED RATE BONDS OR STEPPED COUPON BONDS, THIS REOFFERING CIRCULAR DOES NOT DESCRIBE TERMS SPECIFICALLY APPLICABLE TO BONDS BEARING INTEREST AT RATES OTHER THAN THE DAILY RATE, TWO-DAY RATE, WEEKLY RATE OR COMMERCIAL PAPER RATE, NOR DOES IT DESCRIBE ADJUSTABLE RATE BONDS HELD BY THE BANK OR BY ANY REGISTERED OWNER OTHER THAN DTC.

# REOFFERING CIRCULAR OF THE CITY OF NEW YORK

This Reoffering Circular provides certain information concerning The City of New York (the “City”) in connection with the reoffering by the City of \$101,065,000 aggregate principal amount of its General Obligation Bonds, Fiscal 2006 Series H (the “Bonds”), consisting of \$50,535,000 tax-exempt bonds, Subseries H-1 (the “Subseries H-1 Bonds”), and \$50,530,000 tax-exempt bonds, Subseries H-2 (the “Subseries H-2 Bonds”).

By this Reoffering Circular, the Bonds are being reoffered. Such Bonds are expected to be delivered to their purchasers on the Reoffering Date set forth on the cover page hereof (the “Reoffering Date”). Certain capitalized terms used herein and not otherwise defined will have the meanings ascribed thereto in Appendix A.

The Bonds are general obligations of the City for the payment of which the City has pledged its faith and credit. All real property subject to taxation by the City is 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 described throughout this Reoffering Circular, including information included by specific reference as described below, 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, environmental and other factors which could have a material effect on the City. This Reoffering Circular (including the information referred to in “SECTION I: INCLUSION BY SPECIFIC REFERENCE”) should be read in its entirety.

Neither this Reoffering Circular 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

Portions of the City’s Official Statement dated September 27, 2013, as supplemented October 9, 2013 (the “Official Statement”), delivered herewith and relating to the City’s Fiscal 2014 Subseries D-1, Subseries D-2, Series E and Series F 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

Environmental Regulation

Financial Statements

Further Information (excluding the last paragraph thereof)

APPENDIX A—ECONOMIC AND DEMOGRAPHIC INFORMATION

APPENDIX B—FINANCIAL STATEMENTS

APPENDIX E—VARIABLE RATE DEMAND BONDS

**The Fiscal 2014 Subseries D-1, Subseries D-2, Series E and Series F Bonds described in the Official Statement are not offered by this Reoffering Circular.**

## SECTION II: THE BONDS

### General

The Bonds are 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, as amended (the “Certificate”). The Bonds mature and bear interest as described on the inside cover page of this Reoffering Circular and 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 is 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 additional terms of the Bonds not included in this SECTION II see the cover page, the inside cover page, “APPENDIX A—DEFINITIONS” and “APPENDIX B—MULTI-MODAL BONDS.” All or a portion of the Bonds of a Subseries may be converted to other Rate Modes as described in “APPENDIX B—MULTI-MODAL BONDS—Conversion to an Alternate Rate Mode.” Any such conversion would result in a mandatory tender of the Bonds being so converted. This Reoffering Circular only describes the Bonds bearing interest at a Daily Rate, Two-Day Rate, Weekly Rate or Commercial Paper Rate. The Liquidity Facility does not cover the Bonds bearing interest at a Commercial Paper Rate. Under the Certificate, it is a condition to conversion to the Commercial Paper Rate Mode that the City provide a liquidity facility covering the Bonds in such Mode. It is currently anticipated that, should any Bonds be converted to a Term Rate, Fixed Rate, Stepped Coupon Rate, Index Rate or Auction Rate, a remarketing circular will be distributed describing such Term Rate, Fixed Rate, Stepped Coupon Rate, Index Rate or Auction Rate.

### 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, 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 by specific 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 has covenanted 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 has further covenanted 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 applicable variable rate provisions and to comply with such provisions and with the statutory restrictions on variable rate bonds 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"). 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.

### **Liquidity Facility**

It is a condition to the reoffering of each Subseries of Bonds that, on the date of reoffering of such Subseries of Bonds, JPMorgan Chase Bank, National Association (the "Bank" or the "Liquidity Provider") has irrevocably committed to provide the Liquidity Facility effective October 16, 2013 in the form of a standby bond purchase agreement. The following summary of the Liquidity Facility does not purport to be comprehensive or definitive and is subject in all respects to all of the terms and provisions of the Liquidity Facility, to which reference is made hereby. Investors are urged to obtain and review a copy of the Liquidity Facility in order to understand all of its terms. Copies of the Liquidity Facility will be available on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ([www.emma.msrb.org](http://www.emma.msrb.org)) or may be obtained from the Remarketing Agent for the Bonds. For information regarding the Liquidity Provider, see "APPENDIX F—THE BANK."

*General.* The Liquidity Facility provides coverage for the principal of tendered Bonds and up to 35 days accrued interest on such Bonds at a maximum interest rate of 9% based upon a year of 365 days. The scheduled expiration date for the Liquidity Facility is October 14, 2016. The Liquidity Facility supports only the payment of the purchase price of the Bonds bearing interest at a Daily Rate, Two-Day Rate or Weekly Rate optionally tendered for purchase as described below (other than in connection with a mandatory tender of the Bonds on an optional redemption date as described under “APPENDIX B—MULTI-MODAL BONDS—Mandatory Tender for Purchase”), and does not otherwise support the payment of the principal of or interest on the Bonds. The Liquidity Facility is subject to termination, in some events with notice and in some events immediately without notice, as described below.

