



**NEW YORK LIBERTY DEVELOPMENT CORPORATION**

at the offices of the  
New York State Urban Development Corporation  
d/b/a Empire State Development  
633 Third Avenue – 36<sup>th</sup> Floor Conference Room A  
New York, New York 10017

**September 21, 2015 – 3:00 p.m.**

PROPOSED AGENDA

CORPORATE ACTION

1. Approval of the Minutes of the September 1, 2015 Directors' Meeting

FOR CONSIDERATION

2. New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (Second Tranche) (the "Refunding Bonds") - Final Board Authorization to Perform Certain Acts in Connection with the Sale and Delivery of the Corporation's Refunding Bonds and to Take Related Actions

**Item #1**

New York Liberty Development Corporation  
Meeting of the Directors  
Held at the NYC Offices of  
Empire State Development  
633 Third Avenue  
New York, New York 10017

September 1, 2015

MINUTES

In Attendance

Directors: Mehul Patel, Acting Chair  
George Haggerty  
Tom Prendergast  
Kathleen Mize

NYLDC Staff: Elizabeth R. Fine – Executive Vice President – Legal  
and General Counsel  
Robert M. Godley – Treasurer  
Debbie Royce - Assistant Corporate Secretary

ESD Staff: Jonathan Beyer - Senior Counsel  
Carey Gabay – First Deputy General Counsel  
Peter Heilbrunn – Senior Director, Debt Management  
Carlos Otero – Vice President, Contract Administration

Also Present: Arthur Miller, Goldman Sachs

The meeting of the New York Liberty Development Corporation (the “Corporation”), a Local Development Corporation created under New York State law, was called to order at approximately 10:00 a.m. It was noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law and that the meeting was being web cast. Further, Acting Chair Patel noted that the Directors had received relevant written materials in advance of the meeting and noted for the record the Corporation’s policy which welcomes public comments on the items

on the current Agenda.

Before beginning with the substantive portion of the meeting, Acting Chairman Patel asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the proposed Agenda. Hearing none, he then called for a motion to approve the Minutes of the Directors' meeting of March 5, 2014. Noting no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 5, 2014  
MEETING OF THE DIRECTORS OF THE NEW YORK LIBERTY DEVELOPMENT CORPORATION

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RESOLVED, that the Minutes of the meeting of the Corporation held on March 5, 2014 as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meetings as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

\* \* \*

Acting Chair Patel then asked Jonathan Beyer to present a request for the Directors to authorize the adoption of the established team of underwriters, financial advisors and financial product providers for the Corporation.

Mr. Beyer explained that this action sought the adoption of Empire State Development's ("ESD") approved pre-qualified list which would then make these firms available for future recommendation to the Corporation for retention, should the need arise, without the need to conduct further solicitations. He noted that ESD did conduct a solicitation when they approved

and adopted their list and also note that no individual firm was being retained at this time in connection with any particular matter and that no funding was being authorized.

Following Mr. Beyer providing a background description ESD's solicitation process, and in response to Acting Chairman Patel's request for questions from the Directors, Director Prendergast asked how the general selection is made from the pool of those recommended once there is a need. Mr. Beyer explained, when appropriate, there is a type of mini RFP process where the Corporation will select three or four providers and then the Corporation interviews and selects from that group. He noted that sometimes there are specific reasons why a particular underwriter or group of underwriters might be selected and sometimes it is rotated around. Lastly he wanted to reiterate that the list went through the *Contact Reporter* advertising process and was a full solicitation when initially adopted by ESD.

Hearing no further questions or comments and upon motion being duly made and seconded, the following resolution was unanimously adopted:

NEW YORK LIBERTY DEVELOPMENT CORPORATION – Establishment of Pre-Qualified Financial Advisors & Financial Providers List – Authorization to Adopt the Established New York State Urban Development Corporation d/b/a Empire State Development Team of Underwriters, Financial Advisors and Financial Product (SWAP) Providers

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WHEREAS, the New York Liberty Development Corporation (the "Corporation" or "LDC" proposes to select a team of underwriters, financial advisors and financial providers ("Firms") for all matters related to the Corporation; and

WHEREAS, the New York State Urban Development corporation d/b/a Empire State Development ("ESD") placed a notice in the New York State Contract Reporter, and issued a

Request for Proposals to select a group of Firms to serve ESD and on the basis of the overall ranking of the proposals by the responding Firms, selected qualified Firms and;

WHEREAS, based on ESD's evaluation of such Firms, the Corporation wishes to adopt the same list of Firms adopted by ESD; and

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy which is hereby ordered to be filed with the records of the Corporation, the Firms, listed in Schedule A be and each hereby is, approved in the various areas of expertise, such approval to remain in effect until the termination or expiration of the pre-qualified ESD list.

RESOLVED, that the President and Vice President of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all and any related actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing. Any actions taken by the Corporation prior to the adoption of this resolution complementing or in furtherance of the actions authorized are hereby ratified.

\* \* \*

Next, Mr. Beyer requested authorization for the Corporation to, among other things, proceed with the preparation of documents in connection with issuing of refunding bonds for a portion of New York Liberty Development Corporation's Refunding Bonds.

Mr. Beyer explained that the Corporation issued \$1.265 billion of its Liberty Bonds in 2005 and another approximately \$236 million of its Liberty Bonds in 2007. He stated the proceeds were lent to Goldman Sachs Headquarters, LLC (the "Borrower") to finance the construction of the now fully completed Goldman Sachs Global Headquarters located on West Street in lower Manhattan. He noted that the bonds were secured by a guaranty from the Goldman Sachs Group.

Mr. Beyer went on to further explain that the Borrower was now seeking to refund approximately \$22 million of these bonds which is expected to be a public offering at a negotiated price, which would effectively extend the maturity of these bonds. He stated that prior to starting work on this transaction, Corporation staff was now seeking consent of the Board on certain matters, specifically, certain documents. He advised that since the bonds intended to be refunded mature on October 1<sup>st</sup>, documents must be drafted and approved to complete the refunding prior to such date. He noted that while Board approval is being sought to commence the drafting of the documents, an additional meeting of the Board is anticipated to occur during the third week of September so the Board can have an opportunity to approve the final documents.

Mr. Beyer advised that in addition to requirements noted in the documents, the Corporation will also have to comply with certain Federal Tax Law requirements applicable to bonds, specifically a hearing is required prior to the sale of certain private activity bonds and approval from a senior governmental executive, in this case, the Governor, is required. Mr. Beyer stated the Governor's approval is intended to be obtained immediately following the hearing on the 18<sup>th</sup>.

Finally, consistent with the action just taken, Mr. Beyer stated that Goldman Sachs and Co., has been selected as the underwriter from the pre-qualified list of underwriters. He noted this underwriter was selected for its extensive experience in all aspects of municipal finance, its extensive experience as an underwriter on other Corporation Liberty issuances, and its

responses and rating in the pre-qualification process. He stated the Corporation took note that Goldman Sachs is an affiliate of the Borrower and the Borrower requested the Corporation to make the selection.

Mr. Beyer stated the Borrower will also have the option to select other co-managers from the pre-qualified list, including an MWBE firm and that the current policy provides that the Borrower is required to include minorities and women in this engagement.

Director Mize asked if the selection of Goldman Sachs presents a conflict since the Borrower is an affiliate of theirs and Mr. Beyer replied that it did not since it is being disclosed and the bonds are being offered to the public so they are subject to all types of securities regulations imposing a fiduciary duty.

Acting Chair Patel asked why such a relatively small amount was being refunded and Mr. Beyer explained that to try and re-market a small amount can be difficult so the idea is to extend the maturity and try to consolidate it into a larger package for sale at a future date. Arthur Miller, of Goldman Sachs confirmed Mr. Beyer's description.

Hearing no further questions or comments and upon motion being duly made and seconded, the following resolution was unanimously adopted:

**NEW YORK LIBERTY DEVELOPMENT CORPORATION - Authorization to Proceed with the Preparation of Documents in Connection with Issuing Refunding Bonds for a Portion of**

New York Liberty Development Corporation's Revenue Bonds (Goldman Sachs Headquarters Issue), to Take Actions Related to TEFRA Approval for such Refunding Bonds, to Appoint the Underwriter(s) and to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby authorizes the preparation of documents necessary or desirable in connection with the issuance and sale of Refunding Bonds (the "Refunding Bonds") for a portion of the New York Liberty Development Corporation's Revenue Bonds (Goldman Sachs Headquarters Issue); and be it further

RESOLVED, that the Corporation hereby authorizes the holding of a public hearing (a "TEFRA Hearing"), the publication of prior notice of the TEFRA Hearing and the submission to the Governor of a request for approval following such TEFRA Hearing, all in accordance with and as required by the Internal Revenue Code of 1954, as amended; and be it further

RESOLVED, that the Corporation hereby consents to Goldman, Sachs & Co. to be the senior managing underwriter for such Refunding Bonds, together with such co-managers, if any, as Goldman, Sachs & Co. shall select; and be it further

RESOLVED, that the President and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or counsel consistent with this authorization are hereby ratified and affirmed.

\* \* \*

Noting no objection from the Directors, Mr. Beyer was then asked to present the last two items together with the vote on the items taking place after his presentation. Mr. Beyer explained that in conjunction with the refunding just discussed, the Corporation is now seeking, with Board approval, to retain two law firms in connection with the transaction.

Mr. Beyer stated that one firm was Mintz Levin and the other Gonzalez Saggio, an MWBE firm. By way of background, he explained that the two firms were selected from the

Corporation's pre-qualified counsel list which was adopted on March 5, 2014 and on which both firms remain in good standing. He noted that Mintz was being recommended because of its knowledge and expertise and prior satisfactory work the firm has performed for both the Corporation and ESD, and the rate of its proposal and having been pre-qualified. In addition, he noted that Mintz was the same counsel that represented the Corporation on both prior issuances for the Goldman Sachs Global Headquarters and that their familiarity with the liberty bonds and transaction documents will enhance the quality and efficiency of the representation. He also noted that for the reasons stated, the Borrower also requested that Mintz be retained again for this refunding transaction.

Mr. Beyer stated that with respect to Gonzalez, the co-counsel, similarly the firm was chosen because of its knowledge and expertise, its prior satisfactory work for ESD, its rate proposal and the pre-qualification process and a subsequent competitive mini solicitation of other pre-qualified counsel specific to this transaction.

Mr. Beyer noted this is a conduit financing with no Corporation funds at risk. Accordingly, he stated the Borrower will fully fund all counsel costs and expenses and the will generally work at their typical rates. He stated the source of funding will be an internal imprest account funded by the Borrower and a pre-financing agreement will provide for advance funding by the Borrower with the obligation to replenish the account whenever the balance is below \$75,000.

Director Prendergast asked if the retainers with the Corporation set forth the MWBE goal for 30 percent. To which Mr. Beyer replied yes and explained that the money for the contract hadn't been specifically apportioned but the 30% would be a goal to meet.

Director Haggerty asked if there was a concern about any conflicts since the firms are actually representing a different party who is paying them and they've done work for them before. Mr. Beyer stated that this issue comes up in every conduit financing, not just for Liberty but for other State and municipal entities that have adopted this form of conduit financing. He noted that it was a concern but ultimately the Corporation is the client and they are reputable firms that are aware of their fiduciary duties to treat us as the client. Director Haggerty asked if the Corporation received assurances that the firms have done conflict checks internally as well and Mr. Beyer stated that they had. Director Prendergast wanted to piggyback on Director Haggerty's concern and just reiterate that the firm needed checks and balances at the individual levels as well since that is sometime where the most egregious behavior occurs.

Robert Godley noted that the Corporation was very involved in the transaction and in reviewing the documents so they are not just sent off to the outside attorneys for review. Elizabeth Fine advised that the decision of which outside attorneys to hire is the Corporation's own decision and is made completely independently. She stated that while the Borrower may have a recommendation, the Corporation does not have to follow that recommendation. She said that given the small amount of the transaction, the cost of getting another firm up to speed would be high and the Corporation's confidence in Mintz is high.

Director Haggerty requested that a formal request be made to the firm to make a representation that they have internally done the conflicts check so that the Corporation has locked in the firm in that regard and made them responsible for those actions. Ms. Fine replied that this would be done.

Hearing no further questions or comments and upon motion being duly made and seconded, the following two resolutions were unanimously adopted:

NEW YORK LIBERTY DEVELOPMENT CORPORATION - Authorization to Enter into a Contract to Provide Legal Services in Connection with Issuing Refunding Bonds for a Portion of New York Liberty Development Corporation's Revenue Bonds (Goldman Sachs Headquarters Issue) and to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds the law firm of Mintz Levin, Cohen, Ferris, Glovsky and Popeo, P.C. ("Counsel") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or Counsel consistent with this authorization are hereby ratified and affirmed.

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NEW YORK LIBERTY DEVELOPMENT CORPORATION – Procurement of Legal Services – Authorization to Enter into a Contract to Provide Legal Services for the New York Liberty Development Corporation’s Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2005 and 2007 and to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds the law firm of Gonzalez Saggio & Harlan LLP (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter amend a contract with Counsel for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the President and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing. Any actions previously taken by the Corporation or Counsel consistent with this authorization are hereby ratified and affirmed.

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There being no further business, the meeting was adjourned at 10:23 a.m.

Respectfully submitted,

Debbie Royce  
Assistant Corporate Secretary

**Item #2**



**FOR CONSIDERATION**

September 21, 2015

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (Second Tranche) (the "Refunding Bonds")

REQUEST FOR: Final Board Authorization to Perform Certain Acts in Connection with the Sale and Delivery of the Corporation's Refunding Bonds and to Take Related Actions

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I. Introduction

The Directors are being asked to approve the operative provisions, manner of sale, offering statement, contract of purchase and related documents in connection with the sale and delivery of the above-referenced Refunding Bonds.

II. Background

Generally, the proceeds of Liberty Bonds issued by the Corporation are loaned to a borrower or developer of a project to finance construction or other capital purpose and are secured by revenues derived from the project being financed or from other security offered by the borrower. In this case, repayment of the loan made to Goldman Sachs Headquarters LLC (the "Borrower") is secured by a guaranty from The Goldman Sachs Group, Inc. ("Goldman"). The Borrower is an affiliate of Goldman that was formed to undertake the development of a corporate headquarters for Goldman on site 26 in Battery Park City, street address 200 West Street, New York, New York (the "Project"). The Corporation is not financially liable for repayment of Liberty Bonds or any costs of issuance from its own resources.

**New York Liberty Development Corporation**  
633 Third Avenue, 35<sup>th</sup> Floor, New York, NY 10017  
Tel: 212-803-3100 Fax: 212-803-3515

On October 12, 2005, the Corporation issued \$1,265,220,000 of its Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (the "Prior Bonds") for the Project (\$1,399,995,367.05 measured by "issue price").

The Prior Bonds were issued under a Loan and Trust Agreement (the "Loan and Trust Agreement") dated as of October 12, 2005, among the Corporation, the Borrower and The Bank of New York Mellon, as successor trustee (the "Trustee") and the proceeds were loaned to the Borrower under the Loan and Trust Agreement and a Project Agreement (the "Project Agreement") dated October 12, 2005, relating to use and occupancy of the Project, among the Corporation, the Borrower and Goldman. The Borrower's obligations to repay the loan were guaranteed under a guaranty (the "Guaranty") dated October 12, 2005, from Goldman to the Corporation.

On August 16, 2007, the Corporation issued its \$235,595,000 Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2007 (the "Series 2007 Bonds") pursuant to the terms of a First Supplemental Agreement (the "First Supplemental Agreement") dated as of August 16, 2007, among the Corporation, the Borrower and the Trustee. The Borrower's payment obligations with respect to the Series 2007 Bonds were guaranteed by Goldman under the Guaranty as executed. The terms of the Project Agreement as executed applied to the use by the Borrower and Goldman of the proceeds of the Series 2007 Bonds.

### III. Refunding Bonds

Now the Borrower has requested the Corporation to issue and sell additional bonds, designated as Refunding Bonds, to refund all of the Prior Bonds maturing on October 1, 2015 (the "Refunded Bonds"), in the aggregate principal amount of up to \$22,695,000.

The Refunding Bonds will be issued to pay at maturity the Refunded Bonds upon certification of compliance by the Borrower with certain terms and conditions of the Loan and Trust Agreement. The Borrower's payment obligations with respect to the Refunding Bonds will also be guaranteed by Goldman under the Guaranty as executed.

As required by 26 U.S.C. Section 147(f), as amended, regarding the issuance of Private Activity Bonds, the Corporation held a Public Hearing with respect to the Project on September 17, 2015 (the "Hearing"). The Hearing was held at the New York Marriott Downtown, 85 West Street, New York, New York. Notice of the Hearing was published in the New York Post on Thursday, September 3, 2015. Prior to the issuance of the Refunding Bonds, the Governor will have approved the issuance of the Refunding Bonds as required under such Section 147(f). No member of the public attended the hearing.

