

April 30, 2021

**Supplement to Official Statement Dated April 20, 2021  
Relating to**

**\$1,238,210,000**

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY  
(MTA BRIDGES AND TUNNELS)**

**Payroll Mobility Tax Senior Lien Bonds,  
Series 2021A**

*consisting of*

**\$633,535,000**  
**Payroll Mobility Tax**  
**Senior Lien Bonds,**  
**Subseries 2021A-1**  
**(Tax-Exempt)**

**\$356,225,000**  
**Payroll Mobility Tax**  
**Senior Lien Refunding Bonds,**  
**Subseries 2021A-2**  
**(Tax-Exempt Mandatory Tender Bonds)**

**\$248,450,000**  
**Payroll Mobility Tax**  
**Senior Lien Refunding Bonds,**  
**Subseries 2021A-3**  
**(Federally Taxable)**

The Official Statement dated April 20, 2021 (the Official Statement) for the above-referenced Bonds is hereby supplemented to incorporate by specific cross-reference the following portions of MTA's 2021 Combined Continuing Disclosure Filings, dated April 30, 2021, filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB):

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**)
- **Appendix B** – Unaudited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2020 and 2019 (excluding the auditor's report accompanying the annual financial information)

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**Please affix this Supplement to the Official Statement that you have in your possession and forward this Supplement to any party to whom you delivered a copy of the Official Statement.**

\$1,238,210,000

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY  
(MTA BRIDGES AND TUNNELS)  
Payroll Mobility Tax Senior Lien Bonds,  
Series 2021A**



consisting of

**\$633,535,000**  
**Payroll Mobility Tax**  
**Senior Lien Bonds,**  
**Subseries 2021A-1**  
**(Tax-Exempt)**

**\$356,225,000**  
**Payroll Mobility Tax**  
**Senior Lien Refunding Bonds,**  
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**(Tax-Exempt Mandatory Tender Bonds)**

**\$248,450,000**  
**Payroll Mobility Tax**  
**Senior Lien Refunding Bonds,**  
**Subseries 2021A-3**  
**(Federally Taxable)**

DATED: Date of Delivery

DUE: May 15, as shown on the inside cover page

The Triborough Bridge and Tunnel Authority's (MTA Bridges and Tunnels) Payroll Mobility Tax Senior Lien Bonds, Series 2021A (the Series 2021A Bonds), consisting of Payroll Mobility Tax Senior Lien Bonds, Subseries 2021A-1 (Tax-Exempt) (the Subseries 2021A-1 Bonds), Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-2 (Tax-Exempt Mandatory Tender Bonds) (the Subseries 2021A-2 Bonds, and together with the Subseries 2021A-1 Bonds, the Tax-Exempt Bonds), and Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-3 (Federally Taxable) (the Subseries 2021A-3 Bonds), are being issued to (i) retire the Metropolitan Transportation Authority's (MTA) outstanding Transportation Revenue Bond Anticipation Notes, Subseries 2018B-2, (ii) refund MTA's outstanding Transportation Revenue Bonds, Series 2015X (RRIF Loan – Positive Train Control Project), and (iii) pay certain financing, legal and miscellaneous expenses. See "APPLICATION OF PROCEEDS" herein.

MTA Bridges and Tunnels and MTA may each issue obligations secured on a parity (either on a senior lien basis with the Series 2021A Bonds, or on a second lien basis) by PMT Receipts pursuant to the Financing Agreement, as further described herein. The Series 2021A Bonds are the first obligations to be issued by MTA Bridges and Tunnels under the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Obligation Resolution (TBTA PMT Resolution); MTA has previously issued certain bond anticipation notes under the Metropolitan Transportation Authority Payroll Mobility Tax Obligation Resolution (MTA PMT Resolution), interest on which is secured by PMT Receipts on a subordinate basis, as described herein.

The Series 2021A Bonds—

- are MTA Bridges and Tunnels' special, not general, obligations, payable solely from monies pledged therefor under the Obligations Trust Estate under the TBTA PMT Resolution derived primarily from certain payroll mobility taxes (Mobility Tax Receipts) and certain fees, surcharges and taxes (referred to herein as Aid Trust Account Receipts or ATA Receipts, and together with the Mobility Tax Receipts are referred to collectively, as PMT Receipts) deposited into the applicable accounts established for the PMT Receipts under the Payroll Mobility Tax Financing Agreement (Financing Agreement) between MTA and MTA Bridges and Tunnels as described in this official statement, and
- are not a debt of the State of New York (the State) or The City of New York (the City) or any other local government unit.

Mobility Tax Receipts and ATA Receipts for the payment of debt service on the Series 2021A Bonds are not subject to appropriation by the State.

MTA Bridges and Tunnels has no taxing power.

In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA Bridges and Tunnels, under existing law and relying on certain representations by MTA Bridges and Tunnels and MTA and assuming the compliance by MTA Bridges and Tunnels and MTA with certain covenants, interest on the Tax-Exempt Bonds is:

- *excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and*
- *not a specific preference item for an Owner in calculating the federal alternative minimum tax.*

Interest on the Subseries 2021A-3 Bonds is not excluded from gross income for federal income tax purposes.

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2021A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See "TAX MATTERS RELATING TO THE TAX-EXEMPT BONDS" and "TAX MATTERS RELATING TO THE SUBSERIES 2021A-3 BONDS" herein for a discussion of certain federal and State income tax matters.

The Series 2021A Bonds will bear interest at the rates shown on the inside cover page hereof.

The Subseries 2021A-1 Bonds and the Subseries 2021A-3 Bonds are subject to redemption prior to maturity as described herein. The Subseries 2021A-2 Bonds are not subject to redemption prior to the Mandatory Purchase Date.

The Subseries 2021A-2 Bonds are being issued as Mandatory Tender Bonds and will bear interest at the Term Rate from their date of delivery as set forth on the inside cover page hereof. The Subseries 2021A-2 Bonds are subject to mandatory tender for purchase on the Mandatory Purchase Date. On or after the Mandatory Purchase Date, MTA Bridges and Tunnels may convert any of the Subseries 2021A-2 Bonds to a Commercial Paper Mode, Daily Mode, Weekly Mode, Fixed Rate Mode or another Term Rate Mode, and, in connection therewith, change the principal amount of the Subseries 2021A-2 Bonds. This official statement describes the Subseries 2021A-2 Bonds solely while they are in the initial Term Rate Mode.

The Series 2021A Bonds are offered when, as, and if issued, subject to certain conditions, and are expected to be delivered through the facilities of The Depository Trust Company on or about May 5, 2021.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2021A Bonds. Investors are advised to read the entire official statement, including all portions hereof included by specific cross-reference, to obtain information essential to making an informed decision.

**Blaylock Van LLC**  
**BofA Securities**  
**Ramirez & Co., Inc.**  
Academy Securities  
Loop Capital Markets  
Oppenheimer & Co.  
Raymond James

**Goldman Sachs & Co. LLC**  
**Drexel Hamilton, LLC**  
**J.P. Morgan**

Barclays  
Mischler Financial Group, Inc.  
PNC Capital Markets LLC  
Rice Financial Products Company

**Stern Brothers & Co.**  
**Jefferies**  
**Siebert Williams Shank & Co., LLC**  
Citigroup  
Morgan Stanley  
RBC Capital Markets  
UBS

**\$1,238,210,000**  
**Triborough Bridge and Tunnel Authority**  
**(MTA Bridges and Tunnels)**  
**Payroll Mobility Tax Senior Lien Bonds, Series 2021A**

*consisting of*

**\$633,535,000**  
**Subseries 2021A-1 (Tax-Exempt)**

\$131,010,000 4.00% Term Bond due May 15, 2046, Yield: 1.87%\*  
CUSIP Number<sup>†</sup> 89602HAA5  
\$502,525,000 5.00% Term Bond due May 15, 2051, Yield: 1.84%\*  
CUSIP Number<sup>†</sup> 89602HAB3

**\$356,225,000**  
**Subseries 2021A-2 (Tax-Exempt Mandatory Tender Bonds)**  
**Maturing May 15, 2045**

<b>Mandatory Purchase Date (May 15)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Yield**</b>	<b>CUSIP Number<sup>†</sup> (89602H)</b>
2024	\$118,740,000	2.00%	0.32%	AC1
2026	118,745,000	2.00	0.60	AD9
2028	118,740,000	2.00	0.91	AE7

**\$248,450,000**  
**Subseries 2021A-3 (Federally Taxable)**

<b>Maturity (May 15)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price</b>	<b>CUSIP Number<sup>†</sup> (89602H)</b>
2033	\$31,955,000	2.261%	100%	AF4
2034	32,725,000	2.411	100	AG2
2035	33,545,000	2.511	100	AH0
2036	34,420,000	2.591	100	AJ6
2037	35,360,000	2.691	100	AK3
2040	80,445,000	2.917	100	AL1

The following summarizes the optional redemption provisions of the Series 2021A Bonds: the Subseries 2021A-1 Bonds are subject to optional redemption prior to maturity, in whole or in part, at the option of MTA Bridges and Tunnels on any date on or after May 15, 2031, as described herein under the caption “DESCRIPTION OF THE SUBSERIES 2021A-1 BONDS – Redemption Prior to Maturity” in **Part I**; the Subseries 2021A-2 Bonds are not subject to redemption prior to the Mandatory Purchase Date, as described under the caption “DESCRIPTION OF THE SUBSERIES 2021A-2 BONDS – Tender and Redemption Provisions” in **Part I**; and the Subseries 2021A-3 Bonds are subject to optional redemption prior to maturity, in whole or in part, at the option of MTA Bridges and Tunnels on any date on or after May 15, 2031, and are also subject to make-whole redemption at the option of MTA Bridges and Tunnels, in whole or in part, on any date before such date, as described herein under the caption “DESCRIPTION OF THE SUBSERIES 2021A-3 BONDS – Redemption Prior to Maturity” in **Part I**.

\* Priced at the stated yield to the May 15, 2031 optional redemption date.

\*\* Priced at the stated yield to the respective Mandatory Purchase Dates.

† CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Series 2021A Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2021A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2021A Bonds.

**Triborough Bridge and Tunnel Authority**  
**(MTA Bridges and Tunnels)**  
**Triborough Station, Box 35**  
**New York, New York 10035**  
**(212) 360-3000**  
**Website: <https://new.mta.info>**

Patrick J. Foye ..... Chair and Chief Executive Officer  
Andrew B. Albert..... Non-Voting Member  
Jamey Barbas .....Member  
Frank Borrelli, Jr. ....Member  
Norman E. Brown..... Non-Voting Member  
Victor Calise .....Member  
Lorraine Cortes-Vazquez .....Member  
Michael Fleischer.....Member  
Randolph F. Glucksman ..... Non-Voting Member  
Rhonda Herman .....Member  
David R. Jones .....Member  
Linda A. Laceywell.....Member  
Kevin S. Law .....Member  
Robert W. Linn .....Member  
David S. Mack .....Member  
Haeda B. Mihaltzes .....Member  
Robert F. Mujica, Jr. ....Member  
John Samuelson..... Non-Voting Member  
Lawrence S. Schwartz.....Member  
Vincent Tessitore, Jr. .... Non-Voting Member  
Neal Zuckerman.....Member

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Daniel F. DeCrescenzo Jr. .... President  
Julia R. Christ, Esq. .... General Counsel and Corporate Secretary  
Joseph Keane ..... Vice President and Chief Engineer

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NIXON PEABODY LLP  
New York, New York

D. SEATON AND ASSOCIATES, P.A., P.C.  
New York, New York

Co-Bond Counsel

PUBLIC RESOURCES ADVISORY GROUP, INC.  
New York, New York

BACKSTROM MCCARLEY BERRY & CO., LLC  
San Francisco, California

Co-Financial Advisors

HAWKINS DELAFIELD & WOOD LLP  
New York, New York  
Special Disclosure Counsel

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## SUMMARY OF TERMS

MTA Bridges and Tunnels has prepared this Summary of Terms to describe the specific terms of the Series 2021A Bonds. The information in this official statement, including the materials filed with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board and included by specific cross-reference as described herein, provides a more detailed description of matters relating to MTA Bridges and Tunnels and to the Payroll Mobility Tax Senior Lien Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2021A Bonds being offered.

Issuer .....	Triborough Bridge and Tunnel Authority, a public benefit corporation of the State of New York, hereinafter referred to as MTA Bridges and Tunnels.		
Bonds Being Offered.....	MTA Bridges and Tunnels Payroll Mobility Tax Senior Lien Bonds, Series 2021A (the Series 2021A Bonds), consisting of Payroll Mobility Tax Senior Lien Bonds, Subseries 2021A-1 (Tax-Exempt) (the Subseries 2021A-1 Bonds), Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-2 (Tax-Exempt Mandatory Tender Bonds) (the Subseries 2021A-2 Bonds), and Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-3 (Federally Taxable) (the Subseries 2021A-3 Bonds). The Series 2021A Bonds are the first series of bonds to be issued pursuant to the TBTA PMT Resolution.		
Purpose of Issue .....	The Series 2021A Bonds are being issued to (i) retire the outstanding MTA Transportation Revenue Bond Anticipation Notes, Subseries 2018B-2; (ii) refund MTA's outstanding Transportation Revenue Bonds, Series 2015X (RRIF Loan – Positive Train Control Project); and (iii) pay certain financing, legal and miscellaneous expenses. See “APPLICATION OF PROCEEDS” in <b>Part I</b> .		
Maturities and Rates.....	The Series 2021A Bonds mature on the dates and bear interest at the rates shown on the inside cover page of this official statement.		
Denominations .....	Denominations of \$5,000 or any integral multiple thereof.		
Interest Payment Dates.....	Interest on the Series 2021A Bonds shall be paid semiannually on May 15 and November 15, commencing November 15, 2021.		
Redemption .....	See “DESCRIPTION OF THE SUBSERIES 2021A-1 BONDS – Redemption Prior to Maturity,” “DESCRIPTION OF THE SUBSERIES 2021A-2 BONDS – Tender and Redemption Provisions” and “DESCRIPTION OF THE SUBSERIES 2021A-3 BONDS – Redemption Prior to Maturity” in <b>Part I</b> .		
Sources of Payment and Security .....	<p>Mobility Tax Receipts and ATA Receipts (collectively, PMT Receipts) deposited in the Obligations Trust Estate and pledged under the TBTA PMT Resolution, all as described in <b>Part II</b>.</p> <p>Pursuant to the Financing Agreement, the Series 2021A Bonds will be secured on a parity as to PMT Receipts with any other PMT Senior Lien Indebtedness issued or incurred by MTA Bridges and Tunnels or MTA.</p> <p>Other than PMT Receipts, holders of PMT Senior Lien Indebtedness have no claim on any revenues of MTA Bridges and Tunnels, MTA or any of its affiliates or subsidiaries. The Obligations Trust Estate is the sole source of payment for TBTA PMT Senior Lien Indebtedness (as defined herein), including the Series 2021A Bonds.</p>		
Additional Bonds Test.....	Except for certain refundings, the issuance or incurrence of any PMT Senior Lien Indebtedness is subject to an additional bonds test of 2.25 times coverage of maximum annual senior lien debt service prescribed by the PMT Resolutions (as defined herein) from historical PMT Receipts, as more fully described herein under the caption “SECURITY – Covenants – Additional PMT Senior Lien Indebtedness Including Parity Debt.”		
Registration of the Bonds .....	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.		
Trustee and Tender Agent .....	The Bank of New York Mellon, New York, New York.		
Co-Bond Counsel .....	Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C., New York, New York.		
Special Disclosure Counsel .....	Hawkins Delafield & Wood LLP, New York, New York.		
Tax Status.....	See “TAX MATTERS RELATING TO THE TAX-EXEMPT BONDS” and “TAX MATTERS RELATING TO THE SUBSERIES 2021A-3 BONDS” in <b>Part III</b> .		
Ratings .....	<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
	Fitch:	AA+	Negative
	KBRA:	AA+	Stable
	S&P:	AA+	Negative
	See “RATINGS” in <b>Part III</b> .		
Co-Financial Advisors.....	Public Resources Advisory Group, Inc., New York, New York, and Backstrom McCarley Berry & Co., LLC, San Francisco, California.		
Underwriters.....	See cover page.		
Underwriters' Discount .....	See “UNDERWRITING” in <b>Part III</b> .		
Counsel to Underwriters.....	Norton Rose Fulbright US LLP, New York, New York.		

**SUMMARY OF TERMS RELATING TO  
SUBSERIES 2021A-2 BONDS\***

INTEREST PAYMENT DATES AND CALCULATION PERIOD THROUGH PURCHASE DATE	Each May 15 and November 15, commencing November 15, 2021, calculated based on a 360-day year comprised of twelve 30-day months.
RECORD DATE	The May 1 or November 1 immediately preceding each interest payment date.
OWNERS' RIGHTS TO TENDER PRIOR TO PURCHASE DATE	None.
MANDATORY TENDER FOR PURCHASE	<ul style="list-style-type: none"> <li>• The Business Day after the last day of the Interest Rate Period (a Purchase Date). The Purchase Date for the Subseries 2021A-2 Bonds with a yield of 0.32% is May 15, 2024. The Purchase Date for the Subseries 2021A-2 Bonds with a yield of 0.60% is May 15, 2026. The Purchase Date for the Subseries 2021A-2 Bonds with a yield of 0.91% is May 15, 2028.</li> <li>• The Subseries 2021A-2 Bonds are not subject to mandatory tender for purchase prior to their respective Purchase Dates.</li> </ul>
RATE UPON FAILURE TO PAY PURCHASE PRICE	9%

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\* So long as the Subseries 2021A-2 Bonds are registered in the name of Cede & Co., as Owner and Securities Depository Nominee of DTC, mechanics for tender and redemption will be in accordance with procedures established by DTC.

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- ***No Unauthorized Offer.*** This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2021A Bonds in any jurisdiction where that would be unlawful. MTA Bridges and Tunnels has not authorized any dealer, salesperson or any other person to give any information or make any representation in connection with the offering of the Series 2021A Bonds, except as set forth in this official statement. No other information or representations should be relied upon.
  - ***No Contract or Investment Advice.*** This official statement is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this official statement and the Series 2021A Bonds being offered, and anything else related to this bond issue.
  - ***Information Subject to Change.*** Information and expressions of opinion are subject to change without notice, and it should not be inferred that there have been no changes since the date of this document. Neither the delivery of, nor any sale made under, this official statement shall under any circumstances create any implication that there has been no change in MTA Bridges and Tunnels' affairs or in any other matters described herein since the date of this official statement.
  - ***Forward-Looking Statements.*** Many statements contained in this official statement, including the appendices and documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA and/or MTA Bridges and Tunnels' beliefs, in each case, as well as assumptions made by, and information currently available to, the management and staff of MTA and MTA Bridges and Tunnels as of the date of this official statement. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. The words "anticipate," "assume," "estimate," "expect," "objective," "projection," "plan," "forecast," "goal," "budget" or similar words are intended to identify forward-looking statements. The words or phrases "to date," "now," "currently," and the like are intended to mean as of the date of this official statement. Neither MTA's nor MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the forward-looking statements contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's nor MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the forward-looking statements set forth in this official statement, which is solely the product of MTA Bridges and Tunnels and MTA and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content. These forward-looking statements speak only as of the date of this official statement.
  - ***Projections.*** The projections set forth in this official statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of MTA's and MTA Bridges and Tunnels' management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of managements' knowledge and belief, the expected course of action and the expected future financial performance of MTA and MTA Bridges and Tunnels. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this official statement are cautioned not to place undue reliance on the prospective financial information. Neither MTA's nor MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's nor MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this official statement, which is solely the product of MTA Bridges and Tunnels and MTA and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content.
  - ***Independent Auditor.*** Deloitte & Touche LLP, MTA's and MTA Bridges and Tunnels' independent auditor, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA's consolidated financial statements for the years ended December 31, 2019 and 2018, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has not been asked to consent to the inclusion,



or incorporation by reference, of its audit report in this official statement. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of MTA for the nine-month period ended September 30, 2020. As indicated in the review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expresses no opinion on that information. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2020 (except for the auditor's review report accompanying the consolidated interim financial information) is included in this official statement by specific cross-reference. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA or MTA Bridges and Tunnels, including without limitation any of the information contained in this official statement, since the date of such review report which is not included by reference herein.

- ***No Guarantee of Information by Underwriters.*** The Underwriters have provided the following sentence for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The Underwriters do not make any representation or warranty, express or implied, as to
  - the accuracy or completeness of information they have neither supplied nor verified,
  - the validity of the Series 2021A Bonds, or
  - the tax-exempt status of the interest on the Series 2021A Bonds.
- ***Overallotment and Stabilization.*** The Underwriters may overallot or effect transactions that stabilize or maintain the market prices of the Series 2021A Bonds at levels above those which might otherwise prevail in the open market. The Underwriters are not obligated to do this and are free to discontinue it at any time.
- ***Website Addresses.*** References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this official statement for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof.

## TABLE OF CONTENTS

	<u>Page</u>
SUMMARY OF TERMS .....	iii
INTRODUCTION .....	1
MTA Bridges and Tunnels and Other Related Entities.....	1
Information Provided in the MTA Annual Disclosure Statement.....	2
Where to Find Information .....	2
Anticipated Debt Issuance .....	3
PART I. SERIES 2021A BONDS .....	3
APPLICATION OF PROCEEDS.....	3
DESCRIPTION OF THE SUBSERIES 2021A-1 BONDS.....	3
General.....	3
Redemption Prior to Maturity.....	4
DESCRIPTION OF THE SUBSERIES 2021A-2 BONDS.....	5
Tender and Redemption Provisions .....	6
Future Remarketing of Subseries 2021A-2 Bonds.....	8
Source of Funds for Purchase of Subseries 2021A-2 Bonds.....	8
Delivery of Remarketed Subseries 2021A-2 Bonds .....	9
Delivery and Payment for Purchased Subseries 2021A-2 Bonds; Undelivered Subseries 2021A-2 Bonds .....	9
Consequences of a Failed Remarketing .....	9
DESCRIPTION OF THE SUBSERIES 2021A-3 BONDS.....	10
General.....	10
Redemption Prior to Maturity.....	11
DEBT SERVICE ON THE BONDS .....	12
PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS .....	14
SOURCES OF PAYMENT .....	14
PMT Receipts .....	14
Factors Affecting Revenues.....	21
SECURITY.....	24
Flow of PMT Receipts .....	25
Pledge Effected by the TBTA PMT Resolution .....	27
Debt Service Fund .....	30
Covenants .....	30
Parity Debt.....	30
Subordinate Obligations.....	31
Agreements of the State .....	31
PART III. OTHER INFORMATION ABOUT THE SERIES 2021A BONDS .....	32
TAX MATTERS RELATING TO THE TAX-EXEMPT BONDS.....	32
General.....	32
Bond Premium .....	33
Information Reporting and Backup Withholding .....	33
Miscellaneous .....	33
TAX MATTERS RELATING TO THE SUBSERIES 2021A-3 BONDS.....	34
CONSIDERATIONS FOR ERISA AND OTHER U.S. BENEFIT PLAN INVESTORS .....	40
LEGALITY FOR INVESTMENT .....	41
LITIGATION .....	42
CO-FINANCIAL ADVISORS.....	42
UNDERWRITING .....	42
RATINGS.....	43
LEGAL MATTERS .....	43
CONTINUING DISCLOSURE.....	44
FURTHER INFORMATION .....	45
<b>Attachment 1</b> – Book-Entry-Only System	
<b>Attachment 2</b> – Copy of Financing Agreement	
<b>Attachment 3</b> – Form of Master Continuing Disclosure Agreement	
<b>Attachment 4</b> – Form of Approving Opinions of Co-Bond Counsel	

**Information Included by Specific Cross-reference.** The following portions of MTA’s 2020 Combined Continuing Disclosure Filings, dated April 29, 2020, as supplemented on May 1, 2020, May 19, 2020, May 27, 2020, June 3, 2020, June 25, 2020, July 17, 2020, and August 28, 2020, and as updated by a First Quarterly Update, dated August 3, 2020, a Second Quarterly Update, dated November 24, 2020, and a Third Quarterly Update, dated March 2, 2021, each filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB), are included by specific cross-reference in this official statement, along with material that updates this official statement and that is filed with EMMA prior to the delivery date of the Series 2021A Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**);
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2019 and 2018 (including the auditor’s report accompanying the annual financial information)

The following documents have also been filed with EMMA and are included by specific cross-reference in this official statement:

- TBTA Payroll Mobility Tax Obligation Resolution
- MTA Payroll Mobility Tax Obligation Resolution
- Annex A - Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt
- Annex B - Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt
- Annex C - Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations
- Payroll Mobility Tax Financing Agreement by and between MTA and MTA Bridges and Tunnels (Financing Agreement); see also **Attachment 2** – “Copy of Financing Agreement”

For convenience, copies of most of these documents can be found on the MTA website (<https://new.mta.info>) under the caption “Transparency–Financial & Investor Information–Investor Information & Disclosures” and “–Financial and Budget Statements”. No statement on MTA’s website is included by specific cross-reference herein. For **Part I** of the **ADS** and **Appendix B**, see <https://new.mta.info/investor-info/disclosure-filings>. For bond resolutions and related annexes, see <https://new.mta.info/investor-info/bond-resolutions-interagency-agreements>. See “FURTHER INFORMATION” in **Part III**. Definitions of certain terms used in the foregoing instruments may differ from terms used in this official statement, such as using the popular name “MTA Bridges and Tunnels” in place of Triborough Bridge and Tunnel Authority or its abbreviation, TBTA.

The consolidated financial statements of MTA for the years ended December 31, 2019 and 2018, incorporated by specific cross-reference in this official statement, have been audited by Deloitte & Touche LLP, independent certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA’s consolidated financial statements for the years ended December 31, 2019 and 2018, which is a matter of public record, is included in such financial statements. Deloitte & Touche LLP has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this official statement. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2020 (except for the auditor’s review report accompanying the consolidated interim financial information), has also been incorporated by specific cross-reference in this official statement. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA, including without limitation any of the information contained in, or incorporated by specific cross-reference in, this official statement, since the date of such review report, which is not included by reference herein.