The Liquidity Facility contains various provisions, covenants and conditions, certain of which are summarized below. Capitalized terms used in the following summary are defined in this Reoffering Circular (except those definitions included herein by specific reference, as described under “SECTION I: INCLUSION BY SPECIFIC REFERENCE”) or the Liquidity Facility and reference thereto is made for a full understanding of their import.

On the date of reoffering of the Bonds, the City will enter into the Liquidity Facility with the Liquidity Provider. Upon compliance with the terms and conditions of the Liquidity Facility, and subject to the terms and conditions set forth therein, the Liquidity Facility requires the Liquidity Provider to purchase tendered Bonds from time to time during the Purchase Period (as hereinafter defined) at the Purchase Price (as defined in the Liquidity Facility). Tendered Bonds which are purchased and held by the Liquidity Provider will bear interest at the Purchased Bonds Rate (as defined in the Liquidity Facility) commencing on and including the date on which the Liquidity Provider has purchased such Purchased Bonds, in accordance with the terms of the Liquidity Facility.

The Purchase Period is the period from the effective date of the Liquidity Facility to and including the earliest of (i) October 14, 2016 (or such later date to which the Liquidity Facility is extended at the sole discretion of the Liquidity Provider) (or, if such date is not a Business Day (as defined in the Liquidity Facility), the Business Day immediately preceding such date), (ii) the date of delivery of a substitute liquidity facility in accordance with the provisions of the Liquidity Facility and of the Certificate, so long as the Bank has honored any purchase of Bonds resulting solely from such substitution, (iii) the date on which all Bonds have been paid in full (not including a defeasance in which such Bonds continue to be subject to optional or mandatory tender for purchase), redeemed, or converted to a Rate Mode other than the Daily Rate Mode, Two-Day Mode or Weekly Rate Mode in accordance with the terms of such Bonds (the Purchase Period to include the date of such conversion) and so long as, with respect to a conversion to a rate other than the Daily Rate, the Two-Day Rate or the Weekly Rate, the Bank has honored any purchase of Bonds resulting solely from such conversion, and (iv) the date on which the Available Commitment (as defined in the Liquidity Facility) with respect to the Bonds is terminated pursuant to the terms of the Liquidity Facility.

*Events of Default Under the Liquidity Facility.* Upon the occurrence of any event (each an “Event of Default”) set forth under the subheadings below entitled “*Events of Default Resulting in Immediate Termination Under the Liquidity Facility*” and “*Events of Default Resulting in Mandatory Tender and Termination of the Liquidity Facility Following Notice,*” the Liquidity Provider may exercise those rights and remedies provided under such subheading and the subheading “*Remedies Under the Liquidity Facility*” below.

*Events of Default Resulting in Immediate Termination Under the Liquidity Facility.* Upon the occurrence of any of the following events, the Available Commitment and the obligation of the Liquidity Provider under the Liquidity Facility to purchase Bonds shall immediately terminate without notice or demand to any person and thereafter the Liquidity Provider shall be under no obligation to purchase such Bonds:

(a) (i) the City shall fail to pay when due any principal of or premium, if any, or interest on the Bonds (regardless of any waiver thereof by the holders of the Bonds), or (ii) 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 bond, note or other similar evidence of indebtedness issued or assumed by the City that is on a parity with the Bonds;



(b) 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 admit in writing its inability to pay its debts as they become due or shall become insolvent within the meaning of Section 101(32) of the Bankruptcy Code, or shall declare a moratorium on repayment when due and payable of the principal of or interest on the Bonds or on any bond, note or other similar evidence of indebtedness issued or assumed by the City that is on a parity with the Bonds, or shall take any action to authorize any of the foregoing;

(c) each of Moody's, S&P and Fitch shall (i) assign a rating to any general obligation indebtedness of the City below "Baa3," "BBB-" and "BBB-," respectively or (ii) withdraw or suspend any such rating for a credit-related reason;

(d) the State or any other governmental authority having jurisdiction over the City imposes a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on repayment when due and payable of the principal of or interest on the Bonds;

(e) (i) a final, non-appealable judgment shall be issued by a court of competent jurisdiction that the Bonds or any provision of the Liquidity Facility or of the Certificate relating to the payment of principal of or interest on the Bonds shall cease for any reason to be valid and binding, or (ii) the City shall initiate legal proceedings or assert in legal proceedings that the Bonds or any material provision of the Liquidity Facility or of the Certificate relating to the payment of principal of or interest on the Bonds is invalid or that the City has no liability thereon; and

(f) one or more final, non-appealable money judgments shall be entered by a court or other regulatory body of competent jurisdiction against the City in an individual, or aggregate, amount of fifty million dollars (\$50,000,000) or more and the City shall have failed to satisfy said money judgment(s) within ninety (90) days from the first date when said judgment(s) shall become enforceable and subject to collection in accordance with its or their respective terms.