As part of the transaction, the Corporation will (i) enter into a Second Supplemental Agreement to the Loan and Trust Agreement whereby the bonds are issued, the proceeds of the bonds are loaned to the Borrower, the obligation to repay is immediately pledged to the Trustee and the Borrower reaffirms certain covenants and representations and (ii) enter into a

Bond Purchase Contract with Goldman, Sachs & Co. (another Goldman affiliate) as the underwriter of the Refunding Bonds. The Corporation is being asked to delegate authority to its officers to approve the final sizing, yield or yields, and other sale-related terms and conditions of the Refunding Bonds subject to the parameters set forth in the attached resolution.

IV. Requested Action

In accordance with the attached resolution, you are hereby requested to 1) approve the terms and authorize the sale of the Refunding Bonds on a negotiated basis; 2) confirm the appointment of certain professionals; 3) approve the form and content of the preliminary official statement and various documents connected with the sale and delivery of the Refunding Bonds; 4) delegate authority to certain officers to approve sale-related terms, and 5) authorize certain officers of the Corporation to take all other actions deemed necessary to accomplish the final sale and delivery of the Refunding Bonds.

Attachments

Resolution

Exhibits: (Exhibits to Directors only)

Exhibit A Second Supplemental Agreement to Loan and Trust Agreement

Exhibit B Preliminary Official Statement

Exhibit C Bond Purchase Contract

September 21, 2015

NEW YORK LIBERTY DEVELOPMENT CORPORATION – New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (Second Tranche) (the “Refunding Bonds”) – Final Board Authorization to Perform Certain Acts in Connection with the Sale and Delivery of the Corporation’s Refunding Bonds and to Take Related Actions

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WHEREAS, the New York Liberty Development Corporation (the “Corporation”), a local development corporation caused to be incorporated by the New York Job Development Authority (the “Authority, established under Section 1802, Subtitle 1, Title 8, Article 8 of the New York Public Authorities Law, and pursuant to Section 1411 of the New York Not-For-Profit Corporation Law, being Chapter 35 of the Consolidated Laws of New York (collectively the “LDC Act”), is authorized by the LDC Act, the Corporation’s Certificate of Incorporation and its by-laws to issue Liberty Bonds;

WHEREAS, pursuant to Section 1400L of the Internal Revenue Code of 1986, as amended (the “Liberty Bond Statute”), tax-exempt Liberty Bonds are authorized to be issued by or on behalf of the State of New York or The City of New York for certain enumerated purposes;

WHEREAS, the Project (as defined below) qualifies for tax-exempt Liberty Bond financing and refinancing under the Liberty Bond Statute;

WHEREAS, on October 12, 2005, the Corporation issued its \$1,265,220,000 Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (the “Prior Bonds”) as qualified New York Liberty Bonds for the benefit of Goldman Sachs Headquarters LLC (the “Borrower”), an affiliated special purpose entity for The Goldman Sachs Group, Inc. (“Goldman”) for the purpose of financing the construction of approximately 1.9 million square feet of new commercial space to be used primarily as a global headquarters and trading floor facility for Goldman (the “Project”) pursuant to the terms of a Loan and Trust Agreement dated as of October 12, 2005 (the “Loan and Trust Agreement”), among the Corporation, the Borrower and JPMorgan Chase Bank, National Association, as predecessor trustee to The Bank of New York Mellon (the “Trustee”);

WHEREAS, on August 16, 2007, the Corporation issued its \$235,595,000 Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2007 (the “Series 2007 Bonds”) pursuant to the terms of a First Supplemental Agreement dated as of August 16, 2007 (the “First Supplemental Agreement”), among the Corporation, the Borrower and the Trustee;

WHEREAS, consistent with the Pre-Financing Agreement dated August 31, 2015, the Borrower requested the Corporation to issue its Revenue Bonds (Goldman Sachs Headquarters

Issue), Series 2005 (Second Tranche) (the "Refunding Bonds") to refund all of the Prior Bonds maturing on October 1, 2015 (the "Refunded Bonds");

WHEREAS, as permitted by Section 307 and Section 1301 of the Loan and Trust Agreement, the Second Supplemental Agreement (as defined below) provides for the issuance of Additional Bonds (as such term is defined in the Loan and Trust Agreement), in the aggregate principal amount of up to \$22,695,000, the proceeds of which are to be used to pay at maturity the Refunded Bonds;

WHEREAS, on September 17, 2015, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, the Corporation conducted a public hearing on the issuance of the Refunding Bonds and such issuance will be approved by the Governor pursuant to such Section 147(f) before the Refunding Bonds are issued;

WHEREAS, the Corporation has caused to be prepared a Second Supplemental Agreement (the "Second Supplemental Agreement") among the Corporation, the Borrower and the "Trustee," which amends and supplements the Loan and Trust Agreement, a draft of which is attached to this resolution as Exhibit A. The Second Supplemental Agreement sets forth the terms and provisions of the Refunding Bonds and provides for the loan of the proceeds thereof to the Borrower for the purpose of refinancing the Refunded Bonds;

WHEREAS, the Borrower has provided security for the payment of the Prior Bonds, the Series 2007 Bonds and the Refunding Bonds in the form of a Guaranty of its obligations under the Loan and Trust Agreement dated October 12, 2005 (the "Guaranty") from Goldman as guarantor to the Corporation, and the Corporation has assigned certain of its rights thereunder to the Trustee as security for such bonds; and

WHEREAS, the Corporation has caused to be prepared a Preliminary Official Statement to be used in connection with the issuance and sale of the Refunding Bonds (the "Preliminary Official Statement"), a draft of which is attached to this resolution as Exhibit B, and has negotiated the Bond Purchase Contract for the Refunding Bonds between the Corporation and Goldman, Sachs & Co. (another Goldman affiliate), as the underwriter (hereinafter, the "Underwriter") (the "Bond Purchase Contract"), a draft of which is attached to this resolution as Exhibit C.

NOW, therefore, the Board of Directors of the Corporation, in accordance with the materials presented at this meeting, including the Board Memorandum and the Exhibits attached to this Resolution (collectively, the "Materials"), upon motion duly made and seconded, duly adopts the following Resolution:

RESOLVED, that copies of the Materials are hereby ordered to be filed with the records of the Corporation and are deemed to be incorporated herein by reference (the "Materials"); and further

RESOLVED, that the Second Supplemental Agreement and the Bond Purchase Contract, each as presented to this meeting, are hereby approved, and any Authorized Officer (as hereinafter defined) is hereby authorized and directed to execute and deliver the same on behalf of the Corporation in substantially such forms as are so approved with such changes, supplements and amendments thereto as any Authorized Officer executing the same may approve, such approval to be conclusively evidenced by such Authorized Officer's execution thereof; and further

RESOLVED, that the form of the Preliminary Official Statement in substantially the form presented to this meeting is hereby approved, and the distribution of the Preliminary Official Statement and a final Official Statement in connection with the sale of the Refunding Bonds, with such changes, supplements and amendments thereto as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution thereof, is hereby authorized, and any Authorized Officer is hereby authorized and directed to execute the same on behalf of the Corporation; and further

RESOLVED, that the amount, maturity or maturities, interest rate or rates (including their method of determination), price or prices and yield or yields and other terms of or relating to the Refunding Bonds (the "Terms") insofar as set forth in the Second Supplemental Agreement, are hereby approved, with the understanding that such Terms will be finalized in connection with the sale of the Refunding Bonds, which is expected to occur hereafter in September or on October 1, 2015, subject to the final approval of any Authorized Officer, such approval to be evidenced by such Authorized Officer's execution of the Second Supplemental Agreement and the Bond Purchase Contract and that all other documents relating to the Refunding Bonds shall similarly, as appropriate, be conformed thereto; provided that the aggregate principal amount of the Refunding Bonds (measured by the "issue price" of the Refunding Bonds as determined under applicable Treasury Regulations) shall not exceed \$22,695,000, the final maturity shall be October 1, 2035, the interest rate to be borne by the Refunding Bonds shall be 5.25% and the yield on the Refunding Bonds shall be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution of the Official Statement; and further

RESOLVED, that, subject to the conditions set forth in the Bond Purchase Contract, the Corporation shall sell and award the aggregate principal amount of the Refunding Bonds to the Underwriter; and further

RESOLVED, that the Corporation shall offer for sale, sell, issue and deliver the Refunding Bonds pursuant to the Bond Purchase Contract and the Second Supplemental Agreement, and shall apply the proceeds thereof in accordance with the Second Supplemental Agreement and certain certificates to be delivered upon the issuance of the Refunding Bonds; and further

RESOLVED, that the President, Treasurer and Executive Vice President – Legal and General Counsel of the Corporation, and any other person duly authorized to act in such capacity, is designated an "Authorized Officer"; and further

RESOLVED, that each of the Authorized Officers is hereby authorized and directed to approve and execute such documents, instruments and certificates, make any changes to the forms of the Second Supplemental Agreement, the Bond Purchase Contract, Preliminary Official Statement and all other related documents as he or she may reasonably deem necessary, desirable or appropriate to consummate the transactions authorized hereby and thereby, make such payments and take such other actions in the name of the Corporation and on its behalf, as he or she may reasonably deem necessary, desirable or appropriate to carry out the foregoing resolutions, including without limitation the execution, sale and delivery of the Refunding Bonds and the execution and delivery of a Tax Certificate and Agreement, and that all actions heretofore taken in connection with the offering, sale and issuance of the Refunding Bonds by any Authorized Officer or his or her designee are hereby ratified and approved.

\* \* \*

# Exhibit A

**SECOND SUPPLEMENTAL AGREEMENT**

**among**

**NEW YORK LIBERTY DEVELOPMENT CORPORATION**

**and**

**GOLDMAN SACHS HEADQUARTERS LLC**

**and**

**THE BANK OF NEW YORK MELLON, AS TRUSTEE**

**Dated as of October 1, 2015**

**and providing for the issuance of**

**[\$22,695,000]**

**New York Liberty Development Corporation**

**Revenue Bonds**

**(Goldman Sachs Headquarters Issue)**

**Series 2005 (Second Tranche)**

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## SECOND SUPPLEMENTAL AGREEMENT

**THIS SECOND SUPPLEMENTAL AGREEMENT** (the “Second Supplemental Agreement”) is entered into as of October 1, 2015 among the New York Liberty Development Corporation (with its successors, the “Corporation” or the “Issuer”), a local development corporation formed under Section 1411 of the Not-For-Profit Corporation Law, being Chapter 35 of the Consolidated Laws of New York, and created by action of the New York Job Development Authority established under Section 1802, Subtitle 1, Title 8, Article 8 of the New York Public Authorities Law, The Bank of New York Mellon (as successor trustee to JPMorgan Chase Bank, National Association, New York, New York), as Trustee and Paying Agent (with its successors, the “Trustee”) and Goldman Sachs Headquarters LLC, a limited liability company organized and existing under the laws of the State of Delaware (with its successors and assigns, the “Borrower”).

Terms not otherwise defined in Section 2 of this Second Supplemental Agreement shall have the meanings prescribed in the Original Loan and Trust Agreement (defined below).

Section 1. Description of Instrument and Parties. On October 12, 2005, the Corporation duly issued \$1,265,220,000 principal amount of its Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2005 (the “Original Series 2005 Bonds”) pursuant to the terms of a Loan and Trust Agreement dated as of October 12, 2005, among the Corporation, the Borrower and JPMorgan Chase Bank, National Association, as predecessor trustee to The Bank of New York Mellon (the “Original Loan and Trust Agreement”) and on August 16, 2007, the Corporation issued \$235,595,000 principal amount of its Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2007 (the “Series 2007 Bonds”) pursuant to the terms of a First Supplemental Agreement dated as of August 16, 2007, among the Corporation, the Borrower and the Trustee (the “First Supplemental Agreement”). As permitted by Section 307 and Section 1301 of the Original Loan and Trust Agreement, this Second Supplemental Agreement provides for the issuance of Additional Bonds in the aggregate principal amount of \$[22,695,000] (the “Additional Series 2005 Bonds”), the proceeds of which are to be used to pay at maturity the principal amount of the portion of the Original Series 2005 Bonds maturing on October 1, 2015 (the “Refunded Bonds”). This Second Supplemental Agreement supplements and amends the Original Loan and Trust Agreement, as supplemented and amended by the First Supplemental Agreement. The Original Series 2005 Bonds and the Additional Series 2005 Bonds are referred to collectively as the “Series 2005 Bonds.”

All things necessary to make the Additional Series 2005 Bonds, when authenticated, the binding, limited obligations of the Corporation and to create a valid lien and pledge as herein provided have been accomplished; and the execution and delivery of this Second Supplemental Agreement and the issuance of the Additional Series 2005 Bonds have been duly authorized.

In consideration of the mutual agreements and representations contained in this Second Supplemental Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree, covenant, grant, pledge, assign, represent and warrant as follows (it being understood and agreed that the performance of the agreements of the Corporation herein contained and any obligation it may incur for the payment of money shall not be a general

obligation of the Corporation or a debt or a pledge of the faith and credit of the State of New York, the New York Job Development Authority, the New York State Urban Development Corporation or any other authority, public benefit corporation or local development corporation, or of any municipality of the State of New York but shall be special obligations of the Corporation payable solely from the revenues and funds provided under the Agreement, as herein defined):

Any reference in this Second Supplemental Agreement to the Borrower, the Corporation, the Guarantor or the Trustee or its agent shall include those Persons which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions. Any reference in this Second Supplemental Agreement to any statute or law or chapter or section thereof shall include all amendments, supplements or successor provisions thereto.

All references in this Second Supplemental Agreement to time of day shall mean the time prevailing in New York, New York on the day or date in question.

## Section 2. Definitions and Interpretations.

(a) General. Whenever used in the Original Loan and Trust Agreement or in this Second Supplemental Agreement, the "Agreement" shall mean the Original Loan and Trust Agreement as amended and supplemented by the First Supplemental Agreement and this Second Supplemental Agreement. Unless otherwise defined in this Second Supplemental Agreement, or unless the context otherwise requires, the terms defined in the Original Loan and Trust Agreement shall have the same meanings in this Second Supplemental Agreement.

(b) Definition Amended. The definition of the following term appearing in Article 2 of the Original Loan and Trust Agreement is hereby amended by striking such definition and inserting the following:

"Basic Agreements" means the Original Loan and Trust Agreement, the First Supplemental Agreement, the Second Supplemental Agreement, the Guaranty, the Continuing Disclosure Agreement, the Series 2007 Continuing Disclosure Agreement, the 2015 Continuing Disclosure Agreement and the Bonds.

The following terms as used in this Second Supplemental Agreement, the Series 2005 Bonds and any certificate or document executed in connection therewith shall have the following meanings (or are defined elsewhere in this Second Supplemental Agreement as indicated below) unless the context otherwise indicates:

(c) Defined Terms. The following terms have the following meanings in this Second Supplemental Agreement unless the context otherwise requires:

"Additional Series 2005 Bonds" -- See Section 1 of this Second Supplemental Agreement.

"Additional Series 2005 Bond Underwriter" means Goldman, Sachs & Co.

“Additional Series 2005 Loan” means the loan of the proceeds of the Additional Series 2005 Bonds to the Borrower made under this Second Supplemental Agreement and the Original Loan and Trust Agreement.

“Bond Purchase Contract” means the contract by that name among the Corporation, the Borrower, the Guarantor and the Additional Series 2005 Bond Underwriter, pursuant to which the Additional Series 2005 Bonds are initially sold.

“Closing Date” means the date of delivery of the Additional Series 2005 Bonds as set forth in the Bond Purchase Contract against payment therefor.

“Interest Payment Dates” means each April 1 and October 1, commencing April 1, 2016.

“Project Agreement” shall mean the Project Agreement dated October 12, 2005 among the Corporation, the Borrower and the Guarantor.

“Series 2005 Bonds” means the Additional Series 2005 Bonds and the Original Series 2005 Bonds.

“2015 Continuing Disclosure Agreement” shall mean the Continuing Disclosure Agreement dated as of the date of issuance of the Additional Series 2005 Bonds among the Borrower, the Guarantor and the Trustee, as originally executed and as it may be amended from time to time in accordance with its terms.

(d) Successors and Assigns. The rights and obligations of the parties to this Second Supplemental Agreement and all of the covenants, conditions and provisions hereof are for the sole and exclusive benefit of the parties hereto, the Guarantor and the Bondholders.

(e) Severability. In the event that any provisions of this Second Supplemental Agreement shall be held to be invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.

(f) Counterparts. This Second Supplemental Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

(g) Captions. The captions and table of contents of this Second Supplemental Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Second Supplemental Agreement.

