February 23, 2016

Supplement To Official Statement Dated February 19, 2016
Relating to

$782,520,000
METROPOLITAN TRANSPORTATION AUTHORITY
Transportation Revenue Green Bonds, Series 2016A
(Climate Bond Certified)

consisting of

$444,560,000	$337,960,000
Subseries 2016A-1	**Subseries 2016A-2**
(Climate Bond Certified)	**(Climate Bond Certified)**

DATED: Date of Delivery **DUE: November 15, as shown on the inside cover pages**

The Official Statement dated February 19, 2016 (the Official Statement), for the above-referenced bonds is hereby supplemented as follows:

The third bulleted paragraph on the inside cover is hereby deleted and replaced in its entirety with the following:

"• The Subseries 2016A-2 Bonds maturing on or after November 15, 2027 may be redeemed, in whole or in part, at any time prior to the Subseries 2016A-2 Par Call Date at the "Make Whole Redemption Price" equal to the greater of: (i) one hundred two percent (102%) of the Amortized Value (as defined herein) of the Subseries 2016A-2 Bonds to be redeemed; or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Subseries 2016A-2 Bonds to be redeemed, from and including the date of redemption to the Subseries 2016A-2 Par Call Date, discounted to the date on which the Subseries 2016A-2 Bonds are to be redeemed on a semiannual basis, at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined herein) to the Subseries 2016A-2 Par Call Date."

The third paragraph under the heading "PART I. SERIES 2016A BONDS – DESCRIPTION OF SERIES 2016A BONDS – Redemption Prior to Maturity – *Optional Redemption*" is hereby deleted and replaced in its entirety with the following:

"The Subseries 2016A-2 Bonds maturing on or after November 15, 2027 may be redeemed, in whole or in part, at any time prior to the Subseries 2016A-2 Par Call Date at the "Make Whole Redemption Price" equal to the greater of: (i) one hundred two percent (102%) of the Amortized Value (as defined herein) of the Subseries 2016A-2 Bonds to be redeemed; or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Subseries 2016A-2 Bonds to be redeemed, from and including the date of redemption to the Subseries 2016A-2 Par Call Date, discounted to the date on which the Subseries 2016A-2 Bonds are to be redeemed on a semiannual basis, at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined herein) to the Subseries 2016A-2 Par Call Date."

The fifth paragraph under the heading "PART I. SERIES 2016A BONDS – DESCRIPTION OF SERIES 2016A BONDS – Redemption Prior to Maturity – *Optional Redemption*" is hereby deleted and replaced in its entirety with the following:

"“Applicable Tax-Exempt Bond Rate” means the “Interpolated AAA Yields” rate for the Subseries 2016A-2 Par Call Date as published by the Municipal Market Data (MMD) at least five calendar days, but not more than 45 calendar days, prior to the redemption date of the Subseries 2016A-2 Bonds to be redeemed. If no such rate is established for the applicable year, the “Interpolated AAA Yields” rate for the published maturities most closely corresponding to the applicable year will be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated from those rates on a straight-line basis. Should the MMD no longer publish the “Interpolated AAA Yields” rate, then the Applicable Tax-Exempt Municipal Bond Rate will equal the “Consensus Scale” rate for the applicable year as published by Municipal Market Advisors (MMA). In the further event that MMA no longer publishes the “Consensus Scale”, the Applicable Tax-Exempt Municipal Bond Rate will be determined by Ramirez & Co., Inc. or a successor determined by MTA, as the quotation agent, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, with a maturity date equal to the Subseries 2016A-2 Par Call Date of such Subseries 2016A-2 Bonds having characteristics (other than the ratings) most comparable to those of such Subseries 2016A-2 Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Municipal Bond Rate shall be final and binding in the absence of manifest error.”

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.

NEW ISSUE **BOOK-ENTRY-ONLY**

$782,520,000
METROPOLITAN TRANSPORTATION AUTHORITY
Transportation Revenue Green Bonds, Series 2016A
(Climate Bond Certified)

consisting of

$444,560,000 **Subseries 2016A-1** **(Climate Bond Certified)**	**$337,960,000** **Subseries 2016A-2** **(Climate Bond Certified)**

DATED: Date of Delivery **DUE: November 15, as shown on the inside cover pages**

The Transportation Revenue Green Bonds, Series 2016A (Climate Bond Certified), consisting of the Transportation Revenue Green Bonds, Subseries 2016A-1 (Climate Bond Certified) (the Subseries 2016A-1 Bonds) and the Transportation Revenue Refunding Green Bonds, Subseries 2016A-2 (Climate Bond Certified) (the Subseries 2016A-2 Bonds), referred to above and collectively referred to herein as the Series 2016A Bonds, are being issued to retire the Transportation Revenue Bond Anticipation Notes, Series 2015A and refinance certain other outstanding indebtedness issued by MTA for transit and commuter projects.

The Series 2016A Bonds —

- are MTA's special, not general, obligations, payable solely from the revenues of the transit and commuter systems and other sources pledged to bondholders 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.

MTA 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, under existing law and relying on certain representations by MTA and assuming the compliance by MTA with certain covenants, interest on the Series 2016A Bonds is:

- *from a bondholder's federal gross income under Section 103 of the Internal Revenue Code of 1986*, *and*
- *not a specific preference item for a bondholder in calculating the federal alternative minimum tax*, *but*
- *included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.*

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2016A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City.

The Series 2016A Bonds will bear interest at the rates shown on the inside cover pages hereof.

The Series 2016A Bonds are subject to redemption prior to maturity as described herein.

The Series 2016A 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 February 25, 2016.

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 2016A 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.

Ramirez & Co., Inc.

Drexel Hamilton, LLC **Stern Brothers & Co.**

BofA Merrill Lynch	Citigroup	Goldman, Sachs & Co.
Jefferies	J.P. Morgan	Loop Capital Markets
Morgan Stanley	RBC Capital Markets	Siebert Brandford Shank & Co., L.L.C.
	Wells Fargo Securities	

Academy Securities Inc.	Barclays	BNY Mellon Capital Markets
Cabrera Capital Markets, LLC	Duncan-Williams, Inc.	Estrada Hinojosa & Company, Inc.
Fidelity Capital Markets	Janney Montgomery Scott	KeyBanc Capital Markets Inc.
M&T Securities, Inc.	Mesirow Financial, Inc.	Oppenheimer & Co.
Piper Jaffray & Co.	PNC Capital Markets LLC	Raymond James
Rice Financial Products Company	Roosevelt & Cross, Incorporated	Stifel
TD Securities	US Bancorp	The Williams Capital Group, L.P.

February 19, 2016

$782,520,000
Metropolitan Transportation Authority
Transportation Revenue Green Bonds, Series 2016A
(Climate Bond Certified)

$444,560,000
Transportation Revenue Green Bonds, Subseries 2016A-1
(Climate Bond Certified)

$140,815,000 Serial Bonds

Maturity (November 15)	Principal Amount	Interest Rate	Price/Yield	CUSIP Number* (59261A)
2016	$ 3,100,000	2.00%	0.320%	CT2
2017	4,355,000	4.00	0.560	BV8
2018	4,525,000	5.00	0.690	BW6
2019	4,755,000	4.00	0.870	BX4
2020	620,000	4.00	1.060	BY2
2020	4,325,000	5.00	1.060	CY1
2021	2,435,000	4.00	1.220	BZ9
2021	2,750,000	5.00	1.220	DB0
2022	5,420,000	5.00	1.450	CA3
2023	5,690,000	5.00	1.680	CB1
2024	5,975,000	5.00	1.890	CC9
2025	6,275,000	2.50	2.040	CD7
2026	6,430,000	5.00	2.170†	CE5
2027	6,750,000	5.00	2.300†	CF2
2028	7,090,000	5.00	2.400†	CG0
2029	7,445,000	5.00	2.490†	CH8
2030	7,815,000	5.00	2.550†	CJ4
2031	8,205,000	5.00	2.640†	CK1
2032	8,620,000	5.00	2.730†	CL9
2033	8,175,000	4.00	3.130†	CZ8
2033	875,000	5.00	2.780†	CM7
2034	9,415,000	3.00	98.375	CN5
2035	3,540,000	3.10	3.190	CV7
2035	5,000,000	4.00	3.220†	DA2
2035	1,160,000	5.00	2.870†	CP0
2036	10,070,000	5.00	2.920†	CQ8

$303,745,000 Term Bonds

$25,165,000 5.00% Subseries 2016A-1 Term Bond due November 15, 2041, Yield: 3.180%†
CUSIP Number* 59261A CU9

$32,275,000 3.50% Subseries 2016A-1 Term Bond due November 15, 2041, Yield: 3.620%
CUSIP Number* 59261A CR6

$56,305,000 5.00% Subseries 2016A-1 Term Bond due November 15, 2046, Yield: 3.230%†
CUSIP Number* 59261A CS4

$15,000,000 4.00% Subseries 2016A-1 Term Bond due November 15, 2046, Yield: 3.580%†
CUSIP Number* 59261A CX3

$175,000,000 5.25% Subseries 2016A-1 Term Bond due November 15, 2056, Yield: 3.430%†
CUSIP Number* 59261A CW5

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* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2016A Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2016A Bonds or as indicated above.

† Priced at the stated yield to the May 15, 2026 optional redemption date at a redemption price of 100%.

$337,960,000
Transportation Revenue Refunding Green Bonds, Subseries 2016A-2
(Climate Bond Certified)

Maturity (November 15)	Principal Amount	Interest Rate	Price/Yield	CUSIP Number* (59261A)
2017	$11,120,000	4.00%	0.560%	DR5
2018	11,570,000	5.00	0.690	DS3
2019	16,110,000	5.00	0.870	DC8
2020	16,920,000	5.00	1.060	DD6
2021	17,770,000	5.00	1.220	DE4
2022	33,675,000	5.00	1.450	DF1
2023	35,365,000	5.00	1.680	DG9
2024	34,860,000	5.00	1.890	DH7
2025	7,590,000	4.00	2.040	DQ7
2025	46,400,000	5.00	2.040	DJ3
2026	1,840,000	4.00	2.170	DK0
2026	36,515,000	5.00	2.170	DN4
2027	40,255,000	5.00	2.300††	DL8
2028	1,255,000	2.50	100.00	DM6
2028	26,715,000	5.00	2.400††	DP9

The Series 2016A Bonds are subject to optional and mandatory redemption, as described under the captions "DESCRIPTION OF SERIES 2016A BONDS – Redemption Prior to Maturity" in Part I. The following summarizes the optional redemption provisions:

- The Subseries 2016A-1 Bonds maturing on and after November 15, 2026, are subject to redemption prior to maturity on any date on and after May 15, 2026, at the option of MTA, 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.
- The Subseries 2016A-2 Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after November 15, 2026 (the Subseries 2016A-2 Par Call Date), at the option of MTA, 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.
- The Subseries 2016A-2 Bonds maturing on or after November 15, 2027 may be redeemed, in whole or in part, at any time prior to the Subseries 2016A-2 Par Call Date at the "Make Whole Redemption Price" equal to the greater of: (i) one hundred two percent (102%) of the Amortized Value (as defined herein) of the Subseries 2016A-2 Bonds to be redeemed; or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest to maturity on the Subseries 2016A-2 Bonds to be redeemed, from and including the date of redemption to the Subseries 2016A-2 Par Call Date, discounted to the date on which the Subseries 2016A-2 Bonds are to be redeemed on a semiannual basis, at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined herein) to the Subseries 2016A-2 Par Call Date.

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* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2016A Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2016A Bonds or as indicated above.

†† Priced at the stated yield to the November 15, 2026 optional redemption date at a redemption price of 100%.

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Metropolitan Transportation Authority
2 Broadway, 4th Floor
New York, New York 10004
(212) 878-7000
Website: www.mta.info

Thomas F. Prendergast	Chairman and Chief Executive Officer
Fernando Ferrer	Vice-Chairman
Andrew B. Albert	Non-Voting Member
Jonathan A. Ballan	Member
John H. Banks III	Member
Robert C. Bickford	Member
Norman E. Brown	Non-Voting Member
Allen P. Cappelli	Member
Ira R. Greenberg	Non-Voting Member
Jeffrey A. Kay	Member
Susan G. Metzger	Member
Charles G. Moerdler	Member
John J. Molloy	Member
Mitchell H. Pally	Member
Lawrence Schwartz	Member
James L. Sedore, Jr.	Member
Vincent Tessitore, Jr.	Non-Voting Member
Polly Trottenberg	Member
Ed Watt	Non-Voting Member
Carl V. Wortendyke	Member
Neal Zuckerman	Non-Voting Member

Robert E. Foran	Chief Financial Officer
Donna Evans	Chief of Staff
Jerome F. Page, Esq.	General Counsel
Patrick J. McCoy	Director, Finance

NIXON PEABODY LLP
New York, New York
and
D. SEATON AND ASSOCIATES, P.A., P.C.
New York, New York
Co-Bond Counsel

PUBLIC FINANCIAL MANAGEMENT, INC.
New York, New York
Financial Advisor

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

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SUMMARY OF TERMS

MTA has prepared this Summary of Terms to describe the specific terms of the Series 2016A 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 and to the Transportation Revenue Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2016A Bonds being offered.

Issuer	Metropolitan Transportation Authority, a public benefit corporation of the State of New York.
Bonds Being Offered	Transportation Revenue Green Bonds, Series 2016A (Climate Bond Certified), consisting of the Transportation Revenue Green Bonds, Subseries 2016A-1 (Climate Bond Certified) (the Subseries 2016A-1 Bonds) and the Transportation Revenue Refunding Green Bonds, Subseries 2016A-2 (Climate Bond Certified) (the Subseries 2016A-2 Bonds), collectively referred to herein as the Series 2016A Bonds.
Purpose of Issue	The Subseries 2016A-1 Bonds are being issued to retire the Transportation Revenue Bond Anticipation Notes, Series 2015A, which were issued by MTA to provide interim financing of transit and commuter projects. The Subseries 2016A-2 Bonds are being issued to refund certain outstanding indebtedness issued by MTA. MTA has designated the Series 2016A Bonds as "Climate Bond Certified" in accordance with the Climate Bonds Standard of the Climate Bonds Initiative. See "PLAN OF REFUNDING AND APPLICATION OF PROCEEDS" in Part I.
Maturities and Rates	The Series 2016A Bonds mature on the dates and bear interest at the rates shown on the inside cover pages.
Denominations	$5,000 and integral multiples of $5,000.
Interest Payment Dates	Interest on the Series 2016A Bonds shall be paid on May 15 and November 15, commencing May 15, 2016.
Redemption	See "DESCRIPTION OF SERIES 2016A BONDS – Redemption Prior to Maturity" in Part I.
Sources of Payment and Security	MTA's pledged transportation revenues from Transit and Commuter System operations and MTA Bus operations, MTA Bridges and Tunnels operating surplus, subsidies from State and local governmental entities and certain other sources, all as described in Part II.
Registration of the Bonds	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.
Trustee	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" in Part III.
Ratings	<u>*Rating Agency*</u> — <u>*Rating*</u> Fitch: A Kroll: AA+ Moody's: A1 Standard & Poor's: AA- See "RATINGS" in Part III.
Financial Advisor	Public Financial Management, Inc., New York, New York.
Underwriters	See cover page.
Underwriters' Discount	See "UNDERWRITING" in Part III.
Co-Counsel to the Underwriters	Winston & Strawn LLP, New York, New York and Law Offices of Joseph C. Reid, P.A., New York, New York.
Verification Agent	Samuel Klein and Company, Certified Public Accountants.