*Events of Default Resulting in Mandatory Tender of the Bonds and Termination of the Liquidity Facility Following Notice.* In the case of an Event of Default as specified in (a) or (b) below (but only if such Event of Default continues for at least five Business Days after notice thereof is given to the City by the Bank), the Bank, in its sole discretion, may (x) give written notice (a "Notice of Default") of such Event of Default to the applicable Remarketing Agent or Remarketing Agents and to the Fiscal Agent and the Tender Agent requesting a mandatory tender of all or any portion of the Bonds pursuant to the Certificate and stating that the obligation of the Bank to purchase such Bonds shall terminate 15 days after such notice is received by the Tender Agent and on such date the Available Commitment shall terminate and the Bank shall be under no obligation to purchase such Bonds after such date or (y) give a written notice (a "Conversion Notice") to the City directing the City to convert to a rate other than the Daily Rate, Two-Day Rate or Weekly Rate all or any portion of the Bonds. Upon conversion to a rate other than the Daily Rate, Two-Day Rate or Weekly Rate, the Liquidity Provider will purchase Bonds so converted and not remarketed.

(a) The City shall fail to pay when due any fees owing to the Bank under the terms of the Liquidity Facility and such failure shall continue for seven days; provided, however, that no such failure to pay shall constitute an Event of Default if (A) such failure to pay was caused solely by an error or omission of an administrative or operational nature, (B) funds were available to enable the City to make such payment when due and (C) such payment is made within two Business Days after the City's actual knowledge of such failure to pay; or

(b) The City shall fail to observe certain covenants contained in the Liquidity Facility.

*Remedies Under the Liquidity Facility.* Upon the occurrence of any Event of Default, the Bank may deliver a notice (a "Default Rate Notice") to the City for purposes of increasing the Purchased Bonds Rate payable on the Bonds or take any other actions permitted by applicable law. The Bank may, at any time, in its discretion, revoke a Default Rate Notice by written notice to the City. Upon any such revocation of a

Default Rate Notice or upon cure of an Event of Default pursuant to which a Default Rate Notice was delivered, such Default Rate Notice shall be deemed no longer to be in effect. The Liquidity Provider shall not have the right to declare any amount due and payable under the Liquidity Facility or to accelerate the maturity date of any Bonds.

In the case of an Event of Default as specified above under “*Events of Default Resulting in Immediate Termination Under the Liquidity Facility*” (each, an “Event of Termination”), the Available Commitment with respect to the Bonds and the obligation of the Liquidity Provider under the Liquidity Facility to purchase Bonds shall immediately terminate without notice or demand to any Person, and thereafter the Liquidity Provider shall be under no obligation to purchase such Bonds. Promptly upon the occurrence of such Event of Termination, the Liquidity Provider shall give written notice of the same to the City, the Tender Agent, the Fiscal Agent and the Remarketing Agent; but the Liquidity Provider shall incur no liability or responsibility by reason of its failure to give such notice and such failure shall in no way affect the termination of the Available Commitment with respect to the Bonds and its obligation to purchase such Bonds pursuant to the Liquidity Facility.

### **Optional Redemption**

Each Subseries of Bonds is subject to redemption (or purchase in lieu thereof if permitted by the Certificate) prior to maturity, at a redemption price equal to the principal amount thereof, plus accrued interest, 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, Two-Day Rate Mode or the Weekly Rate Mode is any Business Day, upon 30 days’ written notice to Bondholders.

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 Subseries, Rate Mode 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, on each January 1 (or other Mandatory Redemption Date specified for 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>January 1</u>	<u>Subseries H-1 Amount</u>	<u>Subseries H-2 Amount</u>
2021	\$2,410,000	\$2,410,000
2022	2,495,000	2,495,000
2023	2,585,000	2,580,000
2024	2,670,000	2,670,000
2025	2,765,000	2,765,000
2026	2,860,000	2,860,000
2027	2,960,000	2,965,000
2028	3,065,000	3,065,000
2029	3,175,000	3,170,000
2030	3,285,000	3,285,000
2031	3,400,000	3,400,000
2032	3,515,000	3,520,000
2033	3,640,000	3,640,000
2034	3,770,000	3,765,000
2035	3,900,000	3,905,000
2036 (1)	4,040,000	4,035,000

(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.

## Notice of Redemption

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.

## Mandatory and Optional Tender

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

## Special Considerations Relating to the Bonds

The information under this caption "Special Considerations Relating to the Bonds" was provided by the Remarketing Agent and is not the responsibility of the City.

*The Remarketing Agent is Paid By the City.* The responsibilities of the Remarketing Agent include determining the interest rate from time to time and remarketing Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the Certificate and the Remarketing Agreement), all as further described in this Reoffering Circular. The Remarketing Agent is appointed by the City and is paid by

the City for its services. As a result, the interests of the Remarketing Agent may differ from those of existing Holders and potential purchasers of Bonds.

*The Remarketing Agent Routinely Purchases Bonds for its Own Account.* The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account. The Remarketing Agent is permitted, but not obligated, to purchase tendered Bonds for its own account and, in its sole discretion, may routinely acquire such tendered Bonds in order to achieve a successful remarketing of the Bonds (i.e., because there otherwise are not enough buyers to purchase the Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Bonds by routinely purchasing and selling Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Bonds. The Remarketing Agent may also sell any Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Bonds. The purchase of Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Bonds in the market than is actually the case. The practices described above also may result in fewer Bonds being tendered in a remarketing.