(h) Original Loan and Trust Agreement Affirmed. Except as otherwise expressly further amended and supplemented by this Second Supplemental Agreement, the provisions of the Original Loan and Trust Agreement, as amended by the First Supplemental Agreement shall remain unchanged, binding and in full force and effect.

(i) Governing Law. The validity and interpretation of this Second Supplemental Agreement and the Additional Series 2005 Bonds shall be governed by the laws of the State of New York.

(j) Obligations of the Trustee. The Trustee accepts the amendment of the Original Loan and Trust Agreement effected by this Second Supplemental Agreement and agrees to perform the trusts created by the Original Loan and Trust Agreement as hereby amended, but only upon the terms and conditions set forth in the Original Loan and Trust Agreement, including the provisions defining and limiting the liabilities and responsibilities of the Trustee, which terms and provisions shall in like manner define and limit its liabilities and responsibilities in the performance of the trust created by the Original Loan and Trust Agreement as hereby amended, and without limiting the generality of the foregoing, the Trustee shall not be responsible in any manner whatsoever for or with respect to any recitals herein or in the Additional Series 2005 Bonds (except in respect to the certificate of authentication of the Trustee endorsed on the Additional Series 2005 Bonds), or for the validity of the execution by the Borrower or the Corporation of this Second Supplemental Agreement or of any amendments hereto, or for the sufficiency of the security of the Additional Series 2005 Bonds issued hereunder or intended to be secured hereby, or for the value of any property pledged hereunder or issued in connection herewith, except as set forth herein.

### Section 3. The Additional Series 2005 Bonds.

(a) General. The Additional Series 2005 Bonds shall be issued in the original aggregate principal amount of \$[22,695,000] maturing on October 1, 2035, and subject to the same terms and conditions as the Original Series 2005 Bonds of the same maturity, including without limitation the interest rate, redemption terms, Record Dates, Interest Payment Dates, authentication procedures and registration provisions.

After the issuance of the Additional Series 2005 Bonds, the Additional Series 2005 Bonds shall be treated as part of the Series 2005 Bonds that mature on October 1, 2035 and be deemed to constitute part of the same series of Bonds as the Original Series 2005 Bonds that mature on October 1, 2035. In all respects (other than the use of proceeds and the issue date) the Additional Series 2005 Bonds shall be the same as the Original Series 2005 Bonds that mature on October 1, 2035 and will be subject to, and entitled to the benefits of, the terms and conditions of the Original Series 2005 Bonds that mature on October 1, 2035.

(b) Form of Additional Series 2005 Bonds. The Additional Series 2005 Bonds shall be issued in substantially the same form as the form of the Original Series 2005 Bonds set forth in the Original Loan and Trust Agreement (provided changes shall be made to reflect issuance of the Series 2007 Bonds and the Additional Series 2005 Bonds and the First and Second Supplemental Agreements). A revised form of the Series 2005 Bonds will be provided to the Trustee for future use.

(c) Parity Position of Additional Series 2005 Bonds. All terms and provisions of the Original Loan and Trust Agreement relating to the Bonds shall apply to the Original Series 2005 Bonds, the Series 2007 Bonds and the Additional Series 2005 Bonds unless the context otherwise clearly requires. Moneys received for the payments of Bonds shall be allocated pro rata, based on the

amounts due, to payments on (i) the Series 2005 Bonds as if the Additional Series 2005 Bonds and the Original Series 2005 Bonds were a single series of Bonds and (ii) the Series 2007 Bonds.

Section 4. Application of Additional Series 2005 Bonds Proceeds. All proceeds from the sale of the Additional Series 2005 Bonds shall be deposited in the Series 2005 Account of the Bond Fund and applied on October 1, 2015 to pay the principal of the Original Series 2005 Bonds maturing on such date as provided in Section 502 of the Original Loan and Trust Agreement.

Section 5. Separate Accounts. So long as the Original Series 2005 Bonds, the Series 2007 Bonds and the Additional Series 2005 Bonds (or a portion of each Series) remain Outstanding, the Trustee shall establish and maintain separate accounts within the Project Fund and Bond Fund for moneys relating to (i) the Series 2005 Bonds on the one hand and (ii) the Series 2007 Bonds on the other, each designated as a "Series 2005 Account" or "Series 2007 Account," as applicable.

Section 6. Defaults on Determination of Taxability. Notwithstanding any other provision of this Second Supplemental Agreement or the Original Loan and Trust Agreement, if a Determination of Taxability shall occur with respect to one Series of Bonds but not another, with the Original Series 2005 Bonds and the Additional Series 2005 Bonds treated as if they were a single series of Bonds, such Determination of Taxability shall not give rise to an Event of Default under Section 1101(iii) of the Original Loan and Trust Agreement with respect to those Bonds not subject to the Determination of Taxability (the "Non-Defaulting Series"), and any acceleration or other remedy sought or enforced in connection with such Determination of Taxability shall not apply to the Non-Defaulting Series.

Section 7. Reaffirmation of Corporation's and Borrower's Representations and Agreements

(a) The Corporation hereby confirms as of the date hereof and the date of original delivery of the Original Series 2005 Bonds the representations and agreements made in Article VIII of the Original Loan and Trust Agreement.

(b) The Borrower hereby confirms as of the date hereof and the date of original delivery of the Original Series 2005 Bonds the representations and agreements made in Sections 901, 902, 903 and 904 of the Original Loan and Trust Agreement.

(c) The Borrower hereby represents and warrants as of the date hereof that it is in compliance with the conditions imposed on the Borrower in connection with the Borrower's request to the Corporation to issue the Additional Series 2005 Bonds as Additional Bonds under Section 307 of the Original Loan and Trust Agreement.

(d) The Borrower hereby represents and warrants as of the date hereof that it is in compliance in all material respects with the conditions imposed on the Borrower under the Project Agreement, to the extent such conditions are still in effect.

**IN WITNESS WHEREOF**, each of the Borrower and the Corporation has caused this Second Supplemental Agreement to be executed and delivered in its name and behalf by its authorized officer and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Second Supplemental Agreement to be executed in its name and behalf by its authorized officer, all as of the date appearing on page 1.

NEW YORK LIBERTY DEVELOPMENT CORPORATION

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

GOLDMAN SACHS HEADQUARTERS LLC

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

THE BANK OF NEW YORK MELLON,  
As Trustee

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

# Exhibit B

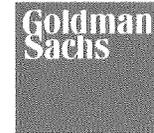
**NEW ISSUE - BOOK-ENTRY ONLY**

In the opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., bond counsel, under existing law, and assuming continuing compliance with certain requirements of the Internal Revenue Code, interest on the Additional Series 2005 Bonds (1) will not be included in a bondholder's federal gross income under the Internal Revenue Code; (2) will not constitute a preference item for a bondholder under the federal alternative minimum tax; and (3) will be included in the adjusted current earnings of a corporation under the federal corporate alternative minimum tax.

Also, in bond counsel's opinion, under existing law, interest on the Additional Series 2005 Bonds is exempt from personal income taxes imposed by the State of New York or its political subdivisions, including The City of New York, to the extent that such interest is excluded from gross income for federal income tax purposes.



**\$22,000,000\***  
**New York Liberty Development Corporation**  
**Revenue Bonds**  
**(Goldman Sachs Headquarters Issue), Series 2005**  
**(Second Tranche)**

**Dated: October 1, 2015<sup>†</sup>****CUSIP Number<sup>†</sup>: 531127AC2****Due: October 1, 2035**

On October 12, 2005, the New York Liberty Development Corporation (the "Issuer") issued \$1,265,220,000 of its Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (the "Original Series 2005 Bonds"). The Issuer will issue its above-captioned bonds (the "Additional Series 2005 Bonds" and together with the Original Series 2005 Bonds maturing on October 1, 2035, the "Series 2005 Bonds") as additional Series 2005 Bonds, with the same interest rate, maturity date and redemption terms, and accordingly the same CUSIP number, as the Original Series 2005 Bonds maturing October 1, 2035 and currently outstanding in the par amount of \$1,242,525,000. The Issuer will pay semi-annual interest on the Additional Series 2005 Bonds on April 1 and October 1 of each year, commencing on April 1, 2016, to the registered holders of the Additional Series 2005 Bonds on the preceding March 15 or September 15.

The Series 2005 Bonds are subject to redemption in whole or in part at the option of the Borrower on the terms described under "Description of the Series 2005 Bonds".

The Issuer will use the proceeds of the Additional Series 2005 Bonds to make a loan to Goldman Sachs Headquarters LLC (the "Borrower"). The Borrower will use the proceeds of the loan to refund the portion of the Original Series 2005 Bonds maturing on October 1, 2015. The loan to the Borrower will be guaranteed by The Goldman Sachs Group, Inc. (the "Guarantor").

**The Series 2005 Bonds are special limited obligations of the Issuer. They are payable solely from, and are secured by, payments under (1) the Issuer's loan to the Borrower and (2) the guaranty, made by the Guarantor, of that loan to the Borrower.** The Series 2005 Bonds are not guaranteed by, or direct obligations of, the Guarantor or the Borrower or any of their subsidiaries. None of the Series 2005 Bonds, the loan or the guaranty are secured by the headquarters project or revenues generated by the project.

The Borrower does not have substantial assets other than the headquarters of the Guarantor and any revenues generated by the headquarters. The Borrower expects the Guarantor to make the payments required to be made under the loan (and thus provide funds for the payment of the Series 2005 Bonds) through capital contributions, loans or other funds provided to the Borrower or under the guaranty. Investors may obtain information on the Guarantor as described in Exhibit A.

**The Series 2005 Bonds are not a general obligation of the Issuer. The Series 2005 Bonds are not a debt or pledge of the faith and credit of the State of New York, the New York Job Development Authority, the New York State Urban Development Corporation or any other authority, public benefit corporation or local development corporation, or any municipality of the State of New York. The Issuer has no taxing power.**

**This cover page is only a brief general summary. Investors must read this entire official statement, including the information incorporated by reference, to obtain essential information for making an informed investment decision.**

The Underwriters expect to deliver the Additional Series 2005 Bonds on or about October 1, 2015 through the facilities of The Depository Trust Company against payment in immediately available funds.

The Additional Series 2005 Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality of the Series 2005 Bonds by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., New York, New York, bond counsel, and to certain other conditions.

\* Preliminary, subject to change.

† The CUSIP number listed above is provided solely for the convenience of bondholders and neither the Borrower nor the Issuer makes any representation with respect to such number or undertakes any responsibility for its accuracy. The CUSIP number is subject to change after the issuance of the Series 2005 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2005 Bonds.

[Goldman, Sachs & Co. may use this official statement in the initial sale of the Additional Series 2005 Bonds. In addition, Goldman, Sachs & Co. or any of its affiliates may use this official statement in a market-making transaction in any of the Additional Series 2005 Bonds after the initial sale. Unless Goldman, Sachs & Co. or its agent informs the purchaser otherwise in the confirmation of sale, this official statement is being used in a market-making transaction.]

**Goldman, Sachs & Co.**

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

September \_\_, 2015

**\$22,000,000\***  
**New York Liberty Development Corporation**  
**Revenue Bonds**  
**(Goldman Sachs Headquarters Issue), Series 2005**  
**(Second Tranche)**

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Number</u> <sup>†</sup>
October 1, 2035	\$22,000,000*	5.25%	_____% (Approximate Price: _____)	531127AC2

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\* Preliminary, subject to change.

† The CUSIP number listed above is provided solely for the convenience of bondholders and neither the Borrower nor the Issuer makes any representation with respect to such number or undertakes any responsibility for its accuracy. The CUSIP number is subject to change after the issuance of the Series 2005 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2005 Bonds.

## *Certain Information About This Bond Issue*

The Issuer and the Borrower have prepared this information to assist investors in understanding certain specific terms of this bond issue, especially:

- the description of the Series 2005 Bonds being offered; and
- the financing documents and security for the Series 2005 Bonds.

This official statement, which incorporates by reference the materials that the Guarantor files with the United States Securities and Exchange Commission as specified in Exhibit A, provides investors with information about the Series 2005 Bonds being offered. Investors must carefully review that information before making a decision whether or not to purchase any of the Series 2005 Bonds.

Bonds Offered:.....\$22,000,000\* New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005.

Issuer:.....New York Liberty Development Corporation.

Borrower:.....Goldman Sachs Headquarters LLC.

Guarantor of the Borrower:.....The Goldman Sachs Group, Inc.

Use of Proceeds:.....To make a loan to the Borrower to refund the portion of the Issuer's Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005, maturing on October 1, 2015. See "PLAN OF REFUNDING".

Financing Documents:.....Loan and trust agreement and guaranty. See "THE LOAN AND TRUST AGREEMENT" and "THE GUARANTY".

Security and Source of Payment:.....Loan payments received from the Borrower, which are guaranteed by the Guarantor, all as described under the heading "SECURITY AND SOURCE OF PAYMENT".

\* \* \*

Trustee:.....The Bank of New York Mellon.

Underwriters:.....Goldman, Sachs & Co. (Goldman, Sachs & Co., the Borrower and the Guarantor are all affiliates) and Siebert Brandford Shank & Co., L.L.C.

Bond Counsel:.....Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., New York, NY.

Special Counsel to Issuer:.....Gonzalez Saggio & Harlan LLP.

Underwriters' Counsel:.....Orrick, Herrington & Sutcliffe LLP, New York, NY.

Borrower's and Guarantor's Counsel:.....Sullivan & Cromwell LLP, New York, NY.

Orrick, Herrington & Sutcliffe LLP, New York, NY has also provided legal advice to the Borrower and the Guarantor in connection with this transaction.

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\* Preliminary, subject to change.

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**No Unlawful Offers.** This official statement does not constitute an offer to sell, or the solicitation of an offer to buy, the Additional Series 2005 Bonds in any jurisdiction where that would be unlawful. The Issuer, the Borrower and the Guarantor have authorized only the information contained or incorporated by reference into this official statement. The Issuer, the Borrower and the Guarantor have not authorized any person to provide investors with any other information, and none of the Issuer, the Borrower or the Guarantor assume any responsibility or liability for the accuracy, completeness or fairness of any other information provided to any investor.

**Not a Contract; Not Investment Advice.** This official statement is not a contract, and provides no investment advice. Investors should consult their financial advisors and legal counsel with their questions about this official statement and the Series 2005 Bonds being offered, or anything else related to this issue of Additional Series 2005 Bonds.

**No Guarantee of Information.** The only information provided by the Issuer appears under the headings "THE ISSUER", "LIBERTY BOND PROGRAM" and "LITIGATION" insofar as the latter refers to the Issuer. The Issuer has provided this information or obtained it from other sources believed to be reliable. The Issuer does not, however, guarantee the accuracy or completeness of that information, nor has any one source guaranteed the information provided by any other source. Information and expressions of opinion are subject to change without notice, and investors should not draw any implication that there have been no changes since the date of this official statement. Neither the delivery of, nor any sale made under, this official statement shall under any circumstances create any implication that there has been no change in affairs of the Issuer, the Borrower or the Guarantor or in any of the other matters described herein.

The Underwriters have provided the following sentence for inclusion in this official statement. The Underwriters have reviewed the information in this official statement in accordance with, and as part of their responsibility to investors under, the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

**[Underwriter Transactions.** The Underwriters may effect transactions which stabilize and maintain the market price of the Series 2005 Bonds at a level above that which might otherwise prevail in the open market. The Underwriters are not obligated to do this and are free to discontinue it at any time. The Underwriters may offer and sell the Series 2005 Bonds to certain dealers and others at prices lower or yields higher than the public offering prices or yields on the inside cover of this official statement.]

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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## OFFICIAL STATEMENT

Relating to

**\$22,000,000\***

**New York Liberty Development Corporation  
Revenue Bonds  
(Goldman Sachs Headquarters Issue), Series 2005  
(Second Tranche)**

### INTRODUCTION

This official statement – which includes the forepart, the main body and the exhibits – provides the investor with information about the above-captioned bonds being offered (the “Additional Series 2005 Bonds”).