- ***No Unauthorized Offer.* This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2016A Bonds in any jurisdiction where that would be unlawful. MTA 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 2016A 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 2016A 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's 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 the documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA's beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA 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 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. Neither MTA's 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 and its other affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content.**

- ***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 management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of MTA. 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 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 assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's 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 and its other 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 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, 2014 and 2013, which is a matter of public record, is included by specific cross-reference 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, 2015. As indicated in such review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expressed no opinion on that information. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2015 (except for the auditor's review report accompanying the consolidated interim financial information as described above) which has been included on MTA's website 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, including without limitation any of the information contained in this official statement, since the date of such review**

report and has not been asked to consent to the inclusion, or incorporation by reference, of its review report in this official statement.

- ***Climate Bonds Initiative.*** **The certification of the Series 2016A Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bonds Standard 2.0 and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Series 2016A Bonds or any projects financed by the Series 2016A Bonds, including but not limited to this official statement or MTA.**

  The certification of the Series 2016A Bonds as Climate Bonds by the Climate Bonds Initiative is not a recommendation to any person to purchase, hold or sell the Series 2016A Bonds and such certification does not address the market price or suitability of the Series 2016A Bonds for a particular investor. The certification also does not address the merits of the decision by MTA or any third party to participate in this transaction and does not express, and should not be deemed to be an expression of, an opinion as to MTA or any aspect of any projects financed by the Series 2016A Bonds (including but not limited to the financial viability of any projects financed by the Series 2016A Bonds) other than with respect to compliance with the Climate Bonds Standard.

  In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any projects financed by the Series 2016A Bonds or of MTA. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any projects financed by the Series 2016A Bonds. The certification may only be used in connection with the Series 2016A Bonds, including as provided in this official statement, and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

  The certification does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due on the Series 2016A Bonds. In the event MTA does not comply with Climate Bonds Initiative's required procedures for Climate Bonds, Climate Bonds Initiative, in its sole and absolute discretion, may withdraw its Climate Bond certification of the Series 2016A Bonds at any time, and there can be no assurance that such certification may not be withdrawn.

- ***No Guarantee of Information by Underwriters.*** **The Underwriters have provided the following sentences for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their respective 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 2016A Bonds, or**
    - **the tax-exempt status of the interest on the Series 2016A Bonds.**

- ***Overallotment and Stabilization.*** **The Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Series 2016A Bonds at a level above that 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.**

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TABLE OF CONTENTS

Page

Information Included by Specific Cross-reference. The following portions of MTA's 2015 Combined Continuing Disclosure Filings, dated April 30, 2015, as supplemented on May 12, 2015, 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 either filed with EMMA or, in the case of official statements, filed with the MSRB prior to the delivery date of the Series 2016A Bonds, together with any supplements or amendments thereto:

- **Appendix A** – The Related Entities
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2014 and 2013

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

- Summary of Certain Provisions of the Transportation Resolution
- Definitions and Summary of Certain Provisions of the Standard Resolution Provisions
- Form of the Interagency Agreement
- MTA's Unaudited Consolidated Interim Financial Statements as of and for the Nine-Month Period Ended September 30, 2015 (except that the auditor's review report accompanying the interim financial information does not express an opinion on the interim financial information because no audit was performed in connection therewith and, consequently, the auditor's review report is not considered a part of this official statement)

For convenience, copies of most of these documents can be found on the MTA website (www.mta.info) under the caption "MTA Home–MTA Info–Financial Information–Budget and Financial Statements" in the case of the Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2014 and 2013, and MTA's Unaudited Consolidated Interim Financial Statements as of and for the Nine-Month Period Ended September 30, 2015, and "MTA Home–MTA Info–Financial Information–Investor Information" in the case of the remaining documents. No statement on MTA's website is included by specific cross-reference herein. See "FURTHER INFORMATION" in **Part III**. Definitions of certain terms used in the summaries may differ from terms used in this official statement, such as the use herein of the popular names of the MTA affiliates and subsidiaries.

The consolidated financial statements of MTA for the years ended December 31, 2014 and 2013, 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, MTA's 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, 2014 and 2013, which is a matter of public record, is included in such consolidated financial statements. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2015 (except for the auditor's review report accompanying the consolidated interim financial information as described above) 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 and has not been asked to consent to the inclusion, or incorporation by reference, of, its report on the audited consolidated financial statements or its review report, as the case may be, in this official statement.

INTRODUCTION

MTA, MTA Bridges and Tunnels and Other Related Entities

The Metropolitan Transportation Authority (MTA) was created by special New York State (the State) legislation in 1965, as a public benefit corporation, which means that it is a corporate entity separate and apart from the State, without any power of taxation – frequently called a "public authority." MTA is governed by board members appointed by the Governor, with the advice and consent of the State Senate.

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 New York City (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 MTA Capital Construction Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels), another affiliate of MTA, is a public benefit corporation empowered to construct and operate toll bridges and tunnels and other public facilities in the City. MTA Bridges and Tunnels issues debt obligations to finance the capital costs of its facilities and the Transit and Commuter Systems. MTA Bridges and Tunnels' surplus amounts are used to fund certain transit and commuter operations and capital projects.

The board members of MTA serve as the board members of MTA's affiliates and subsidiaries, which, together with MTA, are referred to herein as the Related Entities. MTA and the other Related Entities are described in detail in **Appendix A** to MTA's 2015 Combined Continuing Disclosure Filings (**Appendix A**), 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.

Legal Name	Popular Name
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 Capital Construction Company	MTA Capital Construction
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels

Capitalized terms used herein and not otherwise defined have the meanings provided by **Appendix A** or the Transportation Resolution.

Information Provided in Appendix A

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 **Appendix A**. 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.

Where to Find Information

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

- This ***Introduction*** provides a general description of certain recent developments, as well as MTA, MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2016A Bonds.
- ***Part II*** describes the sources of payment and security for all Transportation Revenue Bonds, including the Series 2016A Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2016A Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry system of registration to be used for the Series 2016A Bonds.
- ***Attachment 2*** sets forth a summary of certain provisions of a continuing disclosure agreement relating to the Series 2016A Bonds.
- ***Attachment 3*** is the form of opinion of Co-Bond Counsel in connection with the issuance of the Series 2016A Bonds.
- ***Attachment 4*** sets forth a list of the Bonds being refunded.
- ***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.

Information from the MSRB through EMMA. MTA files 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 2016A 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**.

Recent Developments Affecting MTA

The February Financial Plan

The MTA 2016 Adopted Budget and February Financial Plan 2016-2019 (collectively, the February Plan) will be presented to the MTA Board at its February 24, 2016 meeting. Copies of the February Plan and the presentation will be available on the MTA website under the caption "MTA Home–About MTA–Financial Information–Budget" after consideration by the MTA Board; none of such information is included by specific cross-reference in this official statement.

The November Financial Plan

The MTA 2015 November Forecast, 2016 Final Proposed Budget and November Financial Plan 2016-2019 (collectively, the November Plan or Plan) was presented to the MTA Board at its November 18, 2015 meeting and was adopted by the MTA Board on December 16, 2015. The 2016 Adopted Budget and 2016-2019 Financial Plan (collectively, the February Financial Plan) will be presented to the MTA Board at its meeting on February 24, 2016. Such February Financial Plan will incorporate certain actions set forth in the November Plan into the baseline, incorporate technical adjustments and establish a 12-month allocation of the current year's adopted budget to facilitate monthly reporting. 2015 year-end audited financial information will not be formally available until the consolidated financial statements are presented to the MTA Board in April 2016.

Summary of, and Changes Since, the July Plan

The MTA 2015 Mid-Year Forecast, 2016 Preliminary Budget and July Financial Plan 2016-2019 (collectively, the July Plan) was balanced through 2017 with manageable deficits in 2018 and 2019. The July Plan was based upon the same three key inter-related elements found in each of MTA's recent Financial Plans: (i) biennial fare and toll increases of 4% in 2017 and 2019 (equivalent to 2% annual increases, approximating the rate of inflation); (ii) annually recurring cost reductions of over $1.3 billion in 2015, increasing to almost $1.8 billion by 2019; and (iii) additional pay-as-you-go (Pay-Go) contributions of $125 million annually starting in 2015 for the 2015 – 2019 Capital Program, along with a one-time contribution of $75 million in 2015.

The July Plan also funded service, service quality and service support investments totaling $183 million over the plan period and new operational, maintenance, and Enterprise Asset Management (EAM) investments of $287 million over the July Plan period.

The November Plan re-estimates revenues and expenses and reflects other changes since the July Plan:

<u>Changes and other re-estimates improving financial results</u>

- Higher real estate transaction tax receipts
- Higher toll revenue
- Lower energy costs
- Lower debt service costs

<u>Changes and other re-estimates worsening financial results</u>

- Lower Petroleum Business Tax (PBT) forecasts
- Lower MTA Aid forecasts
- Lower farebox revenue forecasts

Overall, net re-estimates and other changes through the November Plan period are projected to be $447 million *net favorable* from the July Plan through 2019.

Highlights of the November Plan

The November Plan continues to follow the approach reflected in the July Plan and earlier MTA multi-year financial plans.

Holds projected fare/toll increases to 4% in 2017 and 2019. The November Plan continues to project 4% biennial fare/toll increases (the equivalent of 2% per year, approximating the rate of inflation). A March 1 implementation for both the 2017 and 2019 increases is anticipated. The annualized yield of these increases is projected to be $308 million and $325 million, respectively.

Increases in service, service quality, and service support investments. The November Plan maintains the $183 million in service, service quality, and service support investments set forth in the July Plan and adds another $95 million over the course of the November Plan. The July Plan proposed investments to mitigate subway delays, expand Select Bus Service (Bus Rapid Transit), address platform budget guidelines, as well as improve on-time performance and customer service. Additional investments proposed for the November Plan include, among other initiatives:

- Platform budget service adjustments ($38 million over the plan period): MTA New York City Transit and MTA Bus will increase platform service adjustments to improve the reliability and frequency of service in response to ridership trends, operating conditions and maintenance requirements.
- Select Bus Service ($13 million over the plan period): MTA New York City Transit intends to expand Select Bus Service, improve bus performance and service reliability, and reduce bus travel time.
- E-ZPass Customer Service Center-All-Electric Tolling Expansion ($26 million over the plan period): MTA Bridge and Tunnels will initiate the All-Electronic Tolling pilot program at the Rockaway crossings.

Increases in maintenance and operations investments. The July Plan proposed investments to extend the useful life of certain classes of buses, subway cars and commuter railcars; improve the commuter rail signal systems; and augment MTA Bridges and Tunnels inspections. The November Plan adds an additional investment of $147 million to fund, among other initiatives:

- Second Avenue Subway – Operating budget impact ($35 million over the plan period): MTA New York City Transit re-evaluated maintenance needs in the station and power divisions given its larger footprint;
- Structure and third rail defect reduction ($42 million over the plan period): MTA New York City Transit will increase resources to reduce defects and backlogs;
- M-7 rail car reliability centered maintenance ($21 million over the plan period): MTA Long Island Rail Road will replace threshold plates experiencing an unusual rate of corrosion.

Increases in investment in EAM. The November Plan reflects, on average, $43 million annually of additional operating funding for EAM. MTA is working to overhaul its entire asset management system by standardizing business processes, better managing asset information and investing in people consistent with new federal requirements and international best practices.

EAM will:

- Upgrade and integrate systems to capture full asset life-cycle costs, including costs for acquisition, operating and maintenance, renewal and rehabilitation, and disposal;
- Standardize asset management policies, plans and processes across agencies;

- Systematize the documentation of asset condition, criticality and risk assessment, and develop proactive maintenance and outage practices;
- Improve work order management, reduce incidents, failures and defects;
- Streamline material management and facilitate better integration of capital and maintenance activities; and
- Develop organizational proficiencies and skill-sets necessary to sustain asset management as business as usual.

Increases in annually recurring cost reduction targets. The November Plan targets annually recurring cost reductions of over $1.5 billion in 2016 growing to almost $1.8 billion by 2019. MTA has raised the targeted level of cost reductions in every year since 2010 and in the November Plan the targets are increased by an additional $25 million a year beginning in 2017, which together with the increased targets previously included in the July Plan, will raise the annual target by $100 million in 2019.

In raising the targets, MTA must identify new initiatives to reduce costs. MTA continues to make progress in identifying and initiating necessary cost reduction initiatives. Since November 2014, MTA has identified additional savings that will total approximately $126 million in 2019: $47 million from paratransit, $16 million from the IT consolidation, $16 million from the MTA New York City Transit/MTA Bus prescription drug rebid program, $14 million from pension savings, $10 million in insurance efficiencies, $5 million from the MTA New York City Transit timekeeping consolidation and a total of $18 million from numerous smaller initiatives.

Increases in support for the Capital Program. Beginning in 2015, MTA expects to increase its contributions in support of the Capital Program by $125 million annually. Unbudgeted real estate transaction tax receipts of $75 million received this year will also be contributed to capital, providing a total of $700 million of additional contributions to the Capital Program over the November Plan period. These additional contributions, first proposed in July, will provide $2.4 billion of additional funding capacity through bonding and Pay-Go revenues.

Acceleration of Committed Funds to Capital Contribution. Favorable timing and other re-estimates will increase the projected 2015 cash balance from the July Plan projection. MTA will use $300 million of 2015 operating funds to accelerate a portion of its planned 2018 capital contribution. This acceleration is intended to lower debt service payments by $54 million over the November Plan period. The acceleration of a portion of the 2018 contribution is estimated to provide approximately $300 million to help fund, when it is needed, the necessary operational investments detailed in the November Plan.