*Bonds May be Offered at Different Prices on Any Date Including an Interest Rate Determination Date.* Pursuant to the Certificate and the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Bonds it remarkets at par plus accrued interest, if any, on the applicable interest rate determination date. The interest rate will reflect, among other factors, the level of market demand for the Bonds (including whether the Remarketing Agent is willing to purchase Bonds for its own account). There may or may not be Bonds tendered and remarketed on an interest rate determination date, the Remarketing Agent may or may not be able to remarket any Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Bonds it remarkets at the remarketing price. In the event the Remarketing Agent owns any Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Bonds on any date, including the interest rate determination date, at a discount to par to some investors.

*The Ability to Sell the Bonds Other Than Through the Tender Process May Be Limited.* The Remarketing Agent may buy and sell Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require Holders that wish to tender their Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Bonds other than by tendering the Bonds in accordance with the tender process. The Liquidity Facility is available only to purchase Bonds tendered in accordance with the tender process.

*Remarketing Agent May Cease Remarketing the Bonds.* Under certain circumstances the Remarketing Agent may cease remarketing the Bonds, subject to the terms of the Remarketing Agreement.

### **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 this caption “Book-Entry Only System” shall mean all Bonds held through DTC. 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 subseries of the Bonds and will be deposited with DTC.

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 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, banks, 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 subseries are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such subseries 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 its 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.

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.

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 under this caption "Book-Entry Only System" has been extracted from information furnished by DTC. Neither the City nor the Remarketing Agent of the Bonds makes 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 Matters**

In connection with the issuance of the Bonds, Sidley Austin LLP, New York, New York, Bond Counsel, delivered its approving opinion in the form attached hereto as Appendix C (the "Original Opinion"), which concluded that under then existing law interest on the Bonds would not be includable in the gross income of the owners of the Bonds for purposes of federal income taxation; however, interest on the Bonds would be includable in gross income of the owners thereof retroactive to the date of original issuance of the 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"), and covenants regarding use, expenditure or investment of the proceeds of the Bonds and the timely payment of certain investment earnings to the United States Treasury. The Original Opinion further



concluded that, under then existing law, interest on the Bonds would not be a specific preference item for purposes of the federal individual or corporate alternative minimum tax; however, interest on the Bonds would be includable in the calculation of a corporation's alternative minimum tax and holders may be subject to other federal income tax consequences. In addition, the Original Opinion concluded that, under then existing law, interest on the Bonds would be exempt from personal income taxes of the State of New York and its political subdivisions, including the City.

The Original Opinion also concludes that the Bonds constitute valid and legally binding obligations of the City, as described therein. On the Reoffering Date of the Bonds, Sidley Austin LLP will deliver its opinion substantially in the form contained in Appendix D to this Reoffering Circular.

The Bonds are reoffered pursuant to a Supplemental Certificate of the Deputy Comptroller for Public Finance, dated October 16, 2013 (the "Supplemental Certificate"). On the Reoffering Date of the Bonds, as herein contemplated, Fulbright & Jaworski LLP ("Bond Counsel to the City for Tax Matters" or "Tax Counsel") will deliver its opinion (the "No-Adverse-Effect Opinion") to the effect that the Supplemental Certificate will not in and of itself adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. A form of the No-Adverse-Effect Opinion is contained in Appendix E to this Reoffering Circular.

In rendering the No-Adverse-Effect Opinion, Tax Counsel will assume the correctness of the Original Opinion, and will rely on the opinion of Sidley Austin LLP to the effect that the Supplemental Certificate and the actions ordered thereby are authorized by law and the Certificate (as identified in the Supplemental Certificate). Tax Counsel will express no opinion with respect to the current status of the interest on the Bonds for federal income tax purposes.

Except as described above, Tax Counsel expresses no opinion with respect to any federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change so as to reduce or eliminate the benefit to holders of the Bonds of the exclusion of interest thereon from gross income for federal income tax purposes. Proposed legislative or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed changes in tax law.

Sidley Austin LLP has not been engaged to review any matter or conduct any investigation or examination relating to the federal, state or local tax consequences with respect to the receipt of interest on the Bonds, or the ownership or the disposition of the Bonds, and takes no responsibility therefor. Furthermore, Sidley Austin LLP is not expressing any opinion as to any federal, state or local tax consequences arising with respect to the Bonds, the receipt of interest thereon or the ownership or disposition thereof, including, without limitation, the exclusion from gross income of interest on the Bonds.

## **Legal Opinions**

The legality of a Supplemental Certificate of the Deputy Comptroller for Public Finance, dated October 16, 2013, will be affirmed by the legal opinion of Sidley Austin LLP, New York, New York, Bond Counsel to the City substantially in the form of Appendix D hereto. Such firm is also acting as counsel for and against the City in certain other unrelated matters.

The opinion of Fulbright & Jaworski LLP, Bond Counsel to the City for Tax Matters, will be substantially in the form of Appendix E hereto. Reference should be made to the form of such opinion for the matters covered by such opinion and the scope of Tax Counsel's engagement in relation to the Bonds.

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 Reoffering Circular. 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.

Certain legal matters will be passed upon by Squire Sanders (US) LLP, New York, New York, and D. Seaton and Associates, New York, New York, Co-Counsel to the Remarketing Agent.

Certain legal matters will be passed upon for the Bank by its special counsel.

