

## **EXISTING ISSUES REOFFERED**

In the opinion of Fulbright & Jaworski L.L.P., Bond Counsel to the City for Tax Matters, interest on the Bonds will be exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City, and assuming continuing compliance with the provisions of the Internal Revenue Code of 1986, as amended, as described herein, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes. See “SECTION III: MISCELLANEOUS—Tax Matters” herein for further information.

**\$248,120,000**

# **The City of New York**

## **General Obligation Bonds, Fiscal 2008 Series J**

**\$100,000,000 Subseries J-4**

**\$74,060,000 Subseries J-7**

**\$74,060,000 Subseries J-8**

## **INDEX RATE BONDS**

Index Rate Conversion Date: March 19, 2013

Step-up and Maturity Dates: As shown on the inside cover page

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 of each Subseries can be purchased in Authorized Denominations of \$5,000 and integral multiples thereof. Interest on the Bonds accrues from the Index Rate Conversion Date and is payable monthly on the first business day of each month. Other terms of the Bonds including interest rates, redemption and tender provisions are described herein.

**While the Bonds are in the Index Rate Mode, they are not subject to optional or mandatory tender for purchase, except that the Bonds will be subject to mandatory tender at the option of the City on and after the First Par Call Date. If any Bond is not remarketed or refunded on or prior to the Step-up Date, then, on and after the Step-up Date, the interest rate on such Bond will be the Step-up Rate as shown on the inside cover page.**

In connection with the change in the method of determining the interest rates and other modifications 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 L.L.P., 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 Underwriters by Squire Sanders (US) LLP, New York, New York, and D. Seaton and Associates, New York, New York, Co-Counsel to the Underwriters. It is expected that the Bonds will be available for delivery in New York, New York, on their date of conversion which is expected to be on or about March 19, 2013.

**Siebert Brandford Shank & Co., L.L.C.**

**RBC Capital Markets**

**Loop Capital Markets LLC**

**BofA Merrill Lynch**

**Citigroup**

**Jefferies**

**J.P. Morgan**

**Morgan Stanley**

March 1, 2013

**\$248,120,000 General Obligation Bonds, Fiscal 2008 Series J  
Subseries J-4, J-7 and J-8**

**INDEX RATE BONDS  
Price: 100%**

| <b>\$100,000,000<br/>Subseries J-4</b> |  |  | <b>\$74,060,000<br/>Subseries J-7</b> |  |  |
|--|--|--|---------------------------------------|--|--|
| Maturity Date:                         | August 1, 2025   |  | Maturity Date:                        | August 1, 2021   |  |
| Rate Mode on Index                     |  |  | Rate Mode on Index                    |  |  |
| Rate Conversion                        |  |  | Rate Conversion                       |  |  |
| Date:                                  | Index Rate Mode  |  | Date:                                 | Index Rate Mode  |  |
| First Interest                         |  |  | First Interest                        |  |  |
| Payment Date:                          | April 1, 2013  |  | Payment Date:                         | April 1, 2013  |  |
| Floating Rate:                         | SIFMA plus 0.55%   |  | Floating Rate:                        | SIFMA plus 0.47%   |  |
| First Par Call Date:                   | October 2, 2017  |  | First Par Call Date:                  | October 3, 2016  |  |
| Step-up Date:                          | April 2, 2018  |  | Step-up Date:                         | April 3, 2017  |  |
| Step-up Rate:                          | If the Bonds of a Subseries are not remarketed or refunded on or prior to the Step-up Date, then the interest rate on such Bonds will be equal to: |  | Step-up Rate:                         | If the Bonds of a Subseries are not remarketed or refunded on or prior to the Step-up Date, then the interest rate on such Bonds will be equal to: |  |
|  | <u>Days following the<br/>Step-up Date</u>   | <u>Step-up Rate</u>  |                                       | <u>Days following the<br/>Step-up Date</u>   | <u>Step-up Rate</u>  |
|  | 1 to 90  | Greater of<br>(i) SIFMA plus 4%<br>or (ii) 6%; never to<br>exceed 9% |                                       | 1 to 90  | Greater of<br>(i) SIFMA plus 4%<br>or (ii) 6%; never to<br>exceed 9% |
|  | 91 or more   | 9%   |                                       | 91 or more   | 9%   |
| Underwriter:                           | Siebert Brandford Shank & Co., L.L.C.  |  | Underwriter:                          | RBC Capital Markets  |  |
| CUSIP Number <sup>(1)</sup> :          | 64966KPW7  |  | CUSIP Number <sup>(1)</sup> :         | 64966KPU1  |  |

