



\$500,000,000
METROPOLITAN TRANSPORTATION AUTHORITY
Payroll Mobility Tax Bond Anticipation Notes,
Series 2024A (Federally Taxable)

DATED: Date of Delivery

DUE: As shown on the inside cover page

The Metropolitan Transportation Authority's (MTA) Payroll Mobility Tax Bond Anticipation Notes, Series 2024A (Federally Taxable) (the Series 2024A Notes) offered hereby are issued in accordance with the terms and provisions of the Metropolitan Transportation Authority Payroll Mobility Tax Obligation Resolution adopted on November 18, 2020 (MTA PMT Resolution), as supplemented, including as supplemented by the Multiple Credit and Series 2024 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations adopted by MTA on December 20, 2023 (the Supplemental Resolution, and together with the MTA PMT Resolution, the Resolution).

The Series 2024A Notes are being issued to (i) finance working capital and all other expenditures of MTA and certain of its affiliates and subsidiaries relating to its transit and commuter systems incident to and necessary or convenient to carry out their purposes and powers (Working Capital Expenditures), and (ii) pay certain financing, legal and miscellaneous expenses. See "APPLICATION OF PROCEEDS" herein.

Principal of and interest on the Series 2024A Notes are secured under the Resolution solely from (1) the proceeds of other notes, (2) the proceeds of one or more series of bonds issued to retire the Series 2024A Notes (the Take-Out Bonds), and (3) with respect to interest payable on the Series 2024A Notes, amounts available for the payment of subordinated indebtedness. While the foregoing sources are pledged to secure the repayment of principal and interest on the Series 2024A Notes, the Resolution authorizes use of other legally available sources, and MTA currently expects to use other legally available sources, to pay the principal and interest on the Series 2024A Notes at maturity. The Series 2024A Notes are not secured by any other funds, accounts or amounts that are pledged to the payment of bonds or parity obligations issued under the Resolution. See "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2024A NOTES".

The Series 2024A Notes 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, and the State, the City and other local government units are not liable thereon. 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, interest on the Series 2024A Notes is not excluded from gross income for federal income tax purposes. Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2024A Notes is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See "TAX MATTERS" herein for a discussion of certain federal and State income tax matters.

The Series 2024A Notes are not subject to redemption prior to maturity.

The Series 2024A Notes 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 March 20, 2024.

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 2024A Notes. Investors are advised to read the entire offering memorandum, including all portions hereof included by specific cross-reference, to obtain information essential to making an informed decision.

\$500,000,000
METROPOLITAN TRANSPORTATION AUTHORITY
Payroll Mobility Tax Bond Anticipation Notes,
Series 2024A (Federally Taxable)

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number[†]</u> <u>(59261C)</u>
December 19, 2024	\$300,000,000	5.37%	AF0
December 19, 2024	50,000,000	5.25	AD5
December 19, 2024	50,000,000	5.29	AB9
December 19, 2024	50,000,000	5.35	AE3
December 19, 2024	50,000,000	5.50	AC7

[†] The 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 2024A Notes. MTA is not responsible for the selection or uses of the CUSIP numbers, nor is any representation made as to their correctness on the Series 2024A Notes or as indicated above. The CUSIP numbers are subject to being changed after the issuance of the Series 2024A Notes as a result of various subsequent actions including, but not limited to, as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2024A Notes.

Metropolitan Transportation Authority
2 Broadway
New York, New York 10004
(212) 878-7000
Website: <https://new.mta.info>

John N. Lieber	Chair and Chief Executive Officer
Andrew B. Albert	Non-Voting Member
Jamey Barbas	Member
Gerard Bringmann	Non-Voting Member
Norman E. Brown	Non-Voting Member
Samuel Chu	Member
Michael Fleischer	Member
Randolph Glucksman	Non-Voting Member
David R. Jones	Member
Blanca P. López	Member
David S. Mack	Member
Haeda B. Mihaltses	Member
Frankie Miranda	Member
John-Ross Rizzo	Member
John Samuelsen	Non-Voting Member
Lisa Sorin	Member
Vincent Tessitore, Jr.	Non-Voting Member
Midori Valdivia	Member
Neal Zuckerman	Member

Kevin Willens	Chief Financial Officer
Paige Graves	General Counsel
Olga Chernat	Deputy Chief, Financial Services

NIXON PEABODY LLP
New York, New York

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

Co-Bond Counsel

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

SYCAMORE ADVISORS, LLC
New York, New York

Co-Financial Advisors

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

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

SUMMARY OF TERMS

MTA has prepared this Summary of Terms to describe the specific terms of the Series 2024A Notes. The information in this offering memorandum, 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 Series 2024A Notes and the Payroll Mobility Tax Senior Lien Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2024A Notes being offered.

Issuer.....	Metropolitan Transportation Authority, a public benefit corporation of the State of New York, hereinafter referred to as MTA.								
Notes Being Offered	MTA Payroll Mobility Tax Bond Anticipation Notes, Series 2024A (Federally Taxable) (the Series 2024A Notes).								
Purpose of Issue	The Series 2024A Notes are being issued to (i) finance working capital and all other expenditures of MTA and certain of its affiliates and subsidiaries relating to its transit and commuter systems incident to and necessary or convenient to carry out their purposes and powers (Working Capital Expenditures), (ii) pay certain financing, legal and miscellaneous expenses. See “APPLICATION OF PROCEEDS” in Part I .								
Maturity and Rates.....	The Series 2024A Notes mature on the date and bear interest at the rates shown on the inside cover page.								
Denominations	The Series 2024A Notes will be sold in denominations of \$5,000 or any integral multiple thereof.								
Interest Payment Dates.....	Interest on the Series 2024A Notes shall be paid at maturity. See “DESCRIPTION OF THE SERIES 2024A NOTES – General – Interest Payments” in Part I .								
No Redemption	The Series 2024A Notes are not subject to redemption prior to maturity.								
Sources of Payment and Security.....	Principal of and interest on the Series 2024A Notes are secured under the Resolution solely from (1) the proceeds of other notes, (2) the proceeds of one or more series of bonds issued to retire the Series 2024A Notes (the Take-Out Bonds), and (3) with respect to interest payable on the Series 2024A Notes, amounts available for the payment of subordinated indebtedness. While the foregoing sources are pledged to secure the repayment of principal and interest on the Series 2024A Notes, the Resolution authorizes use of other legally available sources, and MTA currently expects to use other legally available sources, to pay the principal and interest on the Series 2024A Notes at maturity. The Series 2024A Notes are not secured by any other funds, accounts or amounts that are pledged to the payment of bonds or parity obligations issued under the Resolution. See “SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2024A NOTES” in Part I .								
Registration of the Series 2024A Notes	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a note 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	<table border="0" style="margin-left: 20px;"> <tr> <td style="text-align: right;"><u>Rating Agency</u></td> <td style="text-align: left;"><u>Rating</u></td> </tr> <tr> <td style="text-align: right;">Fitch:</td> <td style="text-align: left;">F1+</td> </tr> <tr> <td style="text-align: right;">KBRA:</td> <td style="text-align: left;">K1+</td> </tr> <tr> <td style="text-align: right;">S&P:</td> <td style="text-align: left;">SP-1+</td> </tr> </table> <p style="margin-left: 20px;">See “RATINGS” in Part III.</p>	<u>Rating Agency</u>	<u>Rating</u>	Fitch:	F1+	KBRA:	K1+	S&P:	SP-1+
<u>Rating Agency</u>	<u>Rating</u>								
Fitch:	F1+								
KBRA:	K1+								
S&P:	SP-1+								
Co-Financial Advisors	Public Resources Advisory Group, Inc., New York, New York, and Sycamore Advisors, LLC, New York, New York.								
Purchase Price.....	See “UNDERWRITING” in Part III .								

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

-
- ***No Unauthorized Offer.*** This offering memorandum is not an offer to sell, or the solicitation of an offer to buy, the Series 2024A Notes 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 2024A Notes, except as set forth in this offering memorandum. No other information or representations should be relied upon.
 - ***No Contract or Investment Advice.*** This offering memorandum is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this offering memorandum and the Series 2024A Notes being offered, and anything else related to this note 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 offering memorandum 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 offering memorandum.
 - ***Forward-Looking Statements.*** Many statements contained in this offering memorandum, including the appendices and documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA's beliefs, in each case, as well as assumptions made by, and information currently available to, the management and staff of MTA as of the date of this offering memorandum. 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 offering memorandum. 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, and they 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 forward-looking statements set forth in this offering memorandum, which is solely the product of MTA and its affiliates and subsidiaries as of the date of this offering memorandum, and the independent auditors assume no responsibility for its content. These forward-looking statements speak only as of the date of this offering memorandum.
 - ***Projections.*** The projections set forth in this offering memorandum 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 managements' 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 offering memorandum 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 they 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 offering memorandum, which is solely the product of MTA and its affiliates and subsidiaries as of the date of this offering memorandum, 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 offering memorandum. The audit report of Deloitte & Touche LLP relating to MTA's consolidated financial statements for the years ended December 31, 2022 and 2021, which is a matter of public record, is included by specific cross-reference in this offering memorandum. Deloitte & Touche LLP has not been asked to consent to the inclusion, or incorporation by

reference, of its audit report in this offering memorandum. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of MTA for the nine-month period ended September 30, 2023. As indicated in the review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expresses no opinion on that information. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2023 (except for the auditor's review report accompanying the consolidated interim financial information) is included in this offering memorandum 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 offering memorandum, since the date of such review report which is not included by reference herein.

- *Website Addresses.* References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this offering memorandum for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof.

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY OF TERMS	iii
INTRODUCTION	1
MTA, MTA Bridges and Tunnels and Other Related Entities	1
Information Provided in MTA Disclosure	2
Where to Find Information	2
Anticipated Debt Issuance	3
PART I. SERIES 2024A NOTES	4
APPLICATION OF PROCEEDS	4
DESCRIPTION OF THE SERIES 2024A NOTES	4
General	4
No Redemption Prior to Maturity	4
SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2024A NOTES	4
DEBT SERVICE	5
PART II. SOURCES OF PAYMENT AND SECURITY FOR THE MTA PMT BONDS	7
SOURCES OF PAYMENT	7
PMT Receipts	7
Factors Affecting Revenues	16
SECURITY	19
Flow of PMT Receipts	20
Pledge Effected by the MTA PMT Resolution	22
Debt Service Fund	25
Covenants	25
Parity Debt	26
Subordinate Obligations and Obligation Anticipation Notes	26
Agreements of the State	26
PART III. OTHER INFORMATION ABOUT THE SERIES 2024A NOTES	27
TAX MATTERS	27
Federal Income Taxes	27
LEGALITY FOR INVESTMENT	33
LITIGATION	34
CO-FINANCIAL ADVISORS	34
UNDERWRITING	34
RATINGS	35
LEGAL MATTERS	36
CONTINUING DISCLOSURE	36
FURTHER INFORMATION	36
Attachment 1 – Book-Entry-Only System	
Attachment 2 – Copy of Master Continuing Disclosure Agreement	
Attachment 3 – Form of Approving Opinions of Co-Bond Counsel	
Attachment 4 – Third Quarterly Update to the ADS, dated March 6, 2024	

Information Included by Specific Cross-reference. The following portions of MTA’s 2023 Combined Continuing Disclosure Filings, dated April 28, 2023, as supplemented on July 5, 2023, as updated by the First Quarterly Update, dated July 28, 2023, as updated by the Second Quarterly Update, dated December 7, 2023, and as updated by the Third Quarterly Update, dated March 6, 2024, each filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB), are included by specific cross-reference in this offering memorandum, along with material that updates this offering memorandum and that is filed with EMMA prior to the delivery date of the Series 2024A Notes, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**);
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2022 and 2021 (including the auditor’s report accompanying the annual financial information)

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

- MTA Payroll Mobility Tax Obligation Resolution
- TBTA Payroll Mobility Tax Obligation Resolution
- Annex A – Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt
- Annex B – Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt
- Annex C – Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations
- Payroll Mobility Tax Financing Agreement by and between MTA and MTA Bridges and Tunnels (Financing Agreement)
- MTA’s Unaudited Consolidated Interim Financial Statements as of and for the nine-month period ended September 30, 2023 (excluding the auditor’s review report accompanying the interim financial information)

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

The Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2022 and 2021, incorporated by specific cross-reference in this offering memorandum, have been audited by Deloitte & Touche LLP, certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP has not reviewed, commented on or approved, and is not associated with, this offering memorandum. The audit report of Deloitte & Touche LLP relating to the MTA’s consolidated financial statements for the years ended December 31, 2022 and 2021, which is a matter of public record, is included by specific cross-reference in this offering memorandum. Deloitte & Touche LLP has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this offering memorandum. The consolidated interim financial information for the nine-month period ended September 30, 2023 (except for the auditor’s review report accompanying the consolidated interim financial information), has also been incorporated by

specific cross-reference in this offering memorandum. 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 offering memorandum, since the date of such review report, which is not included by reference herein.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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; the MTA Construction and Development Company; and the MTA Grand Central Madison Concourse Operating 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 secured by bridge and tunnel tolls to finance the capital costs of its facilities. MTA Bridges and Tunnels is also empowered to issue debt obligations secured by bridge and tunnel tolls to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA, but has not done so since 2008. MTA Bridges and Tunnels also issues debt obligations secured by non-toll revenues to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA, such as the Payroll Mobility Tax Bonds (the TBTA PMT Bonds) and Sales Tax Revenue Bonds. MTA Bridges and Tunnels’ surplus amounts are also used to fund transit and commuter operations and finance 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 collectively herein as the Related Entities. MTA Bridges and Tunnels is an affiliate, not a subsidiary, of MTA. MTA, MTA Bridges and Tunnels, and the other Related Entities are described in detail in the **ADS**, which is included by specific cross-reference in this offering memorandum.