### **Expected Ratings**

The Bonds are expected to be rated "Aa2/VMIG1" by Moody's Investors Service, Inc. ("Moody's"), "AA/F1" by Fitch, Inc. ("Fitch") and "AA/A-1" by Standard & Poor's Ratings Services ("Standard & Poor's"). Any such rating will 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, if given, 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. A securities rating is not a recommendation to buy, sell or hold securities.

### **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 reoffering of the Bonds.

THE CITY OF NEW YORK

DEFINITIONS

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

“*Authorized Denominations*” means during any Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period, or Weekly Rate Period, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

“*Authorized Officer*” means the Deputy Comptroller for Public Finance of the City 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.

“*Authorizing Document*” means the Supplemental Certificate of the Deputy Comptroller for Public Finance of the City of New York With Respect to the Bonds, dated October 16, 2013.

“*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 Reoffering Circular.

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

“*Bonds*” means the City’s General Obligation Bonds, Fiscal 2006 Series H, Subseries H-1 and H-2.

“*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 Federal Reserve Bank of New York, the Fiscal Agent, the Tender Agent, the Remarketing Agent or banks and trust companies in New York, New York, are authorized or required to remain closed.

“*Certificate*” means the Authorizing Document with all Exhibits, Schedules, appendices and related proceedings, including the Bonds and all 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 redemption date.

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

“*Conversion Date*” means the Business Day of a Conversion or proposed Conversion, which shall be an eligible Optional Redemption Date for the Rate Mode in effect.

“*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.

“*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 Standby Agreement 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 facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“*Expiration Date*” means the fixed date on which a Standby Agreement will expire, as such date may be extended from time to time; and includes the date of an early termination of a Standby Agreement caused by the City (excluding a Termination Date).

“*Favorable Opinion of Bond Counsel*” shall mean an opinion or opinions 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 or Tender Agent.

“*Fiscal Agent*” means The Bank of New York Mellon 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.

“*Initial Period*” means a period specified by the City, beginning on the Issue Date or a Conversion Date. The day following an Initial Period shall be a Business Day and shall not be treated as a Conversion Date.

“*Initial Rate*” means each rate of interest to be paid in an Initial Period as set forth in the Certificate.

“*Interest Payment Date*” means with respect to (a) any Daily Rate Period, any Two-Day Rate Period, any Weekly Rate Period, or any case not specified, the first Business Day of each month; (b) any Commercial Paper Rate Period, the first Business Day of each month and the Business Day following the last day of the Rate Period; or (c) any Rate Period, as may be specified by the City. With respect to all Multi-Modal Bonds, interest shall be payable on each Mandatory Tender Date, redemption date or maturity date.

“*Issue Date*” means the date of initial delivery of the Bonds.

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

“*Liquidity Condition*” means an event of immediate termination or suspension as specified in a Liquidity Facility, upon the occurrence of which 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, Two-Day Mode, Weekly Rate Mode or Commercial Paper Mode.

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

“*Mandatory Redemption Date*” means, in each year so specified in the Bonds in the Daily Rate Mode, the Two-Day Mode, the Weekly Rate Mode or the Commercial Paper Mode, or in any case not specified, the first Business Day in the Maturity Month (which will be an Interest Payment Date).

“*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>
January	July

“*Maximum Rate*” means, with respect to the Bonds, 9%, or such Maximum Rate not exceeding 25% as may be specified by the City.

“*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 the Bonds.

“*Optional Redemption Date*” means: (i) for Bonds in the Daily Rate Mode, Weekly Rate Mode or Two-Day Mode, any Business Day and (ii) for Bonds in the Commercial Paper Mode, each Mandatory Tender Date.

“*Optional Tender Date*” means any Business Day during a Daily Rate Period, Two-Day Rate Period or 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 each Purchase and Remarketing Fund.

“*Purchase and Remarketing Fund*” means the 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 each Initial Rate, Daily Rate, Two-Day Rate, Commercial Paper Rate, Weekly Rate, or Bank Rate.

“*Rate Mode*” or “*Mode*” means the Daily Rate Mode, Two-Day Mode, Commercial Paper Rate Mode or Weekly Rate Mode.

“*Rate Period*” means any Initial Period, Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period or Weekly Rate 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.

“*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 Fitch or 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), for each Initial Period, Daily Rate Period, Two-Day Rate Period, Commercial Paper Rate Period or Weekly Rate Period the close of business on the Business Day preceding such Interest Payment Date.

“*Remarketing Agent*” means each remarketing agent for Multi-Modal 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.

*“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.

*“Standby Agreement”* means an agreement (which may be a reimbursement agreement and related letter of credit) providing, to the extent required by the LFL, for the purchase of any Multi-Modal 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.

*“Subseries”* shall mean the Subseries H-1 or H-2 Bonds.

*“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.

*“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.

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

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

*“Two-Day Rate Period”* means a period during which Multi-Modal Bonds bear interest at the Two-Day Rate.

*“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 of 7 days commencing on the Issue Date, on a Conversion Date or on the date (Thursday unless otherwise specified by an Authorized Officer of the City) following an Initial Period or a Weekly Rate Period.

*“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 Reoffering Circular are defined in “APPENDIX A—DEFINITIONS.”