Investment to reduce the MTA Long Island Rail Road Additional Pension liability. Consistent with the Board-approved policy to use non-recurring revenues, receipts, or resources to make one-time payments towards long-term obligations that will reduce recurring annual expenses, MTA will release its unexpended 2015 general reserve balance of $140 million to reduce the MTA Long Island Rail Road unfunded pension liability (its lowest funded pension plan). This investment will lower the projected amortization payment of this unfunded liability by $14 million annually beginning in 2017.

Overall Results

All together, these changes, re-estimates, and recommendations are expected to result in a net improvement to MTA's financial forecast over the plan period. The November Plan is now balanced through 2018 and the 2019 deficit is reduced to $182 million.

Challenges Going Forward and Risks to the November Plan

While MTA's financial position has improved in 2015, there are many challenges ahead. The November Plan assumes that MTA will successfully execute the November Plan strategy. Efforts to reduce costs will continue, but at some point, additional savings may be more difficult to achieve. The next significant concern will be obtaining approval for a fully funded 2015-2019 Capital Program. MTA can provide no assurance that sufficient funding will be available for the 2015-2019 Capital Program. The November Plan assumes that State budget actions will reflect full remittance to MTA of all funds collected on its behalf, including the Payroll Mobility Tax (PMT). MTA could not continue to offer its present level of service without the PMT or a comparable replacement funding source. Finally, the finances of MTA are highly dependent on the economy. Passenger and toll revenues, dedicated taxes and subsidies and debt service, pensions and energy costs are all affected by the economy. Additional challenges and risks to the November Plan include:

Finalize funding arrangements for 2015–2019 Capital Program. See the discussion of the 2015-2019 Capital Program funding and considerations relating to Capital Program Review Board review below.

Address the loss of taxi surcharge revenues due to application-based livery services. The popularity of application-based livery services (such as Uber and Lyft) has resulted in a decline in usage of medallion taxi services. These traditional services, specifically yellow and green cabs, collect a fifty cent surcharge that is earmarked for MTA. Application-based service trips, on the other hand, are not subject to this surcharge. Rather they collect and pay sales tax on fares of which MTA receives a portion (3/8 of 1%). This results in substantially less revenue for MTA per trip. The continued growth in these application-based services could result in further erosion of MTA receipts.

Continue to pursue efficiencies/consolidations. MTA cost reduction efforts have yielded favorable results; annual savings totals continue to increase every year. MTA management, however, will continue to pursue efficiencies and consolidations to maximize annually recurring cost reductions, as well as to preserve existing cost controls to avoid backsliding. The November Plan calls for continued strategic use of non-recurring revenues, favorable budget variances and excess resources to fund Pay-Go and/or reduce unfunded liabilities, such as OPEBs and pension liabilities to achieve savings.

Recognize the possibility for interest rates higher than forecast. As noted above, the finances of MTA are highly dependent on the economy. Passenger and toll revenues, dedicated taxes and subsidies and debt service, pension and energy costs are all impacted by the health of the economy. If the growth assumptions that are captured in the November Plan are not realized, MTA has limited options. The Federal Open Markets Committee (FOMC) voted to increase the federal funds rate by 0.25% at its December 16, 2015, meeting. Additional increases may occur in the future. Such increases may lead to an increase in market interest rates, potentially resulting in higher MTA debt service than is projected in the November Plan.

Miscellaneous Considerations. Outstanding liabilities for workers compensation/FELA (the commuter rail equivalent) liability, judgments and claims have risen significantly in recent years. Incident prevention measures, improved case management and fraud detection efforts are underway.

Overtime is another cost area experiencing high growth. In the July Plan, agencies re-forecasted overtime projections to more realistically reflect operating requirements, including coverage requirements for additional anticipated track and fleet maintenance work, a State mandate on MTA-wide annual compliance training/certifications, trend-based vacancy/absentee coverage, and service adjustments. The July Plan established an overtime base that addressed the realities of MTA service environment. Further analysis of overtime will continue, and it is expected that efficiencies can be identified that will result in future savings.

The "Cadillac Tax" component of the Affordable Care Act – a 40% excise tax assessed on the premium cost of coverage for health plans that exceed a certain annual limit – is scheduled to go into effect in 2018. Final guidance from the Internal Revenue Service is still pending, including the initial premium thresholds for 2018, which were established in 2010 without a statutory mechanism for inflationary growth through 2018. Methods for annually adjusting the thresholds beyond 2018, however, were included in the legislation. MTA's preliminary analysis projects that MTA could be subject to an excise tax levy of about $30 million in 2018, increasing to $130 million by 2021 and continuing to grow as projected premium costs outpace the inflationary adjustments to the thresholds.

Matters Relating to the 2015-2019 Capital Program

Proposed 2015-2019 Capital Program Funding Agreement

On October 10, 2015, Governor Andrew M. Cuomo, New York City Mayor Bill de Blasio and MTA Chairman Tom Prendergast announced that an agreement has been reached to bridge the gap in identified funding for MTA's proposed 2015-2019 Capital Program. Under the agreement, the State proposes to increase its contribution from $1 billion to $8.3 billion and the City proposes to increase its contribution from $657 million to $2.5 billion. The portion of the proposed 2015-2019 Capital Program that requires Capital Program Review Board approval, which totals $26.1 billion, describes the investments that would be made to renew, enhance and expand the MTA system (other than capital investments in the MTA Bridges and Tunnels facilities) during the program's duration.

The reduction of the Capital Program Review Board portion of the proposed 2015-2019 Capital Program from the $29 billion proposal vetoed by the Capital Program Review Board in 2014 to the new $26.1 billion proposal is achieved by incorporating savings associated with the use of alternative delivery methods such as design-build and public-private partnerships, streamlined and negotiated procurement processes and other MTA management actions to achieve efficiencies or necessary program reductions.

Under the agreement, the State proposes to provide $8.3 billion to the 2015-2019 Capital Program from State sources and the City proposes to provide $2.5 billion from City sources. City sources include $1.9 billion from direct City sources and $600 million through alternative non-tax levy revenue sources. This agreement is dependent upon all of the conditions described below.

- The City and State will fund their respective contributions on the same schedule on a proportionate basis.
- Projects in the City which are funded by the proposed $2.5 billion of City funding (including projects funded through non-tax levy sources agreed to with MTA) will be implemented by the full MTA Board in collaboration with the MTA Board members nominated by the Mayor of the City, with priority consideration given for projects and timing based on input from the City. Similarly, suburban projects will be implemented by the full MTA Board in collaboration with MTA Board members appointed by suburban county executives and with priority consideration given for projects and timing based on input from those suburban communities.
- The State will not divert any funds or fail to provide any funding committed to the proposed 2015-2019 Capital Program or due and owing to MTA for any other expenses, except in the event of a declared fiscal emergency in accordance with State law. Likewise, the City will not divert any funds or fail to provide any funding committed to the proposed 2015-2019 Capital Program or due and owing to MTA for any other expenses.

Currently, there is no formal document executed by the State and the City relating to the State and City funding commitments described above.

However, the Governor's Executive Budget, released on January 13, 2016, proposes legislation, the "Metropolitan Transportation (MTA) Capital Financing Act of 2016," which, if enacted, would confirm in statute the State agreement described above.

Any State or City funding commitments may be subject to appropriation by the State Legislature and/or City Council or other legislative action.

MTA Board Approval of a Revised 2015-2019 Capital Program

On October 28, 2015, the MTA Board approved a revised $29.0 billion 2015-2019 Capital Program and authorized the MTA Chairman to submit the $26.1 billion Capital Program Review Board (CPRB) portion of the Capital Program to the CPRB for its review and approval, in accordance with State law. The revised and refocused 2015-2019 Capital Program incorporated MTA management commitments and the State and City enhanced capital contributions described under the subheading "Proposed 2015-2019 Capital Funding Agreement" above. The CPRB core program for the 2015-2019 Transit and Commuter Capital Program totals $21.6 billion, the CPRB Network Expansion Program totals $4.5 billion. There is no assurance that the CPRB will approve the revised 2015-2019 Capital Program.

The MTA Bridges and Tunnels 2015-2019 Capital Program, totaling $3.056 billion, was approved by the Board of MTA Bridges and Tunnels in September 2014. Due to efficiencies and lower than expected costs for projects in the 2010-2014 Capital Program, an amendment to the MTA Bridges and Tunnels 2015-2019 Capital Program, reflecting a reduction of $200 million, was presented to the Board of MTA Bridges and Tunnels on October 28, 2015. The benefit of this reduction will result in larger Bridges and Tunnels annual surplus amounts, which is expected to increase Pay-Go funds available for the 2015-2019 Transit and Commuter Capital Program.

Additional information relating to the revised 2015-2019 Transit and Commuter Capital Program and the revised 2015-2019 Bridges and Tunnels Capital Program, as approved by the MTA Board, is posted on MTA's website; however, none of such information is included by specific cross-reference in this official statement.

CPRB Approval of the 2015-2019 Capital Program

MTA expects to submit the MTA Board-approved 2015-2019 Transit and Commuter Capital Plan to the CPRB for its approval after appropriate discussions with the CPRB representatives and other interested parties. Until the MTA Board-approved 2015-2019 Transit and Commuter Capital Plan is formally submitted and approved by the CPRB, MTA intends to move forward with certain critical projects in such plan utilizing funding from sources other than the proceeds of bonds and notes, and certain City and State funds. MTA has substantial non-bond Pay-Go funding resources which it expects to commit to critical projects contained in the MTA Board approved 2015-2019 Transit and Commuter Capital Program in advance of CPRB approval.

MTA New York City Transit Access for Persons with Disabilities

Federal and State laws concerning, among other things, access to transportation and non-transportation facilities for the physically disabled, require future operating and capital expenditure by MTA and the Related Entities. As an integral part of its compliance with the statutory requirements of the Americans with Disabilities Act (ADA), MTA New York City Transit is implementing a program in accordance with State and federal law which requires it to make 100 subway stations fully accessible to the disabled (Key Stations) by the year 2020. As of year-end 2015, MTA New York City Transit had successfully completed 85 of these Key Stations. The Federal Transit Administration (FTA) has recently released Circular 4710.1 setting forth guidance that, without regard to cost, would expand the circumstances under which vertical access for the disabled would be required when work that affects station stairs and escalators is performed in subway stations. The FTA has recently applied such guidance in connection with its review of ADA accessibility in connection with certain federally funded station projects. MTA cannot predict the full impact of Circular 4710.1 at this time. If MTA New York City Transit were to be required to comply with the guidance set forth in Circular 4710.1 in connection with every capital repair or replacement of existing stairs or escalators undertaken, the result would materially increase the cost of performing such necessary component work. MTA estimates that the additional cost in relation to the projects included in the revised 2015-2019 Capital Program could exceed $1.7 billion and is currently considering its options for addressing this issue.

Superstorm Storm Sandy Update

The total allocation of emergency relief funding from the FTA to MTA in connection with Superstorm Sandy to date is $5.39 billion, including $1.599 billion allocated on September 22, 2014, through a competitive resiliency program. FTA Emergency Relief Grants totaling $2.97 billion have been executed, including five grants in the amounts of $194 million, $886 million, $684.5 million, $344 million and $787.6 million respectively for repair/local priority resiliency; and three grants for competitive resiliency totaling $77.9 million. As of February 2, 2016, MTA has drawn down a total of $903.9 million in grant reimbursement for eligible operating and capital expenses. The balance of funds to be drawn down from all eight grants is available to MTA for reimbursement of eligible expenses as requisitions are submitted by MTA and approved by FTA. Additional requisitions are in process. MTA will submit grant requests for the remaining $2.42 billion of FTA allocated and appropriated emergency relief funding in Federal Fiscal Year 2016.

Transportation Revenue Debt Issuance

In addition to the issuance of the Series 2016A Bonds, MTA expects to issue approximately $700,000,000 Transportation Revenue Bond Anticipation Notes in March 2016.

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PART I. SERIES 2016A BONDS

Part I of this official statement, together with the Summary of Terms, provides specific information about the Series 2016A Bonds.

PLAN OF REFUNDING AND APPLICATION OF PROCEEDS

General

MTA anticipates that the net proceeds of the Subseries 2016A-1 Bonds (the principal amount thereof, plus net original issue premium of $62,043,225.85, and less certain financing, legal and miscellaneous expenses of $6,603,225.85) in the amount of $500,000,000 will be used to retire the outstanding Transportation Revenue Bond Anticipation Notes, Series 2015A, which were issued to provide interim financing of transit and commuter capital projects.

MTA anticipates that the net proceeds of the Subseries 2016A-2 Bonds (the principal amount thereof, plus original issue premium of $76,292,679.45, and less certain financing, legal and miscellaneous expenses of $1,955,649.41) in the amount of $412,297,030.04 will be used to refinance certain outstanding indebtedness issued by MTA.

The Subseries 2016A-2 Bonds are being issued to refund the a portion of the Transportation Revenue Bonds, Series 2006A and a portion of the Transportation Revenue Bonds, Series 2008C in the aggregate principal amount of $366,025,000, as further described in **Attachment 4** to this official statement (the Refunded Bonds).

MTA anticipates that a portion of the net proceeds of the Subseries 2016A-2 Bonds, together with other funds in the amount of $6,233,265.97, will be used to acquire direct obligations of, or obligations guaranteed by, the United States of America (the Government Obligations), the principal of and interest on which, when due, will provide, together with any moneys that may be deposited by MTA with The Bank of New York Mellon, acting as the Trustee, moneys sufficient to pay the principal or redemption price of such Refunded Bonds, and the interest to become due on such Refunded Bonds, on and prior to their redemption date. The Government Obligations and such other moneys, if any, will be deposited with the Trustee upon the issuance and delivery of the Subseries 2016A-2 Bonds and will be held in trust for the payment of the principal of or redemption price and interest on such Refunded Bonds. Upon making such deposit with the Trustee and the issuance of certain irrevocable instructions to the Trustee pursuant to the Transportation Resolution, the Refunded Bonds will, under the terms of the Transportation Resolution, be deemed to have been paid and will no longer be Outstanding (as defined in the Transportation Resolution) and will cease to be entitled to any lien, benefit or security under the Transportation Resolution.

Climate Bond Certified

The information set forth under this caption "Climate Bond Certified" concerning (1) the Climate Bonds Initiative (the Climate Bonds Initiative) and the process for obtaining Climate Bond Certification (the Climate Bond Certification), and (2) Sustainalytics (Sustainalytics) in its role as a verifier with respect to the Climate Bond Certification, all as more fully described below, has been extracted from materials provided by the Climate Bonds Initiative and Sustainalytics, respectively, for such purposes, and none of such information is guaranteed as to accuracy or completeness or is to be construed as a representation by MTA or the Underwriters. Additional information relating to the Climate Bonds Initiative, the Climate Bonds Standard, the Certification Process and the process for obtaining Climate Bond Certification can be found at www.climatebonds.net. This website is included for reference only and the information contained therein is not incorporated by reference in this official statement.