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

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

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

Information Provided in MTA Disclosure

From time to time, the Governor, the State Comptroller, the Mayor of the City, the City Comptroller, County Executives, State legislators, City Council members and other persons or groups may make public statements, issue reports, institute proceedings or take actions that contain predictions, projections or other information relating to the Related Entities or their financial condition, including potential operating results for the current fiscal year and projected baseline surpluses or gaps for future years, that may vary materially from, question or challenge the information provided in the ADS, this offering memorandum and other offering documents, and information posted to EMMA. 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 Offering Memorandum. This offering memorandum is organized as follows:

- This **Introduction** provides a general description of MTA, MTA Bridges and Tunnels and the other Related Entities.
- **Part I** provides specific information about the Series 2024A Notes and the sources of payment and security for the Series 2024A Notes.
- **Part II** describes the sources of payment and security for all MTA PMT Bonds, including the Take-Out Bonds.
- **Part III** provides miscellaneous information relating to the Series 2024A Notes.
- **Attachment 1** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2024A Notes.
- **Attachment 2** is a conformed copy of the executed Master Continuing Disclosure Agreement relating to PMT Indebtedness.
- **Attachment 3** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2024A Notes.
- **Attachment 4** sets forth a copy of the Third Quarterly Update to the ADS, dated March 6, 2024.

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 offering memorandum. 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 offering memorandum. **This offering memorandum, 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 2024A Notes.** Information included by specific cross-reference in this offering memorandum 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 Available at No Cost. Information filed with the MSRB through EMMA is also available, at no cost, on MTA's website or by contacting MTA, Attn.: Finance Department, at the address on page (i). For important information about MTA's website, see "FURTHER INFORMATION" in **Part III**.

Anticipated Debt Issuance

In addition to the Series 2024A Notes, MTA Bridges and Tunnels is expected to issue \$300 million of tax-exempt Payroll Mobility Tax Bond Anticipation Notes, Series 2024B under the TBTA PMT Resolution (as defined herein) on or about March 20, 2024. Additionally, MTA Bridges and Tunnels is planning to retire its Payroll Mobility Tax Bond Anticipation Notes, Series 2022A prior to or on their maturity date of August 15, 2024.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

PART I. SERIES 2024A NOTES

Part I of this offering memorandum, together with the Summary of Terms, provides specific information about the Series 2024A Notes.

APPLICATION OF PROCEEDS

MTA anticipates that the proceeds of the Series 2024A Notes (the principal amount thereof, plus original issue premium of \$71,500), in the aggregate amount of \$500,071,500, will be used as follows: (i) \$499,324,500 to finance Working Capital Expenditures, and (ii) \$747,000 to pay certain financing, legal and miscellaneous expenses associated with the Series 2024A Notes.

DESCRIPTION OF THE SERIES 2024A NOTES

General

Record Date. The Record Date for the payment of principal of and interest on the Series 2024A Notes shall be the date that is 15 days immediately preceding such payment date.

Book-Entry-Only System. The Series 2024A Notes will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Series 2024A Notes. Individual purchases of the Series 2024A Notes will be made in book-entry-only form, in denominations of \$5,000 or any integral multiple thereof. So long as DTC is the registered owner of the Series 2024A Notes, all payments on the Series 2024A Notes will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – “Book-Entry-Only System”.

Maturity. The Series 2024A Notes will mature and be payable as to principal, as set forth on the inside cover page.

Interest Payments. The Series 2024A Notes will bear interest from the dated date at the per annum rates shown on the inside cover page of this offering memorandum. Interest on the Series 2024A Notes will be paid at maturity, calculated based on a 360-day year comprised of twelve 30-day months. In the event that the payment date is not a Business Day, payment will be made on the next Business Day with the same force and effect as if made on the nominal date set forth herein and no interest shall accrue during the intervening period with respect to any payment so deferred.

Transfers and Exchanges. So long as DTC is the securities depository for the Series 2024A Notes, it will be the sole registered owner of the Series 2024A Notes, and transfers of ownership interests in the Series 2024A Notes will occur through the DTC Book-Entry-Only System.

Trustee. The Bank of New York Mellon, New York, New York, is Trustee with respect to the Series 2024A Notes.

No Redemption Prior to Maturity

The Series 2024A Notes are not subject to redemption prior to maturity.

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2024A NOTES

The Series 2024A Notes are bond anticipation notes issued pursuant to the MTA PMT Resolution and the Supplemental Resolution in anticipation of one or more issues of MTA PMT Bonds to be designated as the Take-Out Bonds.

Principal of and interest on the Series 2024A Notes are secured under the Resolution solely from (1) the proceeds of other notes, (2) the proceeds of the Take-Out Bonds, and (3) with respect to interest payable on the Series 2024A Notes, amounts available for the payment of subordinated indebtedness. While the foregoing sources are pledged to secure the repayment of principal and interest on the Series 2024A Notes, the Resolution authorizes use of other legally available sources, and MTA currently expects to use other legally available sources, to pay the principal and interest on the Series 2024A Notes at maturity. The Series 2024A Notes are not secured by any other funds, accounts or amounts that are pledged to the payment of bonds or parity obligations issued under the Resolution.

MTA covenants in the Supplemental Resolution to maintain issuance capacity pursuant to the MTA PMT Resolution to issue the Take-Out Bonds or additional bond anticipation notes in an amount sufficient to pay the principal of and interest on the Series 2024A Notes when due.

DEBT SERVICE

Table 1 on the next page sets forth, on a cash basis, the aggregate debt service on all Payroll Mobility Tax Senior Lien Bonds, including MTA Bridges and Tunnels Payroll Mobility Tax Senior Lien Bonds and MTA Payroll Mobility Tax Senior Lien Bonds, outstanding as of the date of issuance of the Series 2024A Notes. There are currently no Payroll Mobility Tax Senior Lien Bonds outstanding under the MTA PMT Resolution. See second paragraph under “SOURCES OF PAYMENT AND SECURITY FOR THE BONDS” in **Part II. Table 1** does not include debt service on outstanding Payroll Mobility Tax Bond Anticipation Notes, constituting PMT Obligation Anticipation Notes. See “SOURCES OF PAYMENT AND SECURITY FOR THE MTA PMT BONDS – SECURITY – Subordinate Obligations and Obligation Anticipation Notes” in **Part II. Table 1** includes certain assumptions for debt service on outstanding “Balloon Obligations,” including the Payroll Mobility Tax Senior Lien Green Bonds, Series 2022E (the Series 2022E Bonds) and the Payroll Mobility Tax Senior Lien Green Bonds, Series 2023B (the Series 2023B Bonds). MTA Bridges and Tunnels expects to refinance the Series 2022E Bonds and the Series 2023B Bonds on or prior to their respective maturity dates. MTA Bridges and Tunnels does not expect to deposit with the Trustee any PMT Receipts for the payment of any principal installments on the Series 2022E Bonds and the Series 2023B Bonds on or prior to the expected refinancings thereof. See “SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SECURITY – Covenants” in **Part II.**

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 1
Aggregate PMT Senior Lien Debt Service
(\$ in thousands)⁽¹⁾

Year Ending December 31	Debt Service on Outstanding TBTA PMT Bonds⁽²⁾⁽³⁾⁽⁴⁾	Debt Service on Outstanding MTA PMT Bonds⁽³⁾	Aggregate Debt Service⁽⁵⁾
2024	\$626,261	\$ -	\$626,261
2025	508,464	-	508,464
2026	657,085	-	657,085
2027	609,377	-	609,377
2028	636,229	-	636,229
2029	665,596	-	665,596
2030	551,714	-	551,714
2031	575,789	-	575,789
2032	464,225	-	464,225
2033	509,796	-	509,796
2034	540,337	-	540,337
2035	568,273	-	568,273
2036	563,510	-	563,510
2037	599,726	-	599,726
2038	571,147	-	571,147
2039	522,215	-	522,215
2040	736,986	-	736,986
2041	658,355	-	658,355
2042	625,390	-	625,390
2043	554,726	-	554,726
2044	449,599	-	449,599
2045	464,528	-	464,528
2046	464,381	-	464,381
2047	516,796	-	516,796
2048	524,411	-	524,411
2049	524,004	-	524,004
2050	523,683	-	523,683
2051	509,849	-	509,849
2052	400,801	-	400,801
2053	163,887	-	163,887
2054	163,823	-	163,823
2055	137,864	-	137,864
2056	137,799	-	137,799
2057	106,174	-	106,174
2058	29,564	-	29,564
2059	29,568	-	29,568
Total	\$16,891,932	\$ -	\$16,891,932

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ Includes the following assumption for debt service: floating rate notes at an assumed rate of 4.0% plus the current fixed spread; fixed rate mandatory tender bonds bear interest at their respective fixed interest rates prior to the mandatory tender date until the final maturity date; interest paid monthly, calculated on the basis of a 360-day year consisting of twelve 30-day months for floating rate notes.

⁽³⁾ Excludes debt service on all outstanding Bond Anticipation Notes, which constitute PMT Obligation Anticipation Notes, the principal of which is not secured by PMT Receipts and interest on which is secured by PMT Receipts on a subordinate basis to PMT Senior Lien Indebtedness. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SECURITY – Subordinate Obligations and Obligation Anticipation Notes" in **Part II** hereof.

⁽⁴⁾ For bonds that are designated as "Balloon Obligations" under the TBTA PMT Resolution (which totals \$1,300,200,000 principal amount of the Series 2022E Bonds and Series 2023B Bonds), figures assume interest only on the aggregate principal amount at their respective fixed interest rates or assumed interest rates, as applicable, through their respective maturity dates, and thereafter, estimated debt service on the refinancings of the Balloon Obligations. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS-SECURITY-Covenants."

⁽⁵⁾ Figures reflect amounts outstanding as of the date of issuance of the Series 2024A Notes.

PART II. SOURCES OF PAYMENT AND SECURITY FOR THE MTA PMT BONDS

Part II of this offering memorandum describes the sources of payment and security for all MTA PMT Bonds, including the Take-Out Bonds. As described in **Part I** under “SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2024A NOTES”, the Series 2024A Notes are secured under the Resolution solely from proceeds of the Take-Out Bonds, as well as proceeds of other notes and with respect to interest payable on the Series 2024A Notes, amounts available for the payment of subordinated indebtedness.

The MTA Payroll Mobility Tax Obligation Resolution (MTA PMT Resolution), adopted by the MTA Board on November 18, 2020, permits MTA to issue bonds for approved Capital Program transit and commuter projects and for working capital and all other expenditures of MTA and certain of its affiliates and subsidiaries relating to its transit and commuter systems incident to and necessary or convenient to carry out their purposes and powers. Capital Program Review Board (CPRB) approval would be required prior to the issuance of bonds for approved Capital Program transit and commuter projects, but not for obligations issued for the purposes referenced in the preceding sentence. MTA has no plans to seek CPRB approval in the immediate future for capital program issuances under the MTA PMT Resolution. On December 20, 2023, the MTA Board approved the issuance of up to \$1.2 billion of debt obligations for Working Capital Expenditures, all or a portion of which could be issued in 2024. The MTA Bridges and Tunnels Payroll Mobility Tax Obligation Resolution (TBTA PMT Resolution) was deemed approved by the CPRB on March 17, 2021. On March 17, 2021, the MTA Bridges and Tunnels Board adopted the TBTA PMT Resolution to authorize the issuance of TBTA PMT Bonds to finance MTA-approved Capital Program transit and commuter projects. MTA Bridges and Tunnels has issued bonds under the TBTA PMT Resolution for approved Capital Program transit and commuter projects since 2021.

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

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

SOURCES OF PAYMENT

PMT Receipts

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

Mobility Tax Receipts

The Payroll Mobility Tax. The Payroll Mobility Tax (PMT) is a tax imposed on certain employers and individuals engaging in business in the Metropolitan Commuter Transportation District (MCTD). The MCTD, which is subject to the imposition of the PMT, includes New York City (the counties of New York (Manhattan), Bronx, Kings (Brooklyn), Queens and Richmond (Staten Island)) and the counties of Rockland, Nassau, Suffolk, Orange, Putnam, Dutchess, and Westchester. The PMT is collected by the Commissioner of Taxation and Finance, and deposited to the segregated account held in trust by the State Comptroller for MTA. Revenue from the PMT is not subject to appropriation, and is payable monthly directly to MTA. Immediately upon their receipt, MTA is required to transfer the Mobility Tax Receipts to the Mobility Tax Receipts Subaccount in accordance with the terms of the Financing Agreement.

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

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

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

PMT Legislation in the State Fiscal Year 2023-2024 Enacted Budget. The State Fiscal Year 2023-2024 Enacted Budget included legislation which increased, effective as of July 1, 2023, the maximum rate of the PMT for employers with payroll expense of over \$437,500 in any calendar quarter engaging in business in the MCTD in the counties of Bronx, Kings, New York, Queens and Richmond (the counties which comprise New York City) from 0.34% to 0.60%. The legislation also increased the rate of the PMT imposed on self-employed individuals with net earnings allocated to the MCTD of over \$50,000 for the tax year engaging in business in the MCTD in the counties of Bronx, Kings, New York, Queens and Richmond from 0.34% to 0.47%, such increase effective at the start of the tax year beginning on or after January 1, 2023, and from 0.47% to 0.60%, such increase to become effective at the start of the tax year beginning on or after January 1, 2024. No change was made to the existing rates of the PMT on employers and self-employed individuals engaging in business in the MCTD in the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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

<u>Payroll Expense for Calendar Quarter</u>	<u>Tax Rate on Payroll Expense</u>	<u>Employers Engaged in Business in</u>
Under \$312,500	Not subject to PMT	--
Over \$312,500 but not over \$375,000	0.11%	All counties in MCTD
Over \$375,000 but not over \$437,500	0.23%	All counties in MCTD
Over \$437,500	0.34%	Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester
Over \$437,500	0.60%	Bronx, Kings, New York, Queens and Richmond

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

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

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

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

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

4) *Residence* - If the employee resides in the MCTD and performs some services in the MCTD.