## INTRODUCTION

### MTA Bridges and Tunnels and Other Related Entities

Triborough Bridge and Tunnel Authority, or MTA Bridges and Tunnels, is a public benefit corporation, which means that it is a corporate entity separate and apart from New York State (the State), without any power of taxation – frequently called a “public authority.” MTA Bridges and Tunnels is authorized to construct and operate toll bridges and tunnels and other public facilities in New York City (the City). MTA Bridges and Tunnels issues debt obligations secured by bridge and tunnel tolls to finance the capital costs of its facilities and is empowered to issue debt obligations secured by bridge and tunnel tolls or certain other revenues transferred by MTA to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of the Metropolitan Transportation Authority, or MTA. Since 2008, MTA Bridges and Tunnels has not issued new money bonds secured by bridge and tunnel tolls to finance capital projects for the benefit of the Transit and Commuter Systems. MTA Bridges and Tunnels is an affiliate of MTA. MTA Bridges and Tunnels’ surplus amounts are used to fund transit and commuter operations and finance capital projects.

MTA has responsibility for developing and implementing a single, integrated mass transportation policy for MTA’s service region (the MTA Commuter Transportation District or MCTD), which consists of the City and the seven New York metropolitan-area counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester. It carries out some of those responsibilities by operating the transit and commuter systems through its subsidiary and affiliate entities: the New York City Transit Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority; the Staten Island Rapid Transit Operating Authority; The Long Island Rail Road Company; the Metro-North Commuter Railroad Company; the MTA Bus Company; and the MTA Construction and Development Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

The board members of MTA serve as the board members of MTA’s affiliates and subsidiaries, which, together with MTA, are referred to collectively herein as the Related Entities. MTA Bridges and Tunnels is an affiliate, not a subsidiary, of MTA. MTA, MTA Bridges and Tunnels and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement of MTA’s 2020 Combined Continuing Disclosure Filings (the **MTA Annual Disclosure Statement** or **ADS**), which is included by specific cross-reference in this official statement.

The following table sets forth the legal and popular names of the Related Entities. Throughout this official statement, reference to each agency will be made using the popular names.

<u>Legal Name</u>	<u>Popular Name</u>
Metropolitan Transportation Authority	MTA
New York City Transit Authority	MTA New York City Transit
Manhattan and Bronx Surface Transit Operating Authority	MaBSTOA
Staten Island Rapid Transit Operating Authority	MTA Staten Island Railway
MTA Bus Company	MTA Bus
The Long Island Rail Road Company	MTA Long Island Rail Road
Metro-North Commuter Railroad Company	MTA Metro-North Railroad
MTA Construction and Development Company	MTA Construction and Development
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels

Capitalized terms used herein and not otherwise defined have the meanings provided in the **ADS**, the Financing Agreement or the TBTA PMT Resolution.

## Information Provided in the MTA Annual Disclosure Statement

From time to time, the Governor, the State Comptroller, the Mayor of the City, the City Comptroller, County Executives, State legislators, City Council members and other persons or groups may make public statements, issue reports, institute proceedings or take actions that contain predictions, projections or other information relating to the Related Entities or their financial condition, including potential operating results for the current fiscal year and projected baseline surpluses or gaps for future years, that may vary materially from, question or challenge the information provided in the **ADS**. Investors and other market participants should, however, refer to MTA's then current continuing disclosure filings, official statements, remarketing circulars and offering memorandums for information regarding the Related Entities and their financial condition.

***MTA and MTA Bridges and Tunnels expect to post their Combined Continuing Disclosure filings, including an updated Annual Disclosure Statement and their unaudited consolidated financial statements for the years ended December 31, 2020 and 2019, on EMMA on or before April 30, 2021, at which time this official statement will be supplemented and such materials will be incorporated by specific cross-reference into this official statement.***

## Where to Find Information

***Information in this Official Statement.*** This official statement is organized as follows:

- This ***Introduction*** provides a general description of MTA, MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2021A Bonds.
- ***Part II*** describes the sources of payment and security for all TBTA PMT Bonds, including the Series 2021A Bonds, the initial issuance of such Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2021A Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2021A Bonds.
- ***Attachment 2*** is a conformed copy of the executed Financing Agreement.
- ***Attachment 3*** sets forth the form of Master Continuing Disclosure Agreement relating to PMT Indebtedness to be executed by MTA and MTA Bridges and Tunnels upon issuance of the Series 2021A Bonds.
- ***Attachment 4*** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2021A Bonds.

***Information Included by Specific Cross-reference*** in this official statement and identified under the caption "Information Included by Specific Cross-reference" following the Table of Contents may be obtained, as described below, from the MSRB and from MTA Bridges and Tunnels.

***Information from the MSRB through EMMA.*** MTA and MTA Bridges and Tunnels file annual and other information with EMMA. Such information can be accessed at <http://emma.msrb.org/>.

***Information Included by Specific Cross-reference.*** The information listed under the caption "Information Included by Specific Cross-reference" following the Table of Contents, as filed with the MSRB through EMMA to date, is "included by specific cross-reference" in this official statement. This means that important information is disclosed by referring to those documents and that the specified portions of those documents are considered to be part of this official statement. **This official statement, which includes the specified portions of those filings, should be read in its entirety in order to obtain essential information for making an informed decision in connection with the Series 2021A Bonds.**

**Information Available at No Cost.** Information filed with the MSRB through EMMA is also available, at no cost, on MTA's website or by contacting MTA, Attn.: Finance Department, at the address on page (i). For important information about MTA's website. See "FURTHER INFORMATION" in **Part III**.

### **Anticipated Debt Issuance**

In addition to the issuance of the Series 2021A Bonds, MTA Bridges and Tunnels currently expects to issue PMT Senior Lien Bonds to retire the \$450,000,000 Metropolitan Transportation Authority Transportation Revenue Bond Anticipation Notes, Subseries 2018C-2 maturing on September 1, 2021. During the second half of 2021, MTA Bridges and Tunnels may also issue PMT Senior Lien Indebtedness in the aggregate principal amount of up to \$1,300,000,000, which is the remaining amount of new money indebtedness currently authorized by the MTA Board to finance approved transit and commuter projects of MTA.

## **PART I. SERIES 2021A BONDS**

**Part I** of this official statement, together with the Summary of Terms, provides specific information about the Series 2021A Bonds.

### **APPLICATION OF PROCEEDS**

MTA Bridges and Tunnels anticipates that the proceeds of the Subseries 2021A-1 Bonds (the principal amount thereof, plus original issue premium of \$170,209,348.05), together with certain funds of MTA in the amount of \$20,000,000.00, in the aggregate amount of \$823,744,348.05, will be used as follows: (i) \$820,000,000.00 to retire \$800,000,000.00 aggregate principal amount of outstanding MTA Transportation Revenue Bond Anticipation Notes, Subseries 2018B-2, maturing on May 15, 2021, and pay \$20,000,000.00 accrued interest thereon, and (ii) \$3,744,348.05 to pay certain financing, legal and miscellaneous expenses associated with the Subseries 2021A-1 Bonds.

MTA Bridges and Tunnels anticipates that the proceeds of the Subseries 2021A-2 Bonds and Subseries 2021A-3 Bonds (the principal amount thereof, plus original issue premium of \$23,018,095.15), together with certain funds of MTA in the amount of \$13,143,756.36, in the aggregate amount of \$640,836,851.51, will be used as follows: (i) \$637,780,176.41 to refund MTA's outstanding Transportation Revenue Bonds, Series 2015X (RRIF Loan – Positive Train Control Project), and (ii) \$3,056,675.10 to pay certain financing, legal and miscellaneous expenses associated with the Subseries 2021A-2 Bonds and Subseries 2021A-3 Bonds.

### **DESCRIPTION OF THE SUBSERIES 2021A-1 BONDS**

#### **General**

**Record Date.** The Record Date for the payment of principal of, interest on and any Sinking Fund Installments with respect to the Subseries 2021A-1 Bonds shall be the May 1 or November 1 immediately preceding such payment date.

**Book-Entry-Only System.** The Subseries 2021A-1 Bonds will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Subseries 2021A-1 Bonds. Individual purchases will be made in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof. So long as DTC is the registered owner of the Subseries 2021A-1 Bonds, all payments on the Subseries 2021A-1 Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – "Book-Entry-Only System."

**Maturity.** The Subseries 2021A-1 Bonds will mature and be payable as to principal, as set forth on the inside cover page.

**Interest Payments.** The Subseries 2021A-1 Bonds will bear interest from the dated date at the per annum rates shown on the inside cover page of this official statement. Interest will be paid semiannually on each May 15 and November 15, commencing November 15, 2021, calculated based on a 360-day year comprised of twelve 30-day months and will be payable to the Holders thereof on each Interest Payment Date.

**Transfers and Exchanges.** So long as DTC is the securities depository for the Subseries 2021A-1 Bonds, it will be the sole registered owner of the Subseries 2021A-1 Bonds, and transfers of ownership interests in the Subseries 2021A-1 Bonds will occur through the DTC Book-Entry-Only System.

**Trustee and Paying Agent.** The Bank of New York Mellon, New York, New York, is Trustee and Paying Agent with respect to the Subseries 2021A-1 Bonds.

### Redemption Prior to Maturity

**Optional Redemption.** The Subseries 2021A-1 Bonds are subject to redemption prior to maturity on any date on or after May 15, 2031, at the option of MTA Bridges and Tunnels, in whole or in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

**Mandatory Sinking Fund Redemption.** The term Subseries 2021A-1 Bonds shown below are subject to mandatory sinking fund redemption, in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper), on any May 15 on and after the first sinking fund installment date shown below at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments that are required to be made in amounts sufficient to redeem on May 15 of each year the principal amount of such Subseries 2021A-1 Bonds shown below:

Subseries 2021A-1 2046 4.00% Term Bond		
	Sinking Fund Redemption Date	Sinking Fund
	<u>(May 15)</u>	<u>Installment</u>
first payment	2045	\$44,300,000
final maturity	2046	86,710,000
average life – 24.690 years		

Subseries 2021A-1 2051 5.00% Term Bond		
	Sinking Fund Redemption Date	Sinking Fund
	<u>(May 15)</u>	<u>Installment</u>
first payment	2047	\$ 90,710,000
	2048	95,365,000
	2049	100,255,000
	2050	105,395,000
final maturity	2051	110,800,000
average life – 28.128 years		

**Credit Toward Mandatory Sinking Fund Redemption.** MTA Bridges and Tunnels may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Subseries 2021A-1 Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA Bridges and Tunnels directs the Trustee to purchase or redeem term Subseries 2021A-1 Bonds with money in the Debt Service Fund (at a price not greater than par plus accrued interest to

the date of purchase or redemption), then a credit of 100% of the principal amount of those bonds will be made against the next Sinking Fund Installment due.

- If MTA Bridges and Tunnels purchases or redeems term Subseries 2021A-1 Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements in any order, and in any annual amount, that MTA Bridges and Tunnels may direct.

***State and City Redemption.*** Pursuant to the MTA Bridges and Tunnels Act, the State or the City, upon providing sufficient funds, may require MTA Bridges and Tunnels to redeem the Subseries 2021A-1 Bonds as a whole at the time and at the price and in accordance with the terms upon which the Subseries 2021A-1 Bonds are otherwise redeemable.

***Redemption Notices.*** So long as DTC is the securities depository for the Subseries 2021A-1 Bonds, the Trustee must mail redemption notices to DTC at least 20 days before the redemption date. If the Subseries 2021A-1 Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to Owners within the same time frame. A redemption of the Subseries 2021A-1 Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that such optional redemption is conditioned upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that such optional redemption may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs.

***Redemption Process.*** If the Trustee gives an unconditional notice of redemption, then on the redemption date the Subseries 2021A-1 Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Subseries 2021A-1 Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Subseries 2021A-1 Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Subseries 2021A-1 Bonds, and an Owner's only right will be to receive payment of the redemption price upon surrender of those Subseries 2021A-1 Bonds.

**Please note that all redemptions are final – even if beneficial owners did not receive their notice and even if that notice had a defect.**

## **DESCRIPTION OF THE SUBSERIES 2021A-2 BONDS**

***Multi-Modal Obligations.*** The Subseries 2021A-2 Bonds constitute Mandatory Tender Bonds and will bear interest at the Term Rate from their date of delivery as set forth on the inside cover page hereof. On or after the Mandatory Purchase Date, MTA Bridges and Tunnels may convert any of the Subseries 2021A-2 Bonds to a Commercial Paper Mode, Daily Mode, Weekly Mode, Fixed Rate Mode or another Term Rate Mode, and, in connection therewith, change the principal amount of the Subseries 2021A-2 Bonds. This official statement describes the Subseries 2021A-2 Bonds solely while they are in the initial Term Rate Mode.

***Record Date.*** The Record Date for the payment of principal of, interest on and any Sinking Fund Installments with respect to the Subseries 2021A-2 Bonds will be the May 1 or November 1 immediately preceding such payment date.

***Book-Entry-Only System.*** The Subseries 2021A-2 Bonds will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Subseries 2021A-2 Bonds. Individual purchases of the Subseries 2021A-2 Bonds will be made in book-entry-only form, in denominations of \$5,000 or any integral multiple thereof. So long as DTC is the registered owner of the Subseries 2021A-2 Bonds, all payments on the Subseries 2021A-2 Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC



participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – “Book-Entry-Only System.”

**Maturity.** The Subseries 2021A-2 Bonds will mature and be payable as to principal and interest accrued from the dated date, as set forth on the inside cover page.

**Interest Payments.** The Subseries 2021A-2 Bonds will bear interest at the per annum rate shown on the inside cover page of this official statement. Interest on the Subseries 2021A-2 Bonds will be paid semiannually on each May 15 and November 15, commencing November 15, 2021, calculated based on a 360-day year comprised of twelve 30-day months and will be payable to the Holders thereof on each Interest Payment Date through the Purchase Date.

**Transfers and Exchanges.** So long as DTC is the securities depository for the Subseries 2021A-2 Bonds, it will be the sole registered owner of the Subseries 2021A-2 Bonds, and transfers of ownership interests in the Subseries 2021A-2 Bonds will occur through the DTC Book-Entry-Only System.

**Trustee, Paying Agent and Tender Agent.** The Bank of New York Mellon, New York, New York, is Trustee, Paying Agent and Tender Agent with respect to the Subseries 2021A-2 Bonds.

### **Tender and Redemption Provisions**

**Mandatory Tender for Purchase at End of Term Rate Mode Interest Rate Period.** The Subseries 2021A-2 Bonds are subject to mandatory tender for purchase on the Business Day after the last day of the Interest Rate Period (each, a Purchase Date) at the Purchase Price (as defined herein). The Purchase Date for the Subseries 2021A-2 Bonds in the aggregate principal amount of \$118,740,000 with a yield of 0.32% is May 15, 2024. The Purchase Date for the Subseries 2021A-2 Bonds in the aggregate principal amount of \$118,745,000 with a yield of 0.60% is May 15, 2026. The Purchase Date for the Subseries 2021A-2 Bonds in the aggregate principal amount of \$118,740,000 with a yield of 0.91% is May 15, 2028. The aforementioned yields are the stated yields to the respective Mandatory Purchase Dates.

**Mandatory Purchase Date and Purchase Price.** Each Purchase Date and Mode Change Date are referred to herein as a Mandatory Purchase Date. The Purchase Price to be paid for the Subseries 2021A-2 Bonds on the applicable Mandatory Purchase Date will be the principal amount of such Subseries 2021A-2 Bonds. Each Mandatory Purchase Date is also an Interest Payment Date for the Subseries 2021A-2 Bonds and interest will be paid in accordance with customary procedures.

**Mandatory Tender for Purchase at the Option of the Issuer.** The Subseries 2021A-2 Bonds are not subject to mandatory tender for purchase prior to their respective Purchase Dates.

**Mandatory Tender for Purchase on any Mode Change Date.** The Subseries 2021A-2 Bonds are subject to a mandatory tender for purchase on the Mode Change Date (which Mode Change Date will not be prior to the applicable Purchase Date) at the Purchase Price.

**No Optional Redemption.** The Subseries 2021A-2 Bonds are not subject to optional redemption prior to their respective Purchase Dates.

**Mandatory Sinking Fund Redemption.** The term bond shown below is subject to mandatory sinking fund redemption, in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper), on May 15 of each year and in the respective principal amounts set forth below at 100% of the principal amount thereof, plus accrued interest to the redemption date, from sinking fund installments which are required to be made in amounts sufficient to effectuate such redemptions:

Subseries 2021A-2 \$118,740,000 Term Bond (Yield 0.32%)		
	Sinking Fund Redemption Date (May 15)	Sinking Fund Installment
first payment	2041	\$25,535,000
	2042	26,055,000
	2043	26,580,000
	2044	27,120,000
final maturity	2045	13,450,000

Subseries 2021A-2 \$118,745,000 Term Bond (Yield 0.60%)		
	Sinking Fund Redemption Date (May 15)	Sinking Fund Installment
first payment	2041	\$25,655,000
	2042	26,175,000
	2043	26,700,000
	2044	27,240,000
final maturity	2045	12,975,000

Subseries 2021A-2 \$118,740,000 Term Bond (Yield 0.91%)		
	Sinking Fund Redemption Date (May 15)	Sinking Fund Installment
first payment	2041	\$25,655,000
	2042	26,170,000
	2043	26,705,000
	2044	27,240,000
final maturity	2045	12,970,000

**Credit Toward Mandatory Sinking Fund Redemption.** MTA Bridges and Tunnels may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Subseries 2021A-2 Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA Bridges and Tunnels directs the Trustee to purchase term Subseries 2021A-2 Bonds with money in the Debt Service Fund (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of bonds purchased will be made against the next Sinking Fund Installment due.
- If MTA Bridges and Tunnels purchases or redeems term Subseries 2021A-2 Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements in any order, and in any annual amount, that MTA Bridges and Tunnels may direct.

**Notice of Mandatory Tender for Purchase.** The Trustee will, at least fifteen (15) days prior to a Mandatory Purchase Date, give notice to the Notice Parties of the mandatory tender for purchase of the Subseries 2021A-2 Bonds that is to occur on that date.

Notice of any mandatory tender of Subseries 2021A-2 Bonds will be provided by the Trustee or caused to be provided by the Trustee by mailing a copy of the notice of mandatory tender by first-class mail to each Owner of Subseries 2021A-2 Bonds at the respective addresses shown on the registry books. A notice of mandatory tender for purchase will identify the reason for the mandatory tender for purchase and specify:

- the Mandatory Purchase Date,
- the Purchase Price,
- the place and manner of payment,
- that the Owner has no right to retain such Subseries 2021A-2 Bond, and
- that no further interest will accrue from and after such Mandatory Purchase Date to such Owner.

A notice of mandatory tender for purchase caused by a change in the Mode applicable to the Subseries 2021A-2 Bonds will, in addition, specify the conditions that have to be satisfied pursuant to the TBTA PMT Resolution in order for the New Mode to become effective and the consequences that the failure to satisfy any of such conditions would have.

Any notice mailed as described above will be conclusively presumed to have been duly given, whether or not the Owner of any Subseries 2021A-2 Bonds receives the notice, and the failure of that Owner to receive any such notice will not affect the validity of the action described in that notice. Failure by the Trustee to give a notice as provided under this caption would not affect the obligation of the Tender Agent to purchase the Subseries 2021A-2 Bonds subject to mandatory tender for purchase on the Mandatory Purchase Date.

#### **Future Remarketing of Subseries 2021A-2 Bonds**

MTA Bridges and Tunnels currently plans to remarket the Subseries 2021A-2 Bonds on or before the applicable Mandatory Purchase Dates, and apply the proceeds of such remarketing to pay the Purchase Price of such Subseries 2021A-2 Bonds. MTA Bridges and Tunnels expects to appoint a future remarketing agent (the Remarketing Agent) and direct the Remarketing Agent to offer for sale and use its best efforts to find purchasers for all Subseries 2021A-2 Bonds required to be tendered for purchase.

#### **Source of Funds for Purchase of Subseries 2021A-2 Bonds**

On or before 3:00 p.m. on each Mandatory Purchase Date, the Tender Agent will purchase the Subseries 2021A-2 Bonds from the Owners at the Purchase Price. Funds for the payment of such Purchase Price will be derived solely from immediately available funds transferred by the Remarketing Agent to the Tender Agent derived from the remarketing of such Subseries 2021A-2 Bonds.

Notwithstanding the foregoing, MTA Bridges and Tunnels will have the option, but will not be obligated, to transfer immediately available funds to the Tender Agent for the payment of the Purchase Price of any Subseries 2021A-2 Bond tendered or deemed tendered as described in this official statement and the Purchase Price of which is not paid on such Mandatory Purchase Date. None of MTA Bridges and Tunnels, the Trustee, the Tender Agent nor the Remarketing Agent will have any liability or obligation to pay or, except from the sources identified above, make available such Purchase Price. The failure to pay any such Purchase Price for Subseries 2021A-2 Bonds that have been tendered or deemed tendered for purchase from any of the sources identified above will not constitute an Event of Default under the TBTA PMT Resolution and in the case of such failure, none of such Subseries 2021A-2 Bonds will be purchased, and such Subseries 2021A-2 Bonds will remain in the Term Rate Mode and bear interest at the lesser of the maximum rate permitted by law and 9% per annum (the Maximum Rate). Currently, there is no statutory interest rate cap under New York State law applicable to the Subseries 2021A-2 Bonds. See “Consequences of a Failed Remarketing” below.

Unless otherwise specified, all times described herein are New York time.

## **Delivery of Remarketed Subseries 2021A-2 Bonds**

Except as otherwise required or permitted by DTC's book-entry-only system, remarketed Subseries 2021A-2 Bonds sold by the Remarketing Agent will be delivered by the Remarketing Agent to the purchasers of those Remarketed Bonds by 3:00 p.m. on the applicable Mandatory Purchase Date.

## **Delivery and Payment for Purchased Subseries 2021A-2 Bonds; Undelivered Subseries 2021A-2 Bonds**

Except as otherwise required or permitted by DTC's book-entry-only system, remarketed Subseries 2021A-2 Bonds purchased as set forth above will be delivered (with all necessary endorsements) at or before 12:00 p.m. noon on the applicable Mandatory Purchase Date at the office of the Tender Agent in New York, New York; provided, however, that payment of the Purchase Price of any remarketed Subseries 2021A-2 Bonds purchased will be made only if such Subseries 2021A-2 Bonds so delivered to the Tender Agent conform in all respects to the description thereof in the notice of tender. Payment of the Purchase Price will be made by wire transfer in immediately available funds by the Tender Agent by the close of business on the applicable Mandatory Purchase Date or, if the Owner has not provided or caused to be provided wire transfer instructions, by check mailed to the Owners at the address appearing in the books required to be kept by the Trustee pursuant to the TBTA PMT Resolution. If Subseries 2021A-2 Bonds to be purchased are not delivered by the Owners to the Tender Agent by 12:00 p.m. noon on a Mandatory Purchase Date, the Tender Agent will hold any funds received for the purchase of those Subseries 2021A-2 Bonds in trust in a separate account uninvested, and will pay such funds to the former Owners upon presentation of Subseries 2021A-2 Bonds subject to tender. Undelivered Subseries 2021A-2 Bonds are deemed tendered and cease to accrue interest as to the former Owners on such Mandatory Purchase Date if moneys representing the Purchase Price will be available against delivery of those Subseries 2021A-2 Bonds at the Principal Office of the Tender Agent; provided, however, that any funds so held by the Tender Agent that remain unclaimed by the former holder of any such Subseries 2021A-2 Bonds not presented for purchase for a period of two years after delivery of such funds to the Tender Agent will, to the extent permitted by law, upon request in writing by MTA Bridges and Tunnels and the furnishing of security or indemnity to the Tender Agent's satisfaction, be paid to MTA Bridges and Tunnels free of any trust or lien and thereafter the former holder of such Subseries 2021A-2 Bonds will look only to MTA Bridges and Tunnels and then only to the extent of the amounts so received by MTA Bridges and Tunnels without any interest thereon and the Tender Agent will have no further responsibility with respect to such moneys or payment of the Purchase Price of such Subseries 2021A-2 Bonds. The Tender Agent will authenticate replacement Subseries 2021A-2 Bonds for any undelivered Subseries 2021A-2 Bonds which may then be remarketed by the Remarketing Agent.

## **Consequences of a Failed Remarketing**

In the event that remarketing proceeds are insufficient to pay the Purchase Price of all Outstanding Subseries 2021A-2 Bonds on the applicable Mandatory Purchase Date, (1) no purchase will be consummated on such Mandatory Purchase Date and the Tender Agent will, after any applicable grace period, (a) return all tendered Subseries 2021A-2 Bonds to the registered owners thereof and (b) return all remarketing proceeds to the Remarketing Agent for return to the persons providing such moneys; and (2) such Subseries 2021A-2 Bonds will bear interest at the Maximum Rate during the period of time from and including the Mandatory Purchase Date to (but not including) the date that all such Subseries 2021A-2 Bonds are successfully remarketed (the Delayed Remarketing Period).

Following a failed remarketing, MTA Bridges and Tunnels expects to continue to have the Remarketing Agent use its best efforts to remarket the Subseries 2021A-2 Bonds into a Mode and at a rate determined by MTA, which rate may or may not exceed the Maximum Rate (or such other Mode as the Trustee, at the direction of MTA, will thereafter designate to the Remarketing Agent and the prospective owners thereof) or an additional Interest Rate Period in the Term Rate Mode. Once the Remarketing Agent has advised the Trustee that it has a good faith belief that it is able to remarket all of the applicable Subseries 2021A-2 Bonds, the Trustee, at the direction of MTA Bridges and Tunnels, will give notice by mail to the registered owners of such Subseries 2021A-2 Bonds not later than five Business Days prior to the purchase date, which notice will state (1) that the interest rate on such Subseries 2021A-2 Bonds will continue to be a Term Rate or will be adjusted to a Daily Rate, Weekly Rate or Fixed Rate or to the interest rates and Interest Rate Periods applicable in the Commercial Paper Mode on and after the purchase date; (2) that such Subseries 2021A-2 Bonds will be subject to mandatory

tender for purchase on the purchase date; (3) the procedures for such mandatory tender; and (4) the Purchase Price of such Subseries 2021A-2 Bonds on the purchase date (expressed as a percentage of the principal amount thereof).