The terms "Climate Bond Certified" and "green bonds" are neither defined in, nor related to the Transportation Resolution, and their use herein is for identification purposes only and is not intended to provide or imply that a holder of the Series 2016A Bonds is entitled to any additional security other than as provided in the Transportation Resolution. MTA has no continuing legal obligation to maintain the Climate Bond Certification of the Series 2016A Bonds.

Introduction

MTA has requested, and the Climate Bonds Standard Board has approved, the Series 2016A Bonds as "Climate Bond Certified", based on the Climate Bonds Standard Verification Letter provided by Sustainalytics. Sustainalytics' factual findings assessed that $11.3 billion, which have been expended as of the date of the verification on eligible projects included in MTA's 2010-2014 transit and commuter capital program, conform to the Climate Bonds - Low Carbon Transport Standard. MTA expects to issue additional green bonds from time to time to reimburse additional portions of the 2010-2014 transit and commuter capital program.

The Climate Bonds Initiative and Climate Bond Certification

MTA has applied to the Climate Bonds Initiative under the Climate Bonds Standard & Certification Scheme (the Certification Process), for designation of the Series 2016A Bonds as "Climate Bond Certified". The Certification Process is a voluntary verification initiative which allows MTA to demonstrate to the investor market, the users of the MTA's transit and commuter systems and other stakeholders that the Series 2016A Bonds meet international standards for climate integrity, management of proceeds and transparency. The Certification Process provides a scientific framework for determining which projects and assets are consistent with a low carbon and climate resilient economy and, therefore, eligible for inclusion in a Certified Climate Bond. The requirements of the Certification Process relating to the Series 2016A Bonds are separated into pre-issuance (Initial) and post-issuance (Closing) requirements.

The Initial requirements are designed to ensure that MTA has established appropriate internal processes and controls prior to issuance of the Series 2016A Bonds, and that these internal processes and controls are sufficient to enable conformance with the Certification Process after the Series 2016A Bonds have been issued and bond proceeds are being expended.

The Closing requirements require MTA to engage a firm to verify that MTA and the application of the proceeds of the Series 2016A Bonds are in conformance with such requirements.

MTA has engaged Sustainalytics to act as verifier for both the Initial and Closing requirements under the Climate Bonds Standard with respect to all applicable transit and commuter projects within the MTA's approved capital programs.

DESCRIPTION OF SERIES 2016A BONDS

General

Record Date. The Record Date for the payment of principal of, interest on and Sinking Fund Installments with respect to the Series 2016A Bonds shall be the May 1 or November 1 immediately preceding such payment date.

Book-Entry-Only System. The Series 2016A Bonds will be registered in the name of The Depository Trust Company or its nominee (together, DTC), New York, New York, which will act as securities depository for the Series 2016A 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 Series 2016A Bonds, all payments on the Series 2016A 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."

Interest Payments. The Series 2016A Bonds will bear interest at the rates and mature in the amounts and on the dates shown on the inside cover pages of this official statement. Interest will be paid on each May 15 and November 15, beginning May 15, 2016, calculated based on a 360-day year comprised of twelve 30-day months.

Transfers and Exchanges. So long as DTC is the securities depository for the Series 2016A Bonds, it will be the sole registered owner of the Series 2016A Bonds, and transfers of ownership interests in the Series 2016A 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 Series 2016A Bonds.

Redemption Prior to Maturity

Mandatory Sinking Fund Redemption. The term 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 November 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 November 15 of each year the principal amount of such Subseries 2016A-1 Bonds shown below:

Subseries 2016A-1 2041 5.00% Term Bond

	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2037	$4,555,000
	2038	4,780,000
	2039	5,020,000
	2040	5,275,000
final maturity	2041	5,535,000

average life – 23.820 years

Subseries 2016A-1 2041 3.50% Term Bond

	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2037	$6,020,000
	2038	6,230,000
	2039	6,450,000
	2040	6,670,000
final maturity	2041	6,905,000

average life – 23.791 years

Subseries 2016A-1 2046 5.00% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2042	$ 9,960,000
	2043	10,580,000
	2044	11,230,000
	2045	11,910,000
final maturity	2046	12,625,000
average life – 28.841 years		

Subseries 2016A-1 2046 4.00% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2042	$3,000,000
	2043	3,000,000
	2044	3,000,000
	2045	3,000,000
final maturity	2046	3,000,000
average life – 28.722 years		

Subseries 2016A-1 2056 5.25% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2047	$13,750,000
	2048	14,475,000
	2049	15,235,000
	2050	16,035,000
	2051	16,875,000
	2052	17,760,000
	2053	18,695,000
	2054	19,675,000
	2055	20,705,000
final maturity	2056	21,795,000
average life – 36.642 years		

Credit Toward Mandatory Sinking Fund Redemption. MTA may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Series 2016A Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA directs the Trustee to purchase term Series 2016A 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 purchases or redeems term Series 2016A 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 may direct.

Optional Redemption. The Subseries 2016A-1 Bonds maturing on and after November 15, 2026, are subject to redemption prior to maturity on any date on and after May 15, 2026, at the option of MTA, 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.

The Subseries 2016A-2 Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after November 15, 2026 (the Subseries 2016A-2 Par Call Date), at the option of MTA, 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.

The Subseries 2016A-2 Bonds maturing on or after November 15, 2027 may be redeemed, in whole or in part, at any time prior to the Subseries 2016A-2 Par Call Date at the "Make Whole Redemption Price" equal to the greater of: (i) one hundred two percent (102%) of the Amortized Value (as defined herein) of the Subseries 2016A-2 Bonds to be redeemed; or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest to maturity on the Subseries 2016A-2 Bonds to be redeemed, from and including the date of redemption to the Subseries 2016A-2 Par Call Date, discounted to the date on which the Subseries 2016A-2 Bonds are to be redeemed on a semiannual basis, at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined herein) to the Subseries 2016A-2 Par Call Date.

The Amortized Value will equal the principal amount of the Subseries 2016A-2 Bonds to be redeemed multiplied by the price of such Subseries 2016A-2 Bonds expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the date of redemption, a maturity date equal to the redemption date of such Subseries 2016A-2 Bonds and a yield equal to the original offering yield of such Subseries 2016A-2 Bonds.

"Applicable Tax-Exempt Bond Rate" means the "Interpolated AAA Yields" rate for the redemption date as published by the Municipal Market Data ("MMD") at least five calendar days, but not more than 45 calendar days, prior to the redemption date of the Subseries 2016A-2 Bonds to be redeemed. If no such rate is established for the applicable year, the "Interpolated AAA Yields" rate for the published maturities most closely corresponding to the applicable year will be determined, and the Applicable Tax-Exempt Municipal Bond Rate will be interpolated from those rates on a straight-line basis. Should the MMD no longer publish the "Interpolated AAA Yields" rate, then the Applicable Tax-Exempt Municipal Bond Rate will equal the "Consensus Scale" rate for the applicable year as published by Municipal Market Advisors ("MMA"). In the further event that MMA no longer publishes the "Consensus Scale", the Applicable Tax-Exempt Municipal Bond Rate will be determined by Ramirez & Co., Inc. or a successor determined by MTA, as the quotation agent, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, with a maturity date equal to the redemption date of such Subseries 2016A-2 Bonds having characteristics (other than the ratings) most comparable to those of such Subseries 2016A-2 Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Municipal Bond Rate shall be final and binding in the absence of manifest error.

State and City Redemption. Pursuant to the MTA Act, the State, upon providing sufficient funds, may require MTA to redeem the Series 2016A Bonds, prior to maturity, as a whole, on any interest payment date not less than twenty years after the date of issue of the Series 2016A Bonds, at 105% of their face value and accrued interest or at such lower redemption price provided for the Series 2016A Bonds in the case of redemption as a whole on the redemption date. The MTA Act further provides that the City, upon furnishing sufficient funds, may require MTA to redeem the Series 2016A Bonds, as a whole, but only in accordance with the terms upon which the Series 2016A Bonds are otherwise redeemable.

Redemption Notices. So long as DTC is the securities depository for the Series 2016A Bonds, the Trustee must mail redemption notices to DTC at least 20 days before the redemption date. If the Series 2016A 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 Series 2016A 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. **Please note that all redemptions are final - even if beneficial owners did not receive their notice and even if that notice had a defect.**

Redemption Process. If the Trustee gives an unconditional notice of redemption, then on the redemption date the Series 2016A Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and such notice is not rescinded, then on the redemption date the Series 2016A Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Series 2016A Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Series 2016A Bonds.

DEBT SERVICE ON THE BONDS

Table 1 on the next page sets forth, on a cash basis (i) the debt service on the outstanding Transportation Revenue Bonds, (ii) debt service on the Series 2016A Bonds, and (iii) the aggregate debt service on all Transportation Revenue Bonds to be outstanding after the issuance of the Series 2016A Bonds.

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Table 1
Aggregate Debt Service
(in thousands) [(1)]

Year Ending December 31	Debt Service on Outstanding Bonds[(2)(3)(4)]	Series 2016A Bonds Principal	Interest	Total	Aggregate Debt Service
2016	$ 1,476,175	$ 3,100	$ 27,397	$ 30,497	$ 1,506,672
2017	1,494,949	15,475	37,872	53,347	1,548,296
2018	1,520,960	16,095	37,253	53,348	1,574,307
2019	1,518,050	20,865	36,448	57,313	1,575,363
2020	1,513,578	21,865	35,452	57,317	1,570,895
2021	1,514,577	22,955	34,365	57,320	1,571,897
2022	1,486,388	39,095	33,242	72,337	1,558,724
2023	1,501,925	41,055	31,287	72,342	1,574,267
2024	1,498,627	40,835	29,234	70,069	1,568,696
2025	1,455,063	60,265	27,193	87,458	1,542,521
2026	1,509,025	44,785	24,412	69,197	1,578,222
2027	1,502,353	47,005	22,191	69,196	1,571,550
2028	1,513,518	35,060	19,841	54,901	1,568,419
2029	1,546,500	7,445	18,119	25,564	1,572,065
2030	1,540,296	7,815	17,747	25,562	1,565,858
2031	1,559,084	8,205	17,356	25,561	1,584,645
2032	1,524,532	8,620	16,946	25,566	1,550,098
2033	1,196,544	9,050	16,515	25,565	1,222,109
2034	1,193,686	9,415	16,144	25,559	1,219,246
2035	1,190,378	9,700	15,862	25,562	1,215,940
2036	993,549	10,070	15,494	25,564	1,019,113
2037	965,705	10,575	14,991	25,566	991,271
2038	903,924	11,010	14,552	25,562	929,486
2039	835,113	11,470	14,095	25,565	860,679
2040	734,063	11,945	13,618	25,563	759,626
2041	566,994	12,440	13,121	25,561	592,555
2042	514,500	12,960	12,603	25,563	540,063
2043	372,682	13,580	11,985	25,565	398,247
2044	224,142	14,230	11,336	25,566	249,708
2045	122,520	14,910	10,654	25,564	148,084
2046	65,965	15,625	9,939	25,564	91,529
2047	54,140	13,750	9,188	22,938	77,078
2048	45,131	14,475	8,466	22,941	68,072
2049	45,129	15,235	7,706	22,941	68,070
2050	45,126	16,035	6,906	22,941	68,067
2051	15,711	16,875	6,064	22,939	38,650
2052	15,707	17,760	5,178	22,938	38,646
2053	15,710	18,695	4,246	22,941	38,651
2054	15,708	19,675	3,264	22,939	38,647
2055	15,709	20,705	2,231	22,936	38,645
2056	-	21,795	1,144	22,939	22,939
Total	$35,823,437	$782,520	$711,656	$1,494,176	$37,317,613

(1) Total may not add due to rounding.

(2) Includes the following assumptions for debt service: variable rate bonds at an assumed rate of 4.0%; swapped bonds at the applicable synthetic fixed rate for the swapped portion and 4.0% otherwise; floating rate notes at the applicable synthetic fixed rate plus the current fixed spread to maturity for the swapped portion and 4.0% plus the current fixed spread to maturity for the portion that is not swapped; Subseries 2002G-1 Bonds at an assumed rate of 4.0% and Series 2011B Bonds at an assumed rate of 4.0% plus the current fixed spread to maturity; Subseries 2008B-4 Bonds at their current coupon (5.0%) to maturity; Subseries 2015C-2 Bonds at their current coupon (4.0%) to maturity, Subseries 2015D-2 Bonds at their current coupon (4.0%) to maturity.

(3) Debt service has not been reduced to reflect expected receipt of Build America Bond interest subsidies relating to certain Outstanding Bonds; such subsidies do not constitute pledged revenues under the Transportation Resolution.

(4) Excludes debt service on the Refunded 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 Transportation Revenue Bonds, including the Series 2016A Bonds.

SOURCES OF PAYMENT

Pledged Transportation Revenues

Under New York law, the Transportation Revenue Bonds are MTA's special obligations, which means that they are payable solely from the money pledged for payment under the "General Resolution Authorizing Transportation Revenue Obligations," adopted March 26, 2002 (referred to herein as the Transportation Resolution). They are not MTA's general obligations. Summaries of certain provisions of the Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA as described under "INTRODUCTION – Where to Find Information."

MTA receives "transportation revenues" directly and through certain subsidiaries (currently, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus) and affiliates (currently, MTA New York City Transit and MaBSTOA), and its receipts from many of these sources are pledged for the payment of Transportation Revenue Bonds. MTA and its subsidiaries also receive operating subsidies from MTA Bridges and Tunnels and a number of other governmental sources. The Transportation Resolution provides that Owners are to be paid from pledged revenues prior to the payment of operating or other expenses, and as described in more detail below. MTA has covenanted to impose fares and other charges so that pledged revenues, together with other available moneys, will be sufficient to cover all debt service and operating and capital costs of the systems. See "Factors Affecting Revenues – Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses" below.

Table 2 sets forth the following for the 5 years ended December 31, 2014:

- by general category, the amount of pledged revenues (calculated in accordance with the Transportation Resolution). A general description of the pledged revenues in the general categories referenced in **Table 2** follows the table, and a more detailed description is set forth in Part 2 of **Appendix A** under the caption "REVENUES OF THE RELATED ENTITIES," and
- the amount of transit, commuter and MTA Bus operating expenses.

Table 2 is a summary of historical revenues of MTA and its subsidiaries, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus, and MTA New York City Transit and its subsidiary MaBSTOA on a cash basis. This information in **Table 2** may not be indicative of future results of operations and financial condition. The information contained in the table has been prepared by MTA management based upon the historical financial statements and the notes thereto.