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

Individuals with net earnings from self-employment. Individuals who have net earnings from self-employment allocated to the MCTD are also subject to the PMT. However, if total net earnings from self-employment allocated to the MCTD are \$50,000 or less for the tax year, no PMT is due. Net earnings from self-employment engaged in business in the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester are taxed at a flat rate of 0.34% of total net earnings allocated to the MCTD, and net earnings from self-employment engaged in business in the counties of Bronx, Kings, New York, Queens and Richmond are taxed at a flat rate of 0.60% of total net earnings allocated to the MCTD (in each case, subject to the minimum \$50,000 annual earnings threshold described in the preceding sentence). Self-employed individuals which may be subject to the PMT include sole proprietors, partners in partnerships, members of limited liability companies (LLCs) treated as partnerships for federal income tax purposes and certain single-member LLCs. Certain church employees, members of the clergy and Christian Science practitioners (those who are not subject to federal self-employment taxes) are also not subject to the PMT. See “SOURCES OF PAYMENT – PMT Receipts- Mobility Tax Receipts – PMT Legislation in the State Fiscal Year 2023-2024 Enacted Budget.”

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

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

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

Certain MCTD Employment and Wage Base Information

The PMT and the collection thereof are related to, among other things, employment and wages in the MCTD. The following **Table 2** sets forth estimated employment in the MCTD and in New York State (by place of work) since 2013, the percentage change in employment from the preceding calendar year, and employment in the MCTD as a percent of New York statewide employment.

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

Calendar Year	MCTD Employment⁽¹⁾	% Change from Previous Year	NY Statewide Employment⁽¹⁾	MCTD Employment as a % of NY Statewide Employment
2013	8,122,658	--	11,619,011	69.9%
2014	8,350,259	2.8%	11,865,761	70.4
2015	8,561,914	2.5	12,099,197	70.8
2016	8,706,929	1.7	12,259,166	71.0
2017	8,827,321	1.4	12,391,361	71.2
2018	9,059,644	2.6	12,655,123	71.6
2019	9,159,573	1.1	12,745,758	71.9
2020	8,498,672	-7.2	11,871,619	71.6
2021	8,774,380	3.2	12,227,874	71.8
2022	9,311,744	6.1	12,892,046	72.2

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

⁽¹⁾ Employment estimates based on data last updated by U.S. BEA on November 16, 2023.

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

The following **Table 3** sets forth estimated wages, salaries and proprietors' income in the MCTD (by place of work) since 2013, the percentage change from the preceding calendar year, and the MCTD's wages, salaries and proprietors' income as a percent of New York statewide wages, salaries and proprietors' income.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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

Calendar Year	MCTD Wages, Salaries and Proprietors' Income (\$ in millions) ⁽¹⁾	% Change from Previous Year	MCTD as a % of NY Statewide Wages, Salaries and Proprietors' Income
2013	\$531,988	--	79.0%
2014	556,571	4.6%	79.5
2015	576,886	3.6	79.6
2016	602,086	4.4	79.9
2017	641,352	6.5	80.3
2018	674,537	5.2	80.6
2019	699,899	3.8	80.6
2020	690,543	-1.3	80.4
2021	749,690	8.6	80.6
2022	785,392	4.8	80.3

Source: U.S. BEA

⁽¹⁾ Wages, salaries and proprietor's income estimates based on data last updated by U.S. BEA on November 16, 2023. Proprietors' income includes the inventory valuation adjustment and the capital consumption adjustment.

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

Statistical information and calculations contained in **Table 2** and **Table 3** are based on data obtained from the U.S. BEA. MTA cannot guarantee the accuracy of such information, assure its completeness or warrant that such information will not be changed, modified or otherwise revised subsequent to the date thereof. MTA has no obligation to update any or all of such information and MTA does not make any express or implied warranties or representations as to its accuracy or completeness.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Historical Mobility Tax Receipts

The following **Table 4** sets forth, on a cash basis, MTA’s total annual Mobility Tax Receipts since 2013, as well as the percentage change from the preceding calendar year.

**Table 4
Historical Annual Mobility Tax Receipts**

Calendar Year	Mobility Tax Receipts (\$ in millions)	% Change from Previous Year
2013	\$1,215.3	--
2014	1,262.6	3.9%
2015	1,316.9	4.3
2016	1,372.8	4.2
2017	1,435.6	4.6
2018	1,482.9	3.3
2019	1,560.5	5.2
2020	1,560.8	0.0
2021	1,713.2	9.8
2022	1,796.9	4.9
2023 ⁽¹⁾	2,232.9	24.3

Source: MTA Management

⁽¹⁾ The increase in Mobility Tax Receipts in 2023 reflected the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City during 2023.

ATA Receipts

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

ATA Receipts are derived from activities conducted in the MCTD at the collection rates listed in the following table. For a historical breakdown of ATA Receipts by category, see “Revenues of the Related Entities – Payroll Mobility Tax, PMT Offset, and MTA Aid Trust Account Receipts – *ATA Receipts*” in Part 2 of the ADS.

Source	Collection Rate	Collection Area
Driver’s License Fee	\$1.00 per 6 months ⁽¹⁾	MCTD
Auto Registration Fee	\$25 every year ⁽²⁾	MCTD
Taxicab Surcharge	\$0.50 per ride	Any taxi ride starting in New York City and ending within the MCTD
Auto Rental Tax	6% of the cost of the rental ⁽³⁾	MCTD

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

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

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

⁽³⁾ Raised from 5% in 2019.

Historical ATA Receipts

The following **Table 5** sets forth, on a cash basis, MTA's total annual ATA Receipts since 2013, as well as the percentage change from the preceding calendar year.

Table 5
Historical Annual ATA Receipts

Calendar Year	ATA Receipts (\$ in millions)	% Change from Previous Year
2013	\$302.9	--
2014	313.2	3.4%
2015 ⁽¹⁾	284.8	-9.1
2016	300.3	5.5
2017	306.2	2.0
2018 ⁽¹⁾	272.6	-11.0
2019	311.0	14.1
2020 ⁽¹⁾	248.8	-20.0
2021	263.3	5.8
2022	263.3	0.0
2023	273.6	3.9

Source: MTA Management

⁽¹⁾ The decline in ATA Receipts from 2014 to 2015 reflected a decline in taxicab surcharge receipts due to a reduction in pickups by yellow- and green-metered taxicabs, which are subject to the taxicab surcharge. This was a result of an increase in the market share of smartphone app-driven providers into the area, such as Uber and Lyft, which are not subject to the \$0.50 taxicab surcharge. The change from 2017 to 2018 reflects an expansion of For-Hire Vehicle trips taken (from providers such as Uber and Lyft) as acceptance of these providers grew. The change from 2019 to 2020 reflects the impacts of the COVID-19 pandemic.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Historical PMT Receipts

The following **Table 6A** sets forth, on a cash basis, annual combined Mobility Tax Receipts and ATA Receipts (collectively, PMT Receipts) since 2013, and the percentage change in total PMT Receipts from the preceding calendar year.

Table 6A
Historical Annual Combined Mobility Tax Receipts and ATA Receipts
(PMT Receipts)⁽¹⁾

Calendar Year	Mobility Tax Receipts (\$ in millions)	ATA Receipts (\$ in millions)	PMT Receipts (\$ in millions)	% Change PMT Receipts from Previous Year
2013	\$1,215.3	\$302.9	\$1,518.1	--
2014	1,262.6	313.2	1,575.8	3.8%
2015 ⁽²⁾	1,316.9	284.8	1,601.7	1.6
2016	1,372.8	300.3	1,673.1	4.5
2017	1,435.6	306.2	1,741.8	4.1
2018 ⁽²⁾	1,482.9	272.6	1,755.5	0.8
2019	1,560.5	311.0	1,871.5	6.6
2020 ⁽²⁾	1,560.8	248.8	1,809.7	-3.3
2021	1,713.2	263.3	1,976.6	9.2
2022	1,796.9	263.3	2,060.2	4.2
2023 ⁽³⁾	2,232.9	273.6	2,506.6	21.7

Source: MTA Management

⁽¹⁾ Numbers may not total due to rounding.

⁽²⁾ The decline in ATA Receipts from 2014 to 2015 reflected a decline in taxicab surcharge receipts due to a reduction in pickups by yellow- and green-metered taxicabs, which are subject to the taxicab surcharge. This was a result of an increase in the market share of smartphone app-driven providers into the area, such as Uber and Lyft, which are not subject to the \$0.50 taxicab surcharge. The change from 2017 to 2018 reflects an expansion of For-Hire Vehicle trips taken (from providers such as Uber and Lyft) as acceptance of these providers grew. The change from 2019 to 2020 reflects the impacts of the COVID-19 pandemic.

⁽³⁾ The increase in Mobility Tax Receipts in 2023 reflected the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City during 2023.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

PMT Receipts Coverage of Debt Service

The following Table 6B sets forth, on a cash basis, (i) actual PMT Receipts in 2021 through 2023 and budgeted PMT Receipts in 2024; (ii) actual debt service paid in 2021 through 2023 and budgeted debt service in 2024 on TBTA PMT Bonds; and, (iii) debt service coverage from PMT Receipts. In 2024, the PMT Receipts and debt service in Table 6B reflect amounts for the 2024 Adopted Budget contained in the MTA February Financial Plan 2024-2027 (the February Financial Plan). PMT Receipts in 2023 and budgeted PMT Receipts in 2024 reflect the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City as set forth in the PMT legislation in the State Fiscal Year 2023-2024 Enacted Budget. See “SOURCES OF PAYMENT – PMT Receipts – Mobility Tax Receipts – PMT Legislation in the State Fiscal Year 2023-2024 Enacted Budget.”

**Table 6B
Historical and Projected PMT Receipts and Debt Service Coverage
Calendar Year**

	Actual 2021	Actual 2022	Actual 2023	Budgeted 2024
PMT Receipts (\$ in millions)⁽¹⁾				
Mobility Tax Receipts	\$1,713.2	\$1,796.9	\$2,232.9	\$3,020.5
ATA Receipts	263.3	263.3	273.6	282.9
Total Available	\$1,976.6	\$2,060.2	\$2,506.6	\$3,303.4
Debt Service (\$ in millions)⁽²⁾	\$31.2	\$167.0	\$364.1	\$653.2
Debt Service Coverage Ratio	63.35x	12.34x	6.9x	5.1x

Source: MTA Management

⁽¹⁾ Numbers may not total due to rounding. The increase in PMT Receipts in 2023 and 2024 reflects the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City during 2023. PMT Receipts in 2024 are as budgeted in the February Financial Plan.

⁽²⁾ Debt service in 2024 is as budgeted in the February Financial Plan, and debt service in 2021-2023 reflects actual debt service paid. See footnotes under Table 1 for certain assumptions used for calculating debt service.

Factors Affecting Revenues

Amount of PMT Receipts. While the COVID-19 pandemic has had a substantially adverse impact on MTA revenues and operations, historical Mobility Tax Receipts and ATA Receipts have demonstrated the relative resilience of the broad-based PMT Receipts, as shown in Tables 4, 5 and 6A above and in Tables 7, 8 and 9 below.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 7 sets forth, on a cash basis, monthly Mobility Tax Receipts for 2023 and 2024 (through February), with percentage change comparisons. In 2024, Mobility Tax Receipts collected through the end of February were approximately 84.5% higher than Mobility Tax Receipts collected through the same period in 2023, primarily due to the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City as set forth in the PMT legislation in the State Fiscal Year 2023-2024 Enacted Budget. See “SOURCES OF PAYMENT – PMT Receipts – Mobility Tax Receipts – *PMT Legislation in the State Fiscal Year 2023-2024 Enacted Budget*”.

Table 7
Monthly Mobility Tax Receipts⁽¹⁾

Month	2023 Monthly Mobility Tax Receipts (\$ in millions)	2024 Monthly Mobility Tax Receipts (\$ in millions)	% Change 2024 vs 2023
January ⁽²⁾⁽³⁾	\$ 32.7	\$ 68.0	107.7%
February ⁽³⁾	188.3	339.7	80.5
March	177.6		
April	181.6		
May	158.0		
June	159.9		
July	130.6		
August	162.2		
September	191.6		
October	164.1		
November	287.2		
December ⁽²⁾	399.1		
Total	\$2,232.9		

Source: MTA Management

- (1) Numbers may not total due to rounding.
- (2) Mobility Tax Receipts received by MTA tend to be higher in the month of December, followed by lower Mobility Tax Receipts in the month of January, due to a statutory provision which requires the State Comptroller to transfer to MTA by the final business day in December all then collected Mobility Tax Receipts.
- (3) The increase in Mobility Tax Receipts in 2024 through February from the same period in 2023 reflected the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 8 sets forth, on a cash basis, quarterly ATA Receipts for 2022 and 2023, with percentage change comparisons. In 2023, preliminary ATA Receipts collected were approximately 3.9% higher than ATA Receipts collected in 2022.

Table 8
Quarterly ATA Receipts⁽¹⁾

Quarter Ending	2022 ATA Receipts (\$ in millions)	2023 ATA Receipts (\$ in millions)	% Change 2023 vs 2022
March	\$60.0	\$64.4	7.3%
June	63.7	72.4	13.6
September	70.7	68.8	-2.7
December	68.9	68.0	-1.3
Total	\$263.3	\$273.6	

Source: MTA Management

⁽¹⁾ Numbers may not total due to rounding.

Table 9 sets forth, on a cash basis, combined monthly Mobility Tax Receipts and quarterly ATA Receipts (collectively, PMT Receipts) for 2023 and 2024 (through February) with percentage change comparisons. In 2024, PMT Receipts collected through the end of February were approximately 84.5% higher than PMT Receipts collected through the same period in 2023.