During the Delayed Remarketing Period, the Trustee may, upon direction of MTA Bridges and Tunnels, apply amounts to the redemption of all or any portion of the Subseries 2021A-2 Bonds as a whole or in part on any Business Day during the Delayed Remarketing Period, at a redemption price equal to the principal amount thereof, together with interest accrued thereon to the date fixed for redemption, without premium. Notice of redemption will be provided at least five Business Days prior to the date fixed for redemption.

During the Delayed Remarketing Period, interest on such Subseries 2021A-2 Bonds will be paid to the registered owners thereof (i) on each May 15 and November 15 occurring during the Delayed Remarketing Period and (ii) on the last day of the Delayed Remarketing Period. Payment of such interest will be made by the Trustee from the Debt Service Fund pursuant to the TBTA PMT Resolution.

During any Delayed Remarketing Period, pursuant to its plan of financing, MTA Bridges and Tunnels currently expects to use commercially reasonable efforts to cause the Remarketing Agent to remarket such Subseries 2021A-2 Bonds, to convert such Subseries 2021A-2 Bonds to another Mode or another Interest Rate Period or to refund such Subseries 2021A-2 Bonds, subject to market conditions and the determination of a rate and structure acceptable to MTA Bridges and Tunnels at that time.

## DESCRIPTION OF THE SUBSERIES 2021A-3 BONDS

### General

**Record Date.** The Record Date for the payment of principal of, interest on and any Sinking Fund Installments with respect to the Subseries 2021A-3 Bonds will be the May 1 or November 1 immediately preceding such payment date.

**Book-Entry-Only System.** The Subseries 2021A-3 Bonds will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Subseries 2021A-3 Bonds. Individual purchases will be made in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof. So long as DTC is the registered owner of the Subseries 2021A-3 Bonds, all payments on the Subseries 2021A-3 Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – “Book-Entry-Only System.”

**Maturity.** The Subseries 2021A-3 Bonds will mature and be payable as to principal and interest accrued from the dated date, as set forth on the inside cover page.

**Interest Payments.** The Subseries 2021A-3 Bonds mature on the dates and in the principal amounts and will bear interest at the per annum rates shown on the inside cover page of this official statement. Interest will be paid semiannually on each May 15 and November 15, commencing November 15, 2021, calculated based on a 360-day year comprised of twelve 30-day months and will be payable to the Holders thereof on each Interest Payment Date.

**Transfers and Exchanges.** So long as DTC is the securities depository for the Subseries 2021A-3 Bonds, it will be the sole registered owner of the Subseries 2021A-3 Bonds, and transfers of ownership interests in the Subseries 2021A-3 Bonds will occur through the DTC Book-Entry-Only System.

**Trustee and Paying Agent.** The Bank of New York Mellon, New York, New York, is Trustee and Paying Agent with respect to the Subseries 2021A-3 Bonds.

## Redemption Prior to Maturity

**Optional Redemption.** The Subseries 2021A-3 Bonds are subject to redemption prior to maturity on any date on or after May 15, 2031, at the option of MTA Bridges and Tunnels, in whole or in part at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

**Make-Whole Optional Redemption.** Prior to May 15, 2031, the Subseries 2021A-3 Bonds are subject to redemption at the option of MTA Bridges and Tunnels, in whole or in part, on any Business Day, at a redemption price equal to the greater of:

(i) 100% of the issue price set forth on the inside cover page hereof (but not less than 100% of the principal amount) of such Subseries 2021A-3 Bonds to be redeemed; and

(ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such Subseries 2021A-3 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Subseries 2021A-3 Bonds are to be redeemed, discounted to the date on which such Subseries 2021A-3 Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the “Treasury Rate” (as defined herein) plus (a) 15 basis points for Subseries 2021A-3 Bonds maturing May 15, 2033 through and including May 15 2035, (b) 20 basis points for Subseries 2021A-3 Bonds maturing May 15, 2036 and May 15, 2037, and (c) 10 basis points for Subseries 2021A-3 Bonds maturing May 15, 2040;

plus, in each case, accrued and unpaid interest on such Subseries 2021A-3 Bonds to be redeemed on the redemption date.

The “Treasury Rate” is, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days (but no more than forty-five calendar days) prior to the redemption date (excluding inflation indexed securities) (or, if such Federal Reserve Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of such Subseries 2021A-3 Bonds to be redeemed.

**State and City Redemption.** Pursuant to the MTA Bridges and Tunnels Act, the State or the City, upon providing sufficient funds, may require MTA Bridges and Tunnels to redeem the Subseries 2021A-3 Bonds as a whole at the time and at the price and in accordance with the terms upon which the Subseries 2021A-3 Bonds are otherwise redeemable.

**Selection of Bonds to be Redeemed.** For so long as the Subseries 2021A-3 Bonds are registered in book entry form and DTC or a successor securities depository is the sole registered owner of such Subseries 2021A-3 Bonds, if fewer than all of such Subseries 2021A-3 Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Subseries 2021A-3 Bonds to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with the operational arrangements of DTC then in effect. It is the intent of MTA Bridges and Tunnels that redemption allocations made by DTC, the DTC Participants or such other intermediaries that may exist between MTA Bridges and Tunnels and the beneficial owners be made on a pro rata pass-through distribution of principal basis. However, MTA Bridges and Tunnels can provide no assurance that DTC, the DTC Participants or any other intermediaries will allocate redemptions among beneficial owners and among any sinking fund installments within a maturity on such a proportional basis. If the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, all Subseries 2021A-3 Bonds to be so redeemed will be selected for redemption in accordance with DTC procedures by lot; provided further that any such redemption must be performed such that all Subseries 2021A-3 Bonds remaining outstanding will be in authorized denominations.

**Redemption Notices.** So long as DTC is the securities depository for the Subseries 2021A-3 Bonds, the Trustee must mail redemption notices to DTC at least 20 days before the redemption date. If the Subseries 2021A-3 Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to

Owners within the same time frame. A redemption of the Subseries 2021A-3 Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs.

**Redemption Process.** If the Trustee gives an unconditional notice of redemption, then on the redemption date the Subseries 2021A-3 Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Subseries 2021A-3 Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Subseries 2021A-3 Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Subseries 2021A-3 Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Subseries 2021A-3 Bonds.

**Please note that all redemptions are final – even if beneficial owners did not receive their notice and even if that notice had a defect.**

### **DEBT SERVICE ON THE BONDS**

The Series 2021A Bonds are the first issuance of PMT Senior Lien Indebtedness to be issued under the TBTA PMT Resolution or under the MTA PMT Resolution. No other PMT Senior Lien Indebtedness is outstanding at the time of issuance of the Series 2021A Bonds.

In December 2020, MTA placed a bond anticipation note constituting an Obligation Anticipation Note (the MLF BAN) maturing on December 15, 2023, issued under the MTA PMT Resolution in the principal amount of \$2,907,280,000 with the Municipal Liquidity Facility LLC under a program established by the Federal Reserve Bank. The MLF BAN was issued to finance lost revenues and pay additional expenses of MTA and its affiliates and subsidiaries caused by the COVID-19 pandemic. The principal of and interest on the MLF BAN may be paid from: (i) the proceeds of rollover bond anticipation notes issued under the MTA PMT Resolution, (ii) take-out bonds issued under the MTA PMT Resolution, and/or (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not otherwise pledged to the payment of the MLF BAN), in each case if and to the extent such amounts may lawfully be used to make such payments. The payment of principal on the MLF BAN is not secured by revenues under the MTA PMT Resolution. The payment of interest on the MLF BAN, all of which is payable at maturity, is payable on a subordinate basis to PMT Senior Lien Indebtedness that may be issued or incurred under the MTA PMT Resolution and the TBTA PMT Resolution (collectively, the PMT Resolutions). MTA may determine to issue PMT Senior Lien Indebtedness to retire the MLF BAN at maturity, depending on market conditions.

**Table 1** on the next page sets forth, on a cash basis, the debt service on the Series 2021A Bonds.

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**Table 1**  
**Aggregate PMT Senior Lien Debt Service**  
**(\$ in thousands)<sup>(1)</sup>**

<u>Year Ending December 31</u>	<u>Series 2021A Bonds<sup>(2)(3)</sup></u>			<u>Aggregate Debt Service<sup>(4)</sup></u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2021	-	\$ 23,241	\$ 23,241	\$ 23,241
2022	-	44,035	44,035	44,035
2023	-	44,035	44,035	44,035
2024	-	44,035	44,035	44,035
2025	-	44,035	44,035	44,035
2026	-	44,035	44,035	44,035
2027	-	44,035	44,035	44,035
2028	-	44,035	44,035	44,035
2029	-	44,035	44,035	44,035
2030	-	44,035	44,035	44,035
2031	-	44,035	44,035	44,035
2032	-	44,035	44,035	44,035
2033	\$ 31,955	43,674	75,629	75,629
2034	32,725	42,918	75,643	75,643
2035	33,545	42,102	75,647	75,647
2036	34,420	41,235	75,655	75,655
2037	35,360	40,313	75,673	75,673
2038	-	39,838	39,838	39,838
2039	-	39,838	39,838	39,838
2040	80,445	38,664	119,109	119,109
2041	76,845	36,723	113,568	113,568
2042	78,400	35,170	113,570	113,570
2043	79,985	33,586	113,571	113,571
2044	81,600	31,971	113,571	113,571
2045	83,695	29,875	113,570	113,570
2046	86,710	26,860	113,570	113,570
2047	90,710	22,859	113,569	113,569
2048	95,365	18,207	113,572	113,572
2049	100,255	13,316	113,571	113,571
2050	105,395	8,175	113,570	113,570
2051	110,800	2,770	113,570	113,570
<b>Total</b>	<b>\$1,238,210</b>	<b>\$1,095,718</b>	<b>\$2,333,928</b>	<b>\$2,333,928</b>

<sup>(1)</sup> Totals may not add due to rounding.

<sup>(2)</sup> Includes the following assumption for debt service: fixed rate mandatory tender bonds bear interest at their respective fixed interest rates prior to the mandatory tender date, until the final maturity date.

<sup>(3)</sup> Excludes debt service on the outstanding MLF BAN, the principal of which is not secured by PMT Receipts and interest on which is secured by PMT Receipts on a subordinate basis to PMT Senior Lien Indebtedness.

<sup>(4)</sup> Figures reflect amounts outstanding as of the date of issuance of the Series 2021A Bonds.



## PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

**Part II** of this official statement describes the sources of payment and security for all TBTA PMT Bonds, including the Series 2021A Bonds. Upon issuance, the Series 2021A Bonds will be the only TBTA PMT Bonds or MTA PMT Bonds outstanding.

The TBTA PMT Resolution was deemed approved by the Capital Program Review Board (CPRB) on March 17, 2021. On March 17, 2021, the MTA Bridges and Tunnels Board ratified the Payroll Mobility Tax Obligation Resolution (TBTA PMT Resolution) to authorize the issuance of TBTA PMT Bonds to finance MTA approved Capital Program transit and commuter projects. The MTA PMT Resolution, adopted by the MTA Board on November 18, 2020, permits MTA to issue bonds for approved Capital Program transit and commuter projects; however, CPRB approval would be required prior to the issuance of such bonds. Such approval has not been sought by MTA, and MTA has no plans to seek such approval in the immediate future. The MTA PMT Resolution also authorizes MTA to issue obligations to finance lost revenues and increased costs of the Related Entities, including MTA Bridges and Tunnels, related to the COVID-19 pandemic, and to finance working capital of the Related Entities, other than MTA Bridges and Tunnels.

The TBTA PMT Bonds, together with Obligations and Parity Debt issued in accordance with the TBTA PMT Resolution (collectively, TBTA PMT Senior Lien Indebtedness), are special obligations of MTA Bridges and Tunnels payable from and secured by the revenues described below (1) on a parity basis with the obligation of MTA to pay debt service on senior lien bonds, other obligations and parity debt (MTA PMT Senior Lien Indebtedness, and together with the TBTA PMT Senior Lien Indebtedness, PMT Senior Lien Indebtedness) issued under the MTA Payroll Mobility Tax Obligation Resolution (MTA PMT Resolution), and (2) senior to the obligations of MTA Bridges and Tunnels or MTA to pay debt service on second lien bonds and second lien parity debt (TBTA PMT Second Lien Indebtedness or MTA PMT Second Lien Indebtedness, and collectively PMT Second Lien Indebtedness; PMT Second Lien Indebtedness and PMT Senior Lien Indebtedness, collectively, PMT Indebtedness) issued under the TBTA PMT Resolution or the MTA PMT Resolution, respectively.

The TBTA PMT Resolution and the MTA PMT Resolution have substantially identical terms except for applicable references to the respective issuer and the authorized purposes for which PMT Indebtedness under the respective PMT Resolutions may be issued. *Each of the TBTA PMT Senior Lien Indebtedness, and any MTA PMT Senior Lien Indebtedness are secured by a first lien on, and parity pledge of, the PMT Receipts, consisting of two distinct revenue streams, each of which are described in detail below, namely Mobility Tax Receipts and Aid Trust Account Receipts (also referred to as ATA Receipts). MTA and MTA Bridges and Tunnels entered into the Financing Agreement to provide the mechanism by which MTA and MTA Bridges and Tunnels share PMT Receipts on a parity basis (i) first, with respect to PMT Senior Lien Indebtedness, and (ii) second, with respect to PMT Second Lien Indebtedness. See "SECURITY – Flow of PMT Receipts-Deposit and Application of PMT Receipts Under Financing Agreement" and "– PAYROLL MOBILITY TAX OBLIGATIONS SOURCES OF REVENUE AND PMT RESOLUTION FLOW OF FUNDS" below.*

### SOURCES OF PAYMENT

#### PMT Receipts

Under State law, TBTA PMT Bonds are MTA Bridges and Tunnels' special obligations, which means that they are payable solely from monies pledged therefor (PMT Receipts) in the Obligations Trust Estate under the TBTA PMT Resolution. They are not MTA Bridges and Tunnels' general obligations. PMT Receipts are comprised of Mobility Tax Receipts and ATA Receipts. Copies of the TBTA PMT Resolution, the MTA PMT Resolution and the executed Financing Agreement have each been filed with the MSRB through EMMA as described under "INTRODUCTION – Where to Find Information."

#### *Mobility Tax Receipts*

*The Payroll Mobility Tax.* The Payroll Mobility Tax (PMT) is a tax imposed on certain employers and individuals engaging in business in the Metropolitan Commuter Transportation District (MCTD). The MCTD,

which is subject to the imposition of the PMT, includes New York City (the counties of New York (Manhattan), Bronx, Kings (Brooklyn), Queens, Richmond (Staten Island)) and the counties of Rockland, Nassau, Suffolk, Orange, Putnam, Dutchess, and Westchester. The PMT is administered by the State Department of Taxation and Finance and collected by the Commissioner of Taxation and Finance. The proceeds from the PMT are distributed, without appropriation, to MTA.

Legislation was enacted in the State in 2009 (the May 2009 Legislation), providing additional sources of revenues, in the form of taxes, fees and surcharges, to address the financial needs of MTA. The PMT on payroll expenses and net earnings from self-employment within the MCTD initially imposed a 0.34% tax collected from private (for-profit and not-for-profit) and public sector employers in the MCTD.

The PMT was modified in 2011 to exempt certain taxpayers from paying the PMT and decrease rates paid by others. The PMT currently excludes federal, international, interstate agencies, certain eligible educational institutions, and certain small businesses. Additional amendments made in 2011 to the May 2009 Legislation further provided that any reductions in aid to MTA attributable to the 2011 statutory reductions in the PMT “shall be offset through alternative sources that will be included in the state budget” (PMT Revenue Offset Receipts). The PMT Revenue Offset Receipts are not pledged to the payment of TBTA PMT Indebtedness or MTA PMT Indebtedness.

MTA, along with the State and various officials of the State, successfully defended several actions challenging the constitutionality of the legislation that enacted the Payroll Mobility Tax (Chapter 25 of the Laws of 2009). These cases were conclusively resolved in 2014 when the New York Court of Appeals declined to hear an appeal of the appellate court decision, thereby confirming that the PMT is constitutional.

Legislation enacted in 2018 removed the legislative appropriation requirement for Mobility Tax Receipts and established that MTA receives Mobility Tax Receipts directly. See “Method of Payments of the PMT” below.

*Current Payroll Mobility Tax Rates.* The PMT is imposed on the total payroll expense for all covered employees for each calendar quarter at the following rates:

<u>Payroll Expense for Calendar Quarter</u>	<u>Tax Rate on Payroll Expense</u>
Under \$312,500	Not subject to PMT
Over \$312,500 but not over \$375,000	0.11%
Over \$375,000 but not over \$437,500	0.23%
Over \$437,500	0.34%

Payroll expenses subject to the PMT includes all wages or compensation (as defined under sections 3121 or 3231 of the Internal Revenue Code), including back pay, sick pay, deferred compensation, and bonuses if the payroll payment is attributable to services performed while the employee is or was a covered employee (described below). Section 3121 of the Internal Revenue Code defines wages and compensation as those subject to federal social security taxes and section 3231 of the Internal Revenue Code defines wages and compensation as those subject to the federal railroad retirement tax. However, in computing payroll expense subject to the PMT, the caps on wages subject to either social security taxes or railroad retirement taxes do not apply. Accordingly, for most employers, payroll expense is the amount of the employee wages or other compensation that is subject to the Medicare portion of the federal social security taxes.

*Employers subject to the Payroll Mobility Tax.* The PMT is imposed on certain employers within the MCTD, as described below. Subject to the exemptions described below, an employer engaging in business within the MCTD is subject to the PMT for each calendar quarter they are required to withhold New York State income tax from wages paid to employees and their payroll expense for all covered employees exceeds \$312,500 for that calendar quarter. An employer whose payroll expense does not exceed \$312,500 for that calendar quarter is not subject to the PMT for that calendar quarter.

*Employers exempt from the Payroll Mobility Tax.* The following employers are exempt from the PMT: agencies and instrumentalities of the United States; the United Nations; interstate agencies and public

corporations created pursuant to an agreement or compact with another state or Canada (such as The Port Authority of New York and New Jersey). The following educational institutions are also exempt from the PMT: any public school district; a board of cooperative educational services; a public elementary or secondary school; schools which serve students with disabilities of school age; and nonpublic elementary or secondary school that provides instruction in grade one or above.

*Covered Employees subject to Payroll Mobility Tax.* An employee is considered to be a covered employee (whose wages are then subject to the PMT) if the employee's services are allocated to the MCTD. An employee's services are allocated to the MCTD if any one of the following are true:

- 1) *Localization* - If an employee's services are either (a) performed entirely within the MCTD or (b) performed both inside and outside the MCTD, but the services performed outside the MCTD are incidental (i.e., temporary or transitory or consist of isolated transactions).
- 2) *Base of Operations* - If the employee's base of operations is in the MCTD. Base of operations generally means where the employee customarily starts out to perform his or her functions within or outside the MCTD or where the employee customarily returns to receive instruction, replenish stock and materials, repair equipment, or perform any other necessary function. This test is not applied if an employee has no base of operations or has more than one base of operations.
- 3) *Place of Direction and Control* - If the employee's direction and control emanates only from within the MCTD, and the employee performs some services within the MCTD.
- 4) *Residence* - If the employee resides in the MCTD and performs some services in the MCTD.

If an employee is considered a covered employee based on any one of these tests, then all of payroll expense for that employee is included in the payroll expense for purposes of the PMT.

*Individuals with net earnings from self-employment.* Individuals who have net earnings from self-employment allocated to the MCTD are also subject to the PMT. However, if total net earnings from self-employment allocated to the MCTD are \$50,000 or less for the tax year, no PMT is due. Net earnings from self-employment subject to the PMT are taxed at a flat rate of 0.34% of total net earnings allocated to the MCTD (subject to the minimum \$50,000 annual earnings threshold described in the preceding sentence). Self-employed individuals which may be subject to the PMT include sole proprietors, partners in partnerships, members of limited liability companies (LLCs) treated as partnerships for federal income tax purposes and certain single-member LLCs. Certain church employees, members of the clergy and Christian Science practitioners (those who are not subject to federal self-employment taxes) are also not subject to the PMT.

Net earnings from self-employment allocated to the MCTD means net earnings from self-employment that are attributable to a business carried on within the MCTD. Business activity is considered carried on in the MCTD for purposes of the PMT if an individual maintains, operates, or occupies desk space, an office, a shop, a store, a warehouse, a factory, an agency, or other place located in the MCTD where the individual's business matters are systematically and regularly carried on.

If a self-employed individual carries on business both in and outside the MCTD, only a portion of the individual's self-employed earnings are allocated to the MCTD, and thus subject to the PMT. Allocation for PMT purposes is required to be done using the same rules that apply for purposes of the allocation of business income in and out of New York State under the personal income tax rules.

*Method of Payments of the PMT.* The PMT is paid concurrently with regular periodic payroll by large employers required to use the State's prompt payment system (payrolls in excess of \$100,000) and quarterly by sole proprietors and other smaller employers. The PMT is audited and enforced by the State Department of Taxation and Finance and collected by the Commissioner of Taxation and Finance for the sole benefit of MTA and deposited to a segregated account held in trust by the State Comptroller for MTA.

### *Certain MCTD Employment and Wage Base Information*

The PMT and the collection thereof are related to, among other things, employment and wages in the MCTD. The following **Table 2** sets forth estimated employment in the MCTD (by place of work) since 2001, the percentage change in employment from the preceding calendar year, and employment in the MCTD as a percent of New York statewide employment.

**Table 2**  
**Historical MCTD and Statewide Full-Time and Part-Time Employment**

<b>Calendar Year</b>	<b>MCTD Employment<sup>(1)</sup></b>	<b>% Change from Previous Year</b>	<b>NY Statewide Employment<sup>(1)</sup></b>	<b>MCTD Employment as a % of NY Statewide Employment</b>
2001	6,992,895		10,438,676	67.0%
2002	6,930,924	-0.9%	10,348,345	67.0
2003	6,954,793	0.3	10,377,811	67.0
2004	7,062,140	1.5	10,513,327	67.2
2005	7,175,572	1.6	10,654,520	67.3
2006	7,317,502	2.0	10,810,191	67.7
2007	7,545,858	3.1	11,082,809	68.1
2008	7,647,191	1.3	11,197,699	68.3
2009	7,510,605	-1.8	10,984,350	68.4
2010	7,557,978	0.6	11,005,742	68.7
2011	7,824,140	3.5	11,294,064	69.3
2012	7,949,987	1.6	11,432,840	69.5
2013	8,122,572	2.2	11,619,137	69.9
2014	8,350,135	2.8	11,865,518	70.4
2015	8,561,903	2.5	12,099,185	70.8
2016	8,707,305	1.7	12,259,144	71.0
2017	8,825,507	1.4	12,389,041	71.2
2018	9,056,003	2.6	12,651,360	71.6
2019	9,256,318	2.2	12,873,579	71.9

Source: U.S. Bureau of Economic Analysis (U.S. BEA)

<sup>(1)</sup> Employment estimates based on data last updated by U.S. BEA on November 17, 2020.

The employment numbers in **Table 2** include all employment reported by the U.S. BEA and does not exclude any employees that may be exempt from the PMT and, therefore, is provided only as a proxy of the gross employment base which may be subject to the PMT.

U.S. BEA has not yet reported employment data for 2020 and, therefore, any impact from the COVID-19 pandemic is not reflected in **Table 2**. The New York State Department of Labor reported an estimated 8.9% decline in employment for residents (not based on place of work) in New York State from December 2019 to December 2020, which can be primarily attributed to the COVID-19 pandemic.

The following **Table 3** sets forth estimated wages, salaries and proprietors' income in the MCTD (by place of work) since 2001, the percentage change from the preceding calendar year, and the MCTD's wages, salaries and proprietors' income as a percent of New York statewide wages, salaries and proprietors' income.

**Table 3**  
**Historical MCTD and Statewide Wages, Salaries and Proprietors' Income**

<b>Calendar Year</b>	<b>MCTD Wages, Salaries and Proprietors' Income (\$ in millions)<sup>(1)</sup></b>	<b>% Change from Previous Year</b>	<b>MCTD as a % of NY Statewide Wages and Salaries and Proprietors' Income</b>
2001	\$382,040		78.5%
2002	373,625	-2.2%	77.9
2003	371,091	0.7	77.4
2004	387,083	4.3	77.3
2005	399,702	3.3	77.6
2006	433,340	8.4	78.1
2007	470,510	8.6	78.9
2008	468,840	-0.4	78.5
2009	446,763	-4.7	77.8
2010	473,572	6.0	78.1
2011	497,867	5.1	78.5
2012	524,684	5.4	78.8
2013	535,817	2.1	79.0
2014	561,187	4.7	79.4
2015	581,257	3.6	79.6
2016	607,221	4.5	80.0
2017	646,606	6.5	80.3
2018	680,052	5.2	80.6
2019	712,782	4.8	80.8

Source: U.S. BEA

<sup>(1)</sup> Wages, salaries and proprietors' income estimates: based on data last updated by U.S. BEA on November 17, 2020. Proprietors' income includes the inventory valuation adjustment and capital consumption adjustment.

The wages, salaries and proprietors' income in **Table 3** include all wages, salaries and proprietors' income reported by the U.S. BEA and does not exclude any wages, salaries and proprietors' income that may be exempt from the PMT, and therefore, is provided only as a proxy of the gross wages, salaries and proprietors' income base, which may be subject to the PMT.

U.S. BEA has not yet reported wages, salaries and proprietors' income for 2020 and, therefore, any impact from the COVID-19 pandemic is not reflected in **Table 3**. However, the New York State Department of Taxation and Finance reported only a 0.3% decline in PMT collections (not receipts) for calendar year 2020 compared to PMT collections for calendar year 2019. In addition, as **Table 4** below indicates, Mobility Tax Receipts received by MTA for calendar year 2020 did not decline from Mobility Tax Receipts for calendar year 2019.