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Table 2
Summary of Pledged Revenues (Calculated in Accordance with the Transportation Resolution) and Expenses
Historical Cash Basis (in millions)

	Years Ended December 31,				
	2010	2011	2012[8]	2013	2014
Revenues from Systems Operations					
Fares from Transit System	$3,338	$ 3,642	$ 3,706	$ 4,060	$ 4,195
Fares from Commuter System	1,050	1,138	1,169	1,252	1,308
Fares from MTA Bus	193	199	202	219	225
Other Income[1]	144	139	197	230	270
Subtotal – Operating Revenues	**4,725**	**5,118**	**5,274**	**5,762**	**5,999**
Revenues from MTA Bridges and Tunnels Surplus	**406**	**510**	**509**	**606**	**623**
Revenues from Governmental Sources					
State and Local General Operating Subsidies	**340**	**411**	**375**	**376**	**376**
Special Tax-Supported Operating Subsidies					
DTF Excess[2]	271	271	241	226	279
MMTOA Receipts	1,315	1,262	1,343	1,514	1,564
Urban Tax	174	353	408	595	806
Excess Mortgage Recording Taxes	25	25	25	25	25
MTA Aid Trust Account Receipts[3]	212	303	306	303	313
Payroll Mobility Tax Receipts[3]	1,604	1,415	1,531	1,522	1,572
Subtotal Special Tax-Supported Operating Subsidies	**3,600**	**3,629**	**3,853**	**4,185**	**4,559**
Station Maintenance and Service Reimbursements	**403**	**426**	**460**	**505**	**524**
City Subsidy for MTA Bus	**233**	**292**	**290**	**308**	**461**
Revenues from Investment of Capital Program Funds[4]	**10**	**3**	**11**	**7**	**7**
Subtotal – Non-Operating Revenues[5]	**4,993**	**5,271**	**5,499**	**5,987**	**6,550**
Total Transportation Resolution Pledged Revenues	**$9,718**	**$10,389**	**$10,773**	**$11,748**	**$12,549**
Debt Service[6]	**$807**	**$925**	**$1,093**	**$1,257**	**$1,332**
Transit Operating Expenses	6,187	6,230	6,932	6,946	7,414
Commuter Operating Expenses	2,097	2,115	2,197	2,425	2,883
MTA Bus Operating Expenses[7]	473	469	568	557	654
Total Operating Expenses	**$8,757**	**$ 8,814**	**$ 9,697**	**$ 9,928**	**$10,950**
Total Operating Expenses and Debt Service	**$9,564**	**$ 9,739**	**$10,790**	**$11,185**	**$12,282**

(1) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Pennsylvania Station concessions), rental income and miscellaneous. Does not include Superstorm Sandy reimbursement funds.

(2) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described in Part 3 of Appendix A under the caption "DEDICATED TAX FUND BONDS."

(3) Payroll Mobility Tax Receipts and MTA Aid Trust Account Receipts become Pledged Revenues when MTA determines that they will be available for application to the operating needs of the Transit System and the Commuter System. Approximately $182 million of additional Payroll Mobility Tax Receipts and $56 million of MTA Aid Trust Account Receipts received by MTA late in 2009 are reflected in the table as 2010 Pledged Revenues since MTA did not determine to apply such amounts to operating expenses of the Transit System and the Commuter System until early 2010. For 2010, the Pledged Revenues shown include $480 million which represents the proceeds of revenue anticipation notes issued in 2010 which were applied to the payment of operating expenses of the Transit System and the Commuter System. $482 million of Payroll Mobility Tax Receipts and MTA Aid Trust Account Receipts were applied to the repayment of the 2010 revenue anticipation notes. MTA did not issue revenue anticipation notes in 2011-2014. 2012, 2013 and 2014 Payroll Mobility Tax Receipts include PMT Revenue Offset of $211 million, $307 million and $309 million, respectively.

(4) Represents investment income on capital program funds held for the benefit of the Transit and Commuter Systems on an accrual basis.

(5) Sum of (a) Revenues from MTA Bridges and Tunnels Surplus, (b) Revenues from Governmental Sources (including State and Local General Operating Subsidies and Special Tax-Supported Operating Subsidies), (c) Station Maintenance and Service Reimbursements, (d) City Subsidy for MTA Bus and (e) Revenues from Investment of Capital Program Funds.

(6) For 2010, Debt Service has been reduced by approximately $30 million, and for 2011, 2012, 2013 and 2014 by approximately $56 million, $59 million, $54 million and $54.5 million, respectively to reflect Build America Bonds interest credit payments relating to certain outstanding bonds. Such payments do not constitute Pledged Revenues under the Transportation Resolution. 2013 Debt Service reflects a cash defeasance of $57.9 million done in December of 2013.

(7) 2012 MTA Bus Operating Expenses have been restated higher by $85 million.

(8) Total Operating Expenses and Debt Service for 2012 are higher than Transportation Resolution Pledged Revenues. In 2012, additional non-pledged revenues resulted in a balanced budget.

The following should be additionally noted in **Table 2**:

- MTA receives monthly payments beginning in May of MMTOA Receipts, with the first quarter of the State's appropriation for the succeeding year advanced into the fourth quarter of MTA's calendar year. MTA continues to monitor the effect of not having MMTOA Receipts available during the first quarter of the calendar year to determine if working capital borrowings may be necessary for cash flow needs. MTA did borrow for working capital in 2010, but did not borrow in subsequent years. MMTOA Receipts decreased slightly in 2011 and increased in each subsequent year due to a more stable economy in accordance with the State's appropriation.
- "Urban Tax" collection reflects the activity level of certain commercial real estate transactions in the City. For the past four years, Urban Tax revenues increased due to improvements in commercial real estate transactions in the City.
- Mortgage recording taxes (MRT) consist of two separate taxes: MRT-1, which is imposed on borrowers of recorded mortgages of real property; and MRT-2, which is a tax imposed on the institutional lender. These taxes are collected by the City and the seven other counties within MTA's service area. Mortgage recording taxes are used for Transit and Commuter Systems purposes after the payment of MTA Headquarters' expenses and MTA Bus debt service (beginning in 2009). Due to declining mortgage recording tax receipts and increasing MTA Headquarters expenses, the current 2015-2018 Financial Plan provides for no additional Excess Mortgage Recording Tax transfers to the Transit and Commuter Systems after payment of MTA Bus debt service. Excess mortgage recording taxes have consistently been in the range of $25 million since 2009 to reflect the payment for MTA Bus debt service.
- DTF Excess decreased in 2010 due to additional borrowings under the DTF Resolution and continued to decline in 2012 and 2013 due to lower MTTF Receipts and higher debt service expenses. In 2014, there was an increase in DTF Excess due to higher MTTF Receipts.
- Revenues from Investment of Capital Program Funds – substantially all of the investment income is generated from bond proceeds, such as funds held in anticipation of expenditure on project costs.
- The increase in Transit Operating Expenses in 2012 was largely due to increases in pension costs from NYCERS and Superstorm Sandy related expenses. In 2013, expenses were nearly flat with an increase of only 0.2%. In 2014, increases in expenses resulted predominantly from union contracts settlements.

Table 3 sets forth the Summary of 2015 November Forecast and 2016 Final Proposed Budget based on the November Plan prepared by MTA management. The information set forth in **Table 3** is comparable to that set forth in **Table 2** with respect to the years 2010-2014. The Final Proposed Budget was adopted at the December 16, 2015, meeting of the MTA Board.

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Table 3
Summary of 2015 November Forecast and 2016 Final Proposed Budget (Calculated in Accordance with the Transportation Resolution) and Expenses on a Cash Basis (in millions)

	2015 November Forecast	2016 Final Proposed Budget
Revenues from Systems Operations		
Fares from Transit System	$4,349	$4,455
Fares from Commuter System	1,395	1,422
Fares from MTA Bus	211	214
Other Income[(1)]	308	331
Subtotal – Operating Revenues	**$6,262**	**$6,423**
Revenues from MTA Bridges and Tunnels Surplus	**$696**	**$634**
Revenues from State and Local Governmental Sources		
State and Local General Operating Subsidies	**376**	**376**
Special Tax-Supported Operating Subsidies		
DTF Excess[(2)]	242	189
MMTOA Receipts	1,564	1,600
Urban Tax	977	833
Excess Mortgage Recording Taxes	25	25
Aid Trust Account Receipts[(3)]	294	291
Payroll Mobility Tax Receipts[(3)(4)]	1,632	1,669
Subtotal Special Tax-Supported Operating Subsidies	**$4,734**	**$4,606**
Station Maintenance and Service Reimbursements	**597**	**531**
City Subsidy for MTA Bus	**422**	**499**
Revenues from Investment of Capital Program Funds	**1**	**1**
Subtotal – Non-Operating Revenues	**$6,826**	**$6,646**
Total Transportation Resolution Pledged Revenues[(5)]	**$13,088**	**$13,069**
Budgeted Debt Service[(6)]	**$1,411**	**$1,605**
Transit Operating Expenses	$7,225	$7,431
Commuter Operating Expenses	2,743	2,912
MTA Bus Operating Expenses	644	661
Total Operating Expenses[(5)]	**$10,612**	**$11,004**
Total Operating Expenses and Debt Service	**$12,023**	**$12,609**

(1) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Pennsylvania Station concessions), rental income and miscellaneous. Includes MTA Bus Other Income.

(2) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described in Part 3 of Appendix A under the caption "DEDICATED TAX FUND BONDS."

(3) See "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SOURCES OF PAYMENT — Description of Pledged Revenues – Additional Taxes and Fees" for a description of such additional revenues and MTA's current expectations for application of such revenues in the future.

(4) See also "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SOURCES OF PAYMENT – Description of Pledged Revenues – Additional Taxes and Fees" for a discussion of certain recent legislative changes affecting future Payroll Mobility Tax Receipts. Payroll Mobility Tax Receipts include PMT Revenue Offset of $309.3 million in 2015 and $311.3 million in 2016.

(5) The Total Transportation Resolution Pledged Revenues and Total Operating Expenses exclude certain November Plan adjustments, which are reflected below-the-line in Volume 1 of the November Plan.

(6) Net of annual Build America Bond interest credit payments on previously issued bonds of approximately $54.5 million in 2015 and 2016 each. Such payments do not constitute pledged revenues under the Transportation Resolution.

Description of Pledged Revenues

Each of the following revenues is described in more detail in Part 2 of **Appendix A** under the caption "REVENUES OF THE RELATED ENTITIES." See also **Tables 2** and **3** above for both historical and forecasted results for each category of Pledged Revenues described below.

Revenues from Systems Operations.

- ***Fares from the Transit and Commuter Systems.*** On January 22, 2015, the MTA Board approved the current transit and commuter fare increases that went into effect on March 22, 2015.

  The base subway, local bus and paratransit fares were increased from \$2.50 per trip to \$2.75 per trip and the base express bus fare were increased from \$6.00 to \$6.50 per trip. Single ride subway and bus tickets increased from \$2.75 to \$3.00. MTA New York City Transit increased the cost of 30-day and calendar monthly unlimited ride MetroCards from \$112 to \$116.50, the cost of a 7-day unlimited ride MetroCard from \$30 to \$31, and the 7-day Express Bus Plus unlimited ride MetroCard from \$55 to \$57.25. The Pay-Per-Ride MetroCard bonus increased from 5% to 11%, and the minimum purchase price for the Bonus Pay-Per-Ride Card increased from \$5 to \$5.50.

  At MTA Metro-North Railroad and MTA Long Island Rail Road, individual commuter rail fares increased based on a simple 4% increase (to the extent practical). Increased fares also apply to CityTicket, UniTickets and MNR-managed connecting services.

- ***Other Income.*** MTA receives revenues from concessions to vendors and from advertising and other space it rents in subway and commuter rail cars, buses, stations and other facilities. Concession revenues from Grand Central Terminal (the main station for MTA Metro-North Railroad) and Pennsylvania Station (the main station for MTA Long Island Rail Road), however, are not included within these amounts pledged.

Revenues from MTA Bridges and Tunnels Surplus. MTA Bridges and Tunnels is required by law to transfer its annual operating surpluses (generally, tolls and other operating revenues from bridges and tunnels after payment of operating expenses and debt service costs) to MTA, and a statutory formula determines how MTA allocates that money between the Transit and Commuter Systems.

On January 22, 2015, the MTA Bridges and Tunnels Board approved the current tolls that went into effect on March 22, 2015, as follows:

- ***Cash Tolls for Passenger Vehicles.*** Base tolls were increased by \$0.50 at the Robert F. Kennedy, Bronx-Whitestone and Throgs Neck Bridges and Queens Midtown and Hugh L. Carey Tunnels (the major facilities) to \$8.00, by \$1.00 at the Verrazano-Narrows Bridge (the VNB) (where tolls are collected in the westbound direction only) to \$16.00, by \$0.50 at the Henry Hudson Bridge to \$5.50, and by \$0.25 at the Marine Parkway-Gil Hodges and Cross Bay Veterans Memorial Bridges (the Rockaway Bridges) to \$4.00. Commercial vehicle tolls also increased.
- ***E-ZPass Tolls.*** E-ZPass tolls for passenger vehicles using tags issued by the New York E-ZPass Customer Service Center (NY-CSC) increased by \$0.21 at major facilities, \$0.42 at the VNB, \$0.10 at the Henry Hudson Bridge and \$0.08 at the Rockaway Bridges.

Revenues from State and Local Governmental Sources.

- ***General Operating Subsidies from the State and Local Governments.*** Under the State's Section 18-b program, MTA receives:
  - subsidies for transit from the State and matching subsidies from the City, and
  - subsidies for commuter from the State and matching subsidies from the City and the seven counties within the MTA Commuter transportation district (MCTD).

- ***Special Tax-Supported Operating Subsidies.*** MTA receives subsidies from a number of sources including:
  - portions of the following dedicated taxes pledged but not ultimately needed to pay debt service on MTA's Dedicated Tax Fund bonds:
    - a group of business privilege taxes imposed on petroleum businesses operating in the State, referred to as the PBT,
    - motor fuel taxes on gasoline and diesel fuel, and
    - certain motor vehicle fees administered by the State Department of Motor Vehicles, including both registration and non-registration fees; and
  - portions of the following mass transportation operating assistance or MMTOA taxes, which State law requires first be used to pay debt service on MTA's Dedicated Tax Fund bonds if the dedicated taxes described above are insufficient:
    - the regional PBT (in addition to the state-wide portion described above), which is referred to as the MMTOA PBT,
    - the sales and compensating use tax within the MCTD,
    - two franchise taxes imposed on certain transportation and transmission companies, and
    - a surcharge on a portion of the franchise tax imposed on certain corporations, banks, insurance, utility and transportation companies attributable to business activities within the MCTD; and
  - a portion of the amounts collected by the City for the benefit of the Transit System from certain mortgage transfer and recording taxes.