Table 9
Combined Monthly Mobility Tax Receipts and Quarterly ATA Receipts (PMT Receipts)⁽¹⁾

Month	2023 PMT Receipts (\$ in millions)	2024 PMT Receipts (\$ in millions)	% Change 2024 vs 2023
January ⁽²⁾	\$ 32.7	\$ 68.0	107.7%
February	188.3	339.7	80.5
March ⁽³⁾	242.0		
April	181.6		
May	158.0		
June ⁽³⁾	232.3		
July	130.6		
August ⁽⁴⁾	162.2		
September ⁽³⁾⁽⁴⁾	260.5		
October ⁽⁴⁾	164.1		
November ⁽⁴⁾	287.2		
December ⁽²⁾⁽³⁾⁽⁴⁾	467.1		
Total	\$2,506.6		

Source: MTA Management

⁽¹⁾ Numbers may not total due to rounding.

⁽²⁾ Mobility Tax Receipts received by MTA tend to be higher in the month of December, followed by lower Mobility Tax Receipts in the month of January, due to a statutory provision which requires the State Comptroller to transfer to MTA by the final business day in December all then collected Mobility Tax Receipts.

⁽³⁾ Numbers reflect quarterly ATA Receipts in addition to monthly Mobility Tax Receipts.

⁽⁴⁾ The increase in Mobility Tax Receipts in 2024 through February from the same period in 2023 reflected the increases to the maximum rate of the PMT for certain employers and self-employed individuals within the City.

Legislative Changes. The State is not restricted in its right to amend, repeal, modify or otherwise alter statutes imposing or relating to the sources of PMT Receipts or the taxes that are the source of such PMT Receipts. However, the State has authorized MTA and MTA Bridges and Tunnels to include in their respective PMT Resolutions, for the benefit of the holders of their respective bonds, its agreement that the State will not limit or alter the rights vested in MTA or MTA Bridges and Tunnels to fulfill the terms of any agreements made by MTA or MTA Bridges and Tunnels with the holders of its notes, bonds and lease obligations, including the TBTA PMT Bonds and the MTA PMT Bonds, or in any way impair the rights and remedies of such holders. See “SOURCES OF PAYMENT – PMT Receipts – Mobility Tax Receipts – *PMT Legislation in the State Fiscal Year 2023-2024 Enacted Budget.*” See also “SECURITY - Agreements of the State” below.

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

Information Relating to the State. Information relating to the State, including the Annual Information Statement of the State, as amended or supplemented, is not a part of this offering memorandum. Such information is on file with MSRB through EMMA with which the State was required to file, and the State has committed to update that information to the holders of its general obligation bonds and State-supported bonds, in the manner specified in Rule 15c2-12. Prospective purchasers of MTA PMT Bonds wishing to obtain that information may refer to those filings regarding currently available information about the State. The State has not obligated itself to provide continuing disclosure in connection with the offering of MTA PMT Bonds, including the Take-Out Bonds, or in connection with the Series 2024A Notes. MTA makes no representations about State information or its continued availability.

SECURITY

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

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

The MTA PMT Bonds are not secured by:

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

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

The MTA PMT Resolution, the TBTA PMT Resolution, the Standard Resolution Provisions Applicable to MTA PMT Indebtedness and Parity Debt and TBTA PMT Indebtedness and Parity Debt, the Standard Resolution Provisions Applicable to MTA and TBTA PMT Second Lien Indebtedness and Second Lien Parity Debt, the Additional Resolution Provisions Applicable to MTA and TBTA PMT Senior Lien Indebtedness and PMT Second Lien Indebtedness, and a copy of the executed Financing Agreement have been filed with EMMA and are included by specific cross-reference in this offering memorandum, and are also available on MTA’s website.

Flow of PMT Receipts

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

Deposit and Application of PMT Receipts Required by Statute

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

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

Deposit and Application of PMT Receipts Under Financing Agreement

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

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

In every month, at such time or times as MTA in its discretion shall determine (but in no event later than the last Business Day of every month), MTA shall transfer PMT Receipts from the Mobility Tax Receipts

Subaccount or the ATA Receipts Subaccount or both (as determined by MTA) in the following order of priority and to the extent available for application, as follows:

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

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

If on any Business Day no later than two Business Days preceding any Applicable Debt Service Payment Date, MTA receives notice from an applicable Trustee that there are insufficient funds on deposit to pay Debt Service on PMT Indebtedness on such payment date, MTA shall transfer, to the extent moneys are available, any or all PMT Receipts on deposit in the Subaccounts in the amount necessary to cure such deficiency. Amounts so transferred shall be applied in the same priority as set forth above; *provided, however*, that no transfers shall be made to an applicable Second Lien Trustee if there is a deficiency that has not been cured in the amounts transferred for the payment of Senior Lien Debt Service.

Pledge Effected by the MTA PMT Resolution

Application of PMT Receipts Under MTA PMT Resolution

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

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

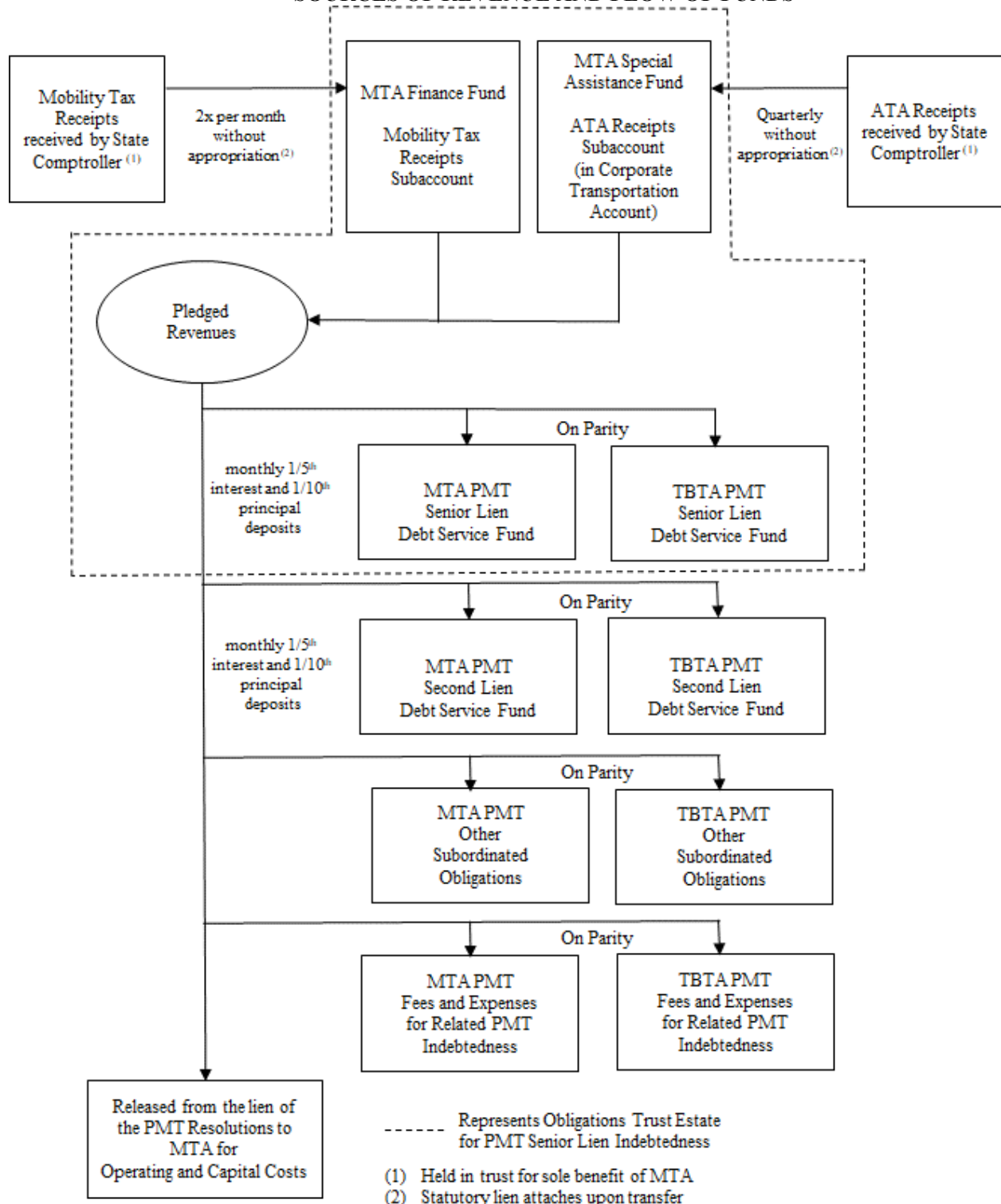
- (i) the proceeds of the sale of the MTA PMT Bonds, until those proceeds are paid out for an authorized purpose;
- (ii) all right, title and interest of MTA in (x) the Financing Agreement, including the right of MTA to receive the PMT Receipts thereunder and (y) the funds and accounts established under the Financing Agreement into which the PMT Receipts are to be deposited; *provided, however, that*, all right, title and interest of MTA in and to the Financing Agreement and receipt of amounts payable thereunder for the benefit of MTA PMT Bonds, other Obligations and Parity Debt is of equal rank with all right, title and interest of MTA Bridges and Tunnels in and to the Financing Agreement and receipt of amounts payable thereunder for the benefit of TBTA PMT Bonds, other Obligations and Parity Debt;
- (iii) the Obligations Proceeds Fund and the Senior Lien Debt Service Fund, any money on deposit therein and any money received and held by MTA which is required to be deposited therein;
- (iv) all Funds, Accounts and Subaccounts established by the MTA PMT Resolution (other than (a) the Second Lien Obligations Proceeds Fund and the Second Lien Debt Service Fund, and any accounts and subaccounts therein and (b) funds and any accounts and subaccounts therein established pursuant to a Supplemental Resolution in connection with Variable Interest Rate Obligations, Put Obligations or Parity Debt; provided, however, that, in the case of funds described in clause (b) hereof, such funds, accounts and subaccounts are specifically excepted from the Obligations Trust Estate by the Supplemental Resolution authorizing such Variable Interest Rate Obligations, Put Obligations or Parity Debt), including the investments, if any, thereof; and
- (v) all funds, moneys and securities and any and all other rights and interests in property, whether tangible or intangible, from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the MTA PMT Resolution for the MTA PMT Bonds by MTA, or by anyone on its behalf, or with its written consent, to the Trustee, which is authorized to receive any and all such property at any and all times, and to hold and apply the same subject to the terms of the MTA PMT Resolution.

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

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

SOURCES OF REVENUE AND FLOW OF FUNDS



Debt Service Fund

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

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

Covenants

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

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

With respect to any Obligations of a series designated as “Balloon Obligations” under the MTA PMT Resolution, Calculated Debt Service will be determined based on (i) principal installments assumed to amortize over a 30-year period from their date of issuance based on substantially level debt service as estimated by MTA and (ii) interest based on the actual interest rate or the Estimated Average Interest Rate (as defined in the MTA PMT Resolution), as applicable, or for both (i) and (ii) above as otherwise set forth in a supplemental resolution or certificate of determination with respect to such Obligations.

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

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

Parity Debt

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

Subordinate Obligations and Obligation Anticipation Notes

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

The payment of principal on PMT Obligation Anticipation Notes is not secured by revenues under the PMT Resolutions, and the payment of interest on the PMT Obligation Anticipation Notes is payable on a subordinate basis to PMT Senior Lien Indebtedness. MTA or MTA Bridges and Tunnels may issue take-out bonds under the PMT Resolutions to retire PMT Obligation Anticipation Notes.

Agreements of the State

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

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

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

PART III. OTHER INFORMATION ABOUT THE SERIES 2024A NOTES

Part III of this offering memorandum provides miscellaneous additional information relating to the Series 2024A Notes.

TAX MATTERS

Federal Income Taxes

The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2024A Notes. The summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the Code), the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses Series 2024A Notes held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Series 2024A Notes as a hedge against currency risks or as a position in a “straddle,” “hedge,” “constructive sale transaction” or “conversion transaction” for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire Series 2024A Notes at their initial issue price except where otherwise specifically noted. Potential purchasers of the Series 2024A Notes should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the Series 2024A Notes.

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

U.S. Holders

As used herein, the term “U.S. Holder” means a beneficial owner of Series 2024A Notes that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds Series 2024A Notes, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds Series 2024A Notes, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the Series 2024A Notes.

Taxation of Interest Generally

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C. are Co-Bond Counsel for the Series 2024A Notes. In the opinion of Co-Bond Counsel, interest on the Series 2024A Notes is not excluded from gross

income for federal income tax purposes under Section 103 of the Code. Therefore, such interest will be fully subject to federal income taxation. Purchasers (other than those who purchase Series 2024A Notes in the initial offering at their principal amounts) will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2024A Notes. In general, interest paid on the Series 2024A Notes and recovery of any accrued acquisition discount will be treated as ordinary income to a noteholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital to the extent of the U.S. Holder's adjusted tax basis in the Series 2024A Notes and capital gain to the extent of any excess received over such basis. See **Attachment 3** to this offering memorandum for the form of the opinion that Co-Bond Counsel each expect to deliver when the Series 2024A Notes are delivered.

Recognition of Income Generally

Section 451(b) of the Code provides that purchasers using an accrual method of accounting for U.S. federal income tax purposes may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such purchaser. Prospective purchasers of the Series 2024A Notes should consult their own tax advisors regarding any potential applicability of these rules and their impact on the timing of the recognition of income related to the Series 2024A Notes under the Code.

Acquisition Discount

Holders who purchase a Series 2024A Note at a price resulting in an adjusted basis that is less than its stated redemption price at maturity will have "acquisition discount" that may be included in gross income for federal tax purposes prior to the final maturity of the Series 2024A Note. If the holder is an accrual basis taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-thru entities, or if the Series 2024A Note is held primarily for sale to customers in the ordinary course of the holder's trade or business, is identified as being part of a hedging transaction or is a stripped bond or coupon held by the person who stripped the bond or coupon (or a successor in interest), the holder will be required to accrue discount either ratably or under a constant yield method based on daily compounding and include such amounts in gross income for federal tax purposes.