Statistical information and calculations contained in **Table 2** and **Table 3** are based on data obtained from the U.S. BEA and other information above was obtained from the New York State Department of Taxation and Finance and the New York State Department of Labor. Although MTA and MTA Bridges and Tunnels believe such sources and information obtained therefrom to be reliable as of the date presented, neither MTA nor MTA Bridges and Tunnels can guarantee the accuracy of such information, assure its completeness or warrant that such information will not be changed, modified or otherwise revised subsequent to the date thereof. Neither MTA nor MTA Bridges and Tunnels has any obligation to update any or all of such information nor does MTA or MTA Bridges and Tunnels make any express or implied warranties or representations as to its accuracy or completeness.

### ***Historical Mobility Tax Receipts***

The following **Table 4** sets forth, on a cash basis, MTA’s total annual Mobility Tax Receipts since 2011, as well as the percentage change from the preceding calendar year:

**Table 4**  
**Historical Annual Mobility Tax Receipts**

<u>Calendar Year</u>	<u>Mobility Tax Receipts (\$ in millions)</u>	<u>% Change from Previous Year</u>
2011	\$1,415.0	
2012 <sup>(1)</sup>	1,265.3	-10.6%
2013 <sup>(1)</sup>	1,215.3	-4.0
2014	1,262.6	3.9
2015	1,316.9	4.3
2016	1,372.8	4.2
2017	1,435.6	4.6
2018	1,482.9	3.3
2019	1,560.5	5.2
2020	1,560.8	0.0

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Source: MTA Management

<sup>(1)</sup> The decline in Mobility Tax Receipts in calendar years 2012 and 2013 was attributed to revisions to the PMT statute effective April 1, 2012 which exempted certain taxpayers and lowered the rate paid by others, as described herein.

### ***ATA Receipts***

*The ATA Receipts.* The May 2009 Legislation also provided additional support for MTA in the form of revenues comprised of the supplemental fee on learner’s permits and driver’s licenses, supplemental fees on the registration and renewal of motor vehicles, the taxicab surcharge, and the supplemental tax on auto rentals, collectively referred to as the “ATA Receipts.” The ATA Receipts are collected by the Commissioner of Taxation and Finance or the Commissioner of Motor Vehicles, as applicable, on behalf of MTA, and deposited to the segregated account held in trust by the State Comptroller for MTA. Revenue from the ATA Receipts is not subject to appropriation, and is payable quarterly directly to MTA.

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ATA Receipts are derived from activities conducted in the MCTD at the collection rates listed in the table below. For State Fiscal Year 2020 (ending March 31, 2020), 66.0% of MTA's ATA Receipts were generated from driver's license fees and auto registration fees, with the remaining 34.0% from the taxicab surcharge and auto rental tax. In comparison, the State currently estimates that for State Fiscal Year 2021 (ending March 31, 2021), driver's license fees and auto registration fees were 80.7% while the taxicab surcharge and auto rental tax declined to 19.3% of total ATA Receipts.

<u>Source</u>	<u>Collection Rate</u>	<u>Collection Area</u>
Driver's License Fee	\$1.00 per 6 months <sup>(1)</sup>	MCTD
Auto Registration Fee	\$25 every year <sup>(2)</sup>	MCTD
Taxicab Surcharge	\$0.50 per ride	Any taxi ride starting in NYC and ending within the MCTD
Auto Rental Tax	6% of the cost of the rental <sup>(3)</sup>	MCTD

Source: MTA, State Department of Taxation and Finance, State Division of the Budget

(1) Collected as a \$16 surcharge on an 8-year license.

(2) Collected as a \$50 surcharge on a 2-year vehicle registration.

(3) Raised from 5% in 2019.

### ***Historical ATA Receipts***

The following **Table 5** sets forth, on a cash basis, MTA's total annual ATA Receipts since 2011, as well as the percentage change from the preceding calendar year.

**Table 5**  
**Historical Annual ATA Receipts**

<u>Calendar Year</u>	<u>ATA Receipts (\$ in millions)</u>	<u>% Change from Previous Year</u>
2011	\$303.2	
2012	305.6	0.8%
2013	302.9	-0.9
2014	313.2	3.4
2015 <sup>(1)</sup>	284.8	-9.1
2016	300.3	5.5
2017	306.2	2.0
2018 <sup>(1)</sup>	272.6	-11.0
2019	311.0	14.1
2020	248.8	-20.0

Source: MTA Management

<sup>(1)</sup> The decline in ATA receipts from 2014-2015 reflected a decline in taxicab surcharge receipts due to a reduction in pickups by yellow and green-metered taxicabs, which are subject to the taxicab surcharge. This was a result of an increase in the market share of smartphone app-driven providers into the area, such as Uber and Lyft, which are not subject to the \$0.50 taxicab surcharge. The change in 2017-2018 reflects an expansion of For-Hire Vehicle trips (from providers such as Uber and Lyft) taken as acceptance of these providers grew.

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### ***Historical PMT Receipts***

The following **Table 6** sets forth, on a cash basis, annual combined Mobility Tax Receipts and ATA Receipts (collectively, PMT Receipts) since 2011, and the percentage change in total PMT Receipts from the preceding calendar year.

**Table 6**  
**Historical Annual Combined Mobility Tax Receipts and ATA Receipts**  
**(PMT Receipts)**

<u>Calendar Year</u>	<u>Mobility Tax Receipts (\$ in millions)</u>	<u>ATA Receipts (\$ in millions)</u>	<u>PMT Receipts (\$ in millions)</u>	<u>% Change PMT Receipts from Previous Year</u>
2011	\$1,415.0	\$303.2	\$1,718.2	
2012 <sup>(1)</sup>	1,265.3	305.6	1,570.9	-8.6%
2013 <sup>(1)</sup>	1,215.3	302.9	1,518.1	-3.4
2014	1,262.6	313.2	1,575.8	3.8
2015	1,316.9	284.8	1,601.7	1.6
2016	1,372.8	300.3	1,673.1	4.5
2017	1,435.6	306.2	1,741.8	4.1
2018	1,482.9	272.6	1,755.5	0.8
2019	1,560.5	311.0	1,871.5	6.6
2020	1,560.8	248.7	1,809.7	-3.3

Source: MTA Management

<sup>(1)</sup>The decline in Mobility Tax Receipts in calendar years 2012 and 2013 was attributed to revisions to the PMT statute effective April 1, 2012, which exempted certain taxpayers and lowered the rate paid by others, as described herein.

### **Factors Affecting Revenues**

***The COVID-19 Pandemic.*** While the COVID-19 pandemic has, since its emergence in February and, particularly since March 2020, had a substantially adverse impact on MTA revenues and operations, the tables below demonstrate the relative resilience of the broad-based PMT Receipts. For further information related to the impact of the COVID-19 pandemic more generally on MTA and its Related Entities, see “BUSINESS – UPDATE REGARDING IMPACTS FROM THE CORONAVIRUS PANDEMIC AND CERTAIN MTA, FEDERAL AND STATE RESPONSES” in Part I of the **ADS**. See also the Supplement to the **ADS** dated August 28, 2020, the First Quarterly Update to the **ADS**, dated August 3, 2020, the Second Quarterly Update to the **ADS**, dated November 24, 2020, and the Third Quarterly Update to the **ADS**, dated March 2, 2021.

In MTA’s July 2020 Financial Plan, Mobility Tax Receipts were reforecast lower, due to the COVID-19 pandemic, to \$1,399.6 million for 2020 and \$1,375.1 million for 2021. Actual Mobility Tax Receipts for 2020 came in at \$1,560.8 million for 2020, \$161.2 million higher versus the July reforecast. For 2021, MTA has not yet revised the earlier projected 2021 Mobility Tax Receipts of \$1,375.1 million from its July 2020 reforecast.

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**Table 7** sets forth, on a cash basis, monthly Mobility Tax Receipts for pre-pandemic 2019 and post-pandemic 2020, the dollar and percentage change for each month in 2020 compared to 2019, and the cumulative dollar and percentage change in 2020 compared to 2019. Mobility Tax Receipts were down by 29.6% and 27.9% in May and June 2020, respectively, compared to the same months in the prior year, but experienced more moderate declines and even increases during the period from August through December. Overall, Mobility Tax Receipts were essentially the same for calendar year 2020 compared to 2019.

**Table 7**  
**Monthly Mobility Tax Receipts for 2019 and 2020**

<u>Month</u>	<b>2019</b> <b>Monthly</b> <b>Mobility Tax</b> <b>Receipts</b> <b>(\$ in millions)</b>	<b>2020</b> <b>Monthly Mobility</b> <b>Tax Receipts</b> <b>(\$ in millions)</b>	<b>\$ Change 2020</b> <b>vs 2019</b> <b>(\$ in millions)</b>	<b>% Change</b> <b>2020</b> <b>vs 2019</b>	<b>Cumulative</b> <b>\$ Change</b> <b>2020</b> <b>vs 2019</b> <b>(\$ in millions)</b>	<b>Cumulative</b> <b>% Change</b> <b>2020</b> <b>vs 2019</b>
January	\$ 18.3	\$ 32.9	\$ 14.6	79.6%	\$ 14.6	79.6%
February	196.4	211.3	14.9	7.6	29.5	13.7
March	157.8	158.9	1.1	0.7	30.6	8.2
April	125.2	140.7	15.5	12.4	46.1	9.3
May	166.0	116.9	(49.2)	-29.6	(3.1)	-0.5
June	155.2	112.0	(43.3)	-27.9	(46.3)	-5.7
July	110.0	103.5	(6.5)	-5.9	(52.8)	-5.7
August	126.3	147.8	21.5	17.0	(31.3)	-3.0
September	104.9	95.8	(9.1)	-8.7	(40.4)	-3.5
October	75.4	121.0	45.6	60.5	5.1	0.4
November	131.1	118.6	(12.5)	-9.5	(7.4)	-0.5
December	193.8	201.5	7.7	4.0	0.3	0.0
Totals	\$1,560.5	\$1,560.8	\$ 0.3	0.0%		

Source: MTA Management

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**Table 8** sets forth, on a cash basis, quarterly ATA Receipts for pre-pandemic 2019 and post-pandemic 2020, the dollar and percentage change for each quarter in 2020 compared to 2019, and the cumulative dollar and percentage change in 2020 compared to 2019. ATA Receipts were down 20% for calendar year 2020, with a 51.5% decline in the quarter ending June 30, during the height of the pandemic in such year, compared to the same quarter in the prior year.

**Table 8**  
**Quarterly ATA Receipts for 2019 and 2020**

<b>Quarter</b>	<b>2019 ATA Receipts</b>	<b>2020 ATA Receipts</b>	<b>\$ Change 2020 vs 2019</b>	<b>% Change 2020 vs 2019</b>	<b>Cumulative \$ Change 2020 vs 2019</b>	<b>Cumulative % Change 2020 vs 2019</b>
<b>Ending</b>	<b>(\$ in millions)</b>	<b>(\$ in millions)</b>	<b>(\$ in millions)</b>	<b>vs 2019</b>	<b>(\$ in millions)</b>	<b>vs 2019</b>
March	\$ 60.0	\$ 72.0	\$ 12.0	20.0%	\$ 12.0	20.0%
June	109.7	53.2	(56.5)	-51.5	(44.5)	-26.2
September	72.7	59.9	(12.8)	-17.6	(57.3)	-23.6
December	68.6	63.7	(4.9)	-7.1	(62.2)	-20.0
<b>Totals</b>	<b>\$311.0</b>	<b>\$248.9</b>	<b>\$(62.2)</b>	<b>-20.0%</b>		

Source: MTA Management

**Table 9** sets forth, on a cash basis, monthly combined Mobility Tax Receipts and ATA Receipts (collectively, PMT Receipts) for pre-pandemic 2019 and post-pandemic 2020, the dollar and percentage change for each month in 2020 compared to 2019, and the cumulative dollar and percentage change in 2020 compared to 2019. Overall, PMT Receipts for calendar year 2020 were down by \$61.9 million, or 3.3%, compared to 2019.

**Table 9**  
**Monthly Combined Mobility Tax Receipts and ATA Receipts (PMT Receipts) for 2019 and 2020**

<b>Month</b>	<b>2019 Monthly PMT Receipts</b>	<b>2020 Monthly PMT Receipts</b>	<b>\$ Change 2020 vs 2019</b>	<b>% Change 2020 vs 2019</b>	<b>Cumulative \$ Change 2020 vs 2019</b>	<b>Cumulative % Change 2020 vs 2019</b>
	<b>(\$ in millions)</b>	<b>(\$ in millions)</b>	<b>(\$ in millions)</b>	<b>vs 2019</b>	<b>(\$ in millions)</b>	<b>vs 2019</b>
January	\$ 18.3	\$ 32.9	\$ 14.6	79.6%	\$ 14.6	79.6%
February	196.4	211.3	14.9	7.6	29.5	13.7
March	217.8	230.9	13.1	6.0	42.6	9.9
April	125.2	140.7	15.5	12.4	58.1	10.4
May	166.0	116.9	(49.2)	-29.6	8.9	1.2
June	264.9	165.2	(99.8)	-37.7	(90.8)	-9.2
July	110.0	103.5	(6.5)	-5.9	(97.3)	-8.9
August	126.3	147.8	21.5	17.0	(75.8)	-6.2
September	177.6	155.7	(21.9)	-12.3	(97.8)	-7.0
October	75.4	121.0	45.6	60.5	(52.2)	-3.5
November	131.1	118.6	(12.5)	-9.5	(64.7)	-4.0
December	262.4	265.2	2.8	1.1	(61.9)	-3.3
<b>Totals</b>	<b>\$1,871.5</b>	<b>\$1,809.7</b>	<b>\$(61.9)</b>	<b>-3.3%</b>		

Source: MTA Management

Mobility Tax Receipts received by MTA tend to be higher in the month of December, followed by lower Mobility Tax Receipts in the month of January, due to a statutory provision which requires the State Comptroller to transfer to MTA by the final business day in December all then collected Mobility Tax Receipts.

Mobility Tax Receipts received by MTA for the 3-month period of January 1, 2021 through March 31, 2021 (2021Q1) were \$462.8 million, representing an increase of \$59.7 million or 14.8% compared to Mobility Tax Receipts received for the same 3-month period in 2020 (2020Q1). The New York State Department of Taxation and Finance has published collections of payroll mobility taxes for the months of January and February 2021 which were \$382.0 million, representing an increase of \$12.1 million, or 3.3% compared to PMT collections for the same two-month period in 2020. ATA Receipts received by MTA for 2021Q1 were \$61.7 million, representing a decline of \$10.3 million or 14.4% compared to ATA Receipts received during 2020Q1. Total PMT Receipts (Mobility Tax Receipts and ATA Receipts) received by MTA during 2021Q1 were \$524.5 million, representing an increase of \$49.3 million or 10.4% compared to total PMT Receipts received during 2020Q1.

**Legislative Changes.** The State is not restricted in its right to amend, repeal, modify or otherwise alter statutes imposing or relating to the sources of PMT Receipts or the taxes that are the source of such PMT Receipts. However, the State has authorized MTA and MTA Bridges and Tunnels to include in their respective PMT Resolutions, for the benefit of the holders of the their respective bonds, its agreement that the State will not limit or alter the rights vested in MTA or MTA Bridges and Tunnels to fulfill the terms of any agreements made by MTA or MTA Bridges and Tunnels with the holders of its notes, bonds and lease obligations, including the MTA Bridges and Tunnels PMT Bonds and the MTA PMT Bonds, or in any way impair the rights and remedies of such holders. See “- SECURITY - Agreements of the State” below.

**Economic Conditions.** Each of the sources of PMT Receipts are dependent upon economic and demographic conditions in the State and in the MCTD, and therefore, there can be no assurance that historical data with respect to collections of the PMT Receipts will be indicative of future receipts, either during the pendency of the COVID-19 pandemic or thereafter.

**Information Relating to the State.** Information relating to the State, including the Annual Information Statement of the State, as amended or supplemented, is not a part of this official statement. Such information is on file with MSRB through EMMA with which the State was required to file, and the State has committed to update that information to the holders of its general obligation bonds and State-supported bonds, in the manner specified in Rule 15c2-12. Prospective purchasers of TBTA PMT Bonds wishing to obtain that information may refer to those filings regarding currently available information about the State. The State has not obligated itself to provide continuing disclosure in connection with the offering of TBTA PMT Bonds, including the Series 2021A Bonds. MTA Bridges and Tunnels makes no representations about State information or its continued availability.

## SECURITY

The TBTA PMT Bonds, including the Series 2021A Bonds, are MTA Bridges and Tunnels’ special obligations payable as to principal, redemption premium, if any, and interest solely from the security, sources of payment and funds specified in the TBTA PMT Resolution. Payment of principal of or interest on the TBTA PMT Bonds may not be accelerated in the event of a default.

The TBTA PMT Bonds are secured primarily by the sources of payment described under the caption “SOURCES OF PAYMENT.” As described below, pursuant to the Financing Agreement, the TBTA PMT Bonds are secured on a parity with the MTA PMT Bonds.

The TBTA PMT Bonds are not secured by:

- the general fund or other funds and revenues of the State, or
- the other funds and revenues of MTA, MTA Bridges and Tunnels, or any of its affiliates or subsidiaries.

The TBTA PMT Bonds are not a debt of the State or the City, or any other local governmental unit. MTA Bridges and Tunnels has no taxing power.

The TBTA PMT Resolution, the MTA PMT Resolution, the Standard Resolution Provisions Applicable to MTA PMT Indebtedness and Parity Debt and TBTA PMT Indebtedness and Parity Debt, the Standard Resolution Provisions Applicable to MTA and TBTA PMT Second Lien Indebtedness and Second Lien Parity Debt, the Additional Resolution Provisions Applicable to MTA and TBTA PMT Senior Lien Indebtedness and PMT Second Lien Indebtedness, and a copy of the executed Financing Agreement (also included herein as **Attachment 2** – “Copy of Financing Agreement”) have been filed with EMMA and are included by specific cross-reference in this official statement, and are also available on MTA’s website.

### **Flow of PMT Receipts**

MTA and MTA Bridges and Tunnels entered into the Financing Agreement to provide the mechanism by which MTA and MTA Bridges and Tunnels share PMT Receipts on a parity basis. As described below, the statutes providing for the imposition and collection of the PMT Receipts, together with the Financing Agreement and the PMT Resolutions provide the procedures for the deposit and transfer of amounts constituting PMT Receipts to ensure that sufficient amounts will be available for MTA to (i) provide MTA Bridges and Tunnels, or the Trustee on behalf of MTA Bridges and Tunnels, with the PMT Receipts necessary for MTA Bridges and Tunnels to timely perform its obligations under the TBTA PMT Resolution, and (ii) retain, or provide to the trustee under the MTA PMT Resolution on its own behalf, the PMT Receipts necessary for MTA to timely perform its obligations under the MTA PMT Resolution, in each case on the terms and conditions and in the priority set forth in the applicable statutes and financing documents.

#### ***Deposit and Application of PMT Receipts Required by Statute***

*Mobility Tax Receipts.* The Mobility Tax Receipts collected or received by the Commissioner of Taxation and Finance on behalf of MTA are deposited daily into a segregated account held in trust by the State Comptroller for the credit of MTA. Mobility Tax Receipts are not subject to appropriation, and are payable twice a month (on the 15<sup>th</sup> and the final business day of each month) by the State Comptroller directly to MTA for deposit in the MTA Finance Fund held by MTA in accordance with each of Section 805(b) of the State Tax Law and Section 1270-h of the MTA Act. Immediately upon their receipt, MTA transfers the Mobility Tax Receipts to the Mobility Tax Receipts Subaccount in accordance with the terms of the Financing Agreement described below.

*ATA Receipts.* The ATA Receipts are collected or received by the Commissioner of Taxation and Finance or the Commissioner of Motor Vehicles, as applicable, on behalf of MTA and are deposited daily into a segregated account held in trust by the State Comptroller for the credit of MTA. ATA Receipts are not subject to appropriation, and are payable quarterly (by the 15<sup>th</sup> day of the last month of each calendar quarter) by the State Comptroller directly to MTA for deposit in the Corporate Transportation Account within the Special Assistance Fund held by MTA for application in accordance with Section 1270-a of the MTA Act. Immediately upon their receipt, MTA transfers the ATA Receipts to the ATA Receipts Subaccount in accordance with the terms of the Financing Agreement described below.

#### ***Deposit and Application of PMT Receipts Under Financing Agreement***

The statutory lien in favor of the holders of PMT Indebtedness is effective immediately upon receipt by MTA of the Mobility Tax Receipts and the ATA Receipts, prior to the deposit of such moneys into the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount, respectively. All PMT Receipts received by MTA are required to be immediately deposited into the applicable Subaccount established under the Financing Agreement. Such Subaccounts are separate bank accounts established for the purpose of segregating and investing the receipts deposited therein prior to transfer to the respective Trustee under the MTA PMT Resolution and the TBTA PMT Resolution, as described below. Amounts held at any time by MTA in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount are held in trust separate and apart from all other funds of MTA for the benefit of holders of PMT Indebtedness.

MTA Bridges and Tunnels and MTA have entered into the Financing Agreement for the purposes of establishing the procedures pursuant to which MTA will deposit, allocate and transfer the PMT Receipts in order to ensure the parity allocation of such PMT Receipts between the TBTA PMT Resolution and the MTA PMT Resolution.

In every month, at such time or times as MTA in its discretion shall determine (but in no event later than the last Business Day of every month), MTA shall transfer PMT Receipts from the Mobility Tax Receipts Subaccount or the ATA Receipts Subaccount or both (as determined by MTA) in the following order of priority and to the extent available for application, as follows:

- *first*, to the applicable Trustee for deposit in the applicable Senior Lien Debt Service Fund, an amount equal to the applicable Monthly Senior Lien Deposit Requirement (generally, one-fifth (1/5<sup>th</sup>) of the interest due and payable on the next interest payment date and one-tenth (1/10<sup>th</sup>) of the next Principal Installment) plus an amount equal to the amount required to cure any deficiency in prior transfers made; *provided, however*, if on the date of any such transfer the amount of PMT Receipts available for transfer is less than the amount required to be transferred, the amount actually available shall be transferred, first, on a *pro rata* basis (in proportion to the amount of any deficiencies relative to each other) to each applicable Trustee to cure any deficiencies in prior deposits or transfers, and then, on a *pro rata* basis to each applicable Trustee in proportion to the amount of the respective current applicable Monthly Senior Lien Debt Service Requirement; and
- *second*, to the applicable Trustee for deposit in the applicable Second Lien Debt Service Fund, an amount equal to the applicable Monthly Second Lien Deposit Requirement plus an amount equal to the amount required to cure any deficiency in prior transfers made; *provided, however*, if on the date of any such transfer the amount of PMT Receipts available for transfer is less than the amount required to be so transferred, the amount actually available shall be transferred, first, on a *pro rata* basis (in proportion to the amount of any deficiencies relative to each other) to each applicable Trustee to cure any deficiencies in prior deposits or transfers, and then, on a *pro rata* basis to each applicable Trustee in proportion to the amount of the respective current applicable Monthly Second Lien Deposit Requirement; and
- *third*, to the applicable Trustee or another Person, the amount necessary for the payment of Other Subordinated Obligations or obligations payable from PMT Receipts in the priority set forth in the applicable PMT Resolution or other authorizing document for such obligations; and
- *fourth*, to the applicable Trustee or another Person, for the payment of fees and expenses due and payable under the related PMT Indebtedness and PMT Resolutions, to the extent payable from PMT Receipts in the priority set forth in the applicable authorizing document; and
- *fifth*, after the amounts actually transferred under clauses *first* through *fourth* above equal the amounts required to have been so transferred on a cumulative basis as of the end of each month, to MTA or for expenditure by MTA, PMT Receipts and investment income, if any, on deposit in the PMT Receipts Subaccounts free and clear of any lien, pledge or claim of the TBTA PMT Resolution and the MTA PMT Resolution, to be applied by MTA as provided in the MTA Act.

If, after the date or dates of any transfers made by MTA in a particular month described above, there continues to be a deficiency in the cumulative amounts required to be transferred and MTA receives additional PMT Receipts later in such month, MTA will apply those additional PMT Receipts as soon as practicable (but no later than the last Business Day of such month) in the same priority as set forth above to cure such deficiencies to the greatest extent possible.

If on any Business Day no later than two Business Days preceding any Applicable Debt Service Payment Date, MTA receives notice from an applicable Trustee that there are insufficient funds on deposit to pay Debt Service on PMT Indebtedness on such payment date, MTA shall transfer, to the extent moneys are available, any or all PMT Receipts on deposit in the Subaccounts in the amount necessary to cure such

deficiency. Amounts so transferred shall be applied in the same priority as set forth above; *provided, however*, that no transfers shall be made to an applicable Second Lien Trustee if there is a deficiency that has not been cured in the amounts transferred for the payment of Senior Lien Debt Service.

See **Attachment 2** – “Copy of Financing Agreement” for a more detailed description of the flow of funds set forth in the Financing Agreement.

## **Pledge Effected by the TBTA PMT Resolution**

### ***Application of PMT Receipts Under TBTA PMT Resolution***

The TBTA PMT Resolution establishes an Obligations Proceeds Fund held by MTA Bridges and Tunnels and a Senior Lien Debt Service Fund held by the Trustee. A copy of the TBTA PMT Resolution may be found on MTA’s website (<https://new.mta.info/investor-info/bond-resolutions-interagency-agreements>) “TBTA Payroll Mobility Tax Obligation Resolution”, included herein by specific cross-reference for TBTA PMT Resolution provisions governing the deposits to and withdrawals from the Funds and Accounts. Amounts held by MTA Bridges and Tunnels or the Trustee in any of such Funds shall be held in trust separate and apart from all other funds and applied solely for the purposes specified in the TBTA PMT Resolution or any Supplemental Resolution thereto.