Additional Taxes and Fees. On May 7, 2009, legislation was enacted in the State (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 May 2009 Legislation (Chapter 25 of the Laws of 2009) among other things:

- imposed a payroll mobility tax (the PMT) of 0.34% on payroll expenses and net earnings from self-employment within the MCTD (effective as of March 1, 2009, except school districts, effective September 1, 2009);
- imposed a supplemental fee of one dollar for each six month period of validity of a learner's permit or a driver's license issued to a person residing in the MCTD (effective September 1, 2009);
- imposed a supplemental fee of twenty-five dollars per year on the registration and renewals of registrants of motor vehicles who reside within the MCTD (effective September 1, 2009);
- imposed on taxicab owners a tax of fifty cents per ride on taxicab rides originating in the City and terminating within the MCTD (effective November 1, 2009); and
- imposed a supplemental tax of five percent of the cost of rentals of automobiles rented within the MCTD (effective June 1, 2009).

On December 9, 2011, Governor Andrew Cuomo signed into law legislation (the December 2011 Legislation) that made significant changes to the PMT eliminating or reducing the PMT imposed within the MCTD for certain taxpayers. Employers with payroll expense less than or equal to $312,500 in any calendar quarter, any public school district, a board of cooperative educational services, a public elementary or secondary school, a school serving students with disabilities of school age and any nonpublic elementary or secondary school that provides instruction in grade one or above are no longer required to pay the PMT, as of the quarter beginning April 1, 2012. In addition, individuals with net earnings from self-employment attributable to the MCTD that do not exceed $50,000 for the tax year are no longer subject to the PMT. Employers with payroll expense no greater than $375,000 in any calendar quarter are subject to a reduced tax rate of 0.11%; employers with payroll expense greater than $375,000 but not greater than $437,500 in any calendar quarter are subject to a reduced tax rate of 0.23%. Employers with payroll expense in excess of $437,500 in any calendar quarter will continue to pay a tax rate of 0.34%. The employer rate changes became effective beginning April 1, 2012.

The December 2011 Legislation further expressly provided that any reductions in aid to MTA attributable to these reductions in the payroll mobility tax "shall be offset through alternative sources that will be included in the state budget" (the PMT Revenue Offset).

The 2015-2016 State Enacted Budget includes an appropriation of $309 million to MTA for the PMT Revenue Offset.

The revenues from the PMT can be: (i) pledged by MTA to secure and be applied to the payment of bonds to be issued in the future to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) used by MTA to pay capital costs, including debt service of MTA, its subsidiaries and MTA New York City Transit and its subsidiary. Subject to the provisions of any such pledge, or in the event there is no such pledge, the PMT revenues can be used by MTA to pay for costs, including operating costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary. Under the Transportation Resolution, the PMT revenues constitute "Operating Subsidies" that are pledged to the payment of principal of and interest on the Transportation Revenue Bonds to the extent not required to be applied to the payment of debt service on bonds issued in the future by MTA that are secured in whole or in part by the PMT revenues.

The other revenues (the Aid Trust Account Monies) may be pledged by MTA or pledged by MTA Bridges and Tunnels to secure debt of MTA or MTA Bridges and Tunnels. Subject to the provisions of such pledge, or in the event there is no such pledge, such revenues can be used by MTA for the payment of operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary as MTA shall determine. Under the Transportation Resolution, the Aid Trust Account Monies constitute "Non-Pledged Operating Subsidies" that are not pledged to the payment of principal of and interest on the Transportation Revenue Bonds, unless and until and to the extent MTA allocates such moneys to the payment of debt service on the Transportation Revenue Bonds or Operating and Maintenance Expenses. Although MTA has allocated such monies so as to constitute Pledged Revenues in prior years, no assurances can be given that MTA will allocate any of the Aid Trust Account Monies to the payment of debt service on the Transportation Revenue Bonds or Operating and Maintenance Expenses in the future.

MTA anticipates establishing a new credit secured in whole or in part by the PMT revenues and the Aid Trust Account Monies. Such pledge would reduce the amounts of PMT revenues and Aid Trust Account Monies available to constitute Operating Subsidies.

MTA currently expects that, unless and until amounts constituting the PMT Revenue Offset are pledged as part of the security for the new credit secured in whole or in part by PMT revenues, such amounts would be treated as "Operating Subsidies" pledged to the payment of principal and interest on the Transportation Revenue Bonds.

Station Maintenance and Service Reimbursements. MTA is reimbursed by the City and the seven counties in the MCTD with respect to commuter stations located in each respective jurisdiction for the cost of staffing the stations, maintaining the stations and appurtenant land and buildings, and insurance. In addition, the City provides for the policing of the Transit System and contributes to support MTA New York City Transit's paratransit, senior citizen and school children programs. Also, MTA Metro-North Railroad receives certain payments from the Connecticut Department of Transportation (CDOT) for its share of the operating deficits of the New Haven rail line.

City Agreement with MTA Bus. In December 2004, the MTA Board approved a letter agreement with the City (the MTA Bus Letter Agreement) with respect to MTA Bus' establishment and operation of certain bus routes (the MTA Bus System) in areas then served by seven private bus companies pursuant to franchises granted by the City. The City's payments under the MTA Bus Letter Agreement are pledged to holders of the Transportation Revenue Bonds and are reflected in **Tables 2 and 3** above. The MTA Bus Letter Agreement with the City provides for the following:

- A lease by the City to MTA Bus of the bus assets to operate the MTA Bus System.
- The City agrees to pay MTA Bus the difference between the actual cost of operation of the MTA Bus System (other than certain capital costs) and all revenues and subsidies received by MTA Bus and allocable to the operation of the MTA Bus System.
- If the City fails to timely pay any of the subsidy amounts due for a period of 30 days, MTA Bus has the right, after an additional 10 days, to curtail, suspend or eliminate service and may elect to terminate the agreement. The City can terminate the agreement on one year's notice.

Revenues from Investment Income and Miscellaneous. MTA earns income, as do its subsidiaries and affiliates, from the temporary investment of money held in those of MTA's various funds and accounts that are pledged to holders of Transportation Revenue Bonds.

Factors Affecting Revenues

Ridership. The level of fare revenues depends to a large extent on MTA's ability to maintain and/or increase ridership levels on the Transit, Commuter and MTA Bus Systems. Those ridership levels are affected by safety and the quality and efficiency of systems operations, as well as by financial and economic conditions in the New York metropolitan area.

Fare Policy. MTA determines the rate or rates of fares charged to users of the Commuter System and MTA Bus System, and MTA New York City Transit and MaBSTOA, together with MTA, do the same for the Transit System. After adopting operating expense budgets and assessing the availability of governmental subsidies, each makes a determination of fares necessary to operate on a self-sustaining cash basis in compliance with State law and covenants in the Transportation Resolution. Considering the impact of increased fares on riders and on the regional economy, MTA may attempt to reduce costs or obtain additional revenues from other sources, mainly governmental sources, before increasing fares. As a result, even though MTA does not generally need other governmental approvals before setting fares, the amount and timing of fare increases may be affected by the federal, State and local government financial conditions, as well as by budgetary and legislative processes. MTA's obligation to obtain approval of fare increases on the New Haven line from CDOT can also affect the amount and timing of fare increases.

Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses. The Transit, Commuter and MTA Bus Systems have depended, and are expected to continue to depend, upon government subsidies to meet capital and operating needs. Thus, although MTA is legally obligated by the Transportation Resolution's rate covenant to raise fares sufficiently to cover all capital and operating costs, there can be no assurance that there is any level at which Transit, Commuter and MTA Bus Systems fares alone would produce revenues sufficient to comply with the rate covenant, particularly if the current level (or the assumed level in the budget prepared in connection with 2016 and the forecasts prepared in connection with 2017, 2018 and 2019) of collection of dedicated taxes, operating subsidies, and expense reimbursements were to be discontinued or substantially reduced.

Operating Results and Projections. Based upon the November Financial Plan 2016-2019, the budgets of the Related Entities are expected to be substantially in balance through 2018, but there is a projected deficit in 2019. Any of the Transit System, the Commuter System or MTA Bus System or all of them may be forced to institute additional cost reductions (which, in certain circumstances, could affect service which, in turn, could adversely affect revenues) or take other additional actions to close projected budget gaps, which could include additional fare increases.

Financial Plans. The November Financial Plan 2016-2019, the 2010-2014 Capital Program, the 2015-2019 Capital Program and prior and future Capital Programs are interrelated, and any failure to fully achieve the various components of these plans could have an adverse impact on one or more of the other proposals contained in the November Financial Plan 2016-2019, the 2010-2014 Capital Program, the 2015-2019 Capital Program and prior and future Capital Programs, as well as on pledged revenues. See Part 2 of **Appendix A** under the caption "FINANCIAL PLANS AND CAPITAL PROGRAMS — 2015-2018 Financial Plan (the February Plan)" and "— Proposed 2015-2019 Capital Program". See also "INTRODUCTION — Recent Developments Affecting MTA".

MTA Bridges and Tunnels Operating Surplus. The amount of MTA Bridges and Tunnels operating surplus to be used for the Transit and Commuter Systems is affected by a number of factors, including traffic volume, the timing and amount of toll increases, the operating and capital costs of MTA Bridges and Tunnels Facilities, and the amount of debt service payable from its operating revenues, including debt service on obligations issued for the benefit of MTA's affiliates and subsidiaries and for MTA Bridges and Tunnels' own capital needs.

Government Assistance. The level and timing of government assistance to MTA may be affected by several different factors, such as:

- Subsidy payments by the State may be made only if and to the extent that appropriations have been made by the Legislature and money is available to fund those appropriations.
- The Legislature may not bind or obligate itself to appropriate revenues during a future legislative session, and appropriations approved during a particular legislative session generally have no force or effect after the close of the State fiscal year for which the appropriations are made.
- The State is not bound or obligated to continue to pay operating subsidies to the Transit, Commuter or MTA Bus Systems or to continue to impose any of the taxes currently funding those subsidies.
- The financial condition of the States of New York and Connecticut, and the City and counties in the MCTD could affect the ability or willingness of the States and local governments to continue to provide general operating subsidies, the City and local governments to continue to provide reimbursements and station maintenance payments, and the State to continue to make special appropriations.
- Court challenges to the State taxes that are the sources of various State and City operating subsidies to MTA, if successful, could adversely affect the amount of pledged revenues generated by such State taxes.

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 in the manner specified in SEC Rule 15c2-12. Prospective purchasers of the Transportation Revenue 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 the Transportation Revenue Bonds or the Series 2016A Bonds. MTA makes no representations about State information or its continued availability.

SECURITY

General

The Transportation Revenue Bonds, including the Series 2016A Bonds, are MTA's special obligations payable as to principal (including sinking fund installments), redemption premium, if any, and interest from the security, sources of payment, and funds specified in the Transportation Resolution.

- The payment of principal (including sinking fund installments, if any), redemption premium, if any, and interest on Transportation Revenue Bonds is secured by, among other sources described below, the transportation revenues discussed in the preceding section "SOURCES OF PAYMENT," which are, together with certain other revenues, referred to as "pledged revenues."
- Holders of Transportation Revenue Bonds are to be paid prior to the payment, from pledged revenues, of operating or other expenses of MTA, MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus. However, MTA's ability to generate major portions of the pledged revenues depends upon its payment of operating and other expenses.
- Transportation Revenue Bonds are not a debt of the State or the City, or any other local governmental unit.
- MTA has no taxing power.

Summaries of certain provisions of the Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA. See "INTRODUCTION – Where to Find Information."

Pledge Effected by the Resolution

The Transportation Resolution provides that there are pledged to the payment of principal and redemption premium of, interest on, and sinking fund installments for, the Transportation Revenue Bonds and Parity Debt, in accordance with their terms and the provisions of the Transportation Resolution the following, referred to as the "trust estate":

- all pledged revenues as described above;
- the net proceeds of certain agreements pledged by MTA to the payment of transit and commuter capital projects;
- the proceeds from the sale of Transportation Revenue Bonds, until those proceeds are paid out for an authorized purpose;
- all funds, accounts and subaccounts established by the Transportation Resolution (except those established by a supplemental obligation resolution for variable interest rate obligations, put obligations, parity debt, subordinated contract obligations or subordinated debt); and
- the Amended and Restated Interagency Agreement dated as of April 1, 2006, among MTA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA New York City Transit, MaBSTOA and MTA Bus.

The Trustee may directly enforce an undertaking to operate the Transit System, the Commuter System or the MTA Bus System to ensure compliance with the Transportation Resolution.

Under the Transportation Resolution, the operators of the Transit, Commuter and MTA Bus Systems are obligated to transfer to the Trustee for deposit into the Revenue Fund virtually all pledged revenues as soon as practicable following receipt or, with respect to revenues in the form of cash and coin, immediately after being counted and verified. The pledge of money located in the State of Connecticut may not be effective until that money is deposited under the Transportation Resolution.

Flow of Revenues

The Transportation Resolution creates the following funds and accounts:

- Revenue Fund (held by the Trustee),
- Debt Service Fund (held by the Trustee), and
- Proceeds Fund (held by MTA).

The Transportation Resolution requires the Trustee, promptly upon receipt of the pledged revenues in the Revenue Fund, to deposit the revenues into the following funds and accounts, in the amounts and in the order of priority, as follows:

- to the debt service accounts, the net amount, if any, required to make the amount in the debt service accounts equal to the accrued debt service for Transportation Revenue Bonds and Parity Debt to the last day of the current calendar month;
- to pay, or accrue to pay, principal of and interest on any Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligation;
- to MTA for deposit in the Proceeds Fund, as directed by one of MTA's authorized officers, to fund Capital Costs of the Transit, Commuter and MTA Bus Systems; and
- to accounts held by MTA or any of the Related Transportation Entities for payment of operating expenses or any other authorized purpose.

All amounts paid out by MTA or the Trustee either for an authorized purpose (excluding transfers to any other pledged fund or account) or under the last bullet point above are free and clear of the lien and pledge created by the Transportation Resolution.