If a holder is a cash basis U.S. Holder, such holder will not be required to accrue discount for federal income tax purposes unless the holder elects to do so (although such a cash basis holder will generally be required to include any stated interest in income as it is received). If a holder is not required or does not elect to accrue discount in income currently for federal tax purposes, any gain realized on the sale or redemption of a Series 2024A Note will be ordinary income to the extent of the discount accrued ratably through the date of sale or redemption. However, a holder that is not required and does not elect to accrue discount and include it in income currently will be required to defer deductions for interest on borrowings allocable to the Series 2024A Notes in an amount not exceeding the deferred income until the deferred income is realized.

Holders of any Series 2024A Notes who acquire such Series 2024A Notes with acquisition discount should consult with their own tax advisors with respect to the accrual of discount and the state and local tax consequences of owning such Series 2024A Notes.

Note Premium

A holder of a Series 2024A Note who purchases such Series 2024A Note at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election may apply to all taxable debt obligations held by the holder on the first day of the taxable year to which the election applies and to all taxable debt instruments thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of Series 2024A Notes who acquire such Series 2024A Notes at a premium should consult

with their own tax advisors with respect to federal, state and local tax consequences of owning such Series 2024A Notes.

Surtax on Unearned Income

Section 1411 of the Code generally imposes a tax on the “net investment income” of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this provision in their particular circumstances.

Sale or Redemption of Series 2024A Notes

A noteholder’s adjusted tax basis for a Series 2024A Note is the price such holder pays for the Series 2024A Note plus the amount of acquisition discount previously included in income and reduced on account of any payments received on such Series 2024A Note other than “qualified stated interest” and any amortized note premium. Gain or loss recognized on a sale, exchange or redemption of a Series 2024A Note, measured by the difference between the amount realized and the noteholder’s tax basis as so adjusted, will generally give rise to capital gain or loss if the Series 2024A Note is held as a capital asset (except in the case of Series 2024A Notes acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of a Series 2024A Note are materially modified, in certain circumstances, a new debt obligation would be deemed “reissued”, or created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. In addition, the defeasance of a Series 2024A Note under the defeasance provisions of the Resolution could result in a deemed sale or exchange of such Series 2024A Note.

EACH POTENTIAL HOLDER OF SERIES 2024A NOTES SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE, REDEMPTION OR DEFEASANCE OF THE SERIES 2024A NOTES, AND (2) THE CIRCUMSTANCES IN WHICH SERIES 2024A NOTES WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

Non-U.S. Holders

The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of Series 2024A Notes by a person other than a U.S. Holder, a former United States citizen or resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a Non-U.S. Holder).

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act (FATCA), payments of principal by MTA or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10 percent or more of the voting equity interests of MTA, (2) is not a controlled foreign corporation for United States tax purposes that is related to MTA (directly or indirectly) through stock ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS Form W-8 (series) (or successor form) to MTA, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers’ securities in the ordinary course of its trade or business and that also holds the Series 2024A Notes must certify to MTA or its agent under penalties of perjury that such statement on the applicable

IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

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

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a Series 2024A Note held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a Series 2024A Note will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a Series 2024A Note by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the Series 2024A Notes, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018, gross proceeds of the sale of the Series 2024A Notes paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, noteholders or beneficial owners of the Series 2024A Notes shall have no recourse against MTA, nor will MTA be obligated to pay any additional amounts to “gross up” payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the Series 2024A Notes. However, it should be noted that on December 13, 2018, the IRS issued Proposed Treasury Regulation Section 1.1473-1(a)(1) which proposes to remove gross proceeds from the definition of “withholdable payment” for this purpose.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the Series 2024A Notes.

Information Reporting and Backup Withholding

For each calendar year in which the Series 2024A Notes are outstanding, MTA, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder’s name, address and taxpayer identification number (either the holder’s Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain

U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, MTA, its agents or paying agents or a broker may be required to make “backup” withholding of tax on each payment of interest or principal on the Series 2024A Notes. This backup withholding is not an additional tax and may be credited against the U.S. Holder’s federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

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

Payments of the proceeds from the sale of a Series 2024A Note to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) may apply to those payments if the broker is one of the following: (i) a U.S. person; (ii) a controlled foreign corporation for U.S. tax purposes; (iii) a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or (iv) a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a Series 2024A Note to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder’s particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Series 2024A Notes, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

State Taxes

Each Co-Bond Counsel is of the opinion that, under existing law, interest on the Series 2024A Notes is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. Co-Bond Counsel expresses no opinion as to other State, City or local tax consequences arising with respect to the Series 2024A Notes nor as to the taxability of the Series 2024A Notes or the income therefrom under the laws of any jurisdiction other than the State. See **Attachment 3** to this offering memorandum for the form of the opinion that Co-Bond Counsel each expect to deliver when the Series 2024A Notes are delivered.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the inclusion in gross income of interest on the Series 2024A Notes for federal or state income tax purposes, and thus on the value or marketability of the Series 2024A Notes. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It is not possible to predict whether any such legislative or administrative actions or court decisions will occur or have an adverse impact on the federal or state income tax treatment of

holders of the Series 2024A Notes. Prospective purchasers of the Series 2024A Notes should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2024A Notes.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE SERIES 2024A NOTES.

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

The Employee Retirement Income Security Act of 1974, as amended (ERISA), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA (ERISA Plans). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein (Qualified Retirement Plan), and on Individual Retirement Accounts (IRAs) described in Section 408(b) of the Code (collectively, Tax-Favored Plans). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA) (Governmental Plans), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA) (Church Plans), are not subject to ERISA requirements. Additionally, such Governmental and Church Plans are not subject to the requirements of Section 4975 of the Code but may be subject to applicable federal, state or local law (Similar Laws) which is, to a material extent, similar to the foregoing provisions of ERISA or the Code. Accordingly, assets of such plans may be invested in the Series 2024A Notes without regard to the ERISA and Code considerations described below, subject to the provisions of Similar Laws.

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

Certain transactions involving the purchase, holding or transfer of the Series 2024A Notes might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of MTA were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor (the Plan Assets Regulation), the assets of MTA would be treated as plan assets of a Benefit Plan for the purposes of ERISA and Section 4975 only of the Code if the Benefit Plan acquires an "equity interest" in MTA and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on this matter, it appears that the Series 2024A Notes should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. This determination is based upon the traditional debt features of the Series 2024A Notes, including the reasonable expectation of purchasers of Series 2024A Notes that the Series 2024A Notes will be repaid when due, traditional default remedies, as well as the absence of conversion rights, warrants and other typical equity features.

However, without regard to whether the Series 2024A Notes are treated as an equity interest for such purposes, though, the acquisition or holding of Series 2024A Notes by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if MTA or the Issuing and Paying Agent, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Series 2024A Notes by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Series 2024A Note. Included among these exemptions are: Prohibited Transaction Class Exemption (PTCE) 96-23, regarding transactions effected by certain “in-house asset managers”; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by “insurance company general accounts”; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by “qualified professional asset managers.” Further, the statutory exemption in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides for an exemption for transactions involving “adequate consideration” with persons who are Parties in Interest or Disqualified Persons solely by reason of their (or their affiliate’s) status as a service provider to the Benefit Plan involved and none of whom is a fiduciary with respect to the Benefit Plan assets involved (or an affiliate of such a fiduciary). There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Series 2024A Notes, or that, if available, the exemption would cover all possible prohibited transactions.

By acquiring a Series 2024A Note (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a plan, its fiduciary) is deemed to represent and warrant that either (i) it is not acquiring the Series 2024A Note (or interest therein) with the assets of a Benefit Plan, Governmental plan or Church plan; or (ii) the acquisition and holding of the Series 2024A Note (or interest therein) will not give rise to a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or Similar Laws. A purchaser or transferee who acquires Series 2024A Notes with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

Because MTA, the Trustee, Underwriters or any of their respective affiliates may receive certain benefits in connection with the sale of the Series 2024A Notes, the purchase of the Series 2024A Notes using plan assets of a Benefit Plan over which any of such parties has investment authority or provides investment advice for a direct or indirect fee may be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code or Similar Laws for which no exemption may be available. Accordingly, any investor considering a purchase of Series 2024A Notes using plan assets of a Benefit Plan should consult with its counsel if MTA, the Trustee, Underwriters or any of their respective affiliates has investment authority or provides investment advice for a direct or indirect fee with respect to such assets or is an employer maintaining or contributing to the Benefit Plan.

Any ERISA Plan fiduciary considering whether to purchase the Series 2024A Notes on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of Similar Laws.

LEGALITY FOR INVESTMENT

The MTA Act provides that the Series 2024A Notes are securities in which the following investors may properly and legally invest funds, including capital in their control or belonging to them:

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

Certain of those investors, however, may be subject to separate restrictions that limit or prevent their investment in the Series 2024A Notes.

LITIGATION

There is no pending litigation concerning the Series 2024A Notes.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus and MTA Bridges and Tunnels. Certain of these claims and actions, either individually or in the aggregate, are potentially material to MTA, or its affiliates or subsidiaries. MTA does not believe that any of these claims or actions would affect the application of the sources of payment for the Series 2024A Notes. A summary of certain of these potentially material claims and actions is set forth in Part 6 of the ADS under the caption “LITIGATION”, as that filing may be amended or supplemented to date.

CO-FINANCIAL ADVISORS

Public Resources Advisory Group, Inc. and Sycamore Advisors, LLC are MTA’s Co-Financial Advisors for the Series 2024A Notes. The Co-Financial Advisors have provided MTA advice on the plan of financing and reviewed the competitive bidding of the Series 2024A Notes. The Co-Financial Advisors have not independently verified the information contained in this offering memorandum and do not assume responsibility for the accuracy, completeness or fairness of such information.

UNDERWRITING

After competitive bidding on March 13, 2024, the Series 2024A Notes were awarded to the purchasers identified in the table below (the Underwriters) in the principal amounts and at the purchase prices indicated therein. Each Underwriter has agreed to purchase all of the Series 2024A Notes awarded to them. Each Underwriter has sole discretion in establishing the price at which the Series 2024A Notes awarded to them will be offered to the public and may change from time to time the offering prices for the Series 2024A Notes it purchased.

<u>Underwriter</u>	<u>Principal Amount Purchased</u>	<u>Interest Rate</u>	<u>Original Issue Premium</u>	<u>Underwriter’s Discount</u>	<u>Purchase Price</u>
J.P. Morgan Securities LLC	\$300,000,000	5.37%	-	-	\$300,000,000.00
Morgan Stanley & Co. LLC	50,000,000	5.25	-	\$30,000.00	49,970,000.00
Goldman Sachs & Co. LLC	50,000,000	5.29	-	7,000.00	49,993,000.00
J.P. Morgan Securities LLC	50,000,000	5.35	-	3,000.00	49,997,000.00
RBC Capital Markets, LLC	50,000,000	5.50	\$71,500.00	7,000.00	50,064,500.00

The Series 2024A Notes may be offered and sold to certain dealers (including dealers depositing such Series 2024A Notes 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.

In addition, certain of the Underwriters may have entered into distribution agreements with other broker-dealers (that have not been designated by MTA as Underwriters) for the distribution of the Series 2024A Notes at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to MTA and to persons and entities with relationships with 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, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of MTA (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with 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 2024A Notes. Those ratings reflect only the views of the organizations assigning them. An explanation of the significance of the ratings or any outlooks, criteria, methodology or other statements given with respect thereto from each identified agency may be obtained as follows:

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

MTA has furnished information to each rating agency rating the Series 2024A Notes, including information not included in this offering memorandum, about MTA and MTA Bridges and Tunnels and the Series 2024A Notes. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. A securities rating is not a recommendation to buy, sell or hold securities. There can be no assurance that ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal. Those circumstances may include, among other things, changes in or unavailability of information relating to MTA, MTA Bridges and Tunnels or the Series 2024A Notes. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2024A Notes.

LEGAL MATTERS

All legal proceedings in connection with the issuance of the Series 2024A Notes are subject to the approval of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA. The form of the opinions of Co-Bond Counsel in connection with the issuance of the Series 2024A Notes are set forth in **Attachment 3** to this offering memorandum.

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

In order to assist the Underwriters of the Series 2024A Notes to comply with Rule 15c2-12 (Rule 15c2-12) promulgated by the Securities and Exchange Commission (the SEC) under the Securities Exchange Act of 1934, as amended, MTA and MTA Bridges and Tunnels and each of the respective trustees under the PMT Resolutions have entered into a written agreement, dated as of May 5, 2021 (the Master Disclosure Agreement), for the benefit of all holders of PMT Indebtedness, including the holders of the Series 2024A Notes. A conformed copy of such Master Disclosure Agreement is attached hereto as “**Attachment 2 – Copy of Master Continuing Disclosure Agreement**”. 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.

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

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

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

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

FURTHER INFORMATION

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

Although MTA has prepared the information on MTA's website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and MTA 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/ Olga Chernat
Olga Chernat
Deputy Chief, Financial Services
Metropolitan Transportation Authority

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ATTACHMENT 1

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2024A Notes. The Series 2024A Notes 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 2024A Note will be issued for each maturity of the Series 2024A Notes, 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 2024A Notes 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 an S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Series 2024A Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024A Notes on DTC's records. The ownership interest of each actual purchaser of each Series 2024A Note (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 2024A Notes 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 2024A Notes, except in the event that use of the book-entry-only system for the Series 2024A Notes is discontinued.

4. To facilitate subsequent transfers, all Series 2024A Notes 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 2024A Notes 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 2024A Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024A Notes 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 2024A Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024A Notes, such as redemptions, tenders, defaults, and proposed amendments to the Series 2024A Note documents. For example, Beneficial Owners of the Series 2024A Notes may wish to ascertain that the nominee holding the Series 2024A Notes 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 2024A Notes 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 2024A Notes 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 2024A Notes 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 2024A Notes 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 Bridges and Tunnels, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of MTA 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 2024A Notes 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 2024A Notes 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 2024A Notes will be printed and delivered to DTC.