***Obligations Trust Estate.*** The TBTA PMT Resolution provides that there are pledged to the payment of principal and redemption premium of, interest on, and sinking fund installments for, the TBTA PMT Bonds, and other Obligations and Parity Debt, in accordance with their terms and the provisions of the TBTA PMT Resolution, subject only to the provisions permitting the application of that money for the purposes and on the terms and conditions permitted in the TBTA PMT Resolution, and subject also to the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the PMT Receipts as described in “—Agreements of the State” below, the following, referred to as the “Obligations Trust Estate”:

- (i) the proceeds of the sale of the TBTA PMT Bonds, until those proceeds are paid out for an authorized purpose;
- (ii) all right, title and interest of MTA Bridges and Tunnels in (x) the Financing Agreement, including the right of MTA Bridges and Tunnels to receive the PMT Receipts thereunder and (y) the funds and accounts established under the Financing Agreement into which the PMT Receipts are to be deposited; *provided, however, that*, that all right, title and interest of MTA Bridges and Tunnels in and to the Financing Agreement and receipt of amounts payable thereunder for the benefit of TBTA PMT Bonds, other Obligations and Parity Debt is of equal rank with the all right, title and interest of MTA in and to the Financing Agreement and receipt of amounts payable thereunder for the benefit of MTA PMT Bonds, other Obligations and Parity Debt;
- (iii) the Obligations Proceeds Fund and the Senior Lien Debt Service Fund, any money on deposit therein and any money received and held by MTA Bridges and Tunnels which is required to be deposited therein;
- (iv) all Funds, Accounts and Subaccounts established by the TBTA PMT Resolution (other than (a) the Second Lien Obligations Proceeds Fund and the Second Lien Debt Service Fund, and any accounts and subaccounts therein and (b) funds and any accounts and subaccounts therein established pursuant to a Supplemental Resolution in connection with Variable Interest Rate Obligations, Put Obligations or Parity Debt; *provided, however, that*, in the case of funds described in clause (b) hereof, such funds, accounts and subaccounts are specifically excepted from the Obligations Trust Estate by the Supplemental Resolution authorizing such Variable Interest Rate Obligations, Put Obligations or Parity Debt), including the investments, if any, thereof; and

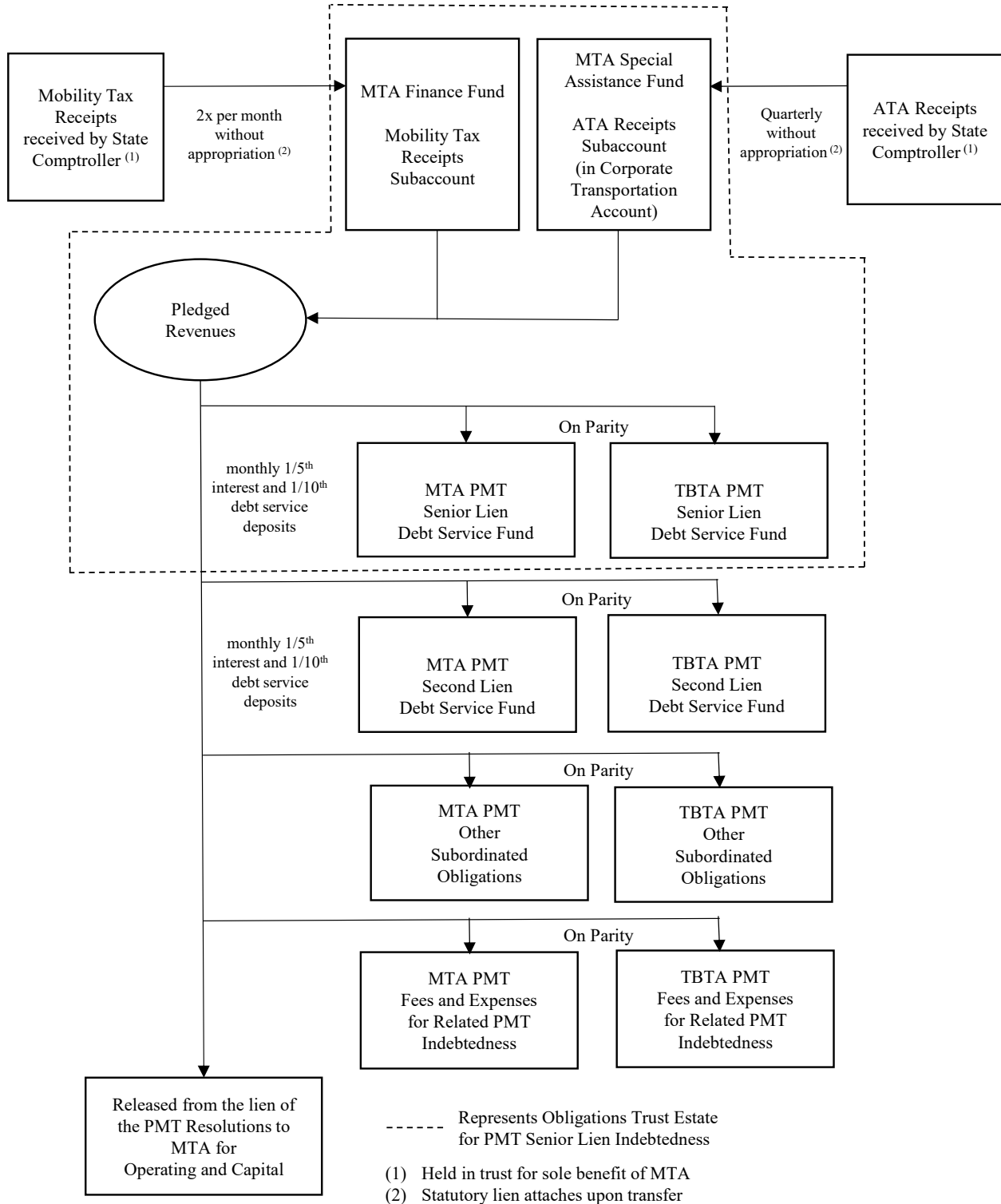
- (v) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the TBTA PMT Resolution for the TBTA PMT Bonds by MTA Bridges and Tunnels, or by anyone on its behalf, or with its written consent, to the Trustee, which is authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms of the TBTA PMT Resolution.

The TBTA PMT Resolution provides that the Obligations Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the TBTA PMT Resolution, other than the TBTA PMT Senior Lien Indebtedness, and all corporate action on the part of MTA Bridges and Tunnels to that end has been duly and validly taken.

The following chart summarizes (i) the flow of taxes, fees and surcharges into the MTA Finance Fund and the MTA Special Assistance Fund, and (ii) the flow of the PMT Receipts pursuant to the terms of the Financing Agreement through the Funds and Accounts established under the TBTA PMT Resolution and the MTA PMT Resolution.

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## SOURCES OF REVENUE AND FLOW OF FUNDS





## **Debt Service Fund**

Pursuant to the TBTA PMT Resolution, the Trustee holds the Senior Lien Debt Service Fund. Moneys deposited in the Senior Lien Debt Service Fund are applied by the Trustee to the payment of Debt Service on the TBTA PMT Bonds in the manner, and from the accounts and subaccounts, more fully described under the heading “Senior Lien Debt Service Fund” in the TBTA PMT Resolution included herein by specific cross-reference.

MTA is required under the Financing Agreement to make transfers no less frequently than monthly to the Trustee for deposit in the appropriate account of the Senior Lien Debt Service Fund of interest (1/5th of the next semiannual payment) and principal (1/10th of the next annual payment) from PMT Receipts. See “— Flow of PMT Receipts — *Deposit and Application of PMT Receipts Under Financing Agreement*” above and **Attachment 2** – “Copy of Financing Agreement”.

## **Covenants**

***Additional PMT Senior Lien Indebtedness including Parity Debt.*** The TBTA PMT Resolution permits the issuance or incurrence of additional Senior Lien Indebtedness from time to time to pay or provide for payment of Capital Costs for any Transportation District Project that may be financed with obligations the payment of which may be secured by and paid from the PMT Receipts and to refund Outstanding TBTA PMT Bonds.

Additional PMT Senior Lien Indebtedness, including additional Series of TBTA PMT Bonds, may be issued provided that, in addition to satisfying certain other requirements, MTA Bridges and Tunnels delivers a certificate that evidences MTA Bridges and Tunnels’ compliance with the additional bonds test set forth in the TBTA PMT Resolution. The additional bonds test for either the issuance of TBTA PMT Senior Lien Indebtedness or MTA PMT Senior Lien Indebtedness requires that the amount of PMT Receipts (Mobility Tax Receipts and ATA Receipts) for any 12 consecutive calendar months ended not more than six months prior to the date of such calculation, as set forth in a certificate of an Authorized Officer, is at least 2.25 times the combined maximum annual Calculated Debt Service (as defined in the TBTA PMT Resolution) on all Outstanding TBTA PMT Senior Lien Indebtedness and MTA PMT Senior Lien Indebtedness then outstanding (including the TBTA or MTA PMT Senior Lien Indebtedness then proposed to be issued).

Each of the TBTA PMT Resolution and the MTA PMT Resolution also provides that additional PMT Senior Lien Indebtedness may be issued to refund Outstanding PMT Senior Lien Indebtedness, either by meeting the additional bonds test described above, or, in the alternative, by demonstrating that (1) combined maximum annual Calculated Debt Service on all PMT Senior Lien Indebtedness for any future debt service year, and (2) combined maximum annual (a) Calculated Debt Service on all PMT Senior Lien Indebtedness and (b) Calculated Second Lien Debt Service on all PMT Second Lien Indebtedness for any future debt service year, will not increase as a result of such refunding.

For the requirements relating to the issuance of Refunding Bonds under the TBTA PMT Resolution and under the MTA PMT Resolution, see “— Special Provisions for Refunding Obligations” in “ANNEX C” to the TBTA PMT Resolution included herein by specific cross-reference.

## **Parity Debt**

Subject to compliance with the additional bonds test for PMT Senior Lien Indebtedness described above, MTA Bridges and Tunnels and MTA may incur Parity Debt pursuant to the terms of the respective PMT Resolution. Such PMT Senior Lien Indebtedness would, subject to certain exceptions, be secured by a pledge of, and a lien on, the Obligations Trust Estate on a parity with the lien created by the applicable PMT Resolution. Parity Debt may be incurred in the form of a Parity Reimbursement Obligation, a Parity Swap Obligation or any other contract, agreement or other obligation of MTA Bridges and Tunnels designated as constituting “Parity Debt” in a certificate of an Authorized Officer delivered to the applicable Trustee.

## **Subordinate Obligations**

The TBTA PMT Resolution and the MTA PMT Resolution each authorize the issuance or incurrence of subordinate obligations, including PMT Second Lien Indebtedness.

## **Agreements of the State**

The MTA Act provides that, so long as MTA has outstanding any bonds, notes or other obligations, none of MTA, MTA Bridges and Tunnels or any of the other Related Entities has the authority to file a voluntary petition under Chapter 9 of the Federal Bankruptcy Code, and neither any public officer nor any organization, entity or other person shall authorize MTA, MTA Bridges and Tunnels or any of the other Related Entities to be or become a debtor under Chapter 9 during any such period. In addition, under the MTA Act, the State pledges and agrees that it will not limit or alter the denial of authority to file a voluntary petition under Chapter 9 as provided in the preceding sentence during any such period. The Financing Agreement is an MTA obligation that extends the protections of this provision through the final maturity of PMT Senior Lien Indebtedness.

Chapter 9 does not provide authority for creditors to file involuntary bankruptcy proceedings against MTA, MTA Bridges and Tunnels or the other Related Entities.

Under the MTA Act and the MTA Bridges and Tunnels Act, the State pledges to and agrees with the holders of any notes, bonds or lease obligations issued or incurred by MTA and MTA Bridges and Tunnels, including the MTA PMT Bonds and the TBTA PMT Bonds, that the State will not limit or alter the rights vested in MTA or MTA Bridges and Tunnels to fulfill the terms of any agreements made with the holders of their respective notes, bonds and lease obligations, or in any way impair the rights and remedies of such holders. Notwithstanding the foregoing, in accordance with State law and the MTA PMT Resolution and the TBTA PMT Resolution, nothing in the MTA PMT Resolution or the TBTA PMT Resolution restricts the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes, fees or appropriations which are the source of PMT Receipts. No default under the MTA PMT Resolution or the TBTA PMT Resolution would occur solely as a result of the State exercising its right to amend, repeal, modify or otherwise alter such taxes, fees or appropriations.

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### PART III. OTHER INFORMATION ABOUT THE SERIES 2021A BONDS

**Part III** of this official statement provides miscellaneous additional information relating to the Series 2021A Bonds.

#### TAX MATTERS RELATING TO THE TAX-EXEMPT BONDS

##### General

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., are Co-Bond Counsel for the Tax-Exempt Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA Bridges and Tunnels and MTA and assuming compliance by MTA Bridges and Tunnels and MTA with certain covenants, interest on the Tax-Exempt Bonds is:

- excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and
- not a specific preference item for an Owner in calculating the federal alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that, under existing law, interest on the Tax-Exempt Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See **Attachment 4** to this official statement for the form of the opinion that each Co-Bond Counsel expects to deliver when the Tax-Exempt Bonds are delivered.

The Internal Revenue Code of 1986 imposes requirements on the Tax-Exempt Bonds that MTA Bridges and Tunnels and MTA must continue to meet after the Tax-Exempt Bonds are issued. These requirements generally involve the way that Tax-Exempt Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Tax-Exempt Bonds must be used. If MTA Bridges and Tunnels and MTA do not meet these requirements, it is possible that an Owner may have to include interest on the Tax-Exempt Bonds in its federal gross income on a retroactive basis to the date of issue. MTA Bridges and Tunnels and MTA have covenanted to do everything necessary to meet the requirements of the Internal Revenue Code of 1986.

An Owner who is a particular kind of taxpayer may also have additional tax consequences from owning the Tax-Exempt Bonds. This is possible if an Owner is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit, or
- a borrower of money to purchase or carry the Tax-Exempt Bonds.

If an Owner is in any of these categories, it should consult its tax advisor.

Co-Bond Counsel are not responsible for updating their respective opinions in the future. Although it is not possible to predict, as of the date of delivery of such opinions, it is possible that future events could change the tax treatment of the interest on the Tax-Exempt Bonds or affect the market price of the Tax-Exempt Bonds. See also "Miscellaneous" below under this heading.

Co-Bond Counsel express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Tax-Exempt Bonds, or under State, local or foreign tax law.

### **Bond Premium**

If an Owner purchases a Tax-Exempt Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Tax-Exempt Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized an Owner’s tax basis in that Tax-Exempt Bond will be reduced. The Owner of a Tax-Exempt Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Tax-Exempt Bond. An Owner in certain circumstances may realize a taxable gain upon the sale of a Tax-Exempt Bond with bond premium, even though the Tax-Exempt Bond is sold for an amount less than or equal to the Owner’s original cost. If an Owner owns any Tax-Exempt Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

### **Information Reporting and Backup Withholding**

Information reporting requirements apply to interest paid on tax-exempt obligations, such as the Tax-Exempt Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the interest recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Internal Revenue Code of 1986. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an Owner purchasing a Tax-Exempt Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Tax-Exempt Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the Owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

### **Miscellaneous**

Legislative or administrative actions and court decisions, at either the federal or state level, may cause interest on the Tax-Exempt Bonds to be subject, directly or indirectly, in whole or in part, to federal, state or local income taxation, and thus have an adverse impact on the value or marketability of the Tax-Exempt Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion or exemption of the interest on the Tax-Exempt Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an impact on the federal or state income tax treatment of holders of the Tax-Exempt Bonds may occur. Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Tax-Exempt Bonds. Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance of the Tax-Exempt Bonds may affect the tax status of interest on the Tax-Exempt Bonds.

Prospective Owners should consult their own tax advisors regarding the foregoing matters.

## TAX MATTERS RELATING TO THE SUBSERIES 2021A-3 BONDS

### *Federal Income Taxes*

The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Subseries 2021A-3 Bonds. The summary is based upon the provisions of the Code, the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses Subseries 2021A-3 Bonds held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Subseries 2021A-3 Bonds as a hedge against currency risks or as a position in a “straddle,” “hedge,” “constructive sale transaction” or “conversion transaction” for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire Subseries 2021A-3 Bonds at their initial issue price except where otherwise specifically noted. Potential purchasers of the Subseries 2021A-3 Bonds should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the Subseries 2021A-3 Bonds.

MTA Bridges and Tunnels has not sought and will not seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

### *U.S. Holders*

As used herein, the term “**U.S. Holder**” means a beneficial owner of Subseries 2021A-3 Bonds that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds Subseries 2021A-3 Bonds, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds Subseries 2021A-3 Bonds, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the Subseries 2021A-3 Bonds.

### *Taxation of Interest Generally*

Interest on the Subseries 2021A-3 Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code and so will be fully subject to federal income taxation. Purchasers will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Subseries 2021A-3 Bonds. In general, interest paid on the Subseries 2021A-3 Bonds and recovery of any accrued original issue discount and market discount will be treated as ordinary income to a bondholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital

to the extent of the U.S. Holder's adjusted tax basis in the Subseries 2021A-3 Bonds and capital gain to the extent of any excess received over such basis.

### ***Recognition of Income Generally***

Section 451(b) of the Code provides that purchasers using an accrual method of accounting for U.S. federal income tax purposes may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such purchaser. In this regard, Treasury Regulations provide that, with the exception of certain fees, the rule in section 451(b) will generally not apply to the timing rules for original issue discount and market discount, or to the timing rules for de minimis original issue discount and market discount. Prospective purchasers of the Subseries 2021A-3 Bonds should consult their own tax advisors regarding any potential applicability of these rules and their impact on the timing of the recognition of income related to the Subseries 2021A-3 Bonds under the Code.

### ***Original Issue Discount***

The following summary is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of Subseries 2021A-3 Bonds issued with original issue discount ("**Discount Bonds**"). A Subseries 2021A-3 Bond will be treated as having been issued with an original issue discount if the excess of its "stated redemption price at maturity" (defined below) over its issue price (defined as the initial offering price to the public at which a substantial amount of the Subseries 2021A-3 Bonds of the same maturity have first been sold to the public, excluding bond houses and brokers) equals or exceeds one quarter of one percent of such Subseries 2021A-3 Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of an installment obligation, its weighted average maturity).

A Subseries 2021A-3 Bond's "stated redemption price at maturity" is the total of all payments provided by the Subseries 2021A-3 Bond that are not payments of "qualified stated interest." Generally, the term "qualified stated interest" includes stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate or certain floating rates.

In general, the amount of original issue discount includible in income by the initial holder of a Discount Bond is the sum of the "daily portions" of original issue discount with respect to such Discount Bond for each day during the taxable year in which such holder held such Discount Bond. The daily portion of original issue discount on any Discount Bond is determined by allocating to each day in any "accrual period" a ratable portion of the original issue discount allocable to that accrual period.

An accrual period may be of any length, and may vary in length over the term of a Discount Bond, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs at the end of an accrual period. The amount of original issue discount allocable to each accrual period is equal to the difference between (i) the product of the Discount Bond's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period) and (ii) the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a Discount Bond at the beginning of any accrual period is the sum of the issue price of the Discount Bond plus the amount of original issue discount allocable to all prior accrual periods minus the amount of any prior payments on the Discount Bond that were not qualified stated interest payments. Under these rules, holders generally will have to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Holders utilizing the accrual method of accounting may generally, upon election, include in gross income all interest (including stated interest, acquisition discount, original issue discount, de minimis original issue discount, market discount, de minimis market discount, and unstated interest, as adjusted by any

amortizable bond premium or acquisition premium) on a Subseries 2021A-3 Bond by using the constant yield method applicable to original issue discount, subject to certain limitations and exceptions.

### ***Market Discount***

A holder who purchases a Subseries 2021A-3 Bond at a price which includes market discount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) in excess of a prescribed de minimis amount will be required to recharacterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such holder will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a Subseries 2021A-3 Bond as ordinary income to the extent of any remaining accrued market discount or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such holder on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

A holder of a Subseries 2021A-3 Bond who acquires such Subseries 2021A-3 Bond at a market discount also may be required to defer, until the maturity date of such Subseries 2021A-3 Bond or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the holder paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Subseries 2021A-3 Bond in excess of the aggregate amount of interest (including original issue discount) includable in such holder's gross income for the taxable year with respect to such Subseries 2021A-3 Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Subseries 2021A-3 Bond for the days during the taxable year on which the holder held the Subseries 2021A-3 Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Subseries 2021A-3 Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bondholder elects to include such market discount in income currently as described above.

### ***Bond Premium***

A holder of a Subseries 2021A-3 Bond who purchases such Subseries 2021A-3 Bond at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election will apply to all Subseries 2021A-3 Bonds held by the holder on the first day of the taxable year to which the election applies and to all Subseries 2021A-3 Bonds thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of Subseries 2021A-3 Bonds who acquire such Subseries 2021A-3 Bonds at a premium should consult with their own tax advisors with respect to federal, state and local tax consequences of owning such Subseries 2021A-3 Bonds.

### ***Surtax on Unearned Income***

Section 1411 of the Code generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders

should consult their own tax advisors regarding the possible implications of this provision in their particular circumstances.

### ***Sale or Redemption of Subseries 2021A-3 Bonds***

A bondholder's adjusted tax basis for a Subseries 2021A-3 Bond is the price such holder pays for the Subseries 2021A-3 Bond plus the amount of original issue discount and market discount previously included in income and reduced on account of any payments received on such Subseries 2021A-3 Bond other than "qualified stated interest" and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Subseries 2021A-3 Bond, measured by the difference between the amount realized and the bondholder's tax basis as so adjusted, will generally give rise to capital gain or loss if the Subseries 2021A-3 Bond is held as a capital asset (except in the case of Subseries 2021A-3 Bonds acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of a Subseries 2021A-3 Bond are materially modified, in certain circumstances, a new debt obligation would be deemed "reissued", or created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. In addition, the defeasance of a Subseries 2021A-3 Bond under the defeasance provisions of the Resolution could result in a deemed sale or exchange of such Subseries 2021A-3 Bond.

EACH POTENTIAL HOLDER OF SUBSERIES 2021A-3 BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE, REDEMPTION OR DEFEASANCE OF THE SUBSERIES 2021A-3 BONDS, AND (2) THE CIRCUMSTANCES IN WHICH SUBSERIES 2021A-3 BONDS WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

### ***Non-U.S. Holders***

The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of Subseries 2021A-3 Bonds by a person other than a U.S. Holder, a former United States citizen or resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a "**Non-U.S. Holder**").

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act ("**FATCA**"), payments of principal by MTA Bridges and Tunnels or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10 percent or more of the voting equity interests of MTA Bridges and Tunnels, (2) is not a controlled foreign corporation for United States tax purposes that is related to MTA Bridges and Tunnels (directly or indirectly) through stock ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS Form W-8 (series) (or successor form) to MTA Bridges and Tunnels, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business and that also holds the Subseries 2021A-3 Bonds must certify to MTA Bridges and Tunnels or its agent under penalties of perjury that such statement on the applicable IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

Interest payments may also be exempt from federal withholding tax depending on the terms of an existing federal income tax treaty, if any, in force between the U.S. and the resident country of the Non-U.S. Holder. The U.S. has entered into an income tax treaty with a limited number of countries. In addition, the terms of each treaty differ in their treatment of interest and original issue discount payments. Non-U.S. Holders are urged to consult their own tax advisor regarding the specific tax consequences of the receipt of interest payments, including original issue discount. A Non-U.S. Holder that does not qualify for exemption from withholding as



described above must provide MTA Bridges and Tunnels or its agent with documentation as to his, her, or its identity to avoid the U.S. backup withholding tax on the amount allocable to a Non-U.S. Holder. The documentation may require that the Non-U.S. Holder provide a U.S. tax identification number.

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a Subseries 2021A-3 Bond held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a Subseries 2021A-3 Bond will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a Subseries 2021A-3 Bond by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the Subseries 2021A-3 Bonds, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018, gross proceeds of the sale of the Subseries 2021A-3 Bonds paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, bondholders or beneficial owners of the Subseries 2021A-3 Bonds shall have no recourse against MTA Bridges and Tunnels, nor will MTA Bridges and Tunnels be obligated to pay any additional amounts to “gross up” payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the Subseries 2021A-3 Bonds. However, it should be noted that on December 13, 2018, the IRS issued Proposed Treasury Regulation Section 1.1473-1(a)(1) which proposes to remove gross proceeds from the definition of “withholdable payment” for this purpose.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the Subseries 2021A-3 Bonds.

### ***Information Reporting and Backup Withholding***

For each calendar year in which the Subseries 2021A-3 Bonds are outstanding, MTA Bridges and Tunnels, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder’s name, address and taxpayer identification number (either the holder’s Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, MTA Bridges and Tunnels, its agents or paying agents or a broker may be required to make “backup” withholding of tax on each payment of interest or principal on the Subseries 2021A-3 Bonds. This backup withholding is not an

additional tax and may be credited against the U.S. Holder's federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

Under current Treasury Regulations, backup withholding and information reporting will not apply to payments of interest made by MTA Bridges and Tunnels, its agents (in their capacity as such) or paying agents or a broker to a Non-U.S. Holder if such holder has provided the required certification that it is not a U.S. person (as set forth in the second paragraph under "Non-U.S. Holders" above), or has otherwise established an exemption (provided that neither MTA Bridges and Tunnels nor its agent has actual knowledge that the holder is a U.S. person or that the conditions of an exemption are not in fact satisfied).

Payments of the proceeds from the sale of a Subseries 2021A-3 Bond to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) may apply to those payments if the broker is one of the following: (i) a U.S. person; (ii) a controlled foreign corporation for U.S. tax purposes; (iii) a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or (iv) a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a Subseries 2021A-3 Bond to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Subseries 2021A-3 Bonds, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

### ***State Taxes***

Each Co-Bond Counsel is of the opinion that, under existing law, interest on the Subseries 2021A-3 Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. Each Co-Bond Counsel expresses no opinion as to other State, City or local tax consequences arising with respect to the Subseries 2021A-3 Bonds nor as to the taxability of the Subseries 2021A-3 Bonds or the income therefrom under the laws of any jurisdiction other than the State. See **Attachment 4** to this official statement for the form of the opinion that each Co-Bond Counsel expects to deliver when the Subseries 2021A-3 Bonds are delivered.