| <b>\$74,060,000<br/>Subseries J-8</b> |  |  |
|---------------------------------------|--|--|
| Maturity Date:                        | August 1, 2021   |  |
| Rate Mode on Index                    |  |  |
| Rate Conversion                       |  |  |
| Date:                                 | Index Rate Mode  |  |
| First Interest                        |  |  |
| Payment Date:                         | April 1, 2013  |  |
| Floating Rate:                        | SIFMA plus 0.38%   |  |
| First Par Call Date:                  | October 1, 2015  |  |
| Step-up Date:                         | April 1, 2016  |  |
| Step-up Rate:                         | If the Bonds of a Subseries are not remarketed or refunded on or prior to the Step-up Date, then the interest rate on such Bonds will be equal to: |  |
|                                       | <u>Days following the<br/>Step-up Date</u>   | <u>Step-up Rate</u>  |
|                                       | 1 to 90  | Greater of<br>(i) SIFMA plus 4%<br>or (ii) 6%; never to<br>exceed 9% |
|                                       | 91 or more   | 9%   |
| Underwriter:                          | Loop Capital Markets LLC   |  |
| CUSIP Number <sup>(1)</sup> :         | 64966KPV9  |  |

<sup>(1)</sup> Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific Subseries is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such Subseries or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Bonds.

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriters to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this 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 Underwriters. 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 Underwriters may offer and sell Bonds to certain dealers and others at prices lower than the reoffering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriters. No representations are made or implied by the City or the Underwriters as to any offering of any derivative instruments.

The factors affecting the City's financial condition are complex. This 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 Underwriters that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. If and when included by specific reference in this 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           | Book-Entry Only System .....  | 5           |
| SECTION II: THE BONDS .....                      | 2           | SECTION III: MISCELLANEOUS .....  | 7           |
| General .....                                    | 2           | Supplemental Certificates .....   | 7           |
| Payment Mechanism .....                          | 2           | Tax Matters .....   | 7           |
| Enforceability of City Obligations .....         | 3           | Legal Opinions .....  | 9           |
| Certain Covenants and Agreements .....           | 3           | Underwriting .....  | 9           |
| Use of Proceeds .....                            | 4           | Ratings .....   | 10          |
| Interest Rate .....                              | 4           | APPENDIX A—DEFINITIONS .....  | A-1         |
| Optional Redemption .....                        | 4           | APPENDIX B—MULTI-MODAL BONDS .....                                      | B-1         |
| Mandatory Redemption .....                       | 5           | APPENDIX C—ORIGINAL OPINION OF BOND COUNSEL .....                       | C-1         |
| Notice of Redemption .....                       | 5           | APPENDIX D—OPINION OF BOND COUNSEL AS TO CONVERSION .....               | D-1         |
| Tender .....                                     | 5           | APPENDIX E—OPINION OF BOND COUNSEL TO THE CITY FOR TAX<br>MATTERS ..... | E-1         |

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

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

# **REOFFERING CIRCULAR OF THE CITY OF NEW YORK**

The purpose of this Reoffering Circular, including the cover page, inside cover page and appendices, is to provide information about The City of New York (the “City”) in connection with the conversion and reoffering by the City of \$248,120,000 aggregate principal amount of its General Obligation Bonds (the “Bonds”) consisting of \$100,000,000 Fiscal 2008, Subseries J-4 Bonds (the “Subseries J-4 Bonds”), \$74,060,000 Fiscal 2008, Subseries J-7 Bonds (the “Subseries J-7 Bonds”) and \$74,060,000 Fiscal 2008, Subseries J-8 Bonds (the “Subseries J-8 Bonds”). The Subseries J-4 Bonds and Subseries J-8 Bonds are being converted from the Daily Rate Mode, and the Subseries J-7 Bonds are being converted from the Weekly Rate Mode, in each case, to the Index Rate Mode.