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

ATTACHMENT 2

COPY OF MASTER CONTINUING DISCLOSURE AGREEMENT

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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

MASTER CONTINUING DISCLOSURE AGREEMENT

THIS MASTER CONTINUING DISCLOSURE AGREEMENT, dated May 5, 2021 (the “Agreement”), is made by and among MTA, MTA Bridges and Tunnels and the respective PMT Trustees, each as defined below in Section 1.

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

Section 1. Definitions; Rules of Construction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“State” shall mean the State of New York.

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

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

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

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

Section 2. Obligation to Provide Continuing Disclosure.

A. Obligations of the Issuers.

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

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

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

available and, if such audited financial statements are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements of MTA for such fiscal year; and

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

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

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.

(d) to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by clause A(i)(a) of this Section 2 or any financial statements required by clause A(i)(b) of this Section 2.

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

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

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

C. *Additional Obligations.*

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

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

Section 3. Annual Information.

A. *Annual Information.*

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

1. a. presentation of changes to indebtedness issued by MTA Bridges and Tunnels and MTA, respectively, under the TBTA PMT Resolution and the MTA PMT Resolution as well as information concerning changes to MTA Bridges and Tunnels’ and MTA’s debt service requirements on such indebtedness payable from PMT Receipts,
- b. financial information and operating data of the type included in the **ADS** under the caption “PAYROLL MOBILITY TAX OBLIGATIONS” which shall include information relating to the following:

- (i) description of the taxes and fees allocated to the Financing Agreement, currently Mobility Tax Receipts and ATA Receipts; and
 - (ii) for the taxes and fees then constituting sources of revenue for the PMT Indebtedness, an historical summary of such revenues, if available, together with an explanation of the factors affecting collection levels, for a period of at least the three most recent completed fiscal years then available,
- c. information concerning the amounts, sources, material changes in and material factors affecting PMT Receipts and debt service incurred under PMT Resolutions,
- 2. material litigation related to any of the foregoing, and
- 3. such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning, and in judging the financial condition of, MTA Bridges and Tunnels and MTA as such may impact the security for Bonds.

B. *Incorporation by Reference.*

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

C. *General Categories of Information Provided.*

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

Section 4. Financial Statements.

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

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

Section 5. Remedies.

If any party hereto shall fail to comply with any provision of this Agreement, then the Trustee or any Holder may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Agreement against such party and any of its officers, agents and employees, and may compel such party or any of its officers, agents or employees to perform and carry out their duties under this Agreement; provided that the sole and exclusive remedy for breach of this Agreement shall be an action to compel specific performance of this Agreement of such party hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and, provided further, that any challenge to the adequacy of any information provided

pursuant to Section 2 shall be brought only by the Trustee or the Holders of 25% in aggregate principal amount of the Bonds at the time outstanding which are affected thereby. The Issuers and each Trustee each reserves the right, but shall not be obligated, to enforce the obligations of the others. Failure to comply with any provision of this Agreement shall not constitute a default under the PMT Resolutions nor give right to either Trustee or any Holder to exercise any of the remedies under the PMT Resolutions, except as otherwise set forth herein.

Section 6. Parties in Interest.

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

Section 7. Amendments.

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

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

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

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

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

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

Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change on the type of operating data or financial information in Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former

accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

Section 8. Termination.

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

Section 9. The PMT Trustees.

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

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

Section 10. Governing Law.

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

Section 11. Counterparts.

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

[Signature Page to the Master Continuing Disclosure Agreement follows]

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

**TRIBOROUGH BRIDGE AND TUNNEL
AUTHORITY**

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

**METROPOLITAN TRANSPORTATION
AUTHORITY**

By: /s/ Patrick J. McCoy
Patrick J. McCoy
Deputy Chief, Financial Services
Metropolitan Transportation Authority

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

By: /s/ Joseph M. Lawlor
Name: Joseph M. Lawlor
Title: Vice President

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

By: /s/ Joseph M. Lawlor
Name: Joseph M. Lawlor
Title: Vice President

[Signature Page of the Master Continuing Disclosure Agreement]

ATTACHMENT 3

FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

Upon delivery of the Series 2024A Notes in definitive form, each of Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel to MTA Bridges and Tunnels, propose to render its final approving opinion in substantially the following form:

[Date of Delivery]

Metropolitan Transportation Authority
New York, New York

Ladies and Gentlemen:

We have examined a certified copy of the record of proceedings of the Metropolitan Transportation Authority (“MTA”) and other proofs submitted to us relative to the issuance of \$500,000,000 aggregate principal amount of Metropolitan Transportation Authority Payroll Mobility Tax Bond Anticipation Notes, Series 2024A (the “Series 2024A Notes”), and the authorization, execution and delivery of the Financing Agreement, defined and described below. We have also examined a certified copy of the proceedings of the Triborough Bridge and Tunnel Authority (“TBTA”) and other proofs submitted to us relative to the authorization, execution and delivery of the Financing Agreement. All terms defined in the Resolution (hereinafter defined) and used herein shall have the respective meanings assigned in the Resolution, except where the context hereof otherwise requires.

The Series 2024A Notes 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 the Payroll Mobility Tax Obligation Resolution adopted by the Board of MTA on November 18, 2020, as supplemented by the Multiple Credit and Series 2024 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations adopted by the Board of MTA on December 20, 2023 (collectively, the “Resolution”).

MTA and TBTA have entered into the Payroll Mobility Tax Financing Agreement, dated as of April 9, 2021 (the “Financing Agreement”), which provides for, among other things, the transfer and payment of PMT Receipts by MTA to (i) The Bank of New York Mellon, as trustee under the Resolution, in amounts sufficient to pay the principal of, redemption premium, if any, and interest on MTA’s Obligations and Parity Debt, including the Series 2024A Notes, issued and incurred under the Resolution, and (ii) The Bank of New York Mellon, as trustee under the TBTA PMT Resolution, in amounts sufficient to pay the principal of, redemption premium, if any, and interest on TBTA’s Obligations and Parity Debt issued and incurred under the TBTA PMT Resolution, on a parity basis as provided in the Financing Agreement.

The Series 2024A Notes are dated, mature, are payable and bear interest, all as provided in the Resolution.

We have also examined one of said Series 2024A Notes as executed and, in our opinion, the form of said Series 2024A Note 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 Obligations Trust Estate, subject only to the provisions of the Resolution and the Financing Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. All right, title and interest of MTA in and to the Financing Agreement and receipt of PMT Receipts payable thereunder for the benefit of MTA's Obligations and Parity Debt, including the Series 2024A Notes, is of equal rank with all right, title and interest of TBTA in and to the Financing Agreement and receipt of PMT Receipts payable thereunder for the benefit of TBTA's Obligations and Parity Debt.

3. The Financing Agreement has been duly authorized, executed and delivered by MTA and TBTA and is a legal and valid contractual obligation of MTA and TBTA enforceable in accordance with its terms.

4. The Series 2024A Notes 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. The Series 2024A Notes are payable solely from (i) the proceeds of other Series 2024 Notes issued to refinance the Series 2024A Notes, (ii) the proceeds of bonds issued to refinance the Series 2024A Notes, and (iii) with respect to interest payable on the Series 2024A Notes, amounts available for transfer pursuant to Resolution for the payment of Subordinated Indebtedness (as defined therein) in accordance with and subject to the limitations contained in the Resolution. The Series 2024A Notes are not secured by any other funds, accounts or amounts that are pledged to the payment of Obligations or Parity Debt issued under the Resolution. MTA has no taxing power and the Series 2024A Notes are not debt 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.

5. The Series 2024A Notes 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. Interest on the Series 2024A Notes is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986.

7. Under the Issuer Act, interest on the Series 2024A Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

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

Except as stated in paragraph 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 2024A Notes. 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 2024A Notes.

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 2024A Notes. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the offering memorandum or other offering material relating to the Series 2024A Notes 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,

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ATTACHMENT 4

THIRD QUARTERLY UPDATE TO THE ADS, DATED MARCH 6, 2024

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

MTA ANNUAL DISCLOSURE STATEMENT UPDATE
(2023 ADS Third Quarterly Update)
March 6, 2024

Introduction

This Metropolitan Transportation Authority (“MTA”) Annual Disclosure Statement Update (including Attachment A hereto, the “Third Quarterly Update”), dated March 6, 2024, is the third quarterly update to the Annual Disclosure Statement (the “ADS”) of MTA, dated April 28, 2023, as supplemented on July 5, 2023, as updated by the First Quarterly Update, dated July 28, 2023, and as updated by the Second Quarterly Update, dated December 7, 2023, and contains information only through its date. This Third Quarterly Update contains information only through March 6, 2024, and should be read in its entirety, together with the ADS as so previously supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

MTA expects to file this Third Quarterly Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate the Third Quarterly Update into other documents by specific cross-reference. Such information, together with the complete February Plan hereinafter referred to, is also posted on the MTA website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. All of the information in this Third Quarterly Update is accurate as of its respective date. MTA retains the right to update and supplement specific information contained herein as events warrant.

The factors affecting MTA’s financial condition are complex. This Third Quarterly Update contains forecasts, projections, and estimates that are based on expectations and assumptions, that existed at the time they were prepared and contains statements relating to future results and economic performance that are “forward-looking statements,” as such term is defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “calculate,” “budget,” “project,” “forecast,” “anticipate” or other similar words. The forward-looking statements contained herein are based on MTA’s expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of future actual results. Forecasts, projections, calculations and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, general economic and business conditions; natural calamities; foreign hostilities or wars; domestic or foreign terrorism; changes in political, social, economic and environmental conditions, including climate change and extreme weather events; severe epidemic or pandemic events; cybersecurity events; litigation; actions by the federal government to reduce or disallow expected aid, including federal aid authorized or appropriated by Congress, but subject to sequestration, administrative actions, or other actions that would reduce aid to MTA; and various other events, conditions and circumstances. Many of these risks

and uncertainties are beyond the control of MTA. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations change or events occur that change the conditions or circumstances on which such statements are based. Such forward-looking statements speak only as of the date of this Third Quarterly Update.

In this Third Quarterly Update, readers will find:

1. A summary of the 2024 MTA February Financial Plan presented to the Finance Committee of the MTA Board on February 26, 2024 (the “February Plan”). The complete February Plan is posted on MTA’s website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. The February Plan includes projections for fiscal years 2024 through 2027, including the 2024 Adopted Budget (the “Adopted Budget”) and reflects minor technical adjustments to the November Plan.
2. **Attachment A** to this Third Quarterly Update, which presents the consolidated February Plan in tabular form and includes Financial Plan tables that summarize MTA’s February Plan projected receipts and expenditures for fiscal years 2022 (actual), 2023 (final estimate), 2024 (adopted budget) through 2027, in each case prepared by MTA management.

The February Plan

The purpose of the February Plan is to incorporate certain Board-approved MTA adjustments that were captured “below-the-line” and on a consolidated basis in the November Plan into Agencies’ Financial Plan baseline budgets and forecasts. “Above-the-line” items are all items that are incorporated in the Related Entity and corporate-wide (such as subsidies and debt service) financials. Items are “below-the-line” for one or more of several reasons, such as: (i) they are a late adjustment and MTA cannot revise the aforementioned financials; (ii) they are proposed actions that require future Board approval (such as fare and toll increases); or (iii) they are actions which have yet to be allocated to each Related Entity. It also establishes a 12-month allocation of the Adopted Budget for financials, utilization, and positions, which will be compared with actual results. Variances will be analyzed and reported monthly to Board Committees. The February Plan, unlike the July and November Plans, typically does not include new proposals or programs. The detailed explanation of the programs and assumptions supporting the February Plan can be found in the November Plan.

MTA’s financial situation, as reflected in the February Plan, is unchanged from the November Plan, which was adopted by the MTA Board in December 2023. Minor technical adjustments with no material financial impact have been incorporated into the February Plan.

The February Plan continues to present a balanced budget annually through 2027.

Central Business District Tolling Program (“CBD Tolling Program”) and Pause in Certain 2020-2024 Capital Program Solicitations

On June 27, 2023, the Federal Highway Administration issued a Finding of No Significant Impact, confirming the conclusion of the Final Environmental Assessment, which includes mitigation measures to be undertaken by the CBD Tolling Program, that the program will have no significant environmental impacts. Contractors have up to 310 days from the federal approval date to complete the design, development, testing, and installation of the tolling system and equipment, and the MTA Bridges and Tunnels Board (the “Board”) must adopt a toll structure, before toll collection can begin. Installation is currently 90% complete.

On November 30, 2023, the Traffic Mobility Review Board (the “TMRB”), the six-member panel established to recommend a toll structure for the CBDTP, issued its toll ratemaking recommendations in a report titled “Congestion Pricing in New York” (the “Report”). The recommendations submitted in the Report were considered by the Board at its December 6, 2023 meeting. At the meeting, the Board voted to commence the administrative toll ratemaking process.

Thereafter, MTA Bridges and Tunnels commenced soliciting public comments on the proposed ratemaking schedule, whereby members of the public have the opportunity to offer comments electronically, or via voicemail or mail. This comment period runs through March 11, 2024. Meanwhile, MTA Bridges and Tunnels held a series of four hybrid virtual and in-person public hearings between February 29, 2024 and March 4, 2024.

After the conclusion of the public comment period, the Board will review input received from the public, and then schedule a vote on whether to adopt a Central Business District toll rate schedule. The start of toll collection would be scheduled to proceed at a date announced in advance.

Lawsuits have been filed by various parties attempting to delay or prevent the implementation of the CBD Tolling Program. The various lawsuits allege, among other things, deficiencies in the Environmental Assessment process and various constitutional claims. The outcome of the litigation cannot be predicted. Depending on the nature of litigation filed related to the CBD Tolling Program, there can be no assurance that an adverse ruling would not cause delays to the CBD Tolling Program which, in turn, could impact CBD Tolling Program revenues anticipated to be used for MTA’s 2020-2024 Capital Program and successor transit and commuter rail capital programs.