### ***Changes in Law and Post Issuance Events***

Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the inclusion in gross income of interest on the Subseries 2021A-3 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Subseries 2021A-3 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It is not possible to predict whether any such legislative or administrative actions or court decisions will occur or have an adverse impact on the federal or state income tax treatment of holders of the Subseries 2021A-3 Bonds. Prospective purchasers of the Subseries 2021A-3 Bonds

should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Subseries 2021A-3 Bonds.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE SUBSERIES 2021A-3 BONDS.

### **CONSIDERATIONS FOR ERISA AND OTHER U.S. BENEFIT PLAN INVESTORS**

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA (“ERISA Plans”). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein (“Qualified Retirement Plans”), and on Individual Retirement Accounts (“IRAs”) described in Section 408(b) of the Code (collectively, “Tax-Favored Plans”). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA) (“Governmental Plans”), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA) (“Church Plans”), are not subject to ERISA requirements. Additionally, such Governmental and Church Plans are not subject to the requirements of Section 4975 of the Code but may be subject to applicable federal, state or local law (“Similar Laws”) which is, to a material extent, similar to the foregoing provisions of ERISA or the Code. Accordingly, assets of such plans may be invested in the Series 2021A Bonds without regard to the ERISA and Code considerations described below, subject to the provisions of Similar Laws.

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan’s investment be made in accordance with the documents governing the plan, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, “Benefit Plans”) and persons who have certain specified relationships to the Benefit Plans (“Parties In Interest” or “Disqualified Persons”), unless a statutory or administrative exemption is available. The definitions of “Party in Interest” and “Disqualified Person” are expansive. While other entities may be encompassed by these definitions, they include, most notably: (1) fiduciary with respect to a plan; (2) a person providing services to a plan; (3) an employer or employee organization any of whose employees or members are covered by the plan; and (4) the owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory or administrative exemption is available. Without an exemption an IRA owner may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Series 2021A Bonds might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of MTA Bridges and Tunnels were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor (the “Plan Assets Regulation”), the assets of MTA Bridges and Tunnels would be treated as plan assets of a Benefit Plan for the purposes of ERISA and Section 4975 only of the Code if the Benefit Plan acquires an “equity interest” in MTA Bridges and Tunnels and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on this matter, it appears that the Series 2021A Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. This determination is based upon the traditional debt features of the Series 2021A Bonds, including the reasonable expectation of purchasers of Series 2021A Bonds that the Series 2021A Bonds will be repaid when due, traditional default remedies, as well as the absence of conversion rights, warrants and other typical equity features.

However, without regard to whether the Series 2021A Bonds are treated as an equity interest for such purposes, though, the acquisition or holding of Series 2021A Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if MTA Bridges and Tunnels or the Trustee and Paying Agent, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Series 2021A Bonds by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Series 2021A Bond. Included among these exemptions are: Prohibited Transaction Class Exemption (“PTCE”) 96-23, regarding transactions effected by certain “in-house asset managers”; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by “insurance company general accounts”; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by “qualified professional asset managers.” Further, the statutory exemption in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides for an exemption for transactions involving “adequate consideration” with persons who are Parties in Interest or Disqualified Persons solely by reason of their (or their affiliate’s) status as a service provider to the Benefit Plan involved and none of whom is a fiduciary with respect to the Benefit Plan assets involved (or an affiliate of such a fiduciary). There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Series 2021A Bonds, or that, if available, the exemption would cover all possible prohibited transactions.

By acquiring a Series 2021A Bond (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a plan, its fiduciary) is deemed to represent and warrant that either (i) it is not acquiring the Series 2021A Bond (or interest therein) with the assets of a Benefit Plan, Governmental plan or Church plan; or (ii) the acquisition and holding of the Series 2021A Bond (or interest therein) will not give rise to a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or Similar Laws. A purchaser or transferee who acquires Series 2021A Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

Because MTA Bridges and Tunnels, the Trustee, the Underwriters or any of their respective affiliates may receive certain benefits in connection with the sale of the Series 2021A Bonds, the purchase of the Series 2021A Bonds using plan assets of a Benefit Plan over which any of such parties has investment authority or provides investment advice for a direct or indirect fee may be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code or Similar Laws for which no exemption may be available. Accordingly, any investor considering a purchase of Series 2021A Bonds using plan assets of a Benefit Plan should consult with its counsel if MTA Bridges and Tunnels, the Trustee or the Underwriters or any of their respective affiliates has investment authority or provides investment advice for a direct or indirect fee with respect to such assets or is an employer maintaining or contributing to the Benefit Plan.

Any ERISA Plan fiduciary considering whether to purchase the Series 2021A Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of Similar Laws.

## **LEGALITY FOR INVESTMENT**

The MTA Bridges and Tunnels Act provides that the Series 2021A Bonds are securities in which the following investors may properly and legally invest funds, including capital in their control or belonging to them:

- all public officers and bodies of the State and all municipalities and political subdivisions in the State,
- all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business,
- all administrators, guardians, executors, trustees and other fiduciaries, and
- all other persons whatsoever who are now or who may hereafter be authorized to invest in the obligations of the State.

Certain of those investors, however, may be subject to separate restrictions that limit or prevent their investment in the Series 2021A Bonds.

### **LITIGATION**

There is no pending litigation concerning the Series 2021A Bonds.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus and MTA Bridges and Tunnels. Certain of these claims and actions, either individually or in the aggregate, are potentially material to MTA, or its affiliates or subsidiaries. MTA does not believe that any of these claims or actions would affect the application of the sources of payment for the Series 2021A Bonds. A summary of certain of these potentially material claims and actions is set forth in Part 6 of the **ADS** under the caption “LITIGATION,” as that filing may be amended or supplemented to date.

### **CO-FINANCIAL ADVISORS**

Public Resources Advisory Group, Inc. and Backstrom McCarley Berry & Co., LLC are MTA Bridges and Tunnels Co-Financial Advisors for the Series 2021A Bonds. The Co-Financial Advisors have provided MTA Bridges and Tunnels advice on the plan of finance and reviewed the pricing of the Series 2021A Bonds. The Co-Financial Advisors have not independently verified the information contained in this official statement and do not assume responsibility for the accuracy, completeness or fairness of such information.

### **UNDERWRITING**

The Underwriters for the Series 2021A Bonds, acting through Goldman Sachs & Co. LLC, as representative, have agreed, subject to certain conditions, to purchase from MTA Bridges and Tunnels the Series 2021A Bonds described on the inside cover page of this official statement at an aggregate purchase price of \$1,426,106,244.57, reflecting an original issue premium of \$193,227,443.20 and an underwriters’ discount of \$5,331,198.63, and to reoffer such Series 2021A Bonds at the public offering prices or yields set forth on the inside cover page.

The Series 2021A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2021A Bonds into investment trusts) at prices lower or yields higher than such public offering prices or yields and prices or yields may be changed, from time to time, by the Underwriters.

The Underwriters’ obligation to purchase the Series 2021A Bonds is subject to certain conditions precedent, and they will be obligated to purchase all such Series 2021A Bonds if any Series 2021A Bonds are purchased.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA Bridges and Tunnels as Underwriters) for the distribution of the

Series 2021A Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to MTA Bridges and Tunnels and to persons and entities with relationships with MTA Bridges and Tunnels, 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, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of MTA Bridges and Tunnels (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with MTA Bridges and Tunnels. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

## RATINGS

The Summary of Terms identifies the ratings of the credit rating agencies that are assigned to the Series 2021A Bonds. Those ratings reflect only the views of the organizations assigning them. An explanation of the significance of the ratings or any outlooks, criteria, methodology or other statements given with respect thereto from each identified agency may be obtained as follows:

Fitch Ratings	Kroll Bond Ratings Agency, Inc.	S&P Global Ratings
Hearst Tower	805 Third Avenue, 29th Floor	55 Water Street
300 W. 57th Street	New York, New York 10022	New York, New York 10041
New York, New York 10019	(212) 702-0707	(212) 438-2000
(212) 908-0500		

MTA has furnished information to each rating agency rating the bonds being offered, including information not included in this official statement, about MTA and MTA Bridges and Tunnels and the bonds. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. A securities rating is not a recommendation to buy, sell or hold securities. There can be no assurance that ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal. Those circumstances may include, among other things, changes in or unavailability of information relating to MTA, MTA Bridges and Tunnels or the bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the bonds.

## LEGAL MATTERS

All legal proceedings in connection with the issuance of the bonds being offered are subject to the approval of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA Bridges and Tunnels. The form of the opinions of Co-Bond Counsel in connection with the issuance of the Series 2021A Bonds are set forth in **Attachment 4** to this official statement.

The Underwriters have appointed Norton Rose Fulbright US LLP as Counsel to the Underwriters in connection with the underwriting of the Series 2021A Bonds, which firm will pass upon certain legal matters.

Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, Special Disclosure Counsel to MTA Bridges and Tunnels.

Certain legal matters regarding MTA Bridges and Tunnels will be passed upon by its General Counsel and certain legal matters regarding MTA will be passed upon by its General Counsel.

### **CONTINUING DISCLOSURE**

In order to assist the Underwriters of the Series 2021A Bonds to comply with Rule 15c2-12 (Rule 15c2-12) promulgated by the Securities and Exchange Commission (the SEC) under the Securities Exchange Act of 1934, as amended, MTA and MTA Bridges and Tunnels and each of the respective trustees under the PMT Resolutions will enter into a written agreement, dated as of May 5, 2021 (the Master Disclosure Agreement), for the benefit of all holders of PMT Indebtedness, including the holders of the Series 2021A Bonds. The form of such Master Disclosure Agreement is attached hereto as “**Attachment 3** - Form of Master Continuing Disclosure Agreement. As more fully stated in **Attachment 3**, MTA Bridges and Tunnels has agreed to provide certain financial information and operating data by no later than 120 days following the end of each fiscal year. That information is to include, among other things, information concerning MTA’s annual audited financial statements prepared in accordance with generally accepted accounting principles, or if unavailable, unaudited financial statements will be delivered until audited statements become available. MTA Bridges and Tunnels has undertaken to file such information (the Annual Information) with EMMA.

Both MTA and MTA Bridges and Tunnels have further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA and MTA Bridges and Tunnels are each also obligated to deliver to EMMA, in a timely manner not in excess of ten business days after the occurrence of any of the sixteen (16) events described in the Master Disclosure Agreement notice of the occurrence of such events.

Neither MTA nor MTA Bridges and Tunnels has failed to comply, in any material respect, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

Neither MTA nor MTA Bridges and Tunnels is responsible for any failure by EMMA or any nationally recognized municipal securities information repository to timely post disclosure submitted to it by either MTA or MTA Bridges and Tunnels or any failure to associate such submitted disclosure to all related CUSIPs.

The Master Disclosure Agreement contains a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data; and if an undertaking calls for information that no longer can be generated because the operations to which it is related have been materially changed or discontinued, a statement to that effect will be provided. As a result, it is not anticipated that it often will be necessary to amend the information undertakings. The Master Disclosure Agreement, however, may be amended or modified without bondholders’ consent under certain circumstances set forth herein.

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## **FURTHER INFORMATION**

MTA Bridges and Tunnels may place a copy of this official statement on MTA's website at <http://new.mta.info/investor-info>. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA Bridges and Tunnels and MTA have prepared the information on MTA's website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and MTA Bridges and Tunnels and MTA assume no liability or responsibility for errors or omissions contained on any website. Further, MTA Bridges and Tunnels and MTA disclaim any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. MTA Bridges and Tunnels and MTA also assume no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

### **TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

By: /s/ Patrick J. McCoy  
Patrick J. McCoy  
Deputy Chief, Financial Services  
Metropolitan Transportation Authority and  
Authorized Officer  
Triborough Bridge and Tunnel Authority  
(MTA Bridges and Tunnels)

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## ATTACHMENT 1

### BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2021A Bonds. The Series 2021A Bonds will be issued as fully-registered securities 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 Series 2021A Bond will be issued for each maturity of the Series 2021A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity of the Series 2021A Bonds exceeds \$500 million, one Bond of such maturity will be issued with respect to each \$500 million of principal amount, and an additional Bond will be issued with respect to any remaining principal amount of such maturity.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, 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. This eliminates 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 others such as 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). DTC has an S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Series 2021A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021A Bond (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. Beneficial Owners are, however, 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 Series 2021A 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 Series 2021A Bonds, except in the event that use of the book-entry-only system for the Series 2021A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2021A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. 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. Beneficial Owners of Series 2021A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021A Bond documents. For example, Beneficial Owners of the Series 2021A Bonds may wish to ascertain that the nominee holding the Series 2021A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2021A Bonds of any maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to MTA Bridges and Tunnels 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 Series 2021A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and principal and interest payments on the Series 2021A 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 detailed information from MTA Bridges and Tunnels or the Trustee, on payable 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 Trustee or MTA Bridges and Tunnels, 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 MTA Bridges and Tunnels or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2021A Bonds at any time by giving reasonable notice to MTA Bridges and Tunnels or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2021A Bonds are required to be printed and delivered.

10. MTA Bridges and Tunnels may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depository). In that event, certificates for the Series 2021A Bonds will be printed and delivered to DTC.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT MTA BRIDGES AND TUNNELS BELIEVES TO BE RELIABLE, BUT MTA BRIDGES AND TUNNELS TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

## ATTACHMENT 2

### COPY OF PAYROLL MOBILITY TAX FINANCING AGREEMENT

**PAYROLL MOBILITY TAX FINANCING AGREEMENT**, dated as of April 9, 2021 (the “Financing Agreement”), by and between **METROPOLITAN TRANSPORTATION AUTHORITY**, a body corporate and politic constituting a public benefit corporation of the State of New York (the “MTA”), and **TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**, a body corporate and politic constituting a public benefit corporation of the State of New York (“TBTA”).

**WHEREAS**, the State of New York (the “State”), pursuant to Article 23 of the State Tax Law, currently imposes a regional payroll mobility tax (the “Payroll Mobility Tax”) within the commuter transportation district consisting of the City of New York and the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester (collectively, the “Metropolitan Commuter Transportation District”); and

**WHEREAS**, pursuant to each of Section 805(b) of the State Tax Law and Section 1270-h(2)(b) of the MTA Act, amounts collected from the Payroll Mobility Tax (the “Mobility Tax Receipts”) in each month are to be deposited without appropriation in the month following their collection directly into the Metropolitan Transportation Authority Finance Fund created under Section 1270-h of the MTA Act (the “MTA Finance Fund”); and

**WHEREAS**, amounts collected pursuant to the provisions of paragraphs (b-1) and (c-3) of subdivision 2 of Section 503 of the State Vehicle and Traffic Law, Article 17-c (including Section 499-d) of the State Vehicle and Traffic Law, Article 29-a (including Section 1288) of the State Tax Law, and Sections 1166-a and 1167 of the State Tax Law (consisting generally of certain regional supplemental motor vehicle license and registration fees, a tax on certain hailed vehicle trips that originate in the City, and a supplemental tax on regional passenger car rentals, and referred to collectively herein as the “ATA Sources”) are deposited quarterly, without appropriation, into the Corporate Transportation Account of the Metropolitan Transportation Authority Special Assistance Fund created by Section 1270-a of the MTA Act (the “ATA Receipts”); and

**WHEREAS**, in accordance with Section 1270-a(4)(e) of the MTA Act, moneys in the Corporate Transportation Account, including ATA Receipts, that are received by MTA may be pledged by the MTA or pledged to TBTA to secure bonds, notes or other obligations of the MTA and/or TBTA, as the case may be, including for the use by either MTA or TBTA, or both in the financing of their respective authorized purposes; and

**WHEREAS**, in accordance with Section 553-d of the TBTA Act, TBTA has the authority to issue its bonds and notes to finance projects payable from and secured by all or any part of the moneys received by TBTA from the Metropolitan Transportation Authority Special Assistance Fund created by Section 1270-a of the MTA Act and from any other moneys, securities and funds designated by TBTA as additional security therefor; and

**WHEREAS**, in accordance with Section 1270-h(3) of the MTA Act, the Mobility Tax Receipts deposited in the MTA Finance Fund may be pledged by the MTA to, among other things, secure and be applied for the payment of the bonds, notes or other obligations of the MTA to finance capital projects or used for the payment of capital costs, including debt service, reserve requirements, if any, the payment of amounts required under bond and note facilities or agreements related thereto; and

**WHEREAS**, amounts from additional sources that may be authorized by law from time to time are to be deposited in the MTA Finance Fund and such amounts also may be pledged by the MTA from time to time

to, among other things, secure and be applied for the payment of the bonds, notes, or other obligations of the MTA; and

**WHEREAS**, Section 1269 of the MTA Act authorizes the MTA to enter into agreements, including this Financing Agreement, which the MTA deems necessary, convenient or desirable concerning the use or disposition of the monies or properties of the MTA, its subsidiary corporations, the New York City Transit Authority (“NYCTA”) or any of its subsidiary corporations, or TBTA, including the Mobility Tax Receipts and the ATA Receipts (collectively, the “PMT Receipts”), in order to provide for the transfer to TBTA of such Mobility Tax Receipts and ATA Receipts for the financing of transit and commuter capital projects which the MTA would have the right to do in the absence of such agreements; and

**WHEREAS**, Section 1265(3-a)(a) of the MTA Act authorizes the MTA to borrow money, to issue negotiable notes, bonds, or other obligations and to provide for the rights of the holders thereof, in the fiscal years 2020 through 2022 to offset decreases in revenue, including but not limited to, lost taxes, fees, charges, fares and tolls, or increases in operating costs of the MTA, NYCTA and its subsidiary corporations and TBTA due in whole or in part to the state disaster emergency caused by the novel coronavirus, COVID-19; provided that the aggregate principal amount of such notes, bonds or other obligations does not exceed ten billion dollars; and

**WHEREAS**, Section 1269(1)(a) of the MTA Act authorizes the MTA to issue its notes, bonds or other obligations as, in the opinion of the MTA, shall be necessary, convenient or desirable to effectuate any of its powers and purposes, including, without limitation, the provision of working capital and all other expenditures of the MTA and its subsidiary corporations and NYCTA and its subsidiary corporations which bonds, notes or other obligations may be special obligations payable out of any revenues, receipts, monies or other assets of the MTA and its subsidiary corporations, NYCTA and its subsidiary corporations and TBTA identified for such purposes in accordance with agreements with the holders of such notes, bonds or other obligations; and

**WHEREAS**, the MTA has, pursuant to the MTA Act, adopted its Metropolitan Transportation Authority Payroll Mobility Tax Obligation Resolution on November 18, 2020, including the Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt appended thereto as Annex A, the Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt appended thereto as Annex B and the Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations appended thereto as Annex C, as amended and supplemented from time to time (the “MTA PMT Resolution”) for the purpose of issuing from time to time one or more series of bonds, notes or other obligations secured by this Financing Agreement and the PMT Receipts; and

**WHEREAS**, TBTA has, pursuant to the TBTA Act, adopted its Triborough Bridge and Tunnel Authority Payroll Mobility Tax Obligation Resolution on March 17, 2021, (including the Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt appended thereto as Annex A, the Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt appended thereto as Annex B and the Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations appended thereto as Annex C, as amended and supplemented from time to time (the “TBTA PMT Resolution”) for the purpose of issuing from time to time one or more series of bonds, notes or other obligations secured by this Financing Agreement and the PMT Receipts; and

**WHEREAS**, consistent with the foregoing, MTA and TBTA desire to enter into this Financing Agreement to (i) provide the mechanism for the MTA to provide TBTA with the PMT Receipts necessary for TBTA to timely perform its obligations under the TBTA PMT Resolution, and (ii) provide the mechanism for the MTA to retain PMT Receipts necessary for the MTA to timely perform its obligations under the MTA PMT Resolution, in each case on the terms and conditions and in the priority set forth herein; and

NOW, THEREFORE, MTA and TBTA hereby mutually covenant and agree as follows:

## ARTICLE I

### DEFINITIONS

**SECTION 101. Definitions.** (a) Unless otherwise specifically defined herein, all terms which are defined in the TBTA PMT Resolution shall have the same meanings, respectively, when used herein, including in the preambles hereto, as such terms are given in the TBTA PMT Resolution; and, unless otherwise specifically defined herein, all terms which are defined in the MTA PMT Resolution, shall have the same meanings, respectively, when used herein, including in the preambles hereto, as such terms are given in the MTA PMT Resolution.

(b) In addition, as used herein, the following terms shall, for all purposes of this Financing Agreement, have the following meanings:

**Annual Deposit Reports** shall mean, collectively, the TBTA Annual Deposit Report and the MTA Annual Deposit Report.

**Applicable Debt Service Payment Date** shall mean a Debt Service Payment Date on which an Applicable Trustee is required to make a payment of Debt Service from the MTA Senior Lien Debt Service Fund, MTA Second Lien Debt Service Fund, the TBTA Senior Lien Debt Service Fund or the TBTA Second Lien Debt Service Fund, as the context requires.

**Applicable Trustee** shall mean the TBTA Second Lien Trustee, the TBTA Senior Lien Trustee, the MTA Second Lien Trustee or the MTA Senior Lien Trustee, as the context requires.

**ATA Receipts Subaccount** shall mean the subaccount by that name established by the MTA in the Corporate Transportation Account established by subsection (a) of Section 301 hereof.

**Corporate Transportation Account** shall mean the account bearing such name established by the MTA in the Metropolitan Transportation Authority Special Assistance Fund pursuant to Section 1270-a of the MTA Act, or any successor fund or account provided by law.

**CPRB** shall mean the Metropolitan Transportation Authority Capital Program Review Board created pursuant to Section 1269-a of the MTA Act.

**Debt Service Payment Date** shall mean, unless otherwise set forth in a Supplemental Resolution, each Interest Payment Date and/or Principal Payment Date.

**Debt Service Year** shall mean the twelve-month period commencing May 16 of each calendar year and ending on May 15 of the next succeeding calendar year, except that the first Debt Service Year shall begin on the date specified in the Supplemental Resolution authorizing the first Series of MTA PMT Indebtedness or TBTA PMT Indebtedness.

**Interest Deposit Months** shall mean, unless otherwise set forth in a Supplemental Resolution, (i) for Obligations with interest payable semi-annually, the first five Months of the six month period immediately preceding the month of each Interest Payment Date, (ii) for Obligations with interest payable more frequently than semi-annually but less frequently than monthly, the number of Months (calculated by the number of months in the interest period minus one) immediately preceding the month of each Interest Payment Date, and (iii) for Obligations with interest payable monthly or more frequently, the month immediately preceding the month of each Interest Payment Date; *provided, however*, that if there remains a deficiency in deposits required pursuant

to Section 302, each month up to and including the month in which there is an Interest Payment Date shall be an Interest Deposit Month.

**Interest Payment Date** shall mean the dates specified as such in the applicable Supplemental Resolution.

**Mobility Tax Receipts Subaccount** shall mean the subaccount by that name established by the MTA in the MTA Finance Fund established by subsection (b) of Section 301 hereof.

**Month** shall mean a calendar month.

**Monthly Deposit Requirement** shall mean an amount equal to the sum of (i) the Monthly Senior Lien Deposit Requirement and (ii) the Monthly Second Lien Deposit Requirement attributable to and payable from PMT Receipts in the amounts for each Month.

**Monthly Interest Deposit Requirement** shall mean, unless otherwise set forth in a Supplemental Resolution, for each applicable Interest Deposit Month, (i) for Obligations on which the interest is payable semi-annually, an amount equal to one-fifth (1/5<sup>th</sup>) of the interest due and payable on such Obligations on the next succeeding Interest Payment Date, with the final deposit payable in the second Month prior to the month of the applicable Interest Payment Date (for example, for payments of interest due in May, the first deposit will be payable in November of the previous year and the fifth and final deposit will be payable in March of the same year and for payments of interest due in November, the first deposit will be payable in May and the fifth and final deposit will be payable in September), (ii) for Obligations on which the interest is payable more frequently than semi-annually but less frequently than monthly, an amount equal to the percentage (calculated by the number of months in the interest period minus one) of the interest due on such Obligations on the next succeeding Interest Payment Date, with the final deposit payable in the second Month prior to the applicable Interest Payment Date, and (iii) for Obligations on which the interest is payable monthly or more frequently, an amount equal to the amount of interest due and payable in the immediately succeeding month; provided, however, that such amount shall be adjusted by the MTA or TBTA, as applicable, to take into account the first Interest Payment Date following the issuance of Obligations, if necessary.

**Monthly Principal Deposit Requirement** shall mean, unless otherwise set forth in a Supplemental Resolution, for each Principal Installment and each related Principal Deposit Month, an amount equal to one-tenth (1/10<sup>th</sup>) of such Principal Installment on Obligations and Second Lien Obligations; provided, however, that such amount shall be adjusted by MTA to take into account the first Principal Installment payable following the issuance of Obligations and Second Lien Obligations, if necessary.

**Monthly Second Lien Deposit Requirement** shall mean the sum of (i) the TBTA Monthly Second Lien Deposit Requirement and (ii) the MTA Monthly Second Lien Deposit Requirement.

**Monthly Senior Lien Deposit Requirement** shall mean the sum of (i) the TBTA Monthly Senior Lien Deposit Requirement and (ii) the MTA Monthly Senior Lien Deposit Requirement as set forth in the Annual Deposit Report.

**MTA Annual Deposit Report** shall mean the annual certification by an Authorized Officer of the MTA described in Section 504 hereof, as amended or supplemented from time to time.

**MTA Finance Fund** shall mean the Metropolitan Transportation Authority Finance Fund created under Section 1270-h of the MTA Act, or any successor fund or account provided by law.