On October 12, 2005, the New York Liberty Development Corporation (the “Issuer”) issued \$1,265,220,000 of its Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (the “Original Series 2005 Bonds”). The Additional Series 2005 Bonds will be issued pursuant to a loan and trust agreement, dated as of October 12, 2005 (the “loan and trust agreement”), among the New York Liberty Development Corporation (the “Issuer”), The Bank of New York Mellon, as successor trustee (the “Trustee”), and Goldman Sachs Headquarters LLC (the “Borrower”) as supplemented by a first supplemental agreement, dated as of August 16, 2007 and a second supplemental agreement dated the date of issuance of the Additional Series 2005 Bonds, among the Issuer, the Trustee, and the Borrower, and will bear interest at the same rate, mature on the same date and be subject to the same redemption terms, and accordingly the same CUSIP number, as the Original Series 2005 Bonds maturing on October 1, 2035 and currently outstanding in the par amount of \$1,242,525,000 (such Original Series 2005 Bonds maturing on October 1, 2035, together with the Additional Series 2005 Bonds, the “Series 2005 Bonds”). Under the loan and trust agreement, after the issuance of the Additional Series 2005 Bonds, the Original Series 2005 Bonds maturing on October 1, 2035 and the Additional Series 2005 Bonds will be considered one series. The Issuer is issuing the Additional Series 2005 Bonds to make a loan to the Borrower to refund the portion of the Issuer’s Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005, maturing on October 1, 2015 and currently outstanding in the par amount of \$22,695,000 (the “Refunded Bonds”) (as further described under the heading “PLAN OF REFUNDING”). The Borrower is a wholly owned subsidiary of The Goldman Sachs Group, Inc. (the “Guarantor”), which has guaranteed the Borrower’s payment obligations under the loan and trust agreement.

On August 16, 2007, the Issuer issued \$235,595,000 of its Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2007 (the “Series 2007 Bonds”). The Original Series 2005 Bonds and the Series 2007 Bonds were issued under the loan and trust agreement. The Issuer used the proceeds of the Original Series 2005 Bonds and the Series 2007 Bonds to make loans to the Borrower to finance costs of the construction of the new headquarters of The Goldman Sachs Group, Inc. and its subsidiaries in the Liberty Zone in The City of New York (the “headquarters”).

Under the loan and trust agreement, the Borrower is obligated to make payments that will equal the amount of the principal of, premium, if any, and interest on the Series 2005 Bonds and the Series 2007 Bonds. The Guarantor guarantees the payment obligations of the Borrower under the loan and trust agreement pursuant to a guaranty, dated as of October 12, 2005 (the “guaranty”). In turn, the Issuer has assigned its interest in the loan and trust agreement and the guaranty to the Trustee as security for the Series 2005 Bonds and the Series 2007 Bonds, except for certain reserved rights. **Neither the Series 2005 Bonds nor the Series 2007 Bonds are secured by any lien or mortgage on or other security interest in the headquarters or revenues generated by the headquarters. Neither the Series 2005 Bonds nor the Series 2007 Bonds themselves (as distinguished from the loan) are guaranteed by The Goldman Sachs Group, Inc.**

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\* Preliminary, subject to change.

This official statement includes brief descriptions of the Series 2005 Bonds, the loan and trust agreement and the guaranty. Exhibit A contains or incorporates by reference certain information concerning the Guarantor. Such descriptions and information are not comprehensive or definitive. All references to the Series 2005 Bonds are qualified in their entirety by the information included in the Series 2005 Bonds and the loan and trust agreement. The descriptions and summaries of the loan and trust agreement and the guaranty are qualified in their entirety by reference to such documents, which are available for inspection at the office of the Borrower located at 200 West Street, New York, New York 10282. During the period of the offering, investors may also obtain copies of such documents at the principal office of Goldman, Sachs & Co., 200 West Street, New York, New York 10282, and after initial delivery of the Series 2005 Bonds, at the principal corporate trust office of the Trustee. The Depository Trust Company (“DTC”) has furnished certain information relating to DTC and the book-entry only system, which is included in Exhibit B of this official statement. The proposed form of bond counsel opinion for the Series 2005 Bonds is included as part of Exhibit C to this official statement. Capitalized terms used in this official statement have the meanings set forth in the loan and trust agreement except as otherwise set forth in this official statement.

### THE ISSUER

The Issuer was created as the “New York Liberty Development Corporation” in 2002 by The New York Job Development Authority (the “JDA”) at the direction of the Governor of the State of New York, under the Not-for-Profit Corporation Law of the State of New York. Its address is c/o Empire State Development, 633 Third Avenue, New York, New York 10017 (Info. Tel. 212-803-3766). The Issuer is an instrumentality of the State, separate and apart from the State itself, the JDA, The New York State Urban Development Corporation and Empire State Development. The Issuer has no taxing power.

The Issuer was formed in response to the terrorist attack of September 11, 2001, for the public purpose of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities and lessening the burdens of government of the State of New York and the JDA. The Issuer has undertaken its public purpose in part by issuing qualified New York Liberty Bonds as may be designated by the Governor of the State of New York or the Mayor of The City of New York in accordance with the provisions of the Job Creation and Worker Assistance Act of 2002; by issuing such other non-federally tax-exempt obligations as may be appropriate; and by exercising all or any part of such public functions and doing any work related to or in connection with the issuance of the Series 2005 Bonds or other Liberty Bonds or obligations.

The Issuer is governed by a board of directors, three of whom are elected and appointed by the Governor of the State of New York and three of whom are elected and appointed by the JDA. Currently, there are five directors eligible to serve (three elected and appointed by the Governor and two by the JDA), which is sufficient to constitute a quorum and take action under the Issuer’s charter and by-laws and other applicable law.

#### New York Liberty Development Corporation Board of Directors

- |                    |   |  |
|--------------------|---|--|
| Kenneth Adams      | - | Formerly President and Chief Executive Officer of Empire State Development and Commissioner of the New York State Department of Economic Development |
| George Haggerty    | - | Formerly New York State Deputy Secretary for Financial Services  |
| Thomas Prendergast | - | Chairman and Chief Executive Officer of the Metropolitan Transportation Authority  |
| Kathleen Mize      | - | Deputy Chief Financial Officer and Controller of Empire State Development  |
| Mehul Patel        | - | Chief Operating Officer and Chief of Staff of Empire State Development   |

No financial information with respect to the Issuer or its members, directors or officers has been included in this Official Statement.

### **LIBERTY BOND PROGRAM**

In response to the terrorist attack of September 11, 2001, New York State and New York City have collaborated to implement the Liberty Bond Financing Program. The Issuer and the New York City Industrial Development Agency issue bonds for commercial and utility projects. The State's issuer for residential facilities is the New York State Housing Finance Agency; the City's residential facilities issuer is the New York City Housing Development Corporation.

The State and the City, in consultation with the bond issuers and the Lower Manhattan Development Corporation, jointly formulated the program's goals and project approval criteria for commercial facilities. Once selected, commercial projects must be approved by the board of either the State or the City bond issuer and receive a formal designation from either the Governor or the Mayor, or both. Qualified New York Liberty Bonds may be issued for refunding purposes subject to certain terms and conditions.

The headquarters received formal designation as a Liberty Bond Financing Program project by both the Governor and the Mayor, pertaining to the Series 2005 Bonds and the Series 2007 Bonds.

### **THE BORROWER AND THE GUARANTOR**

The Borrower is a Delaware limited liability company formed in 2005 and is a wholly owned subsidiary of the Guarantor. The Borrower does not have substantial assets other than the headquarters. The Borrower was created to undertake construction of the headquarters. The Borrower does not necessarily operate the headquarters in such a way as to derive substantial revenue to the Borrower.

The Guarantor, a Delaware corporation, together with its consolidated subsidiaries is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. For more information concerning the Guarantor, see Exhibit A.

### **PLAN OF REFUNDING**

The Additional Series 2005 Bonds will be issued to refund the principal of the Refunded Bonds, the proceeds of which were used to finance construction of the headquarters.

The headquarters consists of an approximately 1.9 million zonable square foot, Class A office building located at Site 26 in Battery Park City, which is in the Liberty Zone in The City of New York. The land is owned by the Battery Park City Authority and has been leased to the Borrower pursuant to a ground lease for a term expiring in 2069.

**The Series 2005 Bonds are not secured by any lien or mortgage on or other security interest in the headquarters or the ground lease or any revenues generated by the headquarters or the ground lease.**

### **SECURITY AND SOURCE OF PAYMENT**

The Issuer will pay the Series 2005 Bonds solely from the revenues pledged under the loan and trust agreement, which will consist primarily of loan payments received from the Borrower under the loan and trust agreement and payments received from the Guarantor under the guaranty. The Issuer has assigned these revenues to the Trustee under the loan and trust agreement. Pursuant to the loan and trust agreement, the Borrower will agree to make loan payments to the Issuer equal to the debt service on the Series 2005 Bonds, including any premium due upon redemption. Pursuant to the guaranty, the Guarantor unconditionally guarantees the payment obligations of the

Borrower under the loan and trust agreement. The guaranty is an unsecured obligation of the Guarantor. The Issuer has assigned the guaranty to the Trustee.

The Series 2005 Bonds will not be secured by any lien or mortgage on or other security interest in the headquarters, the ground lease or any revenues generated by the headquarters or the ground lease. There is no debt service reserve fund pledged for the payment of the Series 2005 Bonds.

The Additional Series 2005 Bonds are on a parity with the Original Series 2005 Bonds and the Series 2007 Bonds as to the Borrower's and the Guarantor's payment obligations.

**The Borrower may sell the headquarters and/or assign its obligations under the loan and trust agreement, so long as the guaranty remains in effect without the consent of the holders. The Borrower may assign its obligations under the loan and trust agreement to any other entity at any time without the consent of the holders, so long as the guaranty remains in effect.**

**The Guarantor may assign its obligations under the guaranty without the consent of the holders, the Issuer or the Trustee to any person that succeeds to all or substantially all of the Guarantor's assets and business and also assumes the Guarantor's obligations under the guaranty. Otherwise, the Guarantor may assign its obligations under the guaranty only with the consent of 100% of the holders.**

**The Series 2005 Bonds are not general obligations of the Issuer. The Series 2005 Bonds are not a debt or pledge of the faith and credit of the State of New York, the New York Job Development Authority, the New York State Urban Development Corporation or of any other authority, public benefit corporation or local development corporation, or of any municipality of the State of New York. The Issuer has no taxing power.**

## DESCRIPTION OF THE SERIES 2005 BONDS

### General

The Series 2005 Bonds are issued pursuant to the federal Job Creation and Worker Assistance Act of 2002 and the Not-for-Profit Corporation Law of the State of New York and the documents described under the headings "SECURITY AND SOURCE OF PAYMENT", "THE LOAN AND TRUST AGREEMENT", and "THE GUARANTY".

**Use of Proceeds.** The proceeds of the Additional Series 2005 Bonds will be used to make a loan to the Borrower to refund the principal of the Refunded Bonds, the proceeds of which were used to finance a portion of the construction of the headquarters of The Goldman Sachs Group, Inc. and its subsidiaries in the Liberty Zone in The City of New York, as further described under "PLAN OF REFUNDING".

**Date, Rate, Maturity, Denominations and Interest Payment Dates.** The Additional Series 2005 Bonds will be dated October 1, 2015. The Additional Series 2005 Bonds will bear interest at the rate and mature on the date shown on the inside cover of this official statement. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. All Series 2005 Bonds are fully registered in denominations of \$5,000 each or whole multiples of \$5,000. While the book-entry only system applies to the Series 2005 Bonds, Cede & Co. (DTC's nominee) is the sole registered owner of all of the Series 2005 Bonds, all payments will go to DTC by wire transfer of immediately available funds and DTC's participants will be responsible for payment to bondholders.

The Issuer will pay semi-annual interest on the Additional Series 2005 Bonds on April 1 and October 1 of each year, commencing on April 1, 2016, to the registered holders on the preceding March 15 or September 15, whether or not such March 15 or September 15 is a business day. If the interest payment date is not a business day, interest shall be payable on the next business day, and no additional interest will be paid as a result of that delay. A business day is a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City generally are authorized or obligated by law, regulation or executive order to close.

**Transfers and Exchanges.** While DTC is the securities depository for the Series 2005 Bonds, transfers of ownership interests in the Series 2005 Bonds will occur through the book-entry only system. If the Series 2005 Bonds are not held by a securities depository, registered bondholders may surrender and transfer their Series 2005 Bonds in person or by a duly authorized attorney, at the principal corporate trust office of the Trustee. In this instance, registered bondholders must complete an approved transfer form and pay any taxes or governmental or other charges which apply to the transfer.

### **Book-Entry Only Form**

The Series 2005 Bonds will initially be issued in book-entry only form. Purchasers will not receive Series 2005 Bond certificates but instead will have their ownership in the Series 2005 Bonds recorded in the book-entry only system.

Series 2005 Bond certificates will be issued and registered in the name of a nominee of DTC, which acts as securities depository. Ownership of the Series 2005 Bonds by purchasers is shown in the records of brokers and other organizations participating in the DTC book-entry only system. All transfers of ownership in the Series 2005 Bonds must be made, directly or indirectly, through DTC participants.

**Payment.** The Issuer will make all payments of principal of, interest on, and any redemption premium on the Series 2005 Bonds to DTC. Bondholders will receive payments through the DTC participants.

**Notices and Voting Rights.** The Trustee will provide notices and other communications about the Series 2005 Bonds to DTC. Bondholders will receive any notices or communications through the DTC participants. In any situation involving voting rights, DTC will not vote but rather give a proxy through the DTC participants.

**Issuance of Physical Certificates.** In the event DTC's book-entry system is discontinued and a successor securities depository not obtained, an event of default under the loan and trust agreement occurs and is continuing or the Borrower in its sole discretion so determines, Series 2005 Bond certificates will be executed and delivered to the DTC participants.

**Further Information.** None of the Issuer, the Borrower or the Guarantor is responsible for a failure by DTC or any DTC participant to transfer payments or notices to the beneficial owners of the Series 2005 Bonds or to follow the procedures established by DTC for its book-entry system.

See Exhibit B for more detailed information regarding DTC and the book-entry only system.

### **Redemption Prior to Maturity**

**Optional Redemption.** The Series 2005 Bonds are subject to optional redemption at any time prior to maturity, by the Issuer at the direction of the Borrower, in whole or in part, in such amounts as may be specified by the Borrower, at a redemption price calculated by Goldman, Sachs & Co., as quotation agent, equal to the greater of:

- one hundred percent (100%) of the Amortized Value (as described below) of such Series 2005 Bond to be redeemed, plus accrued and unpaid interest to the date of redemption; or
- an amount equal to the sum of the present values of the remaining unpaid payments of principal and interest to be paid on such Series 2005 Bond to be redeemed from and including the date of redemption to the stated maturity date of such Series 2005 Bond, discounted to the date of redemption on a semiannual basis at a discount rate equal to the Applicable Tax-Exempt Municipal Bond Rate (as described below) for such Series 2005 Bond minus twenty-five basis points (0.25%).

The "Applicable Tax-Exempt Municipal Bond Rate" for such Series 2005 Bond will be the "Comparable AAA General Obligations" yield curve rate for the stated maturity date of such Series 2005 Bonds as published by Municipal Market Data five business days prior to the date of redemption. If no such yield curve rate is established for the applicable year, the "Comparable AAA General Obligations" yield curve rate for the two published

maturities most closely corresponding to the applicable year will be determined, and the "Applicable Tax-Exempt Municipal Bond Rate" will be interpolated or extrapolated from those yield curve rates on a straight-line basis. This rate is made available daily by Municipal Market Data and is available to its subscribers through its internet address: [www.tm3.com](http://www.tm3.com).

In calculating the Applicable Tax-Exempt Municipal Bond Rate, should Municipal Market Data no longer publish the "Comparable AAA General Obligations" yield curve rate, then the Applicable Tax-Exempt Municipal Bond Rate will equal the Consensus Scale yield curve rate for the applicable year. The Consensus Scale yield curve rate is made available daily by Municipal Market Advisors and is available to its subscribers through its internet address: [www.theconsensus.com](http://www.theconsensus.com).

In the further event Municipal Market Advisors no longer publishes the Consensus Scale, the Applicable Tax-Exempt Municipal Bond Rate will be determined by Goldman, Sachs & Co, as the quotation agent, based upon the rate per annum equal to the semiannual equivalent yield to maturity of those tax-exempt general obligation bonds rated in the highest rating category by Moody's Investors Service and Standard & Poor's Rating Services with a maturity date equal to the stated maturity date of such Series 2005 Bond having characteristics (other than the ratings) most comparable to those of such Series 2005 Bond in the judgment of the quotation agent.

The "Amortized Value" shall equal the principal amount of the Series 2005 Bond to be redeemed multiplied by the price of such Series 2005 Bond expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the date of redemption, a maturity date equal to the stated maturity date of such Series 2005 Bond and a yield equal to the yield on the Original Series 2005 Bonds maturing October 1, 2035, which was 4.59% per annum.

The quotation agent's determination of the redemption price, including the determination of the Applicable Tax-Exempt Municipal Bond Rate, is final and binding in the absence of manifest error.

***Selection of Series 2005 Bonds to be Redeemed.*** If the Issuer redeems only part of the Series 2005 Bonds and DTC is the securities depository, DTC is to select the Series 2005 Bonds to be redeemed. DTC's practice is to select the Series 2005 Bonds of the same maturity to be redeemed by lot.