In response to this uncertainty, on February 14, 2024, MTA Construction and Development announced that it would not be issuing any new construction contract solicitations, with limited exceptions for emergency work, small business mentoring contracts, and certain projects with dedicated Federal funding. Impacted projects include station ADA accessibility upgrades, signal modernization, future Second Avenue Subway Phase 2 contracts, and state of good repair work as well as the purchase of electric buses and railcars for the subways and commuter railways.

MTA Liquidity Resources

As of March 4, 2024, MTA had liquidity resources in the approximate amount of \$5.5 billion, consisting of an operating funds liquidity balance of \$772.1 million, internal available funds and reserves totaling \$3.528 billion, and undrawn commercial bank lines of credit totaling \$1.2 billion.

Litigation Updates

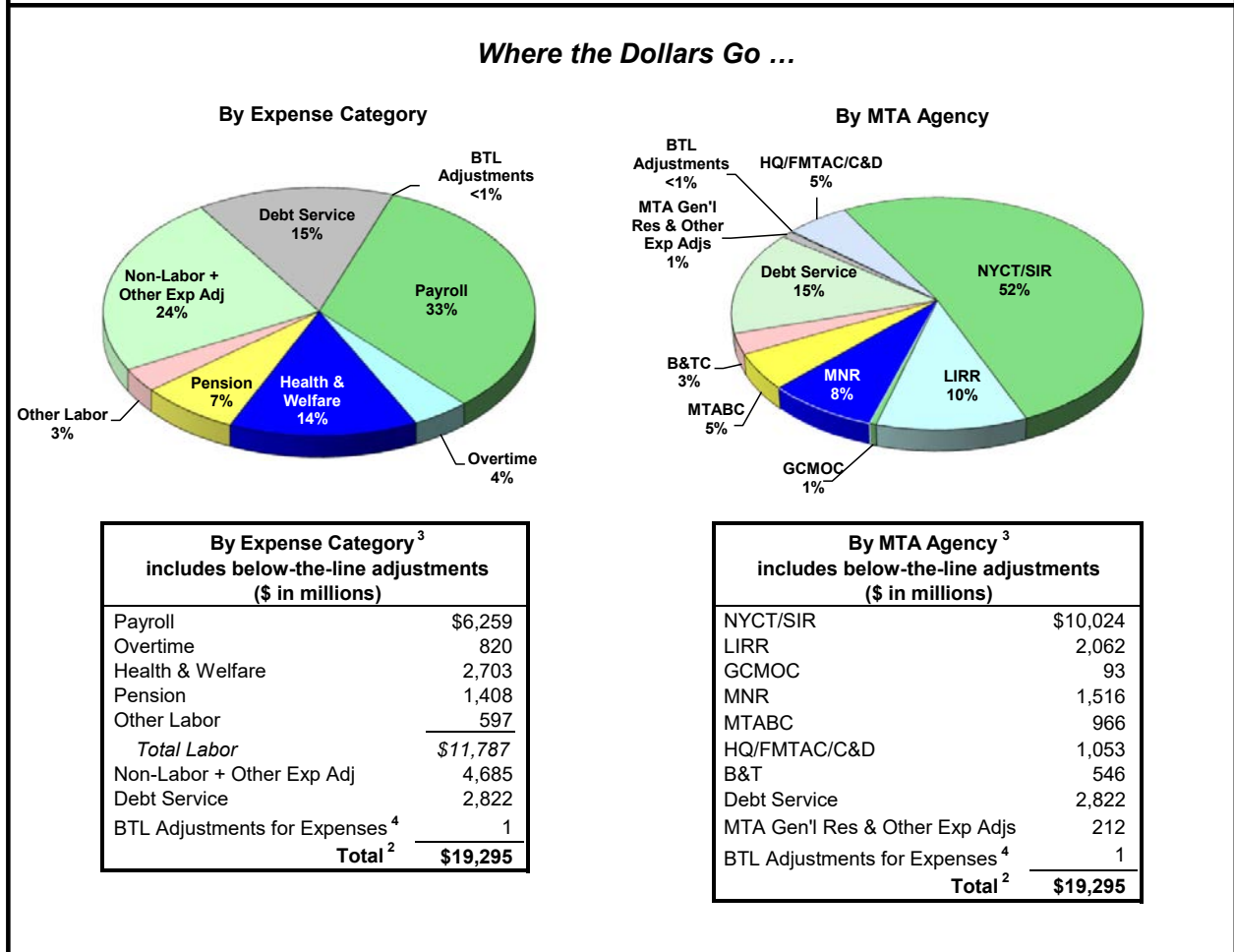
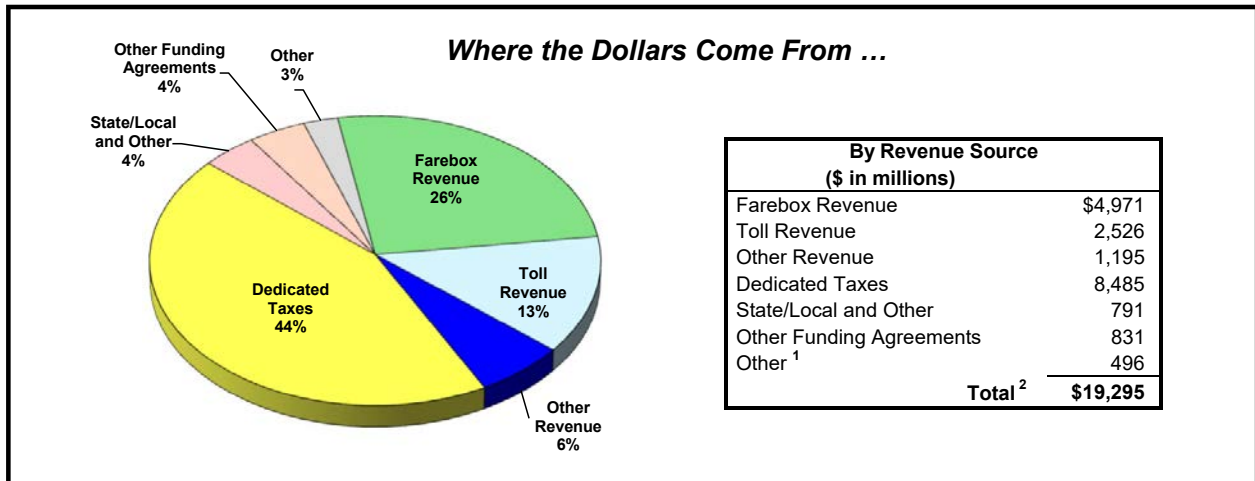
On February 22, 2024, a jury verdict was reached in the matter of In the matter of Beauchamp v. MTA New York City Transit Authority, which has been previously reported in the ADS. The jury found MTA New York City Transit 100% liable and awarded plaintiff \$72.5 million in damages. Post-trial motions were denied. MTA New York City Transit will appeal once judgment has been entered, and it is impossible to predict the outcome of the appeal.

**Attachment A to MTA Annual Disclosure Statement
Third Quarterly Update
March 6, 2024**

MTA February Financial Plan

This **Attachment A** to the 2023 ADS Third Quarterly Update sets forth the consolidated February Plan in tabular form and includes Financial Plan tables that summarize MTA's February Plan projected receipts and disbursements for fiscal years 2022 (actual), 2023 (final estimate), and 2024 (adopted budget) through 2027, in each case prepared by MTA management. The complete February Plan is posted on MTA's website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein.

MTA 2024 Adopted Budget
Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments
Non-Reimbursable



¹ Includes cash adjustments and prior-year carryover.

² Totals may not add due to rounding.

³ Expenses exclude Depreciation, GASB 68 Pension Adjustment, GASB 75 OPEB Adjustment, GASB 87 Lease Adjustment and Environmental Remediation.

⁴ The "BTL Adjustments for Expenses" cannot be segmented by expense category or by Agency.

Note: The revenues and expenses reflected in these charts are on an accrued basis.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
MTA Consolidated Accrued Statement of Operations By Category
(\$ in millions)

	Actual 2022	Final Estimate 2023	Adopted Budget 2024	2025	2026	2027
Non-Reimbursable						
Operating Revenues						
Farebox Revenue	\$4,024	\$4,633	\$5,071	\$5,217	\$5,367	\$5,539
Toll Revenue	2,332	2,400	2,526	2,529	2,531	2,534
Other Revenue	7,657	886	945	958	986	1,005
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$14,014	\$7,919	\$8,542	\$8,704	\$8,885	\$9,078
Operating Expenses						
Labor:						
Payroll	\$5,414	\$5,933	\$6,259	\$6,409	\$6,604	\$6,772
Overtime	1,127	1,144	820	831	855	873
Health and Welfare	1,423	1,626	1,832	1,963	2,104	2,251
OPEB Current Payments	752	825	871	947	1,030	1,119
Pension	1,339	1,373	1,408	1,567	1,631	1,694
Other Fringe Benefits	1,009	1,108	1,076	1,126	1,183	1,248
Reimbursable Overhead	(400)	(428)	(479)	(483)	(497)	(482)
Total Labor Expenses	\$10,666	\$11,580	\$11,787	\$12,360	\$12,910	\$13,476
Non-Labor:						
Electric Power	\$556	\$543	\$641	\$676	\$680	\$695
Fuel	283	235	243	231	223	224
Insurance	9	21	27	38	51	73
Claims	376	418	416	428	441	455
Paratransit Service Contracts	412	523	529	553	584	613
Maintenance and Other Operating Contracts	806	1,001	980	958	947	966
Professional Services Contracts	555	745	693	676	677	678
Materials and Supplies	561	657	686	760	775	865
Other Business Expenses	246	275	268	286	292	298
Total Non-Labor Expenses	\$3,804	\$4,418	\$4,483	\$4,605	\$4,670	\$4,867
Other Expense Adjustments:						
Other	\$100	\$14	\$12	\$13	\$13	\$14
General Reserve	0	185	190	200	205	220
Total Other Expense Adjustments	\$100	\$199	\$202	\$213	\$218	\$234
Total Expenses Before Non-Cash Liability Adjs.	\$14,570	\$16,197	\$16,472	\$17,178	\$17,799	\$18,577
Depreciation	\$3,286	\$3,475	\$3,560	\$3,614	\$3,669	\$3,731
GASB 68 Pension Expense Adjustment	(393)	(124)	(191)	(148)	(207)	(158)
GASB 75 OPEB Expense Adjustment	1,084	1,258	1,275	1,292	1,312	1,329
GASB 87 Lease Adjustment	21	6	5	5	5	5
Environmental Remediation	26	6	6	6	6	6
Total Expenses After Non-Cash Liability Adjs.	\$18,594	\$20,817	\$21,128	\$21,947	\$22,584	\$23,491
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,024)	(\$4,620)	(\$4,656)	(\$4,769)	(\$4,786)	(\$4,913)
Debt Service	3,121	2,655	2,822	2,929	2,998	3,409
Total Expenses with Debt Service	\$17,691	\$18,852	\$19,294	\$20,107	\$20,796	\$21,986
Dedicated Taxes & State and Local Subsidies	\$8,556	\$8,988	\$10,107	\$10,216	\$11,090	\$11,403
Net Surplus/(Deficit) After Subsidies and Debt Service	\$4,879	(\$1,945)	(\$645)	(\$1,186)	(\$822)	(\$1,506)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	(6,045)	1,945	496	587	260	890
Cash Balance Before Prior-Year Carryover	(\$1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Below the Line Adjustments	\$0	\$0	\$149	\$600	\$562	\$615
Prior Year Carryover Balance	1,166	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
Plan Adjustments
(\$ in millions)

	Actual 2022	Final Estimate 2023	Adopted Budget 2024	2025	2026	2027
Cash Balance Before Prior-Year Carryover	\$(1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Fare and Toll Increases:						
<i>Fare/Toll Increase - January 2025 (4% Yield)</i>		0	0	299	305	312
<i>Subsidy Impacts - Fare/Toll Increase, March 2025</i>		0	0	(14)	(8)	(8)
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>		0	0	0	0	277
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(13)</u>
Subtotal:		\$0	\$0	\$285	\$297	\$568
MTA Initiatives:						
<i>MTA Operating Efficiencies</i>		<u>0</u>	<u>0</u>	<u>72</u>	<u>70</u>	<u>75</u>
Subtotal:		\$0	\$0	\$72	\$70	\$75
Management and Policy Actions:						
<i>Penn Station Access</i>		\$0	(\$1)	(\$8)	(\$22)	(\$45)
<i>Farebox Revenue Loss Provision</i>		0	(100)	0	0	0
<i>Reimbursement from OPEB Trust</i>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17</u>
Subtotal:		\$0	(\$101)	(\$8)	(\$22)	(\$28)
Other:						
<i>FEMA COVID Reimbursement</i>		<u>0</u>	<u>250</u>	<u>250</u>	<u>217</u>	<u>0</u>
Subtotal:		\$0	\$250	\$250	\$217	\$0
TOTAL ADJUSTMENTS		\$0	\$149	\$600	\$562	\$615
<i>Prior Year Carryover Balance</i>	1,166	0	0	0	0	0
Net Cash Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
Accrued Statement of Operations by Agency
(\$ in millions)