**MTA PMT Indebtedness** shall mean Obligations, Parity Debt, Subordinated Obligations, including, without limitation, Second Lien Obligations and Second Lien Parity Debt, Second Lien Subordinated Obligations, Other Subordinated Obligations, Obligation Anticipation Notes and Second Lien Obligation

Anticipation Notes issued under the MTA PMT Resolution in each case only to the extent that such MTA PMT Indebtedness is payable in whole or in part from PMT Receipts.

**MTA Monthly Second Lien Deposit Requirement** shall mean, for each Month, the sum of the applicable Monthly Interest Deposit Requirement and Monthly Principal Deposit Requirement for Second Lien Obligations and Second Lien Parity Debt issued under the MTA PMT Resolution.

**MTA Monthly Senior Lien Deposit Requirement** shall mean, for each Month, the sum of the applicable Monthly Interest Deposit Requirement and Monthly Principal Deposit Requirement for Senior Lien Obligations and Senior Lien Parity Debt issued under the MTA PMT Resolution.

**MTA PMT Second Lien Obligations** shall mean the Metropolitan Transportation Authority Payroll Mobility Tax Second Lien Revenue Obligations issued under the MTA PMT Resolution.

**MTA PMT Senior Lien Obligations** shall mean the Metropolitan Transportation Authority Payroll Mobility Tax Senior Lien Revenue Obligations issued under the MTA PMT Resolution.

**MTA PMT Resolution** shall have the meaning set forth in the preambles hereto.

**MTA Second Lien Debt Service Fund** shall mean the MTA Second Lien Debt Service Fund established by the MTA PMT Resolution.

**MTA Second Lien Debt Service Fund Requirement** shall mean, as of any date of calculation, the Second Lien Debt Service Fund Requirement as defined in the MTA PMT Resolution and shall be an amount equal to the sum of the MTA Monthly Second Lien Deposit Requirements to the date of such calculation or the sum of all MTA Monthly Second Lien Deposit Requirements for the Debt Service Year, as the context requires.

**MTA Second Lien Trustee** shall mean the institution serving as trustee under the MTA PMT Resolution for the benefit of the owners of the MTA PMT Second Lien Obligations.

**MTA Senior Lien Debt Service Fund** shall mean the MTA Senior Lien Debt Service Fund established by the MTA PMT Resolution.

**MTA Senior Lien Debt Service Fund Requirement** shall mean, as of any date of calculation, the Senior Lien Debt Service Fund Requirement as defined in the MTA PMT Resolution and shall be an amount equal to the sum of the MTA Monthly Senior Lien Deposit Requirements to the date of such calculation or the sum of all MTA Monthly Senior Lien Deposit Requirements for the Debt Service Year, as the context requires.

**MTA Senior Lien Trustee** shall mean the institution serving as trustee under the MTA PMT Resolution for the benefit of the owners of the MTA PMT Senior Lien Obligations.

**Principal Deposit Months** shall mean, unless otherwise set forth in a Supplemental Resolution, the first ten months of the twelve-month period immediately preceding the Month in which there is a Principal Installment, determined separately for each Principal Installment; provided, however, that if there remains a deficiency in deposits required pursuant to Section 302, each month up to and including the month in which there is a Principal Installment due shall be a Principal Deposit Month.

**PMT Receipts** shall mean the Mobility Tax Receipts and the ATA Receipts, and any additional sources of moneys specifically authorized to be pledged from time to time in the future in the MTA PMT Resolution and/or the TBTA PMT Resolution to the payment of MTA PMT Indebtedness and/or TBTA PMT Indebtedness, respectively.



**Second Lien Indebtedness** shall mean MTA Second Lien Indebtedness and TBTA Second Lien Indebtedness.

**Senior Lien Indebtedness** shall mean MTA Senior Lien Indebtedness and TBTA Senior Lien Indebtedness.

**Special Assistance Fund** shall mean the Metropolitan Transportation Authority Special Assistance Fund created under Section 1270-a of the MTA Act, or any successor fund or account provided by law.

**Supplemental Financing Agreement** shall mean an agreement supplemental to or amendatory of this Agreement between the MTA and TBTA in accordance with provisions of Section 701 hereof.

**TBTA Annual Deposit Report** shall mean the annual certification by an Authorized Officer of TBTA described in Section 504 hereof, as amended or supplemented from time to time.

**TBTA PMT Indebtedness** shall mean Obligations, Parity Debt, Subordinated Obligations, including, without limitation, Second Lien Obligations and Second Lien Parity Debt, Second Lien Subordinated Obligations, Other Subordinated Obligations, Obligation Anticipation Notes and Second Lien Obligation Anticipation Notes issued under the TBTA PMT Resolution in each case only to the extent that such TBTA PMT Indebtedness is payable in whole or in part from PMT Receipts.

**TBTA Monthly Second Lien Deposit Requirement** shall mean, for each Month, the sum of the applicable Monthly Interest Deposit Requirement and Monthly Principal Deposit Requirement for Second Lien Obligations and Second Lien Parity Debt issued under the TBTA PMT Resolution.

**TBTA Monthly Senior Lien Deposit Requirement** shall mean, for each Month, the sum of the applicable Monthly Interest Deposit Requirement and Monthly Principal Deposit Requirement for Senior Lien Obligations and Parity Debt issued under the TBTA PMT Resolution.

**TBTA PMT Second Lien Obligations** shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Second Lien Revenue Obligations issued under the TBTA PMT Resolution.

**TBTA PMT Senior Lien Obligations** shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Revenue Obligations issued under the TBTA PMT Resolution.

**TBTA PMT Resolution** shall have the meaning set forth in the preambles hereto.

**TBTA Second Lien Debt Service Fund** shall mean the TBTA Second Lien Debt Service Fund established by the TBTA PMT Resolution.

**TBTA Second Lien Debt Service Fund Requirement** shall mean, as of any date of calculation, the Second Lien Debt Service Fund Requirement as defined in the TBTA PMT Resolution and shall be an amount equal to the sum of the TBTA Monthly Second Lien Deposit Requirements to the date of such calculation or the sum of all TBTA Monthly Second Lien Deposit Requirements for the Debt Service Year, as the context requires.

**TBTA Second Lien Trustee** shall mean the institution serving as trustee under the TBTA PMT Resolution for the benefit of the owners of the TBTA PMT Second Lien Obligations.

**TBTA Senior Lien Debt Service Fund** shall mean the TBTA Senior Lien Debt Service Fund established by the TBTA PMT Resolution.

**TBTA Senior Lien Debt Service Fund Requirement** shall mean, as of any date of calculation, the Senior Lien Debt Service Fund Requirement as defined in the TBTA PMT Resolution and shall be an amount

equal to the sum of the TBTA Monthly Senior Lien Deposit Requirements to the date of such calculation or the sum of all TBTA Monthly Senior Lien Deposit Requirements for the Debt Service Year, as the context requires.

**TBTA Senior Lien Trustee** shall mean the institution serving as trustee under the TBTA PMT Resolution for the benefit of the owners of the TBTA PMT Senior Lien Obligations.

## **ARTICLE II**

### **AGREEMENT AS TO ISSUANCE OF TBTA PMT INDEBTEDNESS AND MTA PMT INDEBTEDNESS**

#### **SECTION 201. Issuance of TBTA PMT Indebtedness for the PMT Transit and Commuter Project; Restrictions on Issuance.**

(a) TBTA may, from time to time, upon the request of the MTA, issue TBTA PMT Indebtedness pursuant to the TBTA PMT Resolution and the TBTA Act in order to finance Capital Costs of the PMT Transit and Commuter Project, subject to the limitations set forth in subsection (b) below. The proceeds of such TBTA PMT Indebtedness shall be applied as provided in the TBTA PMT Resolution or the resolution authorizing such TBTA PMT Indebtedness.

(b) The provisions of this Section 201 relating to the financing by TBTA of Capital Costs for the PMT Transit and Commuter Project are subject to compliance with the provisions of Section 553(20) of the New York Public Authorities Law, including any approvals or consents required from the CPRB, and the provisions of the TBTA PMT Resolution.

(c) The MTA and TBTA agree that this Financing Agreement is executed in part in order to induce investors to purchase the MTA PMT Indebtedness and the TBTA PMT Indebtedness secured by the PMT Receipts to be issued for the purposes of securing such MTA PMT Indebtedness and TBTA PMT Indebtedness and, accordingly, all of the covenants and agreements on the part of the MTA and TBTA set forth in this Financing Agreement are hereby declared to be for the benefit of the Owners from time to time of such MTA PMT Indebtedness and TBTA PMT Indebtedness secured by the PMT Receipts.

**SECTION 202. Issuance of MTA PMT Indebtedness.** The MTA may, from time to time, issue MTA PMT Indebtedness for any lawful purpose pursuant to the MTA PMT Resolution and the MTA Act, without any approvals or consents from the CPRB, unless such CPRB approvals or consents are required for the financing of Capital Costs for the PMT Transit and Commuter Project in accordance with Section 1269-b of the MTA Act. The proceeds of such MTA PMT Indebtedness shall be applied as provided in the MTA PMT Resolution or the resolution authorizing such MTA PMT Obligations.

## **ARTICLE III**

### **CREATION OF ACCOUNTS AND SUBACCOUNTS; APPLICATION OF PMT RECEIPTS**

#### **SECTION 301. Creation of Accounts and Subaccounts by MTA.**

(a) The MTA has previously created and established in the Special Assistance Fund held by the MTA the Corporate Transportation Account in accordance with Section 1270-a of the MTA Act. There is continued under this Financing Agreement the "ATA Receipts Subaccount" within the Corporate Transportation Account previously created under the MTA PMT Resolution.

(b) The MTA has also previously created and established the MTA Finance Fund held by the MTA in accordance with Section 1270-h of the MTA Act. There is continued under this Financing Agreement the

“Mobility Tax Receipts Subaccount” within the MTA Finance Fund previously created under the MTA PMT Resolution.

(c) Amounts held at any time by the MTA in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount shall be held in trust separate and apart from all other funds of the MTA. The MTA may enter into agreements, including account control agreements, with a financial institution to accept deposits to, and make transfers or withdrawals from, such accounts and subaccounts consistent with the purposes of this Financing Agreement.

### **SECTION 302. Deposit and Application of PMT Receipts.**

1. On the earlier of the date of the issuance and delivery of the first Series of MTA Obligations under the MTA PMT Resolution or the first Series of TBTA Obligations under the TBTA PMT Resolution, MTA shall transfer (i) all amounts constituting Mobility Tax Receipts on deposit in the MTA Finance Fund to the Mobility Tax Receipts Subaccount and (ii) all amounts constituting ATA Receipts on deposit in the Corporate Transportation Account to the ATA Receipts Subaccount. Thereafter, all Mobility Tax Receipts received by the MTA shall be immediately deposited into the Mobility Tax Receipts Subaccount and all ATA Receipts received by the MTA shall be immediately deposited by the MTA into the ATA Receipts Subaccount.

2. In every Month at such time or times as the MTA in its discretion shall determine (but in no event later than the last Business Day of every Month), the MTA shall transfer amounts from the Mobility Tax Receipts Subaccount or the ATA Receipts Subaccount or both of such Subaccounts as determined by MTA, in the following order of priority and to the extent available for application (including curing any deficiencies in prior deposits or transfers), as follows:

(i) *first*, an amount equal to the Monthly Senior Lien Deposit Requirement plus an amount equal to the amount required to cure any deficiency in prior transfers made for transfer to (A) the MTA Senior Lien Trustee for deposit in the MTA Senior Lien Debt Service Fund an amount equal to the MTA Monthly Senior Lien Deposit Requirement, and (B) the TBTA Senior Lien Trustee for deposit in the TBTA Senior Lien Debt Service Fund an amount equal to the TBTA Monthly Senior Lien Deposit Requirement; *provided, however*, if on the date of any such transfer the amount of PMT Receipts available for transfer is less than the Monthly Senior Lien Deposit Requirement, the amount actually available shall be transferred, first, on a *pro rata* basis (in proportion to the amount of any deficiencies relative to each other) to the MTA Senior Lien Trustee and the TBTA Senior Lien Trustee to cure any deficiencies in prior deposits or transfers, and then, on a *pro rata* basis to the MTA Senior Lien Trustee and the TBTA Senior Lien Trustee in proportion to the amount of the MTA Monthly Senior Lien Deposit Requirement and the TBTA Monthly Senior Lien Deposit Requirement, respectively; and

(ii) *second*, an amount equal to the Monthly Second Lien Deposit Requirement plus an amount equal to the amount required to cure any deficiency in prior transfers made for transfer to (A) the MTA Second Lien Trustee for deposit in the MTA Second Lien Debt Service Fund an amount equal to the MTA Monthly Second Lien Deposit Requirement, and (B) the TBTA Second Lien Trustee for deposit in the TBTA Second Lien Debt Service Fund an amount equal to the TBTA Monthly Second Lien Deposit Requirement; *provided, however*, if on the date of any such transfer the amount of PMT Receipts available for transfer is less than the Monthly Second Lien Deposit Requirement, the amount actually available shall be transferred, first, on a *pro rata* basis (in proportion to the amount of any deficiencies relative to each other) to the MTA Second Lien Trustee and the TBTA Second Lien Trustee to cure any deficiencies in prior deposits or transfers, and then, on a *pro rata* basis to the MTA Second Lien Trustee and the TBTA Second Lien Trustee in proportion to the amount of the MTA Monthly Second Lien Deposit Requirement and the TBTA Monthly Second Lien Deposit Requirement, respectively; and

(iii) *third*, for transfer to the Applicable Trustee or another Person in accordance with the provisions of any Supplemental Resolution under the MTA PMT Resolution or the TBTA PMT Resolution or other authorizing document, the amount necessary for the payment of Other Subordinated Obligations or obligations payable from PMT Receipts in the priority set forth in the applicable PMT Resolution or authorizing document;

(iv) *fourth*, for transfer to another Person, including each Applicable Trustee, fees and expenses due and payable under the related MTA PMT Indebtedness, TBTA PMT Indebtedness, MTA PMT Resolution and TBTA PMT Resolution, to the extent payable from PMT Receipts in the priority set forth in the applicable authorizing document; and

(iv) *fifth*, available for transfer to the MTA or expenditure by the MTA, on any date in the then current Month after the date the amounts actually transferred in accordance with subparagraphs (i) through (iv) above equals one hundred percent (100%) of the amounts required to have been so transferred on a cumulative basis as of the end of the current Month, any PMT Receipts and investment income, if any, on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount free and clear of any lien, pledge or claim of the MTA PMT Resolution and the TBTA PMT Resolution, to be applied by MTA as provided in the MTA Act.

3. For purposes of calculating the amount of the deposits relating to (i) the MTA Senior Lien Debt Service Fund and the TBTA Senior Lien Debt Service Fund, Principal Installments shall not include amounts that an Authorized Officer has notified the Applicable Trustee are to be paid from sources other than PMT Receipts, nor shall Accrued Debt Service include any amounts that, as certified by an Authorized Officer, have been set aside hereunder or otherwise in trust for the payment thereof and (ii) the MTA Second Lien Debt Service Fund and the TBTA Second Lien Debt Service Fund, Second Lien Obligation Principal Installments shall not include amounts that an Authorized Officer has notified the Applicable Second Lien Trustee are to be paid from sources other than PMT Receipts, nor shall Accrued Second Lien Debt Service include any amounts that, as certified by an Authorized Officer have been set aside hereunder or otherwise in trust for the payment thereof.

4. If, after the date or dates during the Month the MTA elects to make the transfers described above, (i) there continues to be a deficiency in the cumulative amounts required to be transferred and (ii) MTA receives additional PMT Receipts later in the then current Month, then MTA will apply those additional PMT Receipts as soon as practicable (but no later than the last Business Day of the then current Month) in the same priority as set forth above to cure such deficiencies to the greatest extent possible.

5. If on the Business Day that is no later than two Business Days preceding any Applicable Debt Service Payment Date, an Applicable Trustee notifies the MTA that it has insufficient funds on deposit to pay Debt Service on Obligations or Second Lien Obligations on the next succeeding Applicable Debt Service Payment Date, the MTA shall transfer, to the extent moneys are available, any or all Mobility Tax Receipts and/or ATA Receipts on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount, respectively, in the amount necessary to cure such deficiency and shall apply such amount in accordance with the preceding paragraph in the priority set forth therein; provided, however, that no such transfer shall be made to the Applicable Second Lien Trustee if there is a deficiency that has not been cured in the amounts transferred for the payment of Senior Lien Debt Service.

6. Moneys on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount may be invested by MTA only in Investment Securities. Investment income on moneys in any Subaccount shall be credited to such Subaccount.

## ARTICLE IV

### CONSENT TO PLEDGE

**SECTION 401. Consent to Pledge.** Each of the MTA and the TBTA do hereby consent to the pledge and assignment of the PMT Receipts to the Holders of any of MTA PMT Indebtedness and/or TBTA PMT Indebtedness, as the case may be, or to any trustee acting on their behalf, to secure the payment of the principal and Redemption Price of, and interest on, and Sinking Fund Installments for, the respective MTA PMT Indebtedness and TBTA PMT Indebtedness in accordance with their respective terms and the provisions of this Financing Agreement and in the order of priority set forth herein.

All of the PMT Receipts are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge of the PMT Receipts created by the MTA PMT Resolution and/or the TBTA PMT Resolution consistent with this Financing Agreement and all corporate action on the part of the MTA and TBTA to that end has been duly and validly taken.

## ARTICLE V

### COVENANTS OF the MTA

**SECTION 501. PMT Receipts.** The MTA covenants and agrees that it will take all such actions as may be necessary to request the transfer of the PMT Receipts and further covenants and agrees that all such PMT Receipts received shall be applied strictly in accordance with this Financing Agreement and the MTA Act.

**SECTION 502. Creation of Liens; Application of Certain Accounts and Subaccounts.** The MTA covenants and agrees that (a) other than the MTA PMT Resolution, it will not create or cause to be created any pledge, lien, charge or encumbrance on or with respect to the PMT Receipts or the amounts reserved and on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount at any time that adversely affects MTA's obligations hereunder or under the MTA PMT Resolution and TBTA's obligations under the TBTA PMT Resolution, and (b) it will apply amounts on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount established therein only as provided in this Financing Agreement.

**SECTION 503. Pledge and Agreement of the State.** In accordance with Section 1271 of the MTA Act, the MTA does hereby include the pledge and agreement of the State with the Owners of the MTA PMT Indebtedness and the TBTA PMT Indebtedness and the owners of the obligations secured in whole or in part by the TBTA PMT Resolution and the MTA PMT Resolution that the State will not limit or alter the denial of authority under subdivision 9 of Section 1269 of the MTA Act, or the rights and powers vested in the MTA and the TBTA by the MTA Act to fulfill the terms of any agreements made by the MTA and TBTA with such Owners, or in any way impair the rights and remedies of such Owners until such notes, bonds and other obligations with such Owners, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the MTA and the TBTA are liable in connection with any action or proceeding by or on behalf of such Owners, are fully met and discharged; provided, however, that the MTA and TBTA hereby acknowledge and agree that nothing in the foregoing pledge and agreement of the State or elsewhere in this Financing Agreement shall be deemed to restrict the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the taxes and fees producing revenues for deposit by the MTA in the Mobility Tax Receipts Subaccount of the MTA Finance Fund and/or the ATA Receipts Subaccount of the Corporate Transportation Account of the MTA Special Assistance Fund and pledged by the MTA to secure MTA PMT Indebtedness and/or pledged by the TBTA to secure TBTA PMT Indebtedness, as the case may be, or, if applicable, the appropriations relating thereto.

**SECTION 504. Annual Deposit Reports.** On the date of issuance of the first obligations under Section 302(a) hereof, the MTA shall deliver to the Applicable Trustees a written certificate of an Authorized Officer of the MTA setting forth two separate reports, one relating to the MTA PMT Indebtedness (the “MTA Annual Deposit Report”) and the other relating to the TBTA PMT Indebtedness (the “TBTA Annual Deposit Report”), in each case detailing for the current and the following Debt Service Year (a) the MTA Monthly Senior Lien Deposit Requirement or the TBTA Monthly Senior Lien Deposit Requirement, as applicable, (b) the MTA Monthly Second Lien Deposit Requirement or the TBTA Monthly Second Lien Deposit Requirement, as applicable, (c) the MTA Senior Lien Debt Service Fund Requirement or the TBTA Senior Lien Debt Service Fund Requirement, as applicable, (d) the MTA Second Lien Debt Service Fund Requirement or the TBTA Second Lien Debt Service Fund Requirement for the Debt Service Year, as applicable, (g) any other uses of the PMT Receipts for the purposes set forth in Section 302 of this Financing Agreement, and (f) any other information requested by the Applicable Trustees for the purposes of performing their respective obligations under the MTA PMT Resolution and the TBTA PMT Resolution. On or prior to the tenth (10<sup>th</sup>) Business Day before the beginning of each Debt Service Year, the MTA shall send to the Applicable Trustees an updated MTA Annual Deposit Report and updated TBTA Annual Deposit Report. The MTA Annual Deposit Report and the TBTA Annual Deposit Report shall be amended from time to time in conjunction with the issuance of additional MTA PMT Indebtedness and TBTA PMT Indebtedness, the refunding of MTA PMT Indebtedness and TBTA PMT Indebtedness or the incurrence of other costs or fees listed in Section 302, and may be amended from time to time at the discretion of the MTA, with a copy thereof sent to the Applicable Trustees, all with the intention of keeping the Applicable Trustees timely informed of the deposits and transfers of amounts on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount.

**SECTION 505. Amendment of the MTA PMT Resolution.** MTA shall not, without the consent of the TBTA, amend any provision of the MTA PMT Resolution in such a manner so as to affect TBTA’s obligations under this Financing Agreement or the TBTA PMT Resolution.

**SECTION 506. Compliance with Laws.** The MTA covenants and agrees to take all necessary actions on its part and to comply with the requirements of all laws necessary for the MTA to receive any PMT Receipts to the extent that PMT Receipts are subject to appropriation.

**SECTION 507. Arbitrage.** The MTA covenants and agrees that it shall take no action, fail to take an action, nor approve of the Applicable Trustees taking any action, or making any investment or use of the amounts on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount that would cause MTA PMT Indebtedness or TBTA PMT Indebtedness to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

## ARTICLE VI

### COVENANTS OF TBTA

**SECTION 601. Amendment of the TBTA PMT Resolution.** TBTA shall not, without the consent of the MTA, amend any provision of the TBTA PMT Resolution in such a manner so as to affect the MTA’s obligations under this Financing Agreement or the MTA PMT Resolution.

**SECTION 602. Creation of Liens; Application of Certain Accounts and Subaccounts.** TBTA covenants and agrees that other than the TBTA PMT Resolution, it will not create or cause to be created any pledge, lien, charge or encumbrance on or with respect to the PMT Receipts or the amounts reserved and on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount at any time that adversely affects MTA’s obligations hereunder.

## ARTICLE VII

### MISCELLANEOUS

**SECTION 701. Optional Redemption or Purchase of Obligations and Second Lien Obligations.** Upon payment to TBTA of the amount required by the TBTA PMT Resolution therefor and the MTA's direction to TBTA to do so, TBTA shall exercise any option it may have under the TBTA PMT Resolution to redeem or purchase all or any portion of the TBTA Obligations and/or TBTA Second Lien Obligations, as applicable, including, without limitation, any option TBTA may have under Section A-402 with respect to TBTA Obligations or Section B-402 of the TBTA PMT Resolution with respect to TBTA Second Lien Obligations to direct the TBTA Senior Lien Trustee or the TBTA Second Lien Trustee, respectively, to purchase or redeem TBTA Obligations and/or TBTA Second Lien Obligations and TBTA shall deposit into the TBTA Senior Debt Service Fund and/or the TBTA Second Lien Debt Service Fund, as applicable, all payments received from the MTA and designated for such purpose. TBTA hereby acknowledges that subsection 3 of Section A-502 with respect to TBTA Obligations and subsection 3 of Section B-501 with respect to TBTA Second Lien Obligations of the TBTA PMT Resolution give the MTA, in addition to TBTA, the right to deliver TBTA Obligations to the TBTA Senior Lien Trustee or the TBTA Second Lien Trustee in satisfaction in whole or in part, of any Sinking Fund Installment, as more fully provided in Section A-502 and Section B-501 of the TBTA PMT Resolution, respectively.

**SECTION 702. Enforcement of MTA Financing Agreement Collections and Application of PMT Receipts.**

(a) If for any reason, other than there being an insufficient amount of PMT Receipts deposited or required to be deposited into the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount for such purpose, MTA or TBTA shall fail to make the deposits and transfers hereunder, or shall fail to observe or perform any other covenant, condition or agreement on its part to be observed or performed, the Applicable Trustee as provided below shall, if such default has not been cured, have the right to institute any action in the nature of mandamus or take whatever action at law or in equity may appear necessary or desirable to collect the payments then due or thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant hereunder.

(b) On and after any Applicable Debt Service Payment Date on which the principal or Redemption Price of and interest on any MTA Senior Lien Obligation and/or TBTA Senior Lien Obligation has not been paid in full, and, if the MTA does not diligently pursue the collection of any moneys due to the MTA pursuant to the terms of this Financing Agreement, or on or after the date when the MTA or TBTA shall fail to observe or perform any other covenant, condition or agreement on its part to be observed or performed hereunder, the MTA and TBTA agree that the TBTA Senior Lien Trustee or the MTA Senior Lien Trustee who has the larger principal amount of Senior Lien Obligations outstanding may pursue, in accordance with the terms and provisions of the TBTA PMT Resolution and the MTA PMT Resolution, the collection and application of such amounts on behalf of the MTA or the performance of any such covenant, condition or agreement.

(c) On and after any Applicable Debt Service Payment Date on which the principal or Redemption Price of and interest on all MTA Senior Lien Obligations and TBTA Senior Lien Obligations has been paid in full, but on which the principal or Redemption Price of and interest on any MTA Second Lien Obligation and/or TBTA Second Lien Obligation has not been paid in full, and, if the MTA does not diligently pursue the collection of any moneys due to the MTA pursuant to the terms of this Financing Agreement, or, thereafter, the MTA or TBTA shall fail to observe or perform any other covenant, condition or agreement on its part to be observed or performed hereunder, the MTA and TBTA agree that the TBTA Second Lien Trustee or the MTA Second Lien Trustee who has the larger principal amount of bonds outstanding may pursue, in accordance with the terms and provisions of the TBTA PMT Resolution and the MTA PMT Resolution, the collection and application of such amounts on behalf of the MTA or the performance of any such covenant, condition or agreement.