***Redemption Notices.*** So long as the Series 2005 Bonds remain under the book-entry only system, the Trustee must mail redemption notices to DTC during the 30-to-60-day period before the redemption date. A redemption of the Series 2005 Bonds is valid and effective even if DTC's procedures for notice fail to give beneficial owners notice directly. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Please note that all redemptions are final — even if beneficial owners did not receive their notice, and even if the notice had a defect. The redemption notice may state that it is conditional on the Borrower depositing sufficient money with the Trustee to pay the applicable redemption price. In such case, the notice will be of no effect if the Borrower does not deposit such money with the Trustee on or prior to the date of redemption, the Series 2005 Bonds will not be redeemed and they will continue to accrue interest as though such notice had never been sent.

***Redemption Process.*** If the Trustee gives a redemption notice and holds money to pay the redemption price of the Series 2005 Bonds to be redeemed, then on the redemption date those Series 2005 Bonds will become due and payable. Thereafter, no interest will accrue on those Series 2005 Bonds, and the only right of a beneficial owner will be to receive payment of the redemption price upon surrender of those Series 2005 Bonds.

***Purchase in Lieu of Redemption.*** The Borrower, and any assigns of the Borrower, have the option to purchase, at any time and from time to time, any Series 2005 Bond which is subject to optional redemption, at a price equal to the then-applicable optional redemption price for the Series 2005 Bonds purchased. A notice of the mandatory tender and purchase will be given in substantially the same manner as a notice of optional redemption (the "Purchase Notice"). The purchase of such Series 2005 Bonds pursuant to the Purchase Notice is mandatory and enforceable against the bondholders. Any Series 2005 Bonds not surrendered for purchase are deemed to be transferred to the Borrower, its nominee or other designee (as specified by the Borrower), and the only right of the prior bondholder of the Series 2005 Bond is to receive the purchase price. If less than all of the Series 2005 Bonds are to be purchased and DTC is the securities depository, DTC is to select the Series 2005 Bonds to be purchased.

DTC's practice is to select the Series 2005 Bonds to be purchased by lot. No purchase of the Series 2005 Bonds will operate to extinguish the indebtedness of the Issuer evidenced by those Series 2005 Bonds. If the Borrower does not provide, or cause to be provided, to the Trustee adequate moneys to pay the purchase price on the purchase date, then to that extent, the Series 2005 Bonds are not deemed to have been redeemed or purchased and will remain outstanding.

## THE LOAN AND TRUST AGREEMENT

*The following is a brief summary of certain provisions of the loan and trust agreement. This summary is not comprehensive or definitive. Please refer to the loan and trust agreement itself for the detailed provisions of that loan and trust agreement.*

*All references to "Bonds" in the following discussion refer to both the Series 2005 Bonds and Series 2007 Bonds collectively. The loan and trust agreement treats the Series 2005 Bonds and Series 2007 Bonds as one series of Bonds for purposes of the percentage of Bondholders needed to take action, certain events of default and enforcement of rights and remedies. In particular, any reference to a percentage of the outstanding Bondholders refers to that percentage of the aggregate amount of outstanding Series 2005 Bonds and Series 2007 Bonds unless specifically stated otherwise.*

### General

The loan and trust agreement contains an assignment by the Issuer to the Trustee for the benefit of the bondholders of:

- the pledged property, including, without limitation, all loan payments and other amounts receivable by or on behalf of the Issuer under the loan and trust agreement or the guaranty in respect of repayment of the loan;
- the loan and trust agreement, except for certain obligations of the Borrower to pay or reimburse the Issuer and the Trustee for fees and expenses and to indemnify the Issuer and the Trustee; and
- the guaranty, except insofar as it relates to the Borrower obligations not assigned under the loan and trust agreement.

The loan and trust agreement defines pledged property to mean:

- the loan payments;
- payments made pursuant to the guaranty on account of loan payments; and
- all other moneys received or to be received by the Issuer or the Trustee in respect of repayment of the loan, including without limitation, all moneys and investments in the bond fund established under the loan and trust agreement.

The loan and trust agreement creates a bond fund for the deposit of amounts paid by the Borrower pursuant to the loan and trust agreement and by the Guarantor pursuant to the guaranty for the payment of debt service.

### Source of Payment of Bonds

To the extent provided in the loan and trust agreement:

- the Bonds are special limited obligations of the Issuer and the debt service thereon will be payable solely from the pledged property; and

- the payment of debt service on the Bonds will be secured only by the assignment of the pledged property, the loan and trust agreement and the guaranty.

### **Loan Payments**

All loan payments are required under the loan and trust agreement to be made and deposited so as to make payments due on the Bonds. This includes all such payments which may come due because of:

- the acceleration of the Bonds upon default;
- call for redemption;
- purchase or deemed purchase of Bonds and surrender of those Bonds for cancellation; or
- otherwise, under the provisions of the loan and trust agreement.

If any available funds in excess of current requirements are held on deposit in the bond fund at the time payment of any loan payment is due, the loan payment will be reduced by the amount of the available funds so held on deposit, to the benefit of the Borrower. The loan payments, together with available funds held on deposit in the bond fund established under the loan and trust agreement and held by the Trustee, except funds held in the bond fund for payment of matured installments of principal or interest on the Bonds, will be sufficient to pay when due all principal of, premium, if any, and interest on, the Bonds. The Borrower is required to prepay all or a portion of the loan payments if the Borrower requests redemption of any of the Bonds. Any such prepayment by the Borrower does not relieve it of liability for each remaining loan payment with respect to any outstanding Bonds.

### **Obligations Not Subject to Recoupment or Set-Off**

The obligations of the Borrower to make the payments required pursuant to the loan and trust agreement and to perform and observe the other obligations thereunder are not subject to any right of recoupment or set-off.

### **Tax Covenant**

The Borrower covenants to comply with all conditions of the tax certificate and agreement entered into by and among the Borrower, the Issuer and the Trustee contemporaneously with the issuance of the Additional Series 2005 Bonds (the "tax certificate and agreement").

### **Investment of Funds**

Moneys on deposit in the bond fund may be invested and reinvested by the Trustee or its agent in (i) government obligations maturing the earlier of (a) 30 days from the date of acquisition or (b) when needed to pay principal, interest or premium, if any, becoming due on the Bonds on an interest payment date, at stated maturity or on a redemption date or (ii) money market mutual funds that are rated at the time of purchase thereof in the highest credit rating category by a rating agency, at the written direction of an authorized borrower representative or an authorized representative of Goldman Sachs Asset Management, L.P.

### **Events of Default**

Each of the following is considered an "event of default" under the loan and trust agreement and the Bonds:

- the Borrower fails to pay loan payments representing principal of or any premium when due on any Bond; or
- the Borrower fails to pay loan payments representing interest when due on any Bond within thirty (30) days after the due date; or

- the Borrower remains in breach of any covenant contained in the loan and trust agreement other than as referred to in the bullet points above for sixty (60) days after written notice of default stating that the Borrower is in breach and requiring the Borrower to remedy the breach. The notice must be sent by the Trustee or the holders of at least 10% in principal amount of the outstanding Bonds. Any failure of the Borrower to comply with the conditions of either tax certificate and agreement will only be considered an event of default under the Agreement if a determination of taxability (as hereinafter defined) with respect to the applicable series of Bonds occurs; or
- the Borrower or the Guarantor files for bankruptcy or a decree or order for relief is issued against either of them in an involuntary bankruptcy case or proceeding and continues in effect for a period of sixty (60) consecutive days or other events of bankruptcy, insolvency or reorganization relating to the Borrower or the Guarantor occur. Those events must arise under U.S. federal or state law, unless either the Borrower or the Guarantor merges, consolidates or sells their assets and the successor firm is a non-U.S. entity. If that happens, then those events must arise under U.S. federal or state law or the law of the jurisdiction under which the successor firm is legally organized.

“Determination of taxability” with respect to the Series 2005 Bonds or the Series 2007 Bonds means a determination that the interest on such Bonds is includable in gross income of the beneficial owners of such Bonds for purposes of federal income taxation. A determination of taxability will be deemed to have occurred if there is a final, non-appealable judgment of a court of competent jurisdiction, or a final determination by the Internal Revenue Service for which all appeal or challenge periods have expired without challenge or appeal having been instituted, to the effect that the interest paid or payable on the Series 2005 Bonds or Series 2007 Bonds, as applicable, is or was includable in the gross income of the owner of such Bonds for federal income tax purposes, other than as a result of the owner of such Bonds being a “substantial user” of the facilities financed by such Bonds or a “related person” within the meaning of the Code.

#### **Acceleration**

If an event of default has occurred with respect to all of the Bonds and has not been cured or waived, the Trustee may (but shall not be obligated to) declare or upon the request of the holders of not less than 25% in aggregate principal amount of Bonds then outstanding the Trustee must declare, the entire principal amount of all Bonds then outstanding (if not then due and payable), and the accrued and unpaid interest on those Bonds, to be due and payable immediately. Upon that declaration, that principal and interest will become and be due and payable immediately.

If the Bonds have been accelerated and a judgment for payment has not yet been obtained, the Trustee or the holders of a majority of the Bonds then outstanding may cancel the acceleration.

If a covenant default resulting in a subsequent determination of taxability has occurred with respect to either the Series 2005 Bonds or the Series 2007 Bonds (but not both) and has not been cured or waived, the Trustee may (but shall not be obligated to) declare or upon the request of the holders of not less than 25% in aggregate principal amount of the applicable Series of Bonds then outstanding the Trustee must declare, the entire principal amount of all Bonds of the applicable Series of Bonds then outstanding (if not then due and payable), and the accrued and unpaid interest on those Bonds, to be due and payable immediately. Upon that declaration, that principal and interest of the applicable Series of Bonds will become and be due and payable immediately.

If the Bonds of a Series have been accelerated and a judgment for payment has not yet been obtained, the Trustee or the holders of a majority of the Bonds of such Series then outstanding may cancel the acceleration.

#### **Other Remedies; Rights of Holders**

With or without taking action to accelerate, upon the occurrence and continuance of an event of default, the Trustee may pursue any available remedy to enforce the payment of principal, premium, if any, or interest on the Bonds or the observance and performance of any other covenant, agreement or obligation under the loan and trust agreement or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an event of default, the Trustee is requested so to do by the holders of a majority in aggregate principal amount of the outstanding Bonds, the Trustee (subject to the provisions of the loan and trust agreement), shall exercise the rights and powers summarized in this official statement.

### **Supplemental Loan and Trust Agreements Not Requiring Consent**

Without the consent of, or notice to, any of the holders, the Borrower, the Trustee and the Issuer may enter into loan and trust agreements supplemental to the loan and trust agreement for any one or more of the following purposes:

- to issue additional bonds;
- to cure any ambiguity, inconsistency, defect or omission in the loan and trust agreement or to make such other changes which do not have a material adverse effect upon the interests of the holders or the Trustee or that are necessary to preserve the tax-exempt status of the Bonds;
- to grant to or confer upon the Trustee for the benefit of the holders any additional rights, remedies, powers or authority or any additional security, that may be lawfully granted to or conferred upon the holders or the Trustee;
- to confirm the pledge of the loan payments and payments under the guaranty;
- to evidence any succession to the Borrower or the Guarantor and the assumption by such successor of the agreements of the Borrower or the Guarantor contained in the loan and trust agreement, the Bonds or the guaranty;
- to the extent required by law, to permit registration of the Bonds under the federal Securities Act of 1933, as amended, the federal Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), or any applicable state securities law, and to permit qualification of the loan and trust agreement under the Trust Indenture Act;
- to provide for uncertificated Bonds or, to the extent permitted by law, for the issuance of coupons and bearer Bonds or Bonds registered only as to principal without causing interest on such Bonds to be subject to federal income taxation;
- to modify any of the provisions of the loan and trust agreement in any other respect, provided that such modifications shall not be effective until all Bonds outstanding prior to such amendments shall cease to be outstanding and will be paid;
- to effect any change necessary to maintain tax exemption on the Bonds; and
- to make any other change not materially prejudicial to Bondholders.

The Issuer and the Borrower as well as the Trustee, may also amend the loan and trust agreement with the consent of the holders of a majority in aggregate principal amount of the outstanding Bonds, for any other purpose. The consent of all affected holders of the outstanding Bonds is needed for any change in payment provisions or a change in the percentage in principal amount of the outstanding Bonds needed for consent.

The consent of the Borrower and the Guarantor is required for all supplemental loan and trust agreements.

### **Amendment of the Guaranty**

Under the terms of the guaranty, the Guarantor may amend the guaranty without the consent of the holders of the Bonds for any of the purposes stated above under the heading "Supplemental Loan and Trust Agreement Not Requiring Consent". The Guarantor also may amend the guaranty with the consent of the holders of a majority in

aggregate principal amount of then outstanding Bonds for any other purpose except that (1) the consent of the holders of the Bonds will not be required for an assignment of the Guarantor's obligations under the guaranty to a person that succeeds to all or substantially all of the Guarantor's assets and business and also assumes the Guarantor's obligations under the guaranty and (2) the consent of all holders of the then outstanding Bonds will be required to otherwise release the Guarantor from its obligations under the guaranty.

## **Defeasance**

If the Issuer pays all of the outstanding Series 2005 Bonds, or causes them to be deemed to have been paid and discharged, and provision has been made for the payment of all other sums payable under the loan and trust agreement with respect to the Series 2005 Bonds, then, the loan and trust agreement insofar as it applies to the Series 2005 Bonds, will terminate (except for those provisions surviving in the event the Series 2005 Bonds are deemed paid and discharged as described below), and the covenants, agreements and obligations contained in the loan and trust agreement with respect to the Series 2005 Bonds will be released, discharged and satisfied (except for those relating to compliance with the related tax certificate and agreement).

All or any part of any of the Series 2005 Bonds are deemed to have been paid and discharged within the meaning of the loan and trust agreement when:

- payment of the principal of, applicable premium, if any, on the Series 2005 Bonds or the interest thereon to the due date thereof has been provided to the Trustee by irrevocably depositing with the Trustee, in trust, and the Trustee has irrevocably set aside exclusively for such payment, any combination of moneys and/or defeasance securities (as defined in the loan and trust agreement and which includes, among other things, certain treasury obligations, certain agency obligations and certain defeased municipal obligations) not subject to redemption or prepayment and maturing as to principal and interest in such amounts and at such times as will, in the opinion of a qualified independent accountant or expert delivered to the Trustee, provide sufficient moneys to make such payment without reinvestment;
- all necessary and proper fees, compensation and expenses of the Issuer and the Trustee pertaining to the Series 2005 Bonds have been paid or the payment provided for;
- if Series 2005 Bonds are to be redeemed on any date prior to their maturity, the Trustee has received in form satisfactory to it instructions to redeem such Series 2005 Bonds on that date and either all redemption notices required by the loan and trust agreement have been given or irrevocable power authorizing the Trustee to give those redemption notices has been given; and
- the Trustee has received a favorable opinion of bond counsel with respect to the deposit.

## **THE GUARANTY**

*The following is a summary of certain provisions of the guaranty. This summary is not comprehensive or definitive, and is subject to all of the terms and provisions of the guaranty.*

The Guarantor has delivered the guaranty to the Issuer who has in turn assigned it to the Trustee together with the loan and trust agreement as described above. Under the guaranty, the Guarantor unconditionally guarantees the full and prompt payment by the Borrower of each payment required to be made under the loan and trust agreement, including payments required to be made in respect of the principal of, premium, if any, and interest on the Series 2005 Bonds when and as the same becomes due and all other obligations under the loan and trust agreement. The guaranty is an unsecured general obligation of the Guarantor.

The obligations of the Guarantor under the guaranty are unconditional and will remain in full force and effect until the date on which the entire principal of, premium, if any, and interest on all of the Series 2005 Bonds has been paid or deemed to have been paid as provided in the loan and trust agreement. The Guarantor may assert any defenses to payment available to the Borrower.

**The Guarantor may assign its obligations under the guaranty without the consent of the holders, the Issuer or the Trustee to any person that succeeds to all or substantially all of the Guarantor's assets and business and also assumes the Guarantor's obligations under the guaranty. Otherwise, the Guarantor may assign its obligations under the guaranty only with the consent of 100% of the Bondholders.**

**The guaranty places no restrictions or limitations on the business or operations of the Guarantor and contains no operating or financial covenants.**

### **TAX MATTERS**

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., bond counsel, is of the opinion that, under existing law, interest on the Additional Series 2005 Bonds will not be included in the gross income of the holders of the Additional Series 2005 Bonds for federal income tax purposes, except for interest on any Additional Series 2005 Bonds when held by a person who is a "substantial user" of the facilities refinanced with the proceeds of the Additional Series 2005 Bonds, or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion is expressly conditioned upon compliance with certain requirements of the Code, which requirements must be satisfied subsequent to the date of issuance of the Additional Series 2005 Bonds in order to ensure that interest on the Additional Series 2005 Bonds is and continues to be excludable from the gross income of holders of the Additional Series 2005 Bonds for federal income tax purposes. Failure to comply with such requirements could cause interest on the Additional Series 2005 Bonds to be included in the gross income of the holders for federal income tax purposes, retroactive to the date of issuance of the Additional Series 2005 Bonds. In particular, and without limitation, those requirements include restrictions on the use, expenditure and investment of proceeds and payment of rebate to the United States, subject to certain exceptions. The Issuer and the Borrower have provided covenants and certificates as to continued compliance with such requirements.