If certain conditions are met on the conversion date set forth on the cover page of this Reoffering Circular (the “Index Rate Conversion Date”), from and after the Index Rate Conversion Date, the Bonds will bear interest in the Index Rate Mode. On the Index Rate Conversion Date, the Bonds will be mandatorily tendered by the Holders thereof for purchase at a price of par, plus accrued interest to the Index Rate Conversion Date. The Bonds are being reoffered by this Reoffering Circular. Such Bonds are expected to be delivered to the Underwriters on the Index Rate Conversion Date.

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 incorporated 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 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.

Terms not otherwise defined herein will have the meanings ascribed thereto in APPENDIX A hereto.

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**

On or about March 19, 2013, the City expects to deliver \$972,510,000 aggregate principal amount of its General Obligation Bonds, Fiscal 2013 Subseries F-1, Subseries F-2, Series G and Series H. Such bonds will be offered by a separate Official Statement. Portions of the City’s Official Statement, dated March 1, 2013 delivered herewith and relating to the Fiscal 2013 Subseries F-1, Subseries F-2, Series G and Series H 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

Continuing Disclosure Undertaking (except that any reference therein to “Bonds” or “Bondholders” will be deemed to be a reference to Bonds and Bondholders as used in this Reoffering Circular)

Financial Advisors

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 2013 Subseries F-1, Subseries F-2, Series G and Series H Bonds described in such Official Statement are not offered by this Reoffering Circular.**

Concurrently with the reoffering of the Bonds and the issuance of the Fiscal 2013 Subseries F-1, Subseries F-2, Series G and Series H Bonds, the City expects to convert \$88,640,000 principal amount of its bonds from daily and weekly variable rates to fixed rates. Such conversions are described in a separate reoffering circular and not offered hereby. In addition, concurrently with the reoffering of the Bonds, the City expects to deliver \$180,000,000 aggregate principal amount of its tax-exempt Fiscal 2013 Subseries F-3 multi-modal variable rate bonds, which will be described in a separate official statement and are not offered hereby.

## 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 (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.

Effective upon the conversion of the Bonds to the Index Rate Mode, the Bonds will not be subject to tender for purchase and the former liquidity and credit providers, as applicable, will have no liability with respect to the Bonds.

The interest rate on the Bonds is being converted from a Daily Rate and Weekly Rate to Index Rates. The Bonds will bear interest at the Index Rates and will mature on the date as set forth on the inside cover page of this Reoffering Circular. The Bonds have been issued in book-entry only form. The Bonds are in minimum denominations of \$5,000 principal amount and integral multiples thereof. Interest on the Bonds while in the Index Rate Mode is payable on the first Business Day of each month commencing April 1, 2013 and, without duplication on any Conversion Date or Optional Redemption Date of the Bonds. Interest on the Bonds shall be computed on the basis of a 365/366 day year and the actual number of days elapsed.

For the terms of the Bonds in the Index Rate Mode, see the inside cover page, “APPENDIX A—DEFINITIONS” and “APPENDIX B—MULTI-MODAL BONDS.” The Bonds of a Subseries may be converted in whole or in part to other Rate Modes as described in “APPENDIX B—MULTI-MODAL BONDS—Conversion from Index Rate Period to an Index Rate Period or 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 the Index Rate where SIFMA is the Index. It is currently anticipated that, should any Bonds be Converted, a remarketing circular will be distributed describing the new Index Rate Period or Rate Mode.

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



financial reporting requirements of the Act, as in effect from time to time, to limit its issuance of bond anticipation notes as required by the Act, as in effect from time to time, to include as terms of the 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.

### **Use of Proceeds**

The proceeds of the Bonds were used to refund bonds that had been issued for capital purposes and certain costs of issuance.

### **Interest Rate**

With respect to any Bond, commencing on the Index Rate Conversion Date and extending to, but not including, the Step-up Date, or earlier redemption date or Conversion Date, the interest rate on such Bond will be the Floating Rate applicable thereto. The Floating Rates are set forth on the inside cover of this Reoffering Circular.