**General**

The Multi-Modal Bonds are subject to mandatory tender for purchase as described under “Mandatory Tender for Purchase” and, if such Bonds are in a Daily Rate Mode, Two-Day Mode or Weekly Rate Mode, are subject to optional tender for purchase as described under “Optional Tender for Purchase.” The Multi-Modal Bonds of a 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 Period for the Liquidity Enhanced Bonds, a Daily Rate Period, a Two-Day 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.

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 Fiscal Agent and the Tender Agent specifying the Subseries of 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 (of at least 10 days) if acceptable to the Fiscal Agent and DTC.

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 the 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 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 Multi-Modal Bonds so converted, such Bonds not delivered to the Tender Agent on the Conversion Date 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 Multi-Modal 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 affected Multi-Modal Bonds will bear interest in the Rate Mode previously in effect or, with a Favorable Opinion of Bond Counsel, any other Rate Mode selected by the City to which such Bonds are duly converted.

## **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 of a Subseries will extend beyond the scheduled Expiration Date of the Standby Agreement then in effect.

*Maximum Rate.* The 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 Daily 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, then the Daily Rate for such Daily Rate Period shall continue in effect for two weeks, and thereafter such Bonds shall bear interest at the Maximum Rate until a Rate has been established by the Remarketing Agent.

*Two-Day Rate.* When interest on a Subseries of Adjustable Rate Bonds is payable at a Two-Day Rate, the Remarketing Agent will set a Two-Day Rate on or before 10:00 a.m., New York City time, on the first day of a period during which such Bonds bear interest at a Two-Day Rate and on each Monday, Wednesday and Friday thereafter so long as interest on such Bonds is to be payable at a Two-Day Rate or, if any Monday, Wednesday or Friday is not a Business Day, on the next Monday, Wednesday or Friday that is a Business Day. The Two-Day Rate set on any Business Day will be effective as of such Business Day and will remain in effect until the next day on which a Two-Day Rate is required to be set in accordance with the preceding sentence.

If (i) a Two-Day Rate for a Two-Day Rate Period has not been determined by the Remarketing Agent, (ii) no Remarketing Agent is serving under the Certificate, (iii) the Two-Day Rate determined by the Remarketing Agent is held to be invalid or unenforceable or (iv) pursuant to the Remarketing Agreement the Remarketing Agent is not then required to establish a Two-Day Rate, then the Two-Day Rate for such Two-Day Rate Period shall continue in effect for two weeks, and thereafter such Bonds shall bear interest at the Maximum Rate until a Rate has been duly established 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 4:00 p.m., New York City time, on the Business Day immediately preceding the first day of the Weekly Rate Period. The Weekly Rate Period means a period commencing on the day specified by the City 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, then the Weekly Rate for such Weekly Rate Period shall continue in effect for two weeks, and thereafter, such Bonds will bear interest at the Maximum Rate until a Rate has been duly established 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 for such Commercial Paper Rate Period will continue in effect on such Bonds for two weeks, and thereafter, such Bonds will bear interest at the Maximum Rate until a Rate has been duly established by the Remarketing Agent.

### **Optional Tender for Purchase**

If a Subseries of Adjustable Rate Bonds is supported by a Credit Facility, or by a Liquidity Facility and no Liquidity Condition is in effect, an Adjustable Rate Bond of such Subseries 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, Two-Day Mode or 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 Direct 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 Direct 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 with a copy to 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 10:30 a.m. on the Optional Tender Date, in the case of Adjustable Rate Bonds bearing interest in a Two-Day Mode, not later than 3:00 p.m. on a Business Day at least two Business Days prior to the Optional Tender Date, 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 a Business Day at least seven days prior to the Optional Tender Date. 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.

### **Mandatory Tender for Purchase**

If a Credit Facility is in effect (or if Bonds of a Subseries are supported by a Liquidity Facility and there is no existing Liquidity Condition), the 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 of such Subseries being converted to a different Rate Mode;
- (b) on the Business Day following each Rate Period for the Adjustable Rate Bonds of such Subseries in the Commercial Paper Mode;
- (c) on a Business Day specified by the Tender Agent, at the direction of the City, which shall be not less than one Business Day prior to the substitution of a Standby Agreement (including assignments) or the Expiration Date of any Standby Agreement (which Standby Agreement will be drawn upon to pay the Purchase Price of unremarketed Tendered Bonds), unless a substitution is occurring and Rating Confirmation has been received from each Rating Agency;
- (d) 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.

Should a Credit Facility be in effect for a Subseries of Bonds, in addition to the preceding, upon any failure by the City to provide funds to the Fiscal Agent for the timely payment of principal or interest on the maturity or mandatory redemption date or Interest Payment Date for such Subseries of Bonds, the Tender Agent shall cause a draw to be made upon such Credit Facility for the immediate purchase of the applicable Bonds and notice of mandatory tender to be given to each Holder of such Bonds.

The Adjustable Rate Bonds of a Subseries are also subject to mandatory tender for purchase on any Optional Redemption Date, upon 10 days' notice to Holders of such Bonds, if the City has provided a source of payment therefor in accordance with the Certificate and State law; under such circumstances, the Purchase Price is not payable by the Liquidity Facility.

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 such Adjustable Rate Bonds indicating that such Bonds are subject to mandatory tender for purchase on the date specified in such notice. 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) or (d) above, the Tender Agent is to give notice to the Holders of such 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 Expiration Date or Termination Date. The failure of any Holder of any portion of such 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 is 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 Bank 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.