In the opinion of bond counsel, under existing law, interest on the Additional Series 2005 Bonds will not constitute a preference item under Section 57(a)(5) of the Code for purposes of computation of the alternative minimum tax imposed on certain individuals and corporations under Section 55 of the Code. However, interest on the Additional Series 2005 Bonds will be included in "adjusted current earnings" of corporate holders of the Additional Series 2005 Bonds and therefore will be taken into account under Section 56(g) of the Code in the computation of the alternative minimum tax applicable to certain corporations.

Bond counsel has not opined as to other federal tax consequences of holding the Additional Series 2005 Bonds. However, prospective purchasers should be aware that:

- Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Additional Series 2005 Bonds or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Additional Series 2005 Bonds;
- with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B) reduces the deduction for losses incurred by 15 percent of the sum of certain items including interest on the Additional Series 2005 Bonds;
- interest on the Additional Series 2005 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code;
- passive investment income, including interest on the Additional Series 2005 Bonds, may be subject to federal income taxation under Section 1375 of the Code for an S corporation that has Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such S corporation is passive investment income;

- Section 86 of the Code requires recipients of certain Social Security and Railroad Retirement benefits to take into account, in determining gross income, receipts or accruals of interest on the Additional Series 2005 Bonds; and
- receipt of investment income, including interest on the Additional Series 2005 Bonds, may pursuant to Section 32(i) of the Code disqualify the recipient from obtaining the earned income credit under Section 32(a) of the Code.

In the opinion of bond counsel, under existing law, interest on the Additional Series 2005 Bonds is exempt from personal income taxes imposed by the State of New York or any of its political subdivisions, including The City of New York (“New York personal income taxes”) to the extent that such interest is excluded from gross income for federal income tax purposes. Bond counsel has not opined as to the taxability of the Additional Series 2005 Bonds or the income therefrom under the laws of any state other than New York.

For federal and New York income tax purposes, interest includes original issue discount, which with respect to an Additional Series 2005 Bond is equal to the excess, if any, of the stated redemption price at maturity of such Additional Series 2005 Bond over the initial offering price thereof to the public, excluding underwriters and other intermediaries, at which price a substantial amount of all such Additional Series 2005 Bonds with the same maturity was sold. Original issue discount accrues actuarially over the term of an Additional Series 2005 Bond. Holders should consult their own tax advisers with respect to the computations of original issue discount during the period in which any such Additional Series 2005 Bond is held.

An amount equal to the excess, if any, of the purchase price of a Series 2005 Bond over the principal amount payable at maturity constitutes amortizable bond premium for federal income and New York personal income tax purposes. The required amortization of such premium during the term of a Series 2005 Bond will result in reduction of the holder’s tax basis in such Series 2005 Bond. Such amortization also will result in reduction of the amount of the stated interest on the Series 2005 Bond taken into account as interest for tax purposes. Holders of Additional Series 2005 Bonds purchased at a premium should consult their own tax advisers with respect to the determination and treatment of such premium for federal income tax purposes and with respect to state or local tax consequences of owning such Additional Series 2005 Bonds.

In rendering its opinion, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. will rely upon the tax certificate and agreement relating to the Additional Series 2005 Bonds with respect to certain material facts solely within the Issuer’s and the Borrower’s knowledge relating to the project and the application of the proceeds of the Additional Series 2005 Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Additional Series 2005 Bonds, including legislation, court decisions, or administrative actions, whether at the federal or state level, may affect the tax exempt status of interest on the Additional Series 2005 Bonds or the tax consequences of ownership of the Additional Series 2005 Bonds. No assurance can be given that future legislation, if enacted into law, will not contain provisions which could directly or indirectly reduce the benefit of the exclusion of the interest on the Additional Series 2005 Bonds from gross income for federal income tax purposes or any state tax benefit. Deficit reduction measures, including the limitation of federal tax expenditures, will be under ongoing consideration by the United States Congress, as will tax reform proposals. These efforts to date have included proposals to reduce the benefit of the interest exclusion from income for certain holders of tax-exempt bonds, including bonds issued prior to the proposed effective date of the applicable legislation. Future proposed changes could affect the market value or marketability of, the Additional Series 2005 Bonds, and, if enacted, could also affect the tax treatment of all or a portion of the interest on the Additional Series 2005 Bonds for some or all holders. Holders should consult their own tax advisors with respect to any of the foregoing tax consequences.

On the date of delivery of the Additional Series 2005 Bonds, bond counsel will deliver its opinion in substantially the form attached hereto as Exhibit C — “Form of Bond Counsel Opinion”.

## LITIGATION

There is no litigation pending against the Issuer, the Borrower or the Guarantor seeking to enjoin the issuance, sale or delivery of the Additional Series 2005 Bonds.

## UNDERWRITING

The Underwriters identified on the cover of this official statement have agreed, subject to certain conditions, to purchase from the Issuer the Additional Series 2005 Bonds and to reoffer the Additional Series 2005 Bonds at the public offering prices or yields set forth on the inside cover page of this official statement. In connection with its purchase of the Additional Series 2005 Bonds, the Underwriters will be paid a fee equal to \$ \_\_\_\_\_, plus expenses. [The Additional Series 2005 Bonds may be offered and sold to certain dealers (including dealers depositing the Additional Series 2005 Bonds into investment trusts) at prices lower than those public offering prices, and those prices may be changed, from time to time, by the Underwriters.] The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all the Additional Series 2005 Bonds if any Additional Series 2005 Bonds are purchased.

Goldman, Sachs & Co., the Borrower and the Guarantor are all affiliates and in a control relationship for purposes of Municipal Securities Rulemaking Board Regulation G-22. Goldman, Sachs & Co. and the Borrower are wholly owned subsidiaries of the Guarantor.

## [MARKET-MAKING

This official statement may be used by Goldman, Sachs & Co. in connection with the offer and sale of the Additional Series 2005 Bonds in market-making transactions. In a market-making transaction, Goldman, Sachs & Co. may resell Additional Series 2005 Bonds it acquires from other holders, after the original offering and sale of the Additional Series 2005 Bonds. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, Goldman, Sachs & Co. may act as principal or agent, including as agent for the counterparty in a transaction in which Goldman, Sachs & Co. acts as principal, or as agent for both counterparties in a transaction in which Goldman, Sachs & Co. does not act as principal. Goldman, Sachs & Co. may receive compensation in the form of discounts and commissions, including from both counterparties in some cases. Other affiliates of The Goldman Sachs Group, Inc. may also engage in transactions of this kind and may use this official statement for this purpose.

The initial offering prices specified on the inside cover of this official statement relate to the initial offering of the Additional Series 2005 Bonds. This amount does not include the Additional Series 2005 Bonds to be sold in market-making transactions.

The Goldman Sachs Group, Inc. and the Borrower do not expect to receive any proceeds from market-making transactions. The Goldman Sachs Group, Inc. and the Borrower do not expect that Goldman, Sachs & Co. or any other affiliate that engages in these transactions will pay any proceeds from its market-making resales to The Goldman Sachs Group, Inc. or the Borrower.

Information about the trade and settlement dates, as well as the purchase price, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale.

***Unless Goldman, Sachs & Co. or an agent informs investors in their confirmation of sale that their Additional Series 2005 Bonds are being purchased in the original offering and sale, investors may assume that they are purchasing their Additional Series 2005 Bonds in a market-making transaction.***

There will be no established trading market for the Additional Series 2005 Bonds prior to the initial offering of the Additional Series 2005 Bonds. The Issuer has been advised by Goldman, Sachs & Co. that it intends to make a market in the Additional Series 2005 Bonds. However, neither Goldman, Sachs & Co. nor any other affiliate of The Goldman Sachs Group, Inc. is obligated to do so, and any of them may stop doing so at any time

without notice. The Issuer cannot give an assurance as to the liquidity or trading market for any of the Additional Series 2005 Bonds.

Unless otherwise indicated in the confirmation of sale, the purchase price of the Additional Series 2005 Bonds will be required to be paid in immediately available funds in The City of New York.]

### LEGAL MATTERS

All legal proceedings in connection with the issuance of the Additional Series 2005 Bonds are subject to the approval of bond counsel identified on the cover of this official statement. Bond counsel has advised the Issuer that it assumes no responsibility for the accuracy, completeness or fairness of this official statement. The proposed form of the opinion of bond counsel is set forth in Exhibit C to this official statement.

Certain legal matters will be passed upon for the Issuer by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C and by Gonzalez Saggio & Harlan LLP. From time to time, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. serves as counsel to Goldman, Sachs & Co. on other unrelated matters. The validity of the loan and trust agreement and the guaranty will be passed upon for the Borrower and the Guarantor by Sullivan & Cromwell LLP. Certain legal matters will be passed upon for the Underwriters by Orrick, Herrington & Sutcliffe LLP. In addition, Orrick, Herrington & Sutcliffe LLP has provided legal advice to the Borrower and the Guarantor in connection with this transaction.

### CONTINUING DISCLOSURE

The Series 2005 Bonds, including the Additional Series 2005 Bonds, are subject to the continuing disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 ("Rule 15c2-12"). The Guarantor has agreed to provide the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system with a notice indicating that the Guarantor's Annual Report on Form 10-K has been filed with the Securities and Exchange Commission as part of its reporting requirements under the Securities Exchange Act of 1934.

To fulfill this continuing disclosure requirement, the Guarantor and the Borrower will enter into a continuing disclosure agreement with the Trustee (the "continuing disclosure agreement"). This agreement will provide that the Guarantor will file with EMMA a notice that the annual financial information, in the form of the Guarantor's [Annual Report on Form 10-K], is on file with the United States Securities and Exchange Commission. This filing will be made no later than 60 days after the time the Guarantor is required to file its Form 10-K with the United States Securities and Exchange Commission, subject to any applicable grace period. If the Guarantor ceases to file reports under the Securities and Exchange Act of 1934, the Guarantor will provide its annual financial information no later than 180 days after the end of the Guarantor's fiscal year. To the extent required by Rule 15c2-12, if the Borrower is no longer an affiliate of the Guarantor, then such Borrower or, if consistent with Rule 15c2-12, a parent company or other entity controlling, controlled by or under common control with the Borrower, will have all of the same obligations of the Guarantor set forth in the continuing disclosure agreement.

The Guarantor is also obligated to deliver notices of the following material events to EMMA or its successor within ten business days of the occurrence of any such material event:

- principal and interest payment delinquencies;
- non-payment related defaults, if material;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Series 2005 Bonds, or other material events affecting the tax status of the Series 2005 Bonds;
- modifications to rights of holders of the Series 2005 Bonds, if material;

- Series 2005 Bond calls, if material, and tender offers;
- defeasances;
- release, substitution, or sale of property securing repayment of the Series 2005 Bonds, if material;
- rating changes;
- bankruptcy, insolvency, receivership or similar event of the Guarantor (for the purposes of the event described in this clause, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Guarantor in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Guarantor, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Guarantor;
- the consummation of a merger, consolidation, or acquisition involving the Guarantor or the sale of all or substantially all of the assets of the Guarantor, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- appointment of a successor or additional Trustee or the change of the name of the Trustee, if material.

[The continuing disclosure agreement entered into at the time of the issuance of the Additional Series 2005 Bonds will apply to all Series 2005 Bonds.] The continuing disclosure agreement will terminate only when the Guarantor and the Borrower are no longer required to make payments or to provide support for payments on the Series 2005 Bonds. The continuing disclosure agreement is for the beneficial owners of the Additional Series 2005 Bonds and is enforceable by such owners. No amendment to the continuing disclosure agreement is permitted unless the amendment is consistent with Rule 15c2-12 taking into account United States Securities and Exchange Commission interpretations of Rule 15c2-12.

The sole and exclusive remedy for default under the continuing disclosure agreement is an action to compel specific performance of the undertaking of the Guarantor or the Borrower and such action may only be exercised at the direction of the beneficial owners representing at least 25% in aggregate principal amount of the Additional Series 2005 Bonds outstanding. A default under the continuing disclosure agreement will not constitute an event of default under the loan and trust agreement.

The Guarantor and the Borrower previously entered into continuing disclosure agreements in connection with the Original Series 2005 Bonds and the Series 2007 Bonds. In the last five years, the Guarantor and the Borrower reported one rating upgrade on the Original Series 2005 Bonds and the Series 2007 Bonds 16 business days after such upgrade.

The Issuer has no obligation to pay the principal of or interest on the Series 2005 Bonds and therefore is not obligated to provide continuing disclosure. The Issuer is not required to enforce any Borrower or Guarantor obligations under the continuing disclosure agreement.

**NEW YORK LIBERTY DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Treasurer

**CERTAIN INFORMATION RELATING TO THE GOLDMAN SACHS GROUP, INC.**

The Goldman Sachs Group, Inc. (“GS Group” and, together with its consolidated subsidiaries, “Goldman Sachs”) is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, Goldman Sachs is one of the oldest and largest investment banking firms. The firm is headquartered in New York and maintains offices in all major financial centers around the world.

**AVAILABLE INFORMATION ABOUT THE GOLDMAN SACHS GROUP, INC.**

GS Group is required to file annual, quarterly and current reports, proxy statements and other information with the United States Securities and Exchange Commission. Investors may read and copy any documents filed by GS Group at the United States Securities and Exchange Commission's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the United States Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference room. GS Group's filings with the Securities and Exchange Commission are also available to the public through the United States Securities and Exchange Commission's website at <http://www.sec.gov>.

GS Group has NOT filed a registration statement with the United States Securities and Exchange Commission relating to its guarantee of the loan, and the guaranty will not be registered under the Securities Act of 1933.

Any information referred to herein as being “incorporated by reference” is considered part of this official statement from the date that GS Group files that document. Any reports filed by GS Group with the United States Securities and Exchange Commission after the date of this official statement and before the date that the offering of the Series 2005 Bonds by means of this official statement is terminated will automatically update and, where applicable, supersede any information contained in this official statement or incorporated by reference in this official statement.

GS Group incorporates by reference into this official statement the following documents or information filed with the United States Securities and Exchange Commission (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with United States Securities and Exchange Commission rules):

- (1) Annual Report on Form 10-K for the fiscal year ended December 31, 2014;
- (2) Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2015;
- (3) Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2015;
- (4) Current Report on Form 8-K dated January 16, 2015;
- (5) Current Report on Form 8-K dated March 9, 2015;
- (6) Current Report on Form 8-K dated March 11, 2015;
- (7) Current Report on Form 8-K dated April 16, 2015;
- (8) Current Report on Form 8-K dated April 23, 2015;
- (9) Current Report on Form 8-K dated May 21, 2015;

(10) Current Report on Form 8-K dated July 16, 2015; and

(11) All documents filed by GS Group under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 on or after the date of this official statement and before the termination of the offering of the Series 2005 Bonds.

GS Group will provide without charge to each person, including any beneficial owner, to whom this official statement is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this official statement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. Investors can request those documents from Investor Relations, 200 West Street, New York, New York 10282, telephone (212) 902-0300.

**DTC BOOK-ENTRY ONLY SYSTEM**

The Depository Trust Company ("DTC"), New York, New York, will act as the securities depository for the Series 2005 Bonds. The Series 2005 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. Bond payments will go to DTC, and DTC will then be responsible to remit the payments to its participants for payment to bondowners.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants deposit with DTC. DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between direct participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of direct participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, also subsidiaries of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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. The DTC Rules applicable to participants are on file with the Securities and Exchange Commission.

Purchases of the Series 2005 Bonds under the DTC system must be made by or through direct participants, which will receive a credit for such bonds on DTC's records. The ownership interest of each actual purchaser of each bond is in turn to be recorded on the direct and indirect participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participant through which the beneficial owner entered into the transaction. Transfers of ownership interests in the Series 2005 Bonds are to be accomplished by entries made on the books of direct and indirect participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the Series 2005 Bonds, except in the event that use of the book-entry system for the Series 2005 Bonds is discontinued.