If any Bond has not been converted to a different interest rate mode or redeemed on or prior to the applicable Step-up Date, the interest rate on such Bond will be the applicable Step-up Rate set forth on the inside cover of this Reoffering Circular.

In no event will the Bonds bear interest at a rate greater than the Maximum Rate.

### **Optional Redemption**

The Bonds are subject to redemption 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 Business Day on or after the applicable First Par Call Date as shown on the inside cover of this Reoffering Circular, 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 within each stated maturity, on the first Business Day of each August shown below at a redemption price equal to the principal amount thereof, plus accrued interest, without premium, in the respective amounts set forth below:

| Subseries J-4 |              | Subseries J-7 |              |
|---------------|--------------|---------------|--------------|
| Year          | Amount       | Year          | Amount       |
| 2024 .....    | \$85,770,000 | 2020 .....    | \$45,160,000 |
| 2025* .....   | 14,230,000   | 2021* .....   | 28,900,000   |

  

| Subseries J-8 |              |
|---------------|--------------|
| Year          | Amount       |
| 2020 .....    | \$45,160,000 |
| 2021* .....   | 28,900,000   |

\* Stated maturity, August 1.

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, as defined below (not to the Beneficial Owners of the Bonds) not less than 30 or more than 60 days prior to the date fixed for redemption.

## Tender

The Bonds are not subject to optional tender for purchase.

The Bonds are not subject to mandatory tender except at the option of the City on and after the applicable First Par Call Date upon ten days' notice to Holders, if the City has duly provided a source of payment therefor.

## 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 from time to time. The Bonds have been 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 has been issued for each subseries and maturity of the Bonds, each in the aggregate principal amount of such maturity, and has been 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 Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to both U.S. and non-U.S. securities brokers and dealers, bank, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission.

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

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

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

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

Redemption notices will be sent to DTC. If less than all of the Bonds within a 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 and Purchase Price of 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.

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 Underwriters 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 Bonds;
- (b) to identify particular 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 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 and Bond Counsel to the City for Tax Matters.

#### **Tax Matters**

In the opinion of Fulbright & Jaworski L.L.P., Bond Counsel to the City for Tax Matters (“Bond Counsel to the City for Tax Matters” or “Tax Counsel”), interest on the Bonds will be exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City.

The City has covenanted to comply with applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. In the opinion of Tax Counsel, assuming compliance by the City with such covenants,

interest on the Bonds will be excludable from the gross income of the owners thereof for purposes of federal income taxation. Failure by the City to comply with such covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof retroactive to the date of the issue of the Bonds. Further, Tax Counsel will render no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action taken or not taken after the date of such opinion without the approval of Tax Counsel.

In the opinion of Tax Counsel, interest on the Bonds is not an item of tax preference for purposes of the federal individual or corporate alternative minimum tax. The Code contains other provisions that could result in tax consequences, upon which no opinion will be rendered by Tax Counsel, as a result of ownership of the Bonds or the inclusion in certain computations (including, without limitation, those related to the corporate alternative minimum tax) of interest that is excluded from gross income. Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a qualified mutual fund, a real estate investment trust, a real estate mortgage investment conduit, or a financial asset securitization investment trust ("FASIT"). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be computed.

In rendering the foregoing opinions, Tax Counsel will assume 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 will rely on the opinion of Sidley Austin LLP to the effect that the reoffering of the Bonds is lawful and permitted. 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.

Tax Counsel's opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Tax Counsel, and Tax Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

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 FASIT, 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.

### **Legal Opinions**

In connection with the original issuance of the Bonds, Sidley Austin LLP, New York, New York, Bond Counsel to the City (“Bond Counsel”), delivered its opinion that the Bonds were valid and legally binding obligations of the City. A copy of such opinion is contained in Appendix C to this Reoffering Circular.

The legality of the conversion of the Bonds will be affirmed by the legal opinion of Bond Counsel, 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 L.L.P., Bond Counsel to the City for Tax Matters, will be substantially in the form of Appendix E hereto.