(d) The remedies conferred upon or reserved under Section 7.02(a) hereof in respect of any default described therein are not intended to be exclusive of any other available remedy or remedies and shall be in addition to every other remedy now or hereafter existing at law or in equity; *provided, however*, that such remedy or remedies may in no event include a termination of this Financing Agreement, nor may they include any amendment, change, modification or alteration of this Financing Agreement that is inconsistent with Section 7.05 hereof.

(e) MTA and TBTA shall promptly notify each Applicable Trustee in writing that an event of default has occurred under the MTA PMT Resolution and the TBTA PMT Resolution, respectively. MTA also agrees that upon the occurrence of an event of default described in the preceding sentence, PMT Receipts will be available on an equitable basis among the Applicable Trustees in the priority and order established under this Financing Agreement.

**SECTION 703. Information Concerning the MTA.** Whenever TBTA shall issue TBTA PMT Indebtedness under the TBTA PMT Resolution, the MTA shall provide and certify, or cause to be provided and certified, to TBTA any information concerning the MTA and the PMT Receipts as TBTA shall reasonably request and determine is necessary or desirable for inclusion in the official statement or other offering document relating to the sale of such TBTA PMT Indebtedness.

The MTA hereby covenants and agrees that it will provide the annual operating and financial information required by Rule 15(c)2-12 of the United States Securities and Exchange Commission to the extent such Rule is applicable to the TBTA Obligations and TBTA Second Lien Obligations.

**SECTION 704. Termination of this Financing Agreement.** This Financing Agreement shall remain in full force and effect until the date on which the principal, Sinking Fund Installments, if any, or Redemption Price of and interest on the MTA PMT Indebtedness and the TBTA PMT Indebtedness shall have been fully paid and discharged or provision for the payment and discharge thereof shall have been made as provided in the MTA PMT Resolution and the TBTA PMT Resolution, respectively.

**SECTION 705. Amendment of this Financing Agreement.**

(a) Subject in all respects to compliance with the provisions of Section 605 of the MTA PMT Resolution and Section 603 of the TBTA PMT Resolution, this Financing Agreement may be supplemented, amended or modified by a Supplemental Financing Agreement executed by the MTA and TBTA for any reason, including, without limitation, to reflect legislative amendments to any of the statutory provisions referenced herein; *provided, however*, that no such supplement, amendment or modification shall materially adversely affect the interest of the Owners of MTA PMT Indebtedness or Owners of TBTA PMT Indebtedness unless and until (i) there shall have been filed with each Applicable Trustee the written consents of the Owners of the percentage of Outstanding MTA Obligations and TBTA Obligations and/or MTA Second Lien Obligations and TBTA Second Lien Obligations affected by such Supplemental Financing Agreement as provided in the applicable MTA PMT Resolution and/or TBTA PMT Resolution, (ii) if the consent of any Applicable Trustee is required, such Applicable Trustee has consented thereto, and (iii) an executed copy of such Supplemental Financing Agreement certified by an Authorized Officer of MTA and/or TBTA, as applicable, shall have been filed with each Applicable Trustee.

(b) MTA shall furnish written notice to each of the Rating Agencies (to the extent each of them has a rating outstanding on any affected MTA PMT Indebtedness and/or TBTA PMT Indebtedness) of any amendment of this Financing Agreement.

**SECTION 706. Assignment of Financing Agreement.** This Financing Agreement may not be assigned, except to the Applicable Trustees, by either party without the written consent of the other party.



**SECTION 707. Severability.** If any one or more of the covenants, stipulations, promises, obligations or agreements provided herein on the part of any of the parties hereto to be performed should be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, obligation or obligations, or agreement or agreements shall be null and void, shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, obligations and agreements and shall in no way affect the validity of the other provisions hereof.

**SECTION 708. Disclaimer of Personal Liability.** No recourse shall be had against or liability incurred by any member, officer or employee of the MTA or TBTA or any Person executing this Financing Agreement for failure to observe, perform or comply with any covenant or provision hereof or for any claims based thereon.

**SECTION 709. Information Regarding Accounts and Subaccounts.** The MTA agrees to advise TBTA, and, if requested by TBTA, the Applicable Trustees, on or prior to 10:00 A.M., New York City time, on the last Business Day of each month and at such other times as TBTA or the Applicable Trustees shall request, of the amounts then on deposit in the Mobility Tax Receipts Subaccount and the ATA Receipts Subaccount.

**SECTION 710. Notices.** All notices or other instruments required to be given or authorized to be given by any party pursuant to this Financing Agreement shall be in writing and shall be delivered by hand against written receipt therefor or sent by registered or certified mail addressed (i) in the case of MTA to it at 2 Broadway, New York, New York 10004 Attn: Chairman, with a copy to the MTA's General Counsel at the same address, (ii) in the case of TBTA to it at 2 Broadway, New York, New York 10004 Attn: President, with a copy to TBTA's General Counsel at the same address, and (iii) in the case of the Applicable Trustees, to the addresses provided in writing to TBTA and the MTA. The parties may from time to time designate other representatives or other addresses with respect to receipt of notices.

**SECTION 711. Section Headings.** All headings preceding the text of the several sections hereof, and any table of contents appended to copies hereof shall be solely for convenience or reference and shall not constitute a part hereof nor shall they affect its meaning, construction or effect.

**SECTION 712. Counterparts.** This Financing Agreement may be executed in several counterparts, each of which shall be deemed to be an original but such counterparts together shall constitute one and the same instrument.

**SECTION 713. Governing Law.** This Financing Agreement shall be governed by and construed in accordance with the laws of the State of New York.

**SECTION 714. Effectiveness of this Financing Agreement.** Subject to the provisions of subsection 2 of Section 401 hereof, the provisions of this Financing Agreement shall be effective upon execution and delivery thereof by MTA and TBTA.

**SECTION 715. Conflicts with MTA PMT Resolution and TBTA PMT Resolution.** The MTA and TBTA each acknowledge and agree that, in the event of any conflict between any of the provisions of this Financing Agreement and any of the provisions of the MTA PMT Resolution or the TBTA PMT Resolution, the provisions of this Financing Agreement shall be controlling.

**SECTION 716. Applicable Trustees are Third Party Beneficiaries Hereunder.** Subject to their respective rights and responsibilities as trustees for Senior Lien Obligations and Second Lien Obligations, each of the MTA Senior Lien Trustee, MTA Subordinate Lien Trustee, TBTA Senior Lien Trustee and TBTA Subordinate Lien Trustee are hereby designated as third party beneficiaries hereunder to the extent necessary to exercise their rights and responsibilities under the MTA PMT Resolution and the TBTA PMT Resolution, respectively. In the event of enforcement in connection with Senior Lien Obligations, the MTA Senior Lien Trustee or the TBTA Senior Lien Trustee that at the time of enforcement has the larger principal amount of Senior Lien Obligations outstanding shall have the right of first refusal to exercise such rights and responsibilities. In the event that there are no Senior Lien Obligations outstanding or the MTA Senior Lien Trustee and the TBTA Senior Lien Trustee have decided not to exercise such right and responsibilities, the MTA Second Lien Trustee or the TBTA Senior Lien Trustee that at the time of enforcement has the larger principal amount of Second Lien Obligations outstanding shall have the right of first refusal to exercise such rights and responsibilities.

**IN WITNESS WHEREOF**, the parties hereto have set their hands as of the date first above written.

**METROPOLITAN TRANSPORTATION AUTHORITY**

By     /s/ Patrick J. McCoy      
Title: Authorized Officer

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

By     /s/ Patrick J. McCoy      
Title: Authorized Officer

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### ATTACHMENT 3

#### METROPOLITAN TRANSPORTATION AUTHORITY MTA BRIDGES AND TUNNELS PAYROLL MOBILITY TAX OBLIGATIONS

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#### MASTER CONTINUING DISCLOSURE AGREEMENT

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**THIS MASTER CONTINUING DISCLOSURE AGREEMENT**, dated May \_\_, 2021 (the “Agreement”), is made by and among MTA, MTA Bridges and Tunnels and the respective PMT Trustees, each as defined below in Section 1.

In order to permit the Underwriters of each series of PMT Indebtedness issued from and after the date hereof to comply with the provisions of Rule 15c2-12, each of the parties hereto, in consideration of the mutual covenants herein contained and other good and lawful consideration, hereby agree, for the sole and exclusive benefit of the Holders, as follows:

#### **Section 1. Definitions; Rules of Construction.**

(i) Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the respective PMT Resolutions.

“Annual Information” shall mean the information specified in Section 3(A) hereof.

“Bonds” or “PMT Indebtedness” shall mean all PMT Indebtedness issued from time to time by the Issuers and outstanding pursuant to the applicable PMT Resolution, and made subject to this Agreement at the time of issuance or incurrence thereof.

“EMMA” shall mean the Electronic Municipal Market Access System of the MSRB.

“Financial Obligation” means “financial obligation” as such term is defined in Rule 15c2-12.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“Holder” shall mean any registered owner of Bonds, and, for purposes of Section 5 of this Agreement only, if registered in the name of DTC (or a nominee thereof) or in the name of any other entity (or a nominee thereof) that acts as a “clearing corporation” within the meaning of the New York Uniform Commercial Code and is a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, any beneficial owner of Bonds.

“Issuer” shall mean individually, the MTA and MTA Bridges and Tunnels.

“MTA” shall mean Metropolitan Transportation Authority, a public benefit corporation of the State of New York.

“MTA Bridges and Tunnels” shall mean the Triborough Bridge and Tunnel Authority, a public benefit company of the State of New York.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

“PMT Indebtedness” shall mean any bonds, notes or other evidence of indebtedness issued or incurred under the PMT Resolutions.

“PMT Resolutions” shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Obligation Resolution (the “TBTA PMT Resolution”) and the Metropolitan Transportation Authority Payroll Mobility Tax Obligation Resolution (the “MTA PMT Resolution” and, collectively with the TBTA PMT Resolution, the “PMT Resolutions”).

“PMT Trustee” under each of the PMT Resolutions shall mean The Bank of New York Mellon or any successor trustee under the PMT Resolutions.

“Rule 15c2-12” shall mean Rule 15c2-12 (as amended through the date of this Agreement) under the Securities Exchange Act of 1934, as amended, including any official interpretations thereof promulgated on or prior to the effective date hereof.

“State” shall mean the State of New York.

(ii) Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Any reference herein to a particular Section or subsection without further reference to a particular document or provision of law or regulation is a reference to a Section or subsection of this Agreement.

(c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

## **Section 2. Obligation to Provide Continuing Disclosure.**

### *A. Obligations of the Issuers.*

(i) The Issuers each hereby undertake, for the benefit of the Holders of Bonds, to provide or cause to be provided:

(a) to EMMA, no later than 120 days after the end of each fiscal year, commencing with the fiscal year ending December 31, 2021, Annual Information relating to such fiscal year;

(b) if not submitted as part of Annual Information, to EMMA, not later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2021, audited consolidated financial statements of MTA for such fiscal year when and if they become available and, if such audited financial statements are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements of MTA for such fiscal year; and

(c) to EMMA in a timely manner, not in excess of ten business days after the occurrence of each event, notices of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

- (2) non-payment related defaults, if material;
  - (3) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (4) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (5) substitution of credit or liquidity providers, or their failure to perform;
  - (6) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
  - (7) modifications to the rights of security holders, if material;
  - (8) bond calls, if material, and tender offers;
  - (9) defeasances;
  - (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
  - (11) rating changes;
  - (12) bankruptcy, insolvency, receivership or similar event of the issuer as set forth in Rule 15c2-12;
  - (13) consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all of substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
  - (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
  - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.
- (d) to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by clause A(i)(a) of this Section 2 or any financial statements required by clause A(i)(b) of this Section 2.

(ii) The Issuers may satisfy their respective obligations hereunder by filing any notice, document or information with EMMA, to the extent permitted or required by the Securities and Exchange Commission (the "SEC").

(iii) Neither MTA nor MTA Bridges and Tunnels has failed to comply, in any material respect, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12.

B. *Obligations of the PMT Trustees.* The PMT Trustees shall notify MTA or MTA Bridges and Tunnels, as applicable, upon the occurrence of any of the events listed in Section 2(A)(i)(c) promptly upon becoming aware of the occurrence of any such event. The PMT Trustees, shall not be deemed to have become aware of the occurrence of any such event unless an officer in its corporate trust department becomes aware of the occurrence of any such event.

C. *Additional Obligations.*

(i) Other information. Nothing herein shall be deemed to prevent MTA or MTA Bridges and Tunnels from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If MTA or MTA Bridges and Tunnels should disseminate any such additional information neither, MTA nor MTA Bridges and Tunnels, shall have any obligation hereunder to update such information or to include it in any future materials disseminated hereunder.

(ii) Disclaimer. Each of the Issuers and the PMT Trustees, under each of the PMT Resolutions, shall be obligated to perform only those duties expressly provided for such entity in this Agreement, and neither of the foregoing shall be under any obligation to the Holders or other parties hereto to perform, or monitor the performance of, any duties of such other parties.

### **Section 3. Annual Information.**

A. *Annual Information.*

The required Annual Information shall consist of at least the following:

1. a. presentation of changes to indebtedness issued by MTA Bridges and Tunnels and MTA, respectively, under the TBTA PMT Resolution and the MTA PMT Resolution as well as information concerning changes to MTA Bridges and Tunnels' and MTA's debt service requirements on such indebtedness payable from PMT Receipts,
  - b. financial information and operating data of the type included in the **ADS** under the caption "PAYROLL MOBILITY TAX OBLIGATIONS" which shall include information relating to the following:
    - (i) description of the taxes and fees allocated to the Financing Agreement, currently Mobility Tax Receipts and ATA Receipts; and
    - (ii) for the taxes and fees then constituting sources of revenue for the PMT Indebtedness, an historical summary of such revenues, if available, together with an explanation of the factors affecting collection levels, for a period of at least the three most recent completed fiscal years then available,
  - c. information concerning the amounts, sources, material changes in and material factors affecting PMT Receipts and debt service incurred under PMT Resolutions,
2. material litigation related to any of the foregoing, and
  3. such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning, and in judging the financial condition of, MTA Bridges and Tunnels and MTA as such may impact the security for Bonds.

B. *Incorporation by Reference.*

All or any portion of Annual Information may be incorporated therein by cross reference to any other documents which have been filed with (i) EMMA or (ii) the SEC.

C. *General Categories of Information Provided.*

The requirements contained in this Agreement under Section 3 are intended to set forth a general description of the type of financial information and operating data to be provided; such descriptions are not intended to state more than general categories of financial information and operating data; and where the provisions of Section 3 call for information that no longer can be generated or is no longer relevant because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided.

**Section 4. Financial Statements.**

MTA's annual financial statements for each fiscal year shall be prepared in accordance with GAAP as in effect from time to time. Such financial statements shall be audited by an independent accounting firm.

All or any portion of MTA's audited or unaudited financial statements may be incorporated therein by specific cross-reference to any other documents which have been filed with (i) EMMA or (ii) the SEC.

**Section 5. Remedies.**

If any party hereto shall fail to comply with any provision of this Agreement, then the Trustee or any Holder may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Agreement against such party and any of its officers, agents and employees, and may compel such party or any of its officers, agents or employees to perform and carry out their duties under this Agreement; provided that the sole and exclusive remedy for breach of this Agreement shall be an action to compel specific performance of this Agreement of such party hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and, provided further, that any challenge to the adequacy of any information provided pursuant to Section 2 shall be brought only by the Trustee or the Holders of 25% in aggregate principal amount of the Bonds at the time outstanding which are affected thereby. The Issuers and each Trustee each reserves the right, but shall not be obligated, to enforce the obligations of the others. Failure to comply with any provision of this Agreement shall not constitute a default under the PMT Resolutions nor give right to either Trustee or any Holder to exercise any of the remedies under the PMT Resolutions, except as otherwise set forth herein.

**Section 6. Parties in Interest.**

This Agreement is executed and delivered solely for the benefit of the Holders which, for the purposes of Section 5, includes those beneficial owners of Bonds specified in the definition of Holder set forth in Section 1. For the purposes of such Section 5, such beneficial owners of Bonds shall be third-party beneficiaries of this Agreement. No person other than those described in Section 5 shall have any right to enforce the provisions hereof or any other rights hereunder.

**Section 7. Amendments.**

Without the consent of any Holders (except to the extent expressly provided below), the Issuers and the PMT Trustees at any time and from time to time may enter into any amendments or changes to this Agreement for any of the following purposes:



(i) to comply with or conform to Rule 15c2-12 or any amendments thereto or authoritative interpretations thereof by the SEC or its staff (whether required or optional) which are applicable to the Agreement;

(ii) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(iii) to evidence the succession of another person to either Issuers and the assumption by any such successor of the covenants of such Issuers hereunder;

(iv) to add to the covenants of the Issuers for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuers; or

(v) for any other purpose as a result of a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuers, or type of business conducted; provided that (1) the Agreement, as amended, would have complied with the requirements of Rule 15c2-12 at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of Rule 15c2-12, as well as any change in circumstances, (2) the amendment or change either (a) does not materially impair the interests of Holders, as determined by Bond Counsel or (b) is approved by the vote or consent of Holders of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment or change and (3) the Trustee receives an opinion of Bond Counsel that such amendment is authorized or permitted by this Agreement.

Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change on the type of operating data or financial information in Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

#### **Section 8. Termination.**

This Agreement shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Bonds shall have been paid in full or legally defeased pursuant to the applicable PMT Resolution (a "Legal Defeasance"); *provided, however*, that if Rule 15c2-12 (or successor provision) shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and *provided, further*, that if and to the extent Rule 15c2-12 (or successor provision), or any provision thereof, shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of Rule 15c2-12 so declared, shall no longer be required to be provided hereunder. Upon any Legal Defeasance, the applicable Issuer shall provide notice of such defeasance to EMMA. Such notice shall state whether the Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption. Upon any other termination pursuant to this Section 8, the applicable Issuer shall provide notice of such termination to EMMA.

**Section 9. The PMT Trustees.**

(i) Except as otherwise set forth herein, this Agreement shall not create any obligation or duty on the part of either of the PMT Trustees and the PMT Trustees shall not be subject to any liability hereunder for acting or failing to act as the case may be.

(ii) The Issuers shall indemnify and hold harmless the PMT Trustees in connection with this Agreement, to the same extent provided in the PMT Resolutions for matters arising thereunder.

**Section 10. Governing Law.**

This Agreement shall be governed by the laws of the State determined without regard to principles of conflict of law.

**Section 11. Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be an original, but which together shall constitute one and the same Agreement.

[Signature Page to the Master Continuing Disclosure Agreement follows]

IN WITNESS WHEREOF, the undersigned have duly authorized, executed and delivered this Agreement as of the date first above written.

**TRIBOROUGH BRIDGE AND TUNNEL  
AUTHORITY**

By: \_\_\_\_\_  
Patrick J. McCoy  
Deputy Chief, Financial Services  
Metropolitan Transportation Authority and  
Authorized Officer  
Triborough Bridge and Tunnel Authority  
(MTA Bridges and Tunnels)

**METROPOLITAN TRANSPORTATION  
AUTHORITY**

By: \_\_\_\_\_  
Patrick J. McCoy  
Deputy Chief, Financial Services  
Metropolitan Transportation Authority

**THE BANK OF NEW YORK MELLON, as  
Trustee under the TBTA PMT Resolution**

By: \_\_\_\_\_  
Name:  
Title:

**THE BANK OF NEW YORK MELLON, as  
Trustee under the MTA PMT Resolution**

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page of the Master Continuing Disclosure Agreement]

ATTACHMENT 4

FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

**Upon delivery of the Series 2021A Bonds in definitive form, each of Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel to MTA Bridges and Tunnels, propose to render its final approving opinion in substantially the following form:**

[Date of Closing]

Triborough Bridge and Tunnel Authority  
New York, New York

Ladies and Gentlemen:

We have examined a certified record of proceedings of the Triborough Bridge and Tunnel Authority (“TBTA”) and other proofs submitted to us relative to the issuance of \$1,238,210,000 aggregate principal amount of Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Bonds, Series 2021A (the “Series 2021A Bonds”), consisting of \$633,535,000 aggregate principal amount of Payroll Mobility Tax Senior Lien Bonds, Subseries 2021A-1 (Tax-Exempt) (the “Subseries 2021A-1 Bonds”), \$356,225,000 aggregate principal amount of Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-2 (Tax-Exempt Mandatory Tender Bonds) (the “Subseries 2021A-2 Bonds”, and together with the Subseries 2021A-1 Bonds, the “Tax-Exempt Bonds”), and \$248,450,000 aggregate principal amount of Payroll Mobility Tax Senior Lien Refunding Bonds, Subseries 2021A-3 (Federally Taxable) (the “Subseries 2021A-3 Bonds”), and the authorization, execution and delivery of the Financing Agreement, defined and described below. We have also examined a certified copy of the proceedings of the Metropolitan Transportation Authority (“MTA”) and other proofs submitted to us relative to the authorization, execution and delivery of the Financing Agreement.

All terms defined in the Resolution (hereinafter defined) and used herein shall have the meanings assigned in the Resolution, except where the context hereof requires otherwise.

The Series 2021A Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the “State”), including the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended to the date of this opinion letter (herein called the “Issuer Act”), and under and pursuant to proceedings of TBTA duly taken, including a resolution adopted by the members of TBTA on March 17, 2021 entitled “Payroll Mobility Tax Obligation Resolution,” as supplemented to the date hereof (collectively, the “Resolution”).

TBTA and MTA have entered into the Payroll Mobility Tax Financing Agreement, dated as of April 9, 2021 (the “Financing Agreement”), which provides for, among other things, the transfer and payment of PMT Receipts by MTA to (i) The Bank of New York Mellon, as trustee under the Resolution, in amounts sufficient to pay the principal of, redemption premium, if any, and interest on TBTA’s Obligations and Parity Debt, including the Series 2021A Bonds, issued and incurred under the Resolution, and (ii) The Bank of New York Mellon, as trustee under the MTA PMT Resolution, in amounts sufficient to pay the principal of, redemption

premium, if any, and interest on MTA's Obligations and Parity Debt issued and incurred under the MTA PMT Resolution, on a parity basis as provided in the Financing Agreement.

The Series 2021A Bonds are dated, mature, are payable, are subject to redemption and bear interest all as provided in the Resolution.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Tax-Exempt Bonds in order that interest on the Tax-Exempt Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. Pursuant to the Resolution and/or the Arbitrage and Use of Proceeds Certificate dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), TBTA and MTA have covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Tax-Exempt Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, TBTA and MTA have made certain representations, statements of intention and reasonable expectation, and certifications in the Arbitrage and Use of Proceeds Certificate. We have not independently verified the accuracy of those representations, statements and certifications. Noncompliance with the requirements of the Code could cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance, irrespective of the date on which such noncompliance occurs or is ascertained.

In rendering the opinion in paragraph 6 hereof, we have relied upon and assumed the accuracy of the representations, statements of intention and reasonable expectation, and certifications contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes under Section 103 of the Code and compliance by TBTA and MTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

We have also examined one of said Series 2021A Bonds as executed and, in our opinion, the form of said Series 2021A Bonds and its execution are regular and proper.

We are of the opinion that:

1. TBTA is duly created and validly existing under the laws of the State, including the Constitution of the State and the Issuer Act.
2. TBTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by TBTA, is in full force and effect, is valid and binding upon TBTA, and is enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Obligations Trust Estate, subject only to the provisions of the Resolution and the Financing Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. All right, title and interest of TBTA in and to the Financing Agreement and receipt of PMT Receipts payable thereunder for the benefit of TBTA's Obligations and Parity Debt, including the Series 2021A Bonds, is of equal rank with all right, title and interest of MTA in and to the Financing Agreement and receipt of PMT Receipts payable thereunder for the benefit of MTA's Obligations and Parity Debt.
3. The Financing Agreement has been duly authorized, executed and delivered by TBTA and MTA and is a legal and valid contractual obligation of TBTA and MTA enforceable in accordance with its terms.
4. The Series 2021A Bonds have been duly and validly authorized and issued in accordance with the laws of the State, including the Constitution of the State and the Issuer Act, and in accordance with the Resolution, and are valid and binding special obligations of TBTA, enforceable in accordance with their terms and the terms of the Resolution, payable solely from the Obligations Trust Estate as provided in the Resolution, and are entitled to the benefits of the Issuer Act and the Resolution. TBTA has no taxing power and the Series

2021A Bonds are not debts of the State or of any other political subdivision thereof. TBTA reserves the right to issue additional Obligations and to incur Parity Debt on the terms and conditions, and for the purposes, provided in the Resolution, on a parity as to security and payment with the Series 2021A Bonds.

5. The Series 2021A Bonds are securities in which all public officers and bodies of the State and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are or may be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them to the extent that the legality of such investment is governed by the laws of the State; and which may be deposited with and shall be received by all public officers and bodies of the State and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the State is or may be authorized.

6. Under existing statutes and court decisions, interest on the Tax-Exempt Bonds (i) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) is not treated as a preference item in calculating the alternative minimum tax under the Code.

7. Under the Issuer Act, interest on the Series 2021A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

The opinions expressed in paragraphs 2, 3 and 4 above are subject to applicable bankruptcy, insolvency, receivership, reorganization, arrangements, fraudulent conveyances, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 6 and 7, we express no opinion regarding any other federal, state, local or foreign tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2021A Bonds. We express no opinion regarding the federal, state, local or foreign tax consequences of any action hereafter taken or not taken in reliance upon an opinion of other counsel with respect to the Series 2021A Bonds.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2021A Bonds. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2021A Bonds and express no opinion with respect thereto.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

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