To facilitate subsequent transfers, all bonds deposited by direct participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Series 2005 Bonds; DTC's records reflect only the identity of the direct participants to whose accounts such bonds are credited, which may or may not be the beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2005 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the financing documents. For example, beneficial owners of bonds may wish to ascertain that the nominee holding the Series 2005 Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2005 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each direct participant in the Series 2005 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2005 Bonds unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the Series 2005 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2005 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit direct participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Issuer or Trustee on the 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, the Borrower, the Guarantor or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer 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 direct and indirect participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2005 Bonds at any time by giving reasonable notice to the Issuer and the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, such bond certificates are required, pursuant to the loan and trust agreement, to be printed and delivered. The Borrower may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

The above information concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer, the Borrower and the Guarantor believe to be reliable, but none of the Issuer, Borrower or Guarantor takes responsibility for the accuracy thereof. The beneficial owners should confirm the foregoing information with DTC or the direct participants or indirect participants.

So long as Cede & Co. is the registered owner of the Series 2005 Bonds, as nominee for DTC, references herein to bond owners or registered owners of the Series 2005 Bonds (other than under the caption "TAX MATTERS") shall mean Cede & Co., as aforesaid, and shall not mean the beneficial owners of the Series 2005 Bonds. When notices are given, they shall be sent by the Trustee to DTC only.

NONE OF THE ISSUER, THE BORROWER, THE GUARANTOR OR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (ii) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2005 BONDS UNDER THE LOAN AND TRUST AGREEMENT, (iii) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2005 BONDS; (iv) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2005 BONDS; OR (v) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2005 BONDS.

## FORM OF BOND COUNSEL OPINION

Upon delivery of the Additional Series 2005 Bonds in definitive form, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. proposes to deliver its approving opinion in substantially the following form:

[CLOSING DATE]

New York Liberty Development Corporation  
633 Third Avenue  
New York, NY 10017-6754

Re: \$ \_\_\_\_\_ New York Liberty Development Corporation Revenue Bonds  
(Goldman Sachs Headquarters Issue) Series 2005 (Second Tranche) (the "Bonds")

Sir or Madam:

We have served as bond counsel to the New York Liberty Development Corporation (the "Corporation") in connection with the issuance of the above-referenced Bonds. In that capacity, we have examined the Certificate of Incorporation dated August 14, 2002 and By-Laws of the Corporation, as well as Section 1411 of the Not-For-Profit Corporation Law, being Chapter 35 of the Consolidated Laws of New York (the "Act"), and other applicable statutes. We have also examined executed copies of the Loan and Trust Agreement (the "Loan and Trust Agreement") dated as of October 12, 2005 among the Corporation, Goldman Sachs Headquarters LLC (the "Borrower") and The Bank of New York Mellon (as successor to JPMorgan Chase Bank, National Association, as Trustee (the "Trustee")), the First Supplemental Agreement, dated as of August 16, 2007, among the Corporation, the Borrower and the Trustee (the "First Supplemental") and the Second Supplemental Agreement, dated as of October 1, 2015, among the Corporation, the Borrower and the Trustee (the "Second Supplemental" and, together with the Loan and Trust Agreement and the First Supplemental, the "Agreement"), the Guaranty (the "Guaranty") dated as of October 12, 2005 from The Goldman Sachs Group, Inc., as Guarantor (the "Guarantor"), to the Corporation and the Bond Purchase Contract dated September \_\_, 2015 (the "Bond Purchase Contract") among the Corporation, the Guarantor, Goldman, Sachs & Co. and Siebert Brandford Shank & Co. L.L.C. as the underwriters (the "Underwriters"). We have also examined certified copies of the Resolutions of the Corporation adopted on August 15, 2005, September 26, 2005 and September \_\_, 2015 relating to the Corporation's Revenue Bonds (Goldman Sachs Headquarters Issue) Series 2005 (the "Original Series 2005 Bonds") and the Bonds (collectively, the "Resolution"), the Tax Certificate and Agreement dated as of October 1, 2015 (the "Tax Certificate and Agreement") and the other papers submitted in connection with the issuance of the Bonds. Capitalized terms which are defined in the Agreement and not otherwise defined herein are used herein as so defined.

We have made certain assumptions for the purposes hereof but offer no opinion with respect to, among other matters, the limited liability company status and qualifications to do business of the Borrower, the power of the Borrower to enter into and perform the Agreement, the authorization, execution and delivery of the Agreement by the Borrower, and the extent to which the Agreement is binding upon and enforceable against the Borrower.

In rendering the opinions set forth herein, we have relied upon the accuracy of the factual representations of the Corporation and the Borrower as set forth in such papers and documents as we have deemed necessary in connection with this opinion, including without limitation, the Bond Purchase Contract, the Agreement, the Guaranty and the Tax Certificate and Agreement.

Based on our examination, we are of the opinion that:

(a) The Corporation has been duly created and is a validly existing not-for-profit corporation under the laws of the State of New York, authorized and empowered to borrow money and to issue the Bonds in evidence thereof, to loan the proceeds of the Bonds to the Borrower in order to finance and refinance the cost of the Project, as defined in the Agreement, and to enter into and perform its obligations under the Agreement.

(b) The Bonds have been duly authorized and issued by the Corporation for the purpose of providing funds to be loaned to the Borrower in order to refund a portion of the Original Series 2005 Bonds issued to finance the cost of the Project as described in the Resolution.

(c) The Agreement has been duly executed and delivered on behalf of the Corporation and constitutes a valid and legally binding obligation of the Corporation, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, moratorium or other laws of general applicability from time to time in effect which affect generally the rights and remedies of creditors and secured parties and by the exercise of judicial discretion in accordance with legal and equitable limitations of general applicability.

(d) The Bonds have been duly authorized, executed, authenticated and delivered and are the valid and legally binding limited obligations of the Corporation, enforceable in accordance with their terms, except as enforcement may be limited by applicable bankruptcy, moratorium or other laws of general applicability from time to time in effect which affect generally the rights and remedies of creditors and secured parties and by the exercise of judicial discretion in accordance with legal and equitable limitations of general applicability. The Bonds are entitled to the benefits of the Agreement. However, neither the State of New York, nor any political subdivision or public benefit corporation thereof, nor the Corporation is obligated to pay principal of or redemption premium, if any, or interest on the Bonds except from the income and revenue to be derived by the Corporation pursuant to the Agreement and the Guaranty and from moneys held from time to time by the Trustee under the Agreement, and neither the faith and credit nor the taxing power of the State of New York nor of any political subdivision or public benefit corporation thereof, nor of the Corporation is pledged to the payment of the principal of or redemption premium, if any, or interest on the Bonds.

(e) (i) Under existing law, interest on the Bonds will not be included in the gross income of owners of the Bonds for federal income tax purposes except for interest on any Bonds when held by a person who is a "substantial user" of the facilities financed with the proceeds of the Bonds, or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion is rendered subject to the condition that certain requirements of the Code be met subsequent to the date of issuance of the Bonds in order that interest be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of such Bonds.

(ii) While interest on the Bonds will not constitute a preference item under Section 57(a)(5) of the Code for purposes of computation of the alternative minimum tax imposed on certain individuals and corporations under Section 55 of the Code, interest on the Bonds will be included in "adjusted current earnings" of corporate Holders of the Bonds and therefore will be taken into account under Section 56(g) of the Code in the computation of the alternative minimum tax applicable to certain corporations.

(f) Under existing law, interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York) to the extent that such interest is excluded from gross income for federal income tax purposes.

(g) We express no opinion regarding any other federal, state or local tax consequences with respect to the Bonds. We are rendering this opinion under existing law as of the date hereof, and we assume no obligation to update this opinion after the date hereof to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Bonds, or under state and local tax law.

Very truly yours,

Mintz, Levin, Cohn, Ferris,  
Glovsky and Popeo, P.C.

# Exhibit C

\$ \_\_\_\_\_  
**New York Liberty Development Corporation**  
**Revenue Bonds**  
**(Goldman Sachs Headquarters Issue), Series 2005**  
**(Second Tranche)**

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**BOND PURCHASE CONTRACT**

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September \_\_, 2015

New York Liberty Development Corporation  
c/o New York Job Development Authority  
633 Third Avenue  
New York, New York 10017

Goldman Sachs Headquarters LLC  
200 West Street  
New York, New York 10282

The Goldman Sachs Group, Inc.  
200 West Street  
New York, New York 10282

Ladies and Gentlemen:

The undersigned, Goldman, Sachs & Co. and Siebert Brandford Shank & Co. L.L.C. (together being herein called the "Underwriter"), hereby offers to enter into this Bond Purchase Contract with the New York Liberty Development Corporation (the "Issuer"), which, upon the acceptance and execution of this offer by the Issuer, Goldman Sachs Headquarters LLC (the "Company"), and The Goldman Sachs Group, Inc. (the "Guarantor") shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer, the Company, the Guarantor and the Underwriter. This offer is made subject to the execution of this Bond Purchase Contract by the Issuer, the Guarantor and the Company on or before 4:45 p.m., New York City time, on the date hereof.

SECTION 1. Upon the terms and conditions and upon the basis of each of the representations, warranties, and covenants hereinafter set forth, the Underwriter hereby agrees to purchase and the Issuer agrees to sell to the Underwriter all (but not less than all) of the \$ \_\_\_\_\_ aggregate principal amount of New York Liberty Development Corporation Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 (the "Bonds") at the aggregate purchase price of \$ \_\_\_\_\_ (consisting of the par amount of the Bonds, plus

original issue premium in the amount of \$\_\_\_\_\_). The Company shall pay the Underwriter a fee equal to \$\_\_\_\_\_, plus certain expenses at Closing (as hereinafter defined). The Bonds will be issued for the primary purpose of providing funds to make a loan to the Company in an amount sufficient (together with other funds of the Company) to refund the portion of the Issuer's outstanding Revenue Bonds (Goldman Sachs Headquarters Issue), Series 2005 maturing on October 1, 2015. Terms not defined herein shall have the meanings ascribed thereto in the Official Statement (as defined in Section 5(b) hereof).

SECTION 2. The Bonds shall be as described in, and shall be issued under and pursuant to the Loan and Trust Agreement, dated as of October 12, 2005 as supplemented and amended by the First Supplemental Agreement, dated as of August 16, 2007 and the Second Supplemental Agreement, dated as of October 1, 2015 (collectively, the "Agreement"), among the Issuer, The Bank of New York Mellon, as successor trustee (the "Trustee") and the Company. The Bonds shall mature on such dates and bear interest from their dated date all as more fully described in the Official Statement. The proceeds of the Bonds are to be loaned to the Company in accordance with the provisions of the Agreement, and are further secured by a Guaranty Agreement, dated as of October 12, 2005 (the "Guaranty"), from the Guarantor to the Issuer.

It is intended that the interest on the Bonds will not be includable in gross income of the holders thereof for federal income tax purposes (except any person who is a "substantial user" or a "related person" as defined in the Internal Revenue Code of 1986, as amended (the "Code")) and the Underwriter may offer the Bonds to the public without registration under the Securities Act of 1933, as amended (the "Securities Act"), or qualification of an indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

The Guaranty and the Agreement shall be substantially in the forms heretofore submitted to the Underwriter.

SECTION 3. The Underwriter, the Issuer and the Company hereby agree that if the Underwriter shall fail, for a reason not permitted by this Bond Purchase Contract, to pay for and accept delivery of the Bonds at the Closing, the Underwriter shall promptly pay as liquidated damages to the Company an aggregate amount equal to 1% of the par amount of the Bonds. Such amount shall constitute full liquidated damages hereunder for such failure on the part of the Underwriter and shall constitute a full release and discharge of all claims and damages for such failure. In such event, the parties hereto shall have no further obligations or liability hereunder except to pay any expenses they are required to pay under Section 13 hereof.

SECTION 4. The Underwriter agrees to make a bona fide initial public offering of all the Bonds at a price not in excess of the initial offering price or prices set forth in the Official Statement; provided, however, that the Underwriter may change such initial offering price or prices as it deems necessary in connection with the offering of the Bonds without any requirement of prior notice. On or before the Closing Date, the Underwriter shall furnish to the Issuer a certificate acceptable to Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., bond counsel, establishing the issue price of the Bonds for purposes of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

SECTION 5. (a) The Issuer and the Company ratify and consent to the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement, dated September \_\_, 2015, relating to the Bonds (the "Preliminary Official Statement") in connection with the public offering of the Bonds.

(b) Within seven (7) business days hereof (but not later than the date of delivery of the Bonds), the Issuer and the Company, at the Company's expense shall deliver to the Underwriter printed copies of the Official Statement of the Issuer, dated the date hereof, relating to the Bonds and a version in "designated electronic format" (as defined in MSRB Rule G-32) and in sufficient quantity as may reasonably be requested by the Underwriter in order to comply with Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange of the United States (the "SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable rules of the SEC and the Municipal Securities Rulemaking Board (the "MSRB"), in substantially the form of the Preliminary Official Statement, with only such changes as shall be necessary to reflect the terms and provisions of the Bonds and containing such other changes as shall have been agreed to by the Underwriter and the Issuer (which, together with the cover page and all exhibits and any amendments and supplements thereto, is herein called the "Official Statement"). The Issuer and the Company hereby authorize the use and distribution of copies of the Official Statement by the Underwriter in connection with the public offering and sale of the Bonds. The Issuer hereby authorizes the Underwriter to file the Official Statement with the MSRB's Electronic Municipal Market Access ("EMMA") system.

(c) If, during the period from the date hereof to and including the date which is twenty-five (25) days after the "end of the underwriting period" (as defined below), there shall exist any event which, in the opinion of the Underwriter and Orrick, Herrington & Sutcliffe LLP, New York, New York ("Counsel to the Underwriter") or the Company or the Issuer, requires a supplement or amendment to the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, when it is delivered to a potential investor, the Issuer and the Company, at the expense of the Company, will supplement or amend the Official Statement in a form and in a manner reasonably approved by the Underwriter and the Issuer.

(d) Unless otherwise notified in writing by the Underwriter on or prior to the date of Closing, the Issuer and the Company may assume that the "end of the underwriting period" for the Bonds for all purposes of Rule 15c2-12 is the date of the Closing. In the event such notice is given in writing by the Underwriter, the Underwriter shall notify the Issuer in writing following the occurrence of the "end of the underwriting period" for the Bonds as defined in Rule 15c2-12. Except as otherwise specifically provided herein the "end of the underwriting period" for the Bonds as used in this Bond Purchase Contract shall mean the date of Closing or such later date as to which notice is given by the Underwriter in accordance with the preceding sentence.

(e) The Underwriter will, prior to the "end of the underwriting period", file a copy of the Official Statement with EMMA.

SECTION 6. Concurrently with the acceptance hereof by the respective parties, PricewaterhouseCoopers LLP will consent to the use of its report as incorporated by reference in the Official Statement. PricewaterhouseCoopers LLP has previously consented to the use of its report as incorporated by reference in the Preliminary Official Statement.

SECTION 7. (a) The Issuer represents and warrants to the Underwriter that at the time of acceptance hereof:

(i) As of its date, the information and statements contained in the Official Statement under the headings "THE ISSUER," "LIBERTY BOND PROGRAM" and "LITIGATION" (insofar as they refer to the Issuer) are true and correct in all material respects, and do not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements included in the Official Statement with respect to the Issuer and the Liberty Bond Program, in the light of the circumstances under which they were made, not misleading, provided that the Issuer's obligation with respect to this subparagraph 7(a)(i) shall be limited to the information and statements contained in the Official Statement under the headings "THE ISSUER," "LIBERTY BOND PROGRAM" and "LITIGATION" (insofar as they refer to the Issuer);

(ii) The Issuer is a not-for-profit local development corporation duly created and existing under the New York Not-for-Profit Corporation Law, and it has the power and authority to issue the Bonds for the purposes described in the Official Statement and to consummate the transactions contemplated by this Bond Purchase Contract, the Bonds, the Agreement and the Official Statement;

(iii) The Issuer has all requisite legal right, power and authority to enter into this Bond Purchase Contract and the Agreement and to approve and execute the Official Statement;

(iv) Prior to the Closing, the Issuer will have duly authorized all necessary action to be taken by it for: (A) the issuance and sale of the Bonds upon the terms set forth herein and in the Official Statement; and (B) the approval, execution and delivery, receipt or acceptance by it of the Bonds, the Agreement, the Official Statement and this Bond Purchase Contract and any and all such other agreements and documents as may be required to be executed and delivered, accepted or received by the Issuer in order to carry out, give effect to, and consummate the transactions contemplated hereby and by the Official Statement;

(v) The Bonds, when issued, delivered and paid for as provided herein and in the Agreement, will have been duly authorized and issued and will constitute the legal, valid and binding limited obligations of the Issuer, entitled to the benefits of the Agreement and will be enforceable in accordance with their respective terms except as the enforceability (but not the validity) thereof may be limited by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally or may be limited by customary principles of equity;

(vi) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer wherein an unfavorable decision, ruling or finding would adversely affect (A) the transactions contemplated hereby or by the Official Statement or the validity or enforceability of the Bonds, the Agreement, or this Bond Purchase Contract or any agreement or instrument to which the Issuer is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, or (B) the federal tax-exempt status of the interest on the Bonds;

(vii) The Issuer is not in breach of or in default under any existing law, court or administrative regulation, decree, order, material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which it is a party or by which it is bound, and no event has occurred or is continuing that, with passage of time or the giving of notice, or both, would constitute a breach or a default or an event of default thereunder that would, in each case, have a materially adverse effect on the transactions contemplated hereby or by the Official Statement or the validity or the enforceability of the Bonds, the Agreement or this Bond Purchase Contract;

(viii) The execution, delivery or acceptance by the Issuer of the Official Statement, this Bond Purchase Contract, the Bonds, the Agreement and the other documents contemplated hereby and by the Official Statement to which the Issuer is a party, do not, and compliance with the provisions thereof will not, conflict with or constitute on the part of the Issuer a breach of or a default under its Certificate of Incorporation or bylaws or any existing law, court or administrative regulation, judgment, decree, order, material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which the Issuer is a party or by which it may be bound; and

(ix) When this Bond Purchase Contract is accepted by the Issuer and when the Bonds are issued, sold and delivered to the Underwriter, each of the representations of the Issuer in the Agreement and this Bond Purchase Contract is and will be true and correct in all material respects.