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 for the Underwriters by Squire Sanders (US) LLP New York, New York, and D. Seaton and Associates, New York, New York, Co-counsel for the Underwriters.

### **Underwriting**

The Subseries J-4 Bonds are being purchased for reoffering by the Underwriters for whom Siebert Brandford Shank & Co., L.L.C. is acting as lead manager. The compensation for services rendered in connection with the reoffering of the Subseries J-4 Bonds will be \$387,212.93.

The Subseries J-7 Bonds are being purchased for reoffering by the Underwriters for whom RBC Capital Markets, LLC is acting as lead manager. The compensation for services rendered in connection with the reoffering of the Subseries J-7 Bonds will be \$284,943.33.

The Subseries J-8 Bonds are being purchased for reoffering by the Underwriters for whom Loop Capital Markets LLC is acting as lead manager. The compensation for services rendered in connection with the reoffering of the Subseries J-8 Bonds will be \$288,319.51.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

**Ratings**

The Bonds have been rated “Aa2” by Moody’s Investors Service, Inc. (“Moody’s”) and “AA” by Fitch, Inc. (“Fitch”) and Standard & Poor’s Ratings Services (“Standard & Poor’s”). Such ratings reflect only the views of Moody’s, Fitch and Standard & Poor’s from which an explanation of the significance of such ratings may be obtained. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely. Any such downward revision or withdrawal could have an adverse effect on the market prices of such Bonds. A securities rating is not a recommendation to buy, sell or hold securities.

THE CITY OF NEW YORK

DEFINITIONS

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

*“Adjustment Date”* means each Thursday.

*“Applicable Spread”* means the spread to SIFMA set forth on the inside cover of this Reoffering Circular with respect to each Subseries opposite “Floating Rate.”

*“Authorized Denomination”* means during any Index Rate Period \$5,000 and integral multiples thereof.

*“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 March 19, 2013.

*“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 2008 Series J, Subseries J-4, J-7, J-8.

*“Book-Entry Only Form”* or *“Book-Entry Only 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.

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

*“Calculation Date”* means, in an Index Rate Period, each Wednesday (or, if any such Wednesday is not a Business Day, the immediately preceding Business Day).

*“Certificate”* means, as applicable, the Authorizing Document with all Exhibits, Schedules, appendices and related proceedings, including the Bonds and all supplemental certificates.

*“Conversion”* means a change in the Rate Mode or Index Rate Period of a Bond. To “Convert” is the act of Conversion.

*“Conversion Date”* means the Business Day of a 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.

*“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.

“*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.

“*First Par Call Date*” means each such date set forth on the inside cover page of this Reoffering Circular.

“*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.

“*Floating Rate*” means the sum of the Index and the Applicable Spread.

“*Index*” means SIFMA.

“*Index Rate*” means, from and including the first day of an Index Rate Period to but not including the Step-up Date, the Floating Rate; thereafter, until duly modified, the Step-up Rate; but never to exceed the Maximum Rate.

“*Index Rate Period*” means a period in which Bonds bear interest at the Index Rate.

“*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.

“*Interest Payment Date*” means the first Business Day of each month. 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.

“*Mandatory Redemption Date*” means, in each year so specified in the Bonds, the first Business Day in August (which will be an Interest Payment Date).

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

“*Maximum Rate*” means, with respect to the Bonds, 9%.

“*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 any Business Day on or after the applicable First Par Call Date.

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

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

*“Rate”* means the Index Rate or the rate of interest at which the Bonds may bear interest following Conversion.

*“Rate Mode”* or *“Mode”* means the Index Rate Mode or another Mode in effect following Conversion.

*“Rate Period”* means any Index Rate Period or another Rate Period in effect following Conversion.

*“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 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 the City), for each Index Rate Period, or in any case not specified, the close of business on the Business Day preceding such Interest Payment Date.

*“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.