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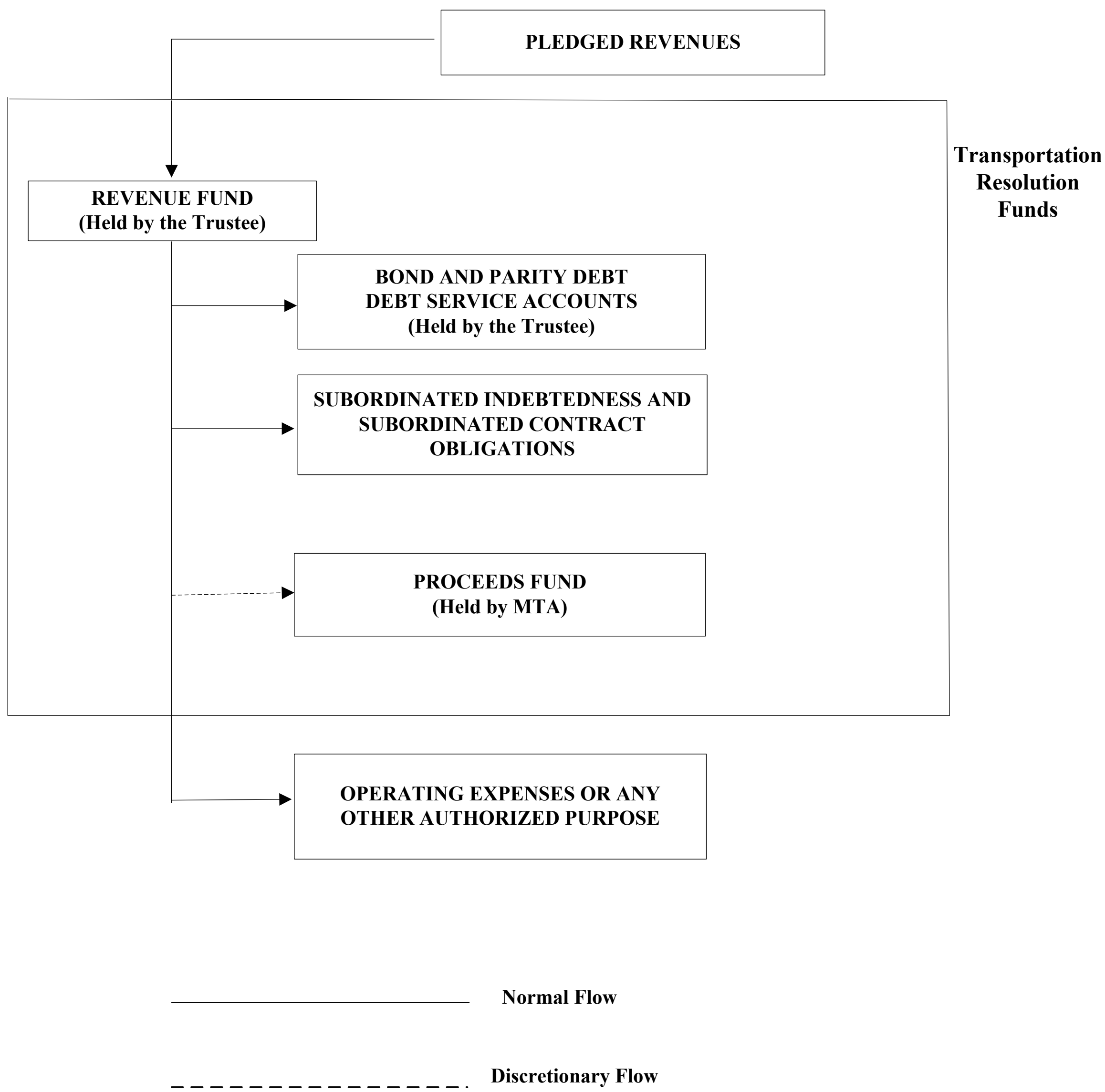
The following chart illustrates the basic elements of the flow of revenues described above:

TRANSPORTATION REVENUE OBLIGATIONS – FLOW OF PLEDGED REVENUES



Covenants

Rate Covenants. MTA must fix the transit and commuter fares and other charges and fees to be sufficient, together with other money legally available or expected to be available, including from government subsidies –

- to pay the debt service on all the Transportation Revenue Bonds;
- to pay any Parity Debt;
- to pay any Subordinated Indebtedness and amounts due on any Subordinated Contract Obligations; and
- to pay, when due, all operating and maintenance expenses and other obligations of its transit and commuter affiliates and subsidiaries.

See "SOURCES OF PAYMENT – Factors Affecting Revenues" above.

Operating and Maintenance Covenants.

- MTA, MaBSTOA, MTA New York City Transit, MTA Metro-North Railroad, MTA Long Island Rail Road and MTA Bus are required at all times to operate, or cause to be operated, the systems properly and in a sound and economical manner and maintain, preserve, reconstruct and keep the same or cause the same to be maintained, preserved, reconstructed and kept in good repair, working order and condition.
- Nothing in the Transportation Resolution prevents MTA from ceasing to operate or maintain, or from leasing or disposing of, all or any portion of the systems if, in MTA's judgment it is advisable to do so, but only if the operation is not essential to the maintenance and continued operation of the rest of the systems and this arrangement does not materially interfere with MTA's ability to comply with MTA's rate covenants.

Additional Bonds. The Transportation Resolution permits MTA to issue additional Transportation Revenue Bonds and to issue or enter into Parity Debt, from time to time, to pay or provide for the payment of qualifying costs, without meeting any specific debt-service-coverage level, as long as MTA certifies to meeting the rate covenant described above for the year in which the additional debt is being issued. Under the Transportation Resolution, MTA may only issue additional Transportation Revenue Bonds if those bonds are issued to fund projects pursuant to an approved MTA Capital Program, if an approved capital program is then required.

There is no covenant with Owners limiting the aggregate principal amount of additional Transportation Revenue Bonds or Parity Debt that MTA may issue. There is a limit under current New York law that covers the Transportation Revenue Bonds and certain other securities. See Part 3 of **Appendix A** under the caption "GENERAL – Financing of Capital Projects and Statutory Ceiling" for a description of the current statutory cap.

Refunding Bonds. MTA may issue Transportation Revenue Bonds to refund all or any portion of the Transportation Revenue Bonds or Parity Debt. Transportation Revenue Bonds may also be issued to refund any pre-existing indebtedness of any Related Entity issued to fund transit and commuter projects. The MTA Board approved refunding parameters for the Series 2016A Bonds which must be complied with prior to the issuance of any Series 2016A Bonds.

Non-Impairment. Under New York law, the State has pledged to MTA that it will not limit or change MTA's powers or rights in such a way that would impair the fulfillment of MTA's promises to holders of the Transportation Revenue Bonds.

No Bankruptcy. New York law specifically prohibits MTA, its Transit System affiliates, its Commuter System subsidiaries or MTA Bus from filing a bankruptcy petition under Chapter 9 of the Federal Bankruptcy Code. As long as any Transportation Revenue Bonds are outstanding, the State has covenanted not to change the law to permit MTA or its affiliates or subsidiaries to file such a petition. Chapter 9 does not provide authority for creditors to file involuntary bankruptcy proceedings against MTA or other Related Entities.

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PART III. OTHER INFORMATION ABOUT THE SERIES 2016A BONDS

Part III of this official statement provides miscellaneous additional information relating to the Series 2016A Bonds.

TAX MATTERS

General

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C. are Co-Bond Counsel for the Series 2016A Bonds. Their opinion is that, under existing law, relying on certain statements by MTA and assuming compliance by MTA with certain covenants, interest on the Series 2016A Bonds is:

- excluded from a bondholder's federal gross income under Section 103 of the Internal Revenue Code of 1986, and
- not a specific preference item for a bondholder in calculating the federal alternative minimum tax, but
- included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.

Their opinion is also that under existing law interest on the Series 2016A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See **Attachment 3** to this official statement for the form of the opinion that Co-Bond Counsel expect to deliver when the Series 2016A Bonds are delivered.

The Series 2016A Bonds

The Internal Revenue Code of 1986 imposes requirements on the Series 2016A Bonds that MTA must continue to meet after the Series 2016A Bonds are issued. These requirements generally involve the way that Series 2016A Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2016A Bonds must be used. If MTA does not meet these requirements, it is possible that a bondholder may have to include interest on the Series 2016A Bonds in its federal gross income on a retroactive basis to the date of issue. MTA has covenanted to do everything necessary to meet the requirements of the Internal Revenue Code of 1986.

A bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2016A Bonds. This is possible if a bondholder 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 Series 2016A Bonds.

If a bondholder 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. It is possible that future events could change the tax treatment of the interest on the Series 2016A Bonds or affect the market price of the Series 2016A 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 Series 2016A Bonds, or under State, local or foreign tax law.

Original Issue Discount

Each maturity of the Series 2016A Bonds will have “original issue discount” if the price first paid by the bondholders for a substantial amount of such Series 2016A Bonds is less than the principal amount of these Series 2016A Bonds. Original issue discount on these Series 2016A Bonds as it accrues is excluded from a bondholder’s federal gross income under the Internal Revenue Code of 1986 to the same extent and subject to the same considerations discussed above as interest paid on the Series 2016A Bonds. In addition, original issue discount on these Series 2016A Bonds as it accrues is exempt from personal income taxes of the State and its political subdivisions, including the City. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder’s tax basis in these Series 2016A Bonds will be increased. If a bondholder owns one of these Series 2016A Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Bond Premium

If a bondholder purchases a Series 2016A Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Series 2016A Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder’s tax basis in that Series 2016A Bond will be reduced. The holder of a Series 2016A 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 Bond. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Series 2016A Bond with bond premium, even though the Series 2016A Bond is sold for an amount less than or equal to the bondholder’s original cost. If a bondholder owns any Series 2016A 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 Series 2016A 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 a bondholder purchasing a Series 2016A 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 Series 2016A 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 bondholder’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 Series 2016A 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 Series 2016A 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 of the interest on the Series 2016A Bonds from gross income for federal or state income tax purposes, or otherwise. We note that in each year since 2011, President Obama released legislative proposals that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Internal Revenue Code of 1986 (including the Series 2016A Bonds) for taxpayers whose income exceeds certain thresholds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2016A Bonds may occur. Prospective purchasers of the Series 2016A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2016A Bonds.

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

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations was independently verified by Samuel Klein and Company, Certified Public Accountants (the Verification Agent). These computations indicate (i) the sufficiency of the receipts from the Government Obligations together with an initial cash deposit, to pay at early redemption or at the maturity date, the principal of and interest on the Refunded Bonds, and (ii) the yields to be considered in determining that the Subseries 2016A-2 Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code. The Verification Agent relied upon assumptions and information supplied by the financial advisor on behalf of MTA and has not made any study or examination of them, except as noted in its report. The Verification Agent has not expressed an opinion on the reasonableness of the assumptions or the likelihood that the debt service requirements of the Refunded Bonds will be satisfied as described in its report.

LEGALITY FOR INVESTMENT

The MTA Act provides that the Series 2016A 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 which limit or prevent their investment in the Series 2016A Bonds.

LITIGATION

There is no pending litigation concerning the Series 2016A Bonds.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including the 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 holders of the obligations. A summary of certain of these potentially material claims and actions is set forth in Part 6 of **Appendix A** under the caption "LITIGATION," as that filing may be amended or supplemented to date.

FINANCIAL ADVISOR

Public Financial Management, Inc. is MTA's financial advisor for the Series 2016A Bonds. The financial advisor has provided MTA advice on the plan of financing and reviewed the pricing of the Series 2016A Bonds. The financial advisor has not independently verified the information contained in this official statement and does not assume responsibility for the accuracy, completeness or fairness of such information. The financial advisor's fees for serving as financial advisor are contingent upon the issuance of the Series 2016A Bonds.

UNDERWRITING

The Underwriters for the Series 2016A Bonds, acting through Ramirez & Co., Inc., as Representative, have jointly and severally agreed, subject to certain conditions, to purchase from MTA the Series 2016A Bonds described on the inside cover pages of this official statement at an aggregate purchase price of $917,044,426.58, reflecting a net original issue premium of $138,335,905.30 and an Underwriters' discount of $3,811,478.72, and to reoffer such Series 2016A Bonds at the public offering prices or yields set forth on the inside cover pages.

The Series 2016A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2016A 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' obligations to purchase the Series 2016A Bonds are subject to certain conditions precedent, and they will be obligated to purchase all such Series 2016A Bonds if any Series 2016A Bonds are purchased.

The Underwriters appearing on the cover of this official statement include certain joint-venture arrangements. Each of the joint-venture arrangements provide for sharing of underwriter's discount in connection with orders for the Series 2016A Bonds.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA as Underwriters) for the distribution of the Series 2016A 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 securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various advisory and investment banking services for MTA, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of MTA. 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 2016A Bonds. Those ratings reflect only the views of the organizations assigning them. An explanation of the significance of the ratings or any outlooks or other statements given with respect thereto from each identified agency may be obtained as follows:

Fitch Ratings 33 Whitehall Street New York, New York 10004 (212) 908-0500	Kroll Bond Rating Agency, Inc. 845 Third Avenue New York, New York 10022 (212) 702-0707
Moody's Investors Service, Inc. 7 World Trade Center New York, New York 10007 (212) 553-0300	Standard & Poor's Ratings Services 55 Water Street New York, New York 10041 (212) 438-2000

MTA has furnished to each rating agency rating the bonds being offered information, including information not included in this official statement, about MTA 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 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 Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA. The form of the opinion of Co-Bond Counsel is **Attachment 3** to this official statement.

The Underwriters have appointed Winston & Strawn LLP and Law Offices of Joseph C. Reid, P.A. as co-counsel to the Underwriters in connection with the underwriting of the Series 2016A 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.

Certain legal matters regarding MTA will be passed upon by its General Counsel.

CONTINUING DISCLOSURE

As more fully stated in **Attachment 2**, MTA 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 has undertaken to file such information (the Annual Information) with EMMA.

MTA has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA is also obligated to deliver, in a timely manner not in excess of ten business days after the occurrence of each event, notices of the following events to EMMA:

- principal and interest payment delinquencies;
- non-payment related defaults, if material;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- 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;
- modifications to the rights of security holders, if material;
- bond calls, if material, and tender offers;
- defeasances;
- release, substitution, or sale of property securing repayment of the Bonds, if material;
- rating changes;
- bankruptcy, insolvency, receivership or similar event;
- consummation of a merger, consolidation or acquisition involving an obligated person or sale of all or 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; and
- appointment of a successor or additional trustee or the change in name of a trustee, if material.

Additional Continuing Disclosure Requirements

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA, as described above under “PLAN OF REFUNDING AND APPLICATION OF PROCEEDS – Climate Bond Certified”, will add the following requirements to its continuing disclosure filing obligation with respect to the Series 2016A Bonds:

- within one year of the issuance of the Series 2016A Bonds, and annually thereafter until the maturity or prior redemption of the Series 2016A Bonds, MTA will file a post-issuance compliance certificate as required by the Certification Process;
- any event of material non-conformance with the Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and
- any revocation of the Climate Bond Certification by the Climate Bonds Initiative.