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**

Adjustable Rate Bonds held by any Standby Purchaser or by a Fiduciary for the account of any Standby Purchaser following payment of the Purchase Price of such Bonds by the Fiduciary 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 related Liquidity Facility. Promptly upon the occurrence of such suspension condition, the Standby Purchaser shall notify the City, the Tender Agent and the Remarketing Agent of such suspension in writing and the Tender Agent shall promptly relay such notice to the affected 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 related Liquidity Facility, the obligations of the Standby Purchaser under such 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 such Liquidity Facility).

Upon the occurrence of an event of immediate termination, as specified in a Liquidity Facility, a Standby Purchaser's obligation under such 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 and the Remarketing Agent and the Tender Agent shall promptly relay such notice to the affected 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.

## **Inadequate Funds for Tender**

If the funds available for purchase of Tendered Bonds are inadequate for the purchase of all such Bonds tendered on any Tender Date, or a Liquidity Condition shall exist under a Liquidity Facility, then the affected Holders shall not have the right to require the City or other persons to repurchase such Bonds and the Tender Agent shall give written notice to all affected Bondholders. However, such Holders may submit their Bonds for remarketing pursuant to the procedures described herein and the Certificate and Remarketing Agreement. Any such Bonds that cannot be remarketed shall immediately be returned to the owners thereof and shall bear interest from such Tender Date at the Maximum Rate. 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, and shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient, together with the proceeds of remarketing, 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. 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 related Liquidity Provider, the Fiscal Agent, the Tender Agent and the City specifying the principal amount of Tendered Bonds for



which it has arranged a remarketing, along with the principal amount of Tendered Bonds, if any, for which it has not arranged a remarketing, and shall transfer to the Tender Agent the proceeds of the remarketing of the Tendered Bonds. 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 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 in trust money in an amount sufficient for the timely payment of the maximum Purchase Price that could become payable to the Bondholders upon the exercise of any applicable optional or mandatory tender for purchase.

### **Liquidity or Credit Facility**

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 Standby Agreements 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.

Each owner of an Adjustable Rate Bond bearing interest at a Daily, Two-Day or Weekly Rate will be entitled to the benefits and subject to the terms of the Standby Agreement for such Bond. Under such 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. Mandatory purchase by a Standby Purchaser of Adjustable Rate Bonds shall occur under the circumstances provided therefor, including, so long as a Credit Facility is provided or no Liquidity Condition exists, failure to extend or replace the Standby Agreement relating to such Adjustable Rate Bonds, and (at the option of the Standby Purchaser) other events, including without limitation breaches of covenants, defaults on other bonds of the City or other entities, and events of insolvency. 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.

If a Standby Agreement is to be extended or replaced, the City shall give Written Notice to each affected Bondholder at least 15 days prior to any extension or substitution.

The obligation of the Standby Purchaser to purchase Adjustable Rate Bonds pursuant and subject to the terms and conditions of the Credit Facility or Liquidity Facility for such Bonds is effective so long as a Credit Facility is provided or there exists no Liquidity Condition. The obligation of the City to repay amounts advanced by the Standby Purchaser in respect of such Standby Purchaser's purchase of Adjustable Rate Bonds shall be evidenced by the Bonds so purchased by such Standby Purchaser.

The preceding is a summary of certain provisions expected to be included in the Liquidity Facility and proceedings under which the Multi-Modal Bonds are to be offered, 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 Bank is included herein as "APPENDIX F — THE BANK." Neither the City nor the Remarketing Agent makes any representation with respect to the information in "APPENDIX F — THE BANK."



APPENDIX C



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BEIJING  
BRUSSELS  
CHICAGO  
DALLAS  
GENEVA  
HONG KONG  
LONDON  
LOS ANGELES  
NEW YORK  
SAN FRANCISCO  
SHANGHAI  
SINGAPORE  
TOKYO  
WASHINGTON, DC

FOUNDED 1866

January 5, 2006

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 2006 Series H (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 Bonds, is not includable in the gross income of the owners of the Bonds for purposes of federal income taxation under existing law. Interest on the Bonds will be includable in the gross income of the owners thereof retroactive to the date of issue of the 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 exclusion from gross income of interest on the Bonds for federal income tax purposes on or after the date on which any action is taken under the Certificate upon the approval of counsel other than ourselves.

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.

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,

A handwritten signature in cursive script that reads "Sidley Austin LLP". The signature is written in dark ink and is positioned below the typed text "Very truly yours,".



SIDLEY AUSTIN LLP  
 787 SEVENTH AVENUE  
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October 16, 2013

The City of New York

Fulbright & Jaworski L.L.P.  
 As Bond Counsel to the City for Tax Matters

We have acted as Bond Counsel to The City of New York (the “City”) in connection with the modification of the terms of its General Obligation Bonds, Fiscal 2006 Subseries H-1 and H-2 (the “Bonds”) through the adoption of the Supplemental Certificate, dated October 16, 2013, of the Deputy Comptroller for Public Finance (the “Supplemental Certificate”). This letter is delivered pursuant to the Supplemental Certificate and to the Certificate with respect to the Bonds identified therein (the “Certificate”). In rendering the opinions set forth herein, we have reviewed certificates of the City and such other agreements, documents and matters to the extent we deemed necessary to render our opinions. We have not undertaken an independent audit or investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the genuineness of all documents and signatures presented to us; the due and legal execution and delivery thereof by, and validity against, any parties other than the City; and the accuracy of the factual matters represented, warranted or certified therein.