*“SIFMA”* means, as of any particular date of determination, the Securities Industry and Financial Markets Association Municipal Swap Index (previously known as the “Bond Market Municipal Swap Index” and the “PSA Municipal Swap Index”) announced by Municipal Market Data on the most recent date based upon the weekly rate resets of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meets specified criteria established by the Securities Industry and Financial Markets Association. The SIFMA Index shall be based upon current yields of high-quality weekly adjustable variable rate demand bonds which are subject to tender upon seven days’ notice, the interest on which is tax-exempt and not subject to any personal “alternative minimum tax” or similar tax under the Code unless all tax-exempt securities are subject to such tax. In the event that Municipal Market Data no longer provides an index satisfying the requirements of the preceding sentence, an alternative index shall be calculated based upon the criteria for the SIFMA Index by an entity (which may be the Calculation Agent) selected in good faith by the City.

*“Step-up Date”* means the applicable Step-up Date set forth on the inside cover page of this Reoffering Circular.

*“Step-up Rate”* means the applicable Step-up Rate set forth on the inside cover page of this Reoffering Circular.

*“Subseries”* shall mean the Subseries J-4, J-7 or J-8 Bonds.

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

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

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

*“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 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 on any Conversion Date as described under “Conversion from Index Rate Period to Index Rate Period or to an alternate Rate Mode.” The Bonds will continue in an Index 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 from Index Rate Period to Index Rate Period or to an Alternate Rate Mode.”

During any Index 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 from Index Rate Period to Index Rate Period or 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 from an Index Rate Period to another Index Rate Period or from the Index Rate Mode to a different Rate Mode by delivering a Conversion Notice to the applicable Remarketing Agent, DTC, the Fiscal Agent and the Tender Agent specifying the Multi-Modal Bonds to be converted, the Conversion Date and the Rate Mode that will be effective on the Conversion Date. The City must deliver such Conversion Notice not less than 15 days prior to the Conversion Date or a shorter period of at least 10 days if acceptable to DTC.

No Bond shall be converted from one Index Rate Period to another Index Rate Period or to an alternate Rate Mode unless: (A) the Conversion Date is (1) at least 15 days after receipt by the Fiscal Agent and the Tender Agent of the Conversion Notice (or such shorter period as may be agreed to by the Fiscal Agent and the Depository) and (2) at least three days after the Fiscal Agent has mailed the notice to Bondholders described below; and (B) at least three days prior to the proposed Conversion Date, the Fiscal Agent has received a certificate of an Authorized Officer of the City stating that a written agreement has been entered into by the City and a financially responsible party providing for the purchase (either as underwriters or otherwise) of the Bonds to be converted on the Conversion Date at a price equal to the principal amount thereof (or such other price as the City may determine if the sale of such Bonds at such other price would not prevent the Favorable Opinion of Bond Counsel from being delivered upon such sale), which written agreement (y) may be subject to reasonable terms and conditions which, in the judgment of the City, reflect current market standards and (z) must include a provision requiring payment of the purchase price for the Bonds to be Converted to be made in immediately available funds. If on the Conversion Date a remarketing or purchase by a financially responsible party has been arranged for less than all the Bonds to have been Converted, only the Bonds for which a remarketing or purchase by a financially responsible party has been arranged shall be Converted.

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 and the City 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, if duly converted, with a Favorable Opinion of Bond Counsel, any other Rate Mode selected by the City.

### **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 Bond to be tendered or the amount payable to the registered owner of a Purchased Bond following receipt by such owner of a purchase notice from the Remarketing Agent, plus accrued and unpaid interest from the immediately preceding Interest Payment Date.

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 Direct Participants.

The Purchase Price of any other Bond will be paid, in same-day funds, only after presentation and surrender of the 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 a 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 Bonds tendered for purchase and money furnished by or on behalf of the City (which has no obligation to do so).