MTA has not 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.

MTA is not responsible for any failure by EMMA or any nationally recognized municipal securities information repository to timely post disclosure submitted to it by MTA or any failure to associate such submitted disclosure to all related CUSIPs.

FURTHER INFORMATION

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

Although MTA has prepared the information on its 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 assumes no liability or responsibility for errors or omissions contained on any website. Further, MTA disclaims 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 also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

METROPOLITAN TRANSPORTATION AUTHORITY

By: /s/ Patrick J. McCoy
Patrick J. McCoy
Director, Finance

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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 2016A Bonds. The Series 2016A 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 2016A Bond will be issued for each maturity of the Series 2016A 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 2016A Bonds exceeds $500 million, one note of such maturity will be issued with respect to each $500 million of principal amount, and an additional note 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 a Standard & Poor's rating of AA+. The DTC Rules applicable to Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Series 2016A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2016A 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 2016A 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 2016A Bonds, except in the event that use of the book-entry system for the Series 2016A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2016A 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 2016A 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 2016A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016A 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 2016A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2016A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2016A Bond documents. For example, Beneficial Owners of the Series 2016A Bonds may wish to ascertain that the nominee holding the Series 2016A 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 2016A 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 2016A 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 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 2016A 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 2016A 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 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, 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 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 2016A Bonds at any time by giving reasonable notice to MTA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2016A Bonds are required to be printed and delivered.

10. MTA 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 2016A Bonds will be printed and delivered.

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

ATTACHMENT 2
CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (Rule 15c2-12), MTA and the Trustee will enter into a written agreement (the Disclosure Agreement) for the benefit of holders of the Series 2016A Bonds to provide continuing disclosure. MTA will undertake to provide certain financial information and operating data relating to the Related Transportation Entities (currently, MTA and its subsidiaries MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus, and MTA New York City Transit and its subsidiary MaBSTOA) by no later than 120 days after the end of each MTA fiscal year, commencing with the fiscal year ending December 31, 2015 (the Annual Information), and to provide notices of the occurrence of certain enumerated events, if material. The Annual Information will be filed by or on behalf of MTA with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (the MSRB). Notices of material events will be filed by or on behalf of MTA with EMMA. The nature of the information to be provided in the Annual Information and the notices of material events is set forth below.

Pursuant to Rule 15c2-12, MTA will undertake for the benefit of holders of Series 2016A Bonds to provide or cause to be provided, either directly or through the Trustee, audited consolidated financial statements of MTA New York City Transit and the audited consolidated financial statements of MTA by no later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2015, when and if such audited financial statements become available and, if such audited financial statements of either MTA New York City Transit or MTA are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements of MTA New York City Transit or MTA for such fiscal year. MTA New York City Transit's and MTA's annual financial statements will be filed by or on behalf of such parties by MTA with EMMA. In the event that such audited financial statements of MTA New York City Transit cease to be separately published, the obligation of MTA hereunder to provide such financial statements shall cease.

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

1. a description of the systems operated by the Related Transportation Entities and their operations,

2. a description of changes to the fares or fare structures charged to users of the systems operated by the Related Transportation Entities,

3. operating data of the Related Transportation Entities, including data of the type included in **Appendix A** under the following captions:

   a. "TRANSIT SYSTEM,"

   b. "RIDERSHIP AND FACILITIES USE – Transit System (MTA New York City Transit and MaBSTOA) Ridership,"

   c. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA New York City Transit and MaBSTOA,"

   d. "COMMUTER SYSTEM,"

   e. "RIDERSHIP AND FACILITIES USE – Commuter System Ridership,"

   f. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – Commuter System,"

g. “MTA BUS COMPANY,”

h. “RIDERSHIP AND FACILITIES USE – MTA Bus Ridership,” and

i. “EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA Bus.”

4. information regarding the Capital Programs of the Related Transportation Entities, including information of the type included in **Appendix A** under the caption “FINANCIAL PLANS AND CAPITAL PROGRAMS,”

5. a presentation of the financial results of the Related Transportation Entities prepared in accordance with GAAP for the most recent year for which that information is then currently available (currently, MTA New York City Transit prepares consolidated financial statements and MTA prepares consolidated financial statements),

6. a presentation of changes to indebtedness issued by MTA under the Transportation Resolution, as well as information concerning changes to MTA’s debt service requirements on such indebtedness payable from pledged revenues,

7. information concerning the amounts, sources, material changes in and material factors affecting pledged revenues and debt service incurred under the Transportation Resolution,

8. financial information of the type included in this official statement in **Table 2** under the caption “SOURCES OF PAYMENT—Pledged Transportation Revenues” and included in **Appendix A** under the caption “REVENUES OF THE RELATED ENTITIES,”

9. material litigation related to any of the foregoing, and

10. 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, the Related Entities.

All or any portion of the Annual Information as well as required audited financial statements may be incorporated therein by specific cross reference to any other documents which have been filed with (a) EMMA or (b) the Securities and Exchange Commission (the SEC). 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 the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such 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 feasible, such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

MTA will undertake, for the benefit of holders of the Series 2016A Bonds, to provide or cause to be provided:

1. to EMMA, in a timely manner not in excess of 10 business days after the occurrence of the event, notice of any of the events listed under the caption “CONTINUING DISCLOSURE” in this official statement with respect to the Series 2016A Bonds, and

2. to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by such undertaking or any required audited financial statements of any of the Related Transportation Entities.

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA will cause to be provided to EMMA:

1. within one year of the issuance of the Series 2016A Bonds, and annually thereafter until maturity or earlier redemption, a post-issuance compliance certificate as required by the Climate Bonds standard and Certification Process;
2. in a timely manner not in excess of 10 business days after the occurrence of the event:

   (a) any event of material non-conformance with the Climate Bonds standard and Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and

   (b) any revocation of the Climate Bonds Standard and Certification by the Climate Bonds Initiative.

The Disclosure Agreement provides that if any party to the Disclosure Agreement fails to comply with any provisions of its undertaking described herein, then any holder of the Series 2016A Bonds (which will include beneficial owners during any period that DTC acts as securities depository for, and DTC or its nominee is the registered owner of, the Series 2016A Bonds) 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, the undertaking 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 thereunder; provided that the sole and exclusive remedy for breach under the undertaking is an action to compel specific performance, and no person or entity, including any holder of Series 2016A Bonds, may recover monetary damages thereunder under any circumstances, and provided further that any challenge to the adequacy of any information under the undertaking may be brought only by the Trustee or the holders of 25 percent in aggregate principal amount of the Series 2016A Bonds at the time Outstanding which are affected thereby. Each of MTA and the Trustee reserves the right, but shall not be obligated, to enforce the obligations of the others. Failure to comply with any provisions of the undertaking shall not constitute a default under the Transportation Resolution nor give right to the Trustee or any Owner to exercise any remedies under the Transportation Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the undertaking insofar as the provision of Rule 15c2-12 no longer in effect required the provision of such information shall no longer be required to be provided.

The foregoing is intended to set forth 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 where MTA's undertaking calls 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 will be provided. MTA does not anticipate that it often will be necessary to amend the undertaking. The undertaking, however, may be amended or modified under certain circumstances set forth therein and the undertaking will continue until the earlier of the date the Series 2016A Bonds have been paid in full or legally defeased pursuant to the Transportation Resolution or the date the undertaking is no longer required by law. Copies of the undertaking when executed by the parties will be on file at the office of MTA.

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ATTACHMENT 3
FORM OF APPROVING OPINION OF CO-BOND COUNSEL

Upon delivery of the Series 2016A 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, proposes to render its final approving opinion in substantially the following form:

[Date of Delivery]

Metropolitan Transportation Authority
New York, New York

Ladies and Gentlemen:

We have examined a certified record of proceedings of the Metropolitan Transportation Authority ("MTA") and other proofs submitted to us relative to the issuance of $782,520,000 aggregate principal amount of Metropolitan Transportation Authority Transportation Revenue Green Bonds, Series 2016A (Climate Bond Certified) consisting of the Transportation Revenue Green Bonds, Subseries 2016A-1 (Climate Bond Certified) (the "Subseries 2016A-1 Bonds") and the Transportation Revenue Refunding Green Bonds, Subseries 2016A-2 (Climate Bond Certified) (the "Subseries 2016A-2 Bonds" and, collectively with the Subseries 2016A-1 Bonds, the "Series 2016A Bonds").

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 2016A Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the "State"), including the Metropolitan Transportation Authority Act, being Title 11 of Article 5 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 MTA duly taken, including a resolution adopted by the members of MTA on March 26, 2002 entitled "General Resolution Authorizing Transportation Revenue Obligations," as supplemented by resolutions of said members adopted on December 19, 2012, and December 16, 2015 (collectively, the "Resolution"). The Series 2016A Bonds are dated, mature and are payable 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 Series 2016A Bonds in order that interest on the Series 2016A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. We have examined the Arbitrage and Use of Proceeds Certificate of MTA, dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which MTA has made representations, statements of intention and reasonable expectation, certifications of fact and covenants relating to the federal tax status of interest on the Series 2016A Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2016A Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates MTA to take certain actions necessary to cause interest on the Series 2016A Bonds to be excluded from gross income pursuant to Section 103 of the Code. Noncompliance with the requirements of the Code could cause interest on the Series 2016A 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. MTA has covenanted in the Resolution to maintain the exclusion of the interest on the Series 2016A Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 6 hereof, we have relied upon and assumed the material accuracy of the representations, statements of intention and reasonable expectation and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Series 2016A Bonds from gross income for federal income tax purposes under Section 103 of the Code and compliance by MTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

A portion of the proceeds of the Series 2016A-2 Bonds is being used to refund certain of the Outstanding Obligations of MTA issued pursuant to the Resolution. Such bonds are as described in the hereinafter defined Escrow Agreement as being refunded with proceeds of the Series 2016A-2 Bonds (the "Refunded Bonds"). A portion of the proceeds of the Series 2016A-2 Bonds, together with any other amounts made available by MTA (the "Defeasance Deposit"), has been used to purchase direct obligations of the United States of America in an aggregate amount sufficient, together with any amounts held uninvested, to pay when due the principal or applicable redemption price and interest due and to become due on said Refunded Bonds (the "Defeasance Requirement"). Such Defeasance Deposit is being held in trust under the escrow agreement, dated February 25, 2016 (the "Escrow Agreement"), by and between MTA and The Bank of New York Mellon, as escrow agent thereunder and as Trustee under the Resolution. MTA has given the Trustee, in form satisfactory to it, irrevocable instructions to give notice in accordance with the Resolution of the redemption of the Refunded Bonds and the deposit of the Defeasance Deposit. Samuel Klein and Company, Certified Public Accountants, have prepared a report stating that they have reviewed the accuracy of the mathematical computations of the adequacy of the Defeasance Deposit, as invested, to pay in full the Defeasance Requirement when due. We have undertaken no independent verification of the adequacy of the Defeasance Deposit.

We have also examined one of said Series 2016A Bonds as executed and, in our opinion, the form of said Series 2016A Bond and its execution are regular and proper.

We are of the opinion that:

1. MTA is duly created and validly existing under the laws of the State, including the Constitution of the State and the Issuer Act.

2. MTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by MTA, is in full force and effect, is valid and binding upon MTA, 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 Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Series 2016A 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 MTA, enforceable in accordance with their terms and the terms of the Resolution, payable solely from the Trust Estate as provided in the Resolution, and are entitled to the benefits of the Issuer Act and the Resolution. MTA has no taxing power and the Series 2016A Bonds are not debts of the State or of any other political subdivision thereof. MTA 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 2016A Bonds.

4. MTA, the holders of the Series 2016A Bonds, or the holders of any evidence of indebtedness of MTA do not and will not have a pledge of or lien on (i) the dedicated mass transportation trust fund established by Section 89-c of the State Finance Law, (ii) the metropolitan transportation authority financial assistance fund established by Section 92-ff of the State Finance Law, (iii) the metropolitan mass transportation operating assistance account established in the mass transportation operating assistance fund pursuant to Section 88-a of the State Finance Law, or (iv) the taxes or moneys deposited therein.

5. The Series 2016A 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 (i) interest on the Series 2016A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2016A Bonds is not treated as a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations under the Code; however, we note that interest is included in the adjusted current earnings of certain corporations for purposes of calculating the federal corporate alternative minimum tax.

7. Under existing statutes, interest on the Series 2016A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

8. The Escrow Agreement has been duly authorized, executed and delivered by MTA and, assuming the due authorization, execution and delivery by the Trustee, the Escrow Agreement is a valid and binding obligation of MTA, enforceable in accordance with its terms. The Refunded Bonds have been paid within the meaning and with the effect expressed in the Resolution, and the covenants, agreements and other obligations of MTA to the holders of the Refunded Bonds have been discharged and satisfied.

The opinions expressed in paragraphs 2, 3 and 8 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 2016A 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 2016A 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 2016A 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 2016A 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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ATTACHMENT 4
REFUNDED BONDS

The following table provides information regarding the Refunded Bonds. The Outstanding Bonds shown below are being refunded. The refunding is contingent upon the delivery of the Subseries 2016A-2 Bonds.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity (November 15)	Interest Rate	Redemption Date	Redemption Price	CUSIP* Number (59259R)
2006A	7/20/2006	$ 4,455,000	-	2017	4.40%	11/15/2016	100%	J88
2006A	7/20/2006	7,340,000	-	2017	5.00	11/15/2016	100	J96
2006A	7/20/2006	12,360,000	-	2018	5.00	11/15/2016	100	K29
2006A	7/20/2006	15,025,000	-	2022	5.00	11/15/2016	100	K60
2006A	7/20/2006	15,775,000	-	2023	5.00	11/15/2016	100	K78
2006A	7/20/2006	17,390,000	-	2025	5.00	11/15/2016	100	K94
2008C	10/23/2008	95,985,000	$24,015,000	2023	6.25	11/15/2018	100	8N7
2008C	10/23/2008	197,695,000	67,305,000	2028	6.50	11/15/2018	100	8P2

Refunded Bonds will be credited against the following mandatory redemption dates:

$95,985,000, 6.25% Series 2008C Term Bonds Due November 15, 2023
CUSIP* Number: 59259R 8N7

November 15	Refunded Amount
2019	$16,940,000
2020	18,000,000
2021	19,130,000
2022	20,320,000
2023	21,595,000

$197, 695,000, 6.50% Series 2008C Term Bonds Due November 15, 2028
CUSIP* Number: 59259R 8P2

November 15	Refunded Amount
2024	$37,235,000
2025	39,655,000
2026	42,230,000
2027	44,975,000
2028	33,600,000

* CUSIP numbers have been assigned by an independent company not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

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