	Actual 2022	Final Estimate 2023	Adopted Budget 2024	2025	2026	2027
Non-Reimbursable						
Total Revenues						
New York City Transit	\$8,319	\$4,010	\$4,449	\$4,576	\$4,711	\$4,862
Bridges and Tunnels	2,357	2,419	2,545	2,548	2,550	2,553
Long Island Rail Road	1,444	600	662	684	706	720
Grand Central Madison	0	0	1	1	2	3
Metro-North Railroad	1,039	602	592	607	619	638
MTA Headquarters	51	69	60	50	50	50
MTA Bus Company	734	197	210	216	223	228
Staten Island Railway	61	6	6	6	7	7
First Mutual Transportation Assurance Company	10	16	16	17	17	17
Construction and Development	0	0	0	0	0	0
Total	\$14,014	\$7,919	\$8,542	\$8,704	\$8,885	\$9,078
Total Expenses before Non-Cash Liability Adjs.*						
New York City Transit	\$9,130	\$9,808	\$9,947	\$10,350	\$10,759	\$11,208
Bridges and Tunnels	474	534	546	571	587	603
Long Island Rail Road	1,613	1,916	2,062	2,184	2,247	2,431
Grand Central Madison	10	98	93	95	98	101
Metro-North Railroad	1,447	1,521	1,516	1,623	1,692	1,750
MTA Headquarters	919	1,129	1,075	1,077	1,107	1,134
MTA Bus Company	843	934	966	999	1,027	1,050
Staten Island Railway	70	78	77	80	81	82
First Mutual Transportation Assurance Company	42	(30)	(22)	(25)	(28)	(26)
Construction and Development	9	0	0	0	0	0
Other	11	209	212	223	229	244
Total	\$14,570	\$16,197	\$16,472	\$17,178	\$17,799	\$18,577
Depreciation						
New York City Transit	\$2,156	\$2,199	\$2,243	\$2,288	\$2,334	\$2,381
Bridges and Tunnels	204	209	202	202	202	202
Long Island Rail Road	506	538	496	501	506	511
Grand Central Madison	0	102	201	201	201	201
Metro-North Railroad	316	306	298	302	306	316
MTA Headquarters	42	47	46	46	46	46
MTA Bus Company	49	56	56	56	56	56
Staten Island Railway	14	18	18	18	18	18
First Mutual Transportation Assurance Company	0	0	0	0	0	0
Construction and Development	0	0	0	0	0	0
Total	\$3,286	\$3,475	\$3,560	\$3,614	\$3,669	\$3,731
GASB 68 Pension Expense Adjustment						
New York City Transit	(\$348)	(\$333)	(\$333)	(\$333)	(\$333)	(\$333)
Bridges and Tunnels	(22)	(19)	(17)	(20)	(22)	(23)
Long Island Rail Road	(7)	66	31	44	13	35
Grand Central Madison	0	0	0	0	0	0
Metro-North Railroad	13	66	48	61	41	58
MTA Headquarters	(12)	15	11	17	10	14
MTA Bus Company	(17)	78	67	79	81	87
Staten Island Railway	1	4	3	4	3	3
First Mutual Transportation Assurance Company	0	0	0	0	0	0
Total	(\$393)	(\$124)	(\$191)	(\$148)	(\$207)	(\$158)
GASB 75 OPEB Expense Adjustment						
New York City Transit	\$864	\$876	\$885	\$893	\$903	\$912
Bridges and Tunnels	25	29	29	29	29	27
Long Island Rail Road	29	97	98	100	102	104
Grand Central Madison	0	0	0	0	0	0
Metro-North Railroad	68	117	120	124	128	133
MTA Headquarters	51	55	56	57	57	58
MTA Bus Company	41	76	78	81	83	86
Staten Island Railway	5	8	8	9	9	9
Total	\$1,084	\$1,258	\$1,275	\$1,292	\$1,312	\$1,329
GASB 87 Lease Adjustment						
New York City Transit	\$15	\$8	\$8	\$8	\$8	\$8
Bridges and Tunnels	14	2	2	2	2	2
Long Island Rail Road	(1)	0	(1)	(1)	(1)	(1)
Grand Central Madison	0	0	0	0	0	0
Metro-North Railroad	(6)	(6)	(6)	(6)	(6)	(6)
MTA Headquarters	(2)	2	2	2	2	2
MTA Bus Company	0	0	0	0	0	0
Staten Island Railway	0	0	0	0	0	0
Total	\$21	\$6	\$5	\$5	\$5	\$5
Environmental Remediation						
New York City Transit	\$0	\$0	\$0	\$0	\$0	\$0
Long Island Rail Road	16	2	2	2	2	2
Grand Central Madison	9	0	0	0	0	0
Metro-North Railroad	0	4	4	4	4	4
MTA Bus Company	0	0	0	0	0	0
Staten Island Railway	0	0	0	0	0	0
Total	\$26	\$6	\$6	\$6	\$6	\$6
Net Surplus/(Deficit)						
New York City Transit	(\$3,500)	(\$8,547)	(\$8,300)	(\$8,630)	(\$8,960)	(\$9,314)
Bridges and Tunnels	1,661	1,663	1,783	1,764	1,751	1,741
Long Island Rail Road	(713)	(2,019)	(2,027)	(2,147)	(2,165)	(2,362)
Grand Central Madison	(19)	(200)	(293)	(295)	(297)	(298)
Metro-North Railroad	(798)	(1,405)	(1,388)	(1,500)	(1,547)	(1,615)
MTA Headquarters	(947)	(1,179)	(1,130)	(1,149)	(1,173)	(1,205)
MTA Bus Company	(183)	(948)	(958)	(999)	(1,024)	(1,052)
Staten Island Railway	(28)	(101)	(99)	(104)	(103)	(106)
First Mutual Transportation Assurance Company	(32)	46	39	42	45	43
Construction and Development	(9)	0	0	0	0	0
Other	(11)	(209)	(212)	(223)	(229)	(244)
Total	(\$4,580)	(\$12,898)	(\$12,586)	(\$13,243)	(\$13,700)	(\$14,413)

Note: * Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2022	Final Estimate 2023	Adopted Budget 2024	2025	2026	2027
<u>Cash Receipts and Expenditures</u>						
Receipts						
Farebox Revenue	\$3,996	\$4,623	\$5,062	\$5,208	\$5,357	\$5,529
Other Revenue	1,365	2,165	1,157	1,217	1,098	1,058
Capital and Other Reimbursements	1,879	2,352	2,249	2,284	2,338	2,302
Total Receipts	\$7,240	\$9,140	\$8,468	\$8,709	\$8,793	\$8,889
Expenditures						
<u>Labor:</u>						
Payroll	\$5,837	\$6,554	\$6,936	\$7,180	\$7,245	\$7,383
Overtime	1,304	1,375	1,017	1,020	1,052	1,066
Health and Welfare	1,495	1,684	1,894	2,024	2,167	2,314
OPEB Current Payments	740	817	861	937	1,018	1,107
Pension	1,426	2,048	1,414	1,140	1,731	1,795
Other Fringe Benefits	1,159	1,105	1,097	1,130	1,166	1,203
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
Total Labor Expenditures	\$11,961	\$13,582	\$13,218	\$13,432	\$14,379	\$14,868
<u>Non-Labor:</u>						
Electric Power	\$566	\$553	\$650	\$684	\$687	\$700
Fuel	280	232	240	229	220	221
Insurance	(11)	43	20	34	41	60
Claims	231	358	338	336	337	341
Paratransit Service Contracts	411	521	527	551	582	611
Maintenance and Other Operating Contracts	710	1,004	891	864	845	852
Professional Services Contracts	620	887	738	718	728	716
Materials and Supplies	662	768	829	881	888	967
Other Business Expenses	227	257	244	263	290	297
Total Non-Labor Expenditures	\$3,696	\$4,623	\$4,476	\$4,560	\$4,618	\$4,765
<u>Other Expenditure Adjustments:</u>						
Other	\$126	\$162	\$114	\$128	\$152	\$128
General Reserve	0	185	190	200	205	220
Total Other Expenditure Adjustments	\$126	\$347	\$304	\$328	\$357	\$348
Total Expenditures	\$15,783	\$18,553	\$17,999	\$18,319	\$19,354	\$19,981
Net Cash Balance before Subsidies and Debt Service	(\$8,542)	(\$9,413)	(\$9,531)	(\$9,611)	(\$10,561)	(\$11,092)
Dedicated Taxes & State and Local Subsidies	\$9,796	\$11,363	\$11,477	\$11,097	\$12,128	\$12,955
Debt Service	(2,420)	(1,951)	(2,096)	(2,086)	(2,129)	(2,479)
Cash Balance Before Prior-Year Carryover	(\$1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Adjustments	\$0	\$0	\$149	\$600	\$562	\$615
Prior-Year Carryover Balance	1,166	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
Consolidated Cash Statement of Operations By Agency
(\$ in millions)

	Actual 2022	Final Estimate 2023	Adopted Budget 2024	2025	2026	2027
Cash						
Total Receipts						
New York City Transit	\$4,845	\$5,643	\$5,612	\$5,757	\$5,903	\$6,035
Long Island Rail Road	1,035	1,429	1,071	1,101	1,129	1,152
Grand Central Madison	0	0	1	1	2	3
Metro-North Railroad	736	1,128	899	927	971	972
MTA Headquarters	319	402	382	365	369	362
Construction & Development	58	103	95	99	101	102
First Mutual Transportation Assurance Company	10	16	16	17	17	17
MTA Bus Company	228	368	359	430	288	236
Staten Island Railway	10	51	32	12	12	11
Total	\$7,240	\$9,140	\$8,468	\$8,709	\$8,793	\$8,889
Total Expenditures						
New York City Transit	\$9,977	\$10,953	\$10,928	\$11,333	\$11,723	\$12,116
Long Island Rail Road	2,025	2,589	2,466	2,407	2,681	2,868
Grand Central Madison	1	108	93	95	98	101
Metro-North Railroad	1,725	2,041	1,921	1,874	2,120	2,128
MTA Headquarters	1,061	1,423	1,284	1,192	1,280	1,269
Construction & Development	68	103	95	99	101	102
First Mutual Transportation Assurance Company	10	16	16	17	17	17
MTA Bus Company	837	1,018	875	968	995	1,018
Staten Island Railway	68	94	83	85	84	84
Other	11	208	239	249	255	278
Total	\$15,783	\$18,553	\$17,999	\$18,319	\$19,354	\$19,981
Net Operating Surplus/(Deficit)						
New York City Transit	(\$5,132)	(\$5,310)	(\$5,316)	(\$5,576)	(\$5,820)	(\$6,081)
Long Island Rail Road	(990)	(1,160)	(1,394)	(1,306)	(1,552)	(1,716)
Grand Central Madison	(1)	(108)	(92)	(95)	(96)	(98)
Metro-North Railroad	(989)	(913)	(1,021)	(946)	(1,149)	(1,156)
MTA Headquarters	(742)	(1,021)	(902)	(827)	(910)	(907)
Construction & Development	(10)	0	0	0	0	0
First Mutual Transportation Assurance Company	0	0	0	0	0	0
MTA Bus Company	(609)	(650)	(516)	(537)	(707)	(782)
Staten Island Railway	(58)	(44)	(50)	(73)	(72)	(73)
Other	(11)	(208)	(239)	(249)	(255)	(278)
Total	(\$8,542)	(\$9,413)	(\$9,531)	(\$9,611)	(\$10,561)	(\$11,092)

METROPOLITAN TRANSPORTATION AUTHORITY

February Financial Plan 2024-2027

MTA Consolidated February Financial Plan Compared with November Financial Plan

Cash Reconciliation after Below-the-Line Adjustments

(\$ in millions)

	Favorable/(Unfavorable)				
	2023	2024	2025	2026	2027
NOVEMBER FINANCIAL PLAN 2024-2027					
NET CASH SURPLUS/(DEFICIT)	(\$0)	(\$0)	\$0	\$0	\$0
Agency Baseline Re-estimates	\$0	\$0	\$0	\$0	(\$0)
New Needs/Investments	\$0	\$0	\$0	\$0	\$0
Savings Programs	\$0	\$0	\$0	\$0	\$0
B&T Adjustments	\$0	\$0	\$0	\$0	\$0
MTA Adjustments	\$0	\$0	\$0	\$0	\$0
Debt Service (Cash)	\$0	\$0	\$0	\$0	\$0
Subsidies (Cash)	\$0	\$0	\$0	\$0	\$0
Below-the-Line (BTL) Adjustments	\$0	\$0	\$0	(\$0)	(\$0)
Prior Year Carryover	\$0	\$0	\$0	(\$0)	\$0
FEBRUARY FINANCIAL PLAN 2024-2027					
NET CASH SURPLUS/(DEFICIT)	(\$0)	(\$0)	\$0	\$0	(\$0)

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan 2024 - 2027
Farebox Recovery and Operating Ratios

FAREBOX RECOVERY RATIOS (1)

	Final Estimate 2023	Adopted Budget 2024	Plan 2025	Plan 2026	Plan 2027
New York City Transit	24.5%	26.5%	26.4%	26.4%	26.4%
Staten Island Railway	4.1%	4.6%	4.6%	4.6%	3.5%
Long Island Rail Road (3,4)	15.9%	17.1%	17.0%	17.4%	16.7%
Metro-North Railroad (3)	23.2%	24.4%	23.4%	23.1%	22.5%
MTA Bus Company	15.9%	16.5%	16.3%	16.5%	16.4%
MTA-Wide Farebox Recovery Ratio	22.3%	23.9%	23.8%	23.8%	23.6%

FAREBOX OPERATING RATIOS (2)

	Final Estimate 2023	Adopted Budget 2024	Plan 2025	Plan 2026	Plan 2027
New York City Transit	35.0%	37.9%	37.5%	37.1%	36.9%
Staten Island Railway	7.2%	8.4%	8.3%	8.4%	6.4%
Long Island Rail Road (3,4)	28.0%	29.0%	28.6%	28.6%	27.1%
Metro-North Railroad (3)	35.8%	37.0%	35.1%	34.0%	33.6%
MTA Bus Company	20.5%	21.2%	21.2%	21.2%	21.3%
MTA-Wide Farebox Operating Ratio	33.0%	35.3%	34.7%	34.4%	33.9%

(1) Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years; those costs include depreciation and interest on long-term debt. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

(2) Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain costs that are not subject to Agency control, but are provided centrally by MTA.

(3) In the meeting materials for the Meeting of the Metro-North and Long Island Rail Road Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.

(4) Long Island Rail Road farebox operating and recovery ratios include expenses associated with the Grand Central Madison Operating Company (GCMOC), which is responsible for the LIRR-operated portion of Grand Central Terminal

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]



Printed by: ImageMaster, LLC
www.imagemaster.com