### **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.



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

|           |                  |
|-----------|------------------|
| BEIJING   | LOS ANGELES      |
| BRUSSELS  | NEW YORK         |
| CHICAGO   | SAN FRANCISCO    |
| DALLAS    | SHANGHAI         |
| FRANKFURT | SINGAPORE        |
| GENEVA    | SYDNEY           |
| HONG KONG | TOKYO            |
| LONDON    | WASHINGTON, D.C. |

FOUNDED 1866

April 1, 2008

HONORABLE WILLIAM C. THOMPSON, JR.  
 COMPTROLLER  
 THE CITY OF NEW YORK  
 MUNICIPAL BUILDING  
 NEW YORK, NEW YORK 10007

Dear Comptroller Thompson:

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

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

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

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

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

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

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

5. The excess, if any, of the amount payable at maturity of any maturity of the Tax-Exempt Bonds over the initial offering price of such Tax-Exempt Bonds to the public at which price a

substantial amount of such maturity is sold represents original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Tax-Exempt Bonds. The Code further provides that such original issue discount excluded as interest accrues in accordance with a constant interest method based on the compounding of interest, and that a holder's adjusted basis for purposes of determining a holder's gain or loss on disposition of Tax-Exempt Bonds with original issue discount will be increased by the amount of such accrued interest.

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

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

Very truly yours,

*Sidley Austin LLP*





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

BEIJING  
BRUSSELS  
CHICAGO  
DALLAS  
FRANKFURT  
GENEVA  
HONG KONG  
HOUSTON  
LONDON

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

FOUNDED 1866

March 19, 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 in connection with the conversion of its General Obligation Bonds, Fiscal 2008, Subseries J-4, J-7 and J-8 (the “Bonds”) to indexed rates through the adoption of the Supplemental Certificate, dated March 19, 2013, of the Deputy Comptroller for Public Finance (the “Supplemental Certificate”). This letter is delivered pursuant to the Supplemental Certificate and to the Certificates identified therein (the “Certificates”). In rendering the opinions set forth herein, we 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 (the “Conversion”) are authorized by law and the Certificates.

The City has received the opinion of Fulbright & Jaworski L.L.P. regarding certain federal, state and local tax consequences of ownership of or receipt or accrual of 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 Conversion with respect to the Bonds (including the receipt of interest thereon) or the ownership or disposition thereof. Accordingly, in rendering this opinion, we are not passing upon the treatment of the Bonds (including interest thereon) for any federal, state or local tax purposes, we have not reviewed any matter or conducted any investigation or examination relating to the effect of the Conversion thereon and we take no responsibility therefor. We do not express any opinion as to any federal, state, or local tax consequences arising with respect to the Bonds or the ownership or disposition thereof, including, without limitation, the exclusion from gross income of interest on the Bonds.

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,

[THIS PAGE INTENTIONALLY LEFT BLANK]



666 Fifth Avenue, 31st Floor • New York, New York 10103-3198

Main: 212 318 3000 • Facsimile: 212 318 3400

March \_\_, 2013

HONORABLE JOHN C. LIU  
COMPTROLLER  
The City of New York  
Municipal Building  
New York, New York 10007

Dear Comptroller Liu:

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 connection with the City's reoffering of its General Obligation Bonds, Fiscal 2008, Subseries J-4, J-7 and J-8 (the "Bonds") on the date hereof.

The Bonds are issued pursuant to 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. 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 are relying on the opinion of Sidley Austin LLP dated the date hereof to the effect that the reoffering of the Bonds is lawful and permitted.

Based upon the foregoing and our examination of existing law, we are of the opinion that:

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

2. The City has covenanted to comply with applicable provisions of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), relating to the exclusion from gross income of the interest on the Bonds for purposes of federal income taxation. Assuming compliance by the City with such covenants, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes.

3. Interest on the Bonds is not an item of tax preference 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.

AUSTIN · BEIJING · DALLAS · DENVER · DUBAI · HONG KONG · HOUSTON · LONDON · LOS ANGELES · MINNEAPOLIS  
MUNICH · NEW YORK · PITTSBURGH-SOUTHPOINTE · RIYADH · SAN ANTONIO · ST. LOUIS · WASHINGTON DC

[www.fulbright.com](http://www.fulbright.com)

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. Furthermore, we express no opinion as to the effect on the exclusion from gross income of interest on the Bonds of any action taken or not taken after the date of this opinion without our approval. 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, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement Benefits, individuals otherwise qualifying for the earned income tax credit 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.

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 thereafter come to our attention or to reflect any changes in any law that may thereafter 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 March 1, 2013, relating to the Bonds or any other offering material relating to the Bonds.

Very truly yours,