In our opinion, based upon the foregoing, the Supplemental Certificate and the actions ordered thereby are authorized by law and the Certificate.

With respect to the Supplemental Certificate, the last clause of opening paragraph 3 of our opinion dated April 11, 2006, is amended to read as follows:

“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.”

The opinion expressed above is not to be considered our approval of the actions taken in connection with the Supplemental Certificate with respect to its effect on the exclusion from gross income of interest on the Bonds. The City has received the opinion of Fulbright & Jaworski L.L.P. regarding the effect of the Supplemental Certificate on the exclusion from gross income of the interest on the Bonds, and we express no opinion as to such matters. We have not been engaged to investigate, examine, review or opine as to any matter relating to the federal, state or local tax consequences of the Supplemental Certificate with respect to the Bonds (including the receipt of interest thereon) or the ownership or disposition thereof.



The City of New York  
October 16, 2013  
Page 2

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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October 16, 2013

The City of New York

We have acted as bond counsel for tax matters to The City of New York (the “City”), a municipal corporation of the State of New York (the “State”), in connection with the adoption of a Supplemental Certificate of the Deputy Comptroller for Public Finance, dated October 16, 2013 (the “Supplemental Certificate”), relating to the City’s General Obligation Bonds, Fiscal 2006 Series H, Subseries H-1 and H-2 (the “Bonds”).

We have examined, and in expressing the opinions hereinafter described we rely upon, certificates of the City and such other agreements, documents and matters as we deem necessary to render our opinions. We have not undertaken an independent audit or investigation of the matters described or contained in the foregoing certificates, agreements and documents. We have assumed, without undertaking to verify, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as certified copies, the genuineness of all signatures, and the accuracy of the statements contained in such documents.

In rendering the opinions below, we have assumed the correctness of the approving opinion delivered by Sidley Austin LLP in connection with the issuance of the Bonds, which concluded that the Bonds are duly authorized 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, and that under then-existing law interest on the Bonds would not be includable in the gross income of the owners thereof for purposes of federal income taxation, and are relying on the opinion of Sidley Austin LLP dated the date hereof to the effect that the Supplemental Certificate and the actions ordered thereby are authorized by law and the Certificate (as identified in the Supplemental Certificate).

Based upon the foregoing, we are of the opinion that the Supplemental Certificate will not in and of itself adversely affect any exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

At the time of issuance of the Bonds, the City covenanted to comply with applicable provisions of the Internal Revenue Code of 1986 relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. Noncompliance with such requirements could 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. We have not been engaged to assess the adequacy of such covenants or to determine whether the City has complied with such requirements.

Fulbright & Jaworski LLP is a limited liability partnership registered under the laws of Texas. Fulbright & Jaworski LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP, Norton Rose Fulbright South Africa (incorporated as Deneys Reitz, Inc.), each of which is a separate legal entity, are members of Norton Rose Fulbright Verein, a Swiss Verein. Details of each entity, with certain regulatory information, are at [nortonrosefulbright.com](http://nortonrosefulbright.com). Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients.

In addition, we have not been engaged, nor have we undertaken, to advise any party or to opine as to any matter not specifically covered hereinabove, including, but not limited to, any existing exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes. Accordingly, we express no opinion with respect to the current status of the interest on the Bonds for federal income tax purposes.

We express no opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above. Finally, we express no opinion herein as to the accuracy, completeness or sufficiency of, or any other matter related to, the Reoffering Circular dated October 9, 2013, relating to the Bonds or any other offering material relating to the Bonds.

Very truly yours,



**THE BANK**

**JPMORGAN CHASE BANK, NATIONAL ASSOCIATION**

JPMorgan Chase Bank, National Association (the “Bank”) is a wholly owned subsidiary of JPMorgan Chase & Co., a Delaware corporation whose principal office is located in New York, New York. The Bank offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency.

As of June 30, 2013, JPMorgan Chase Bank, National Association had total assets of \$1,947.8 billion, total net loans of \$604.2 billion, total deposits of \$1,249.5 billion, and total stockholder’s equity of \$151.5 billion. These figures are extracted from the Bank’s unaudited Consolidated Reports of Condition and Income (the “Call Report”) as of June 30, 2013, prepared in accordance with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles. The Call Report including any update to the above quarterly figures is filed with the Federal Deposit Insurance Corporation and can be found at [www.fdic.gov](http://www.fdic.gov).

Additional information, including the most recent annual report on Form 10-K for the year ended December 31, 2012, of JPMorgan Chase & Co., the 2012 Annual Report of JPMorgan Chase & Co., and additional annual, quarterly and current reports filed with or furnished to the Securities and Exchange Commission (the “SEC”) by JPMorgan Chase & Co., as they become available, may be obtained without charge by each person to whom this Reoffering Circular is delivered upon the written request of any such person to the Office of the Secretary, JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017 or at the SEC’s website at [www.sec.gov](http://www.sec.gov).

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The information contained in this Appendix relates to and has been obtained from the Bank. The delivery of the Reoffering Circular 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 Appendix is correct as of any time subsequent to its date.

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