(b) The Issuer agrees to cooperate with the Underwriter and its Counsel in any endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may reasonably request, at no cost to the Issuer and provided that no such qualification shall be required in any jurisdiction where, as a result thereof, the Issuer, the Company or the Guarantor would be subject to service of process as a foreign corporation in such jurisdiction. The Issuer consents to and ratifies the use of the Preliminary Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualifications.

(c) Any certificate signed by an authorized officer of the Issuer and delivered to the Underwriter shall be deemed a representation and warranty of the Issuer to the Underwriter as to the statements made therein.

SECTION 8. In order to induce the Issuer and the Underwriter to enter into this Bond Purchase Contract and to make the offering and sale of the Bonds herein contemplated,

(a) The Company represents and warrants to the Underwriter and the Issuer that at the date hereof:

(i) The Company is a limited liability company duly formed and validly existing and in good standing under the laws of the State of Delaware and has been duly qualified as a foreign limited liability company for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases property or conducts any business so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; and, the Company has full right, power and authority to enter into the Agreement, the Continuing Disclosure Agreement, a form of which is attached hereto as Exhibit A (the "Continuing Disclosure Agreement") and this Bond Purchase Contract and to approve the Preliminary Official Statement, the Official Statement and the Bonds, and to perform all other acts as provided for in the Agreement, the Continuing Disclosure Agreement and this Bond Purchase Contract and as described in or as contemplated by the Official Statement;

(ii) The execution, delivery, receipt, acceptance or approval, as appropriate, by the Company of the Preliminary Official Statement, the Official Statement, this Bond Purchase Contract, the Agreement, the Bonds, the Continuing Disclosure Agreement and the other agreements contemplated hereby and thereby do not, and compliance with the provisions hereof and thereof will not, conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the Certificate of Formation, the Limited Liability Company Agreement or the By-Laws of the Company, any existing law, court or administrative regulation, judgment, decree or order, or any material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which the Company is a party or by which it may be bound;

(iii) The Company is not in material breach of or in default under any existing law, court or administrative regulation, judgment, decree or order, any material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which it is a party or by which it is bound, and no event has occurred or is continuing that, with passage of time or the giving of notice, or both, would constitute a material breach or default or an event of default thereunder;

(iv) The Company has duly authorized all necessary action to be taken by it for: (A) the issuance and sale of the Bonds by the Issuer upon the terms and conditions set forth herein and in the Official Statement, and the approval of the Official Statement, the Agreement and the Bonds; and (B) the execution, delivery, receipt, acceptance or approval, as appropriate, of this Bond Purchase Contract, the Agreement, the Guaranty, the Continuing Disclosure Agreement and the Official Statement and any and all such other agreements and documents as may be required to be executed, delivered, received, accepted, or approved by the Company in order to carry out, effectuate and consummate the transactions contemplated hereby and thereby;

(v) The Company has authorized the use of the Preliminary Official Statement and the Official Statement by the Underwriter; the Company deems the Preliminary Official Statement to be “final” within the meaning of Rule 15c2-12, except for the information not required to be included therein under Rule 15c2-12.

(vi) The information contained or incorporated by reference in the Official Statement (other than the information under the headings “THE ISSUER,” “LIBERTY BOND PROGRAM,” “DESCRIPTION OF THE SERIES 2005 BONDS – Book-Entry Only Form”, Exhibit B, “LITIGATION” (insofar as it refers to the Issuer) and “UNDERWRITING” as to which the Company does not represent or warrant) does not and will not at the Closing contain any untrue statement of a material fact and does not and will not at the Closing omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(vii) Except as may be described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any public board or body pending against the Company or, to the knowledge of the Company, threatened against or affecting the Company wherein an unfavorable decision, ruling or finding (A) would have a material adverse effect on the financial condition of the Company, the operation of the Company or its facilities, or the transactions contemplated by this Bond Purchase Contract and the Official Statement; or (B) would have an adverse effect on the validity or enforceability of the Bonds, the Agreement, the Guaranty, the Project Agreement, the Continuing Disclosure Agreement or this Bond Purchase Contract or any material agreement, instrument, or obligation by which the Company is bound; or (C) would in any way contest the corporate existence or powers of the Company;

(viii) The Agreement, when executed and delivered by the Company, is and will be the valid and binding obligation of the Company, enforceable in accordance with its terms, except to the extent that the enforceability (but not the validity) thereof may be limited by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors’ rights generally or may be limited by customary principles of equity;

(ix) This Bond Purchase Contract has been duly authorized, executed and delivered by the Company.

(x) When this Bond Purchase Contract is executed by the Issuer, the Company and the Guarantor and when the Bonds are issued, sold and delivered to the Underwriter, each of the representations and warranties of the Company in the Agreement, the Official Statement and this Bond Purchase Contract is and will be true and correct in all material respects;

(xi) The proceeds of the sale of the Bonds shall be applied as described in the Official Statement; and

(xii) Except as described in the Official Statement, the Company has not failed during the previous five (5) years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(b) The Company represents and warrants to the Issuer that Section 13 of this Bond Purchase Contract is the valid and binding obligation of the Company, enforceable in accordance with its terms, except to the extent that the enforceability (but not the validity) thereof may be limited by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally or may be limited by customary principles of equity.

(c) The Company agrees to cooperate with the Underwriter and Counsel to the Underwriter to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may request, provided that no such qualification shall be required in any jurisdiction where, as a result thereof, the Company, the Issuer or the Guarantor would be subject to service of process as a foreign corporation in such jurisdiction. The Company, with respect to the offer or sale of the Bonds, shall, at the reasonable request of the Underwriter, file written consent to suit or file written consent to service of process as to matters relating to the offering and sale of the Bonds in a jurisdiction in which such consent may be required by law or regulation so that the Bonds may be offered or sold. The Company consents to and ratifies the use of the Preliminary Official Statement by the Underwriter in obtaining such qualification prior to the availability of the Official Statement.

SECTION 9. In order to induce the Issuer and the Underwriter to enter into this Bond Purchase Contract and to make the offering and sale of the Bonds herein contemplated,

(a) The Guarantor represents and warrants to the Underwriter and the Issuer that at the date hereof:

(i) The Guarantor is a corporation duly formed and validly existing and in good standing under the laws of the State of Delaware and has been duly qualified as a corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases property or conducts any business so as to require such qualification, or is subject to no material liability or disability by reason of the failure to be so qualified in any such jurisdiction; and, the Guarantor has full right, power and authority to enter into this Bond Purchase Contract, the Guaranty and the Continuing Disclosure Agreement, and to approve the Official Statement and to perform all other acts as provided for in this Bond Purchase Contract and as described in or as contemplated by the Official Statement;

(ii) The execution, delivery, receipt, acceptance or approval, as appropriate, by the Guarantor of this Bond Purchase Contract, the Continuing Disclosure Agreement, the Guaranty and the other agreements contemplated hereby and thereby do not, and compliance with the provisions hereof and thereof will not, conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the Restated Certificate of Incorporation or the Amended and Restated By-Laws of the

Guarantor, any existing law, court or administrative regulation, judgment, decree or order, or any material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which the Guarantor is a party or by which it may be bound;

(iii) The Guarantor is not in material breach of or in default under any existing law, court or administrative regulation, judgment, decree or order, any material agreement, indenture, mortgage, lease, sublease or other material instrument or obligation to which it is a party or by which it is bound, and no event has occurred or is continuing that, with passage of time or the giving of notice, or both, would constitute a material breach or default or an event of default thereunder;

(iv) The financial statements included in the Official Statement as incorporated by reference therein present fairly the financial position for each of the years then ended and the results of the Guarantor and its consolidated subsidiaries' operations for the periods specified, except that unaudited portions thereof, if any, are subject to audit and year-end adjustment. These financial records and statements have been prepared in conformity with generally accepted accounting principles consistently applied;

(v) Since June 30, 2015, there has been no material adverse change in the financial position or results of operations of the Guarantor and its consolidated subsidiaries nor has it incurred any material liabilities, direct or contingent, except in the ordinary course of business or as set forth in or contemplated by the Official Statement;

(vi) The Guarantor has duly authorized all necessary action to be taken by it for: (A) the approval of the Official Statement; and (B) the execution, delivery, receipt, acceptance or approval, as appropriate, of this Bond Purchase Contract, the Guaranty, the Continuing Disclosure Agreement and the Official Statement and any and all such other agreements and documents as may be required to be executed, delivered, received, accepted, or approved by the Guarantor in order to carry out, effectuate and consummate the transactions contemplated hereby and thereby;

(vii) As of the date hereof the Guarantor is eligible as an issuer to file registration statements on Form S-3 under the Securities Act; the documents incorporated by reference in the Official Statement complied, as of the respective dates of filing, in all material respects, with the requirements of the Exchange Act and the rules thereunder as in effect on such dates;

(viii) Except as may be described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any public board or body pending against the Guarantor or, to the knowledge of the Guarantor, threatened against or affecting the Guarantor wherein an unfavorable decision, ruling or finding (A) would have a material adverse effect on the financial condition of the Guarantor, the operation of the Guarantor or its facilities, or the transactions contemplated by this Bond Purchase Contract and the Official Statement; or (B) would have an adverse effect on the validity or enforceability of the Bonds, the Guaranty, the Continuing Disclosure Agreement or this Bond Purchase Contract or any material

agreement, instrument, or obligation by which the Guarantor is bound; or (C) would in any way contest the corporate existence or powers of the Guarantor;

(ix) The Guaranty and the Continuing Disclosure Agreement, when executed and delivered by the Guarantor, are and will be the valid and binding obligations of the Guarantor, enforceable in accordance with their respective terms, except to the extent that the enforceability (but not the validity) thereof may be limited by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally or may be limited by customary principles of equity;

(x) This Bond Purchase Contract has been duly authorized, executed and delivered by the Guarantor;

(xi) When this Bond Purchase Contract is executed by the Issuer, the Company and the Guarantor and when the Bonds are issued, sold and delivered to the Underwriter, each of the representations of the Guarantor in this Bond Purchase Contract is and will be true and correct in all material respects;

(xii) The Guarantor maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by the Guarantor's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Guarantor's internal control over financial reporting was effective as of December 31, 2014 and as of June 30, 2015 and the Guarantor was not aware of any material weaknesses in its internal control over financial reporting;

(xiii) Since the date of the latest audited financial statements included or incorporated by reference in the Official Statement, there has been no change in the Guarantor's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Guarantor's internal control over financial reporting;

(xiv) The Guarantor maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the Exchange Act) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information relating to the Guarantor and its subsidiaries is made known to the Guarantor's principal executive officer and principal financial officer by others within those entities; such disclosure controls and procedures as of June 30, 2015 were effective; and

(xv) Except as described in the Official Statement, the Guarantor has not failed during the previous five (5) years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(b) The Guarantor represents and warrants to the Issuer that Section 13 of this Bond Purchase Contract is the valid and binding obligation of the Guarantor, enforceable in accordance with its terms, except to the extent that the enforceability (but not the validity) thereof may be limited by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally or may be limited by customary principles of equity.

(c) The Guarantor agrees to cooperate with the Underwriter and Counsel to the Underwriter to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may request, provided that no such qualification shall be required in any jurisdiction where, as a result thereof, the Guarantor, the Company or the Issuer would be subject to service of process as a foreign corporation in such jurisdiction. The Guarantor, with respect to the offer or sale of the Bonds, shall, at the reasonable request of the Underwriter, file written consent to suit or file written consent to service of process as to matters relating to the offering and sale of the Bonds in a jurisdiction in which such consent may be required by law or regulation so that the Bonds may be offered or sold. The Guarantor consents to and ratifies the use of the Preliminary Official Statement by the Underwriter in obtaining such qualification prior to the availability of the Official Statement.

(d) The Guarantor shall file when due all reports and any definitive proxy or information statements required to be filed with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Official Statement and until distribution of the Bonds is complete.

SECTION 10. At 10:00 a.m., New York City time, on [October 1, 2015], or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Issuer, the Company and the Underwriter, the Issuer will deliver the Bonds in definitive form, duly executed and authenticated by the Trustee under the Agreement to be deposited with the Trustee, as F.A.S.T. Agent for The Depository Trust Company. The Issuer and the Company will deliver to the Underwriter at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., 666 Third Avenue, New York, New York 10017 ("Bond Counsel"), or at such other place and at such time and on such date as shall have been mutually agreed upon by the Issuer, the Company and the Underwriter, the Closing documents enumerated in Section 11(c) hereof, and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof, in immediately available funds payable to the order of the Trustee. Such payment and delivery is herein called the "Closing" and the date thereof is herein called the "Closing Date." The Bonds will be initially issued in the form of one or more separate, single, fully registered bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as the nominee of The Depository Trust Company, New York, New York. The Bonds will be made available to the Underwriter in New York, New York, 24 hours prior to the Closing Date.

SECTION 11. The obligations of the Underwriter hereunder shall be subject to (i) the performance, in all material respects, by the Issuer, the Guarantor and the Company of their obligations to be performed hereunder at and prior to the Closing, (ii) the accuracy in all material respects, in the reasonable judgment of the Underwriter, of the representations and warranties of

the Issuer and the Company herein as of the date hereof and as of the time of the Closing, and (iii) in the reasonable discretion of the Underwriter, to the following conditions:

(a) At the Closing Date, the Agreement, the Guaranty and the Continuing Disclosure Agreement shall be in full force and effect and such documents, the Official Statement and the form of the Bonds shall not have been amended, modified or supplemented prior to the Closing, except as may have been agreed to in writing by the Underwriter, and the Issuer and the Company shall have duly adopted and there shall be in full force and effect such additional resolutions or agreements as, in the opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby and by the Official Statement.

(b) The Underwriter may terminate this Bond Purchase Contract by written notification to the Issuer and the Company if at any time subsequent to the date hereof and at or prior to the Closing:

(1) legislation shall be enacted or actively considered for enactment by the Congress of the United States, or adopted or actively considered for enactment by either House thereof, or recommended by the President of the United States to the Congress for passage, or favorably report for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of competent jurisdiction of the United States including the United States Tax Court shall be rendered, or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other agency or department of the United States shall be made or proposed to be made with respect to federal taxation of revenues or other income to be derived by the Issuer under the Agreement or upon interest received on obligations of the general character of the Bonds (other than as specifically described under the heading "TAX MATTERS" in the Official Statement) including, without limitation, the application thereto of any alternative minimum tax except to the extent so described, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated in connection herewith, and, in the reasonable opinion of the Underwriter, make the marketing of the Bonds impractical;

(2) there shall exist any event which in the reasonable judgment of the Underwriter either (A) makes untrue in any material respect any statement contained in the Official Statement or (B) is not reflected in the Official Statement but should be reflected in order to make the statements contained therein, in the light of the circumstances in which they were made, not misleading in any material respect;

(3) legislation shall be enacted, or actively considered for enactment, or a decision by a court of competent jurisdiction shall hereafter be rendered, or action shall hereafter be taken or a ruling or regulation shall hereafter be issued by the SEC or other governmental agency having jurisdiction of the subject matter, the effect of which, in the written opinion of Counsel to the Underwriter, is that (A) the Bonds are not exempt from the registration, qualification or other similar requirements of the Securities Act, or (B) the Bonds are not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939;

(4) a stop order, ruling or regulation by the SEC shall hereafter be issued or made, the reasonable effect of which is that the issuance, offering or sale of the Bonds, as contemplated herein or in the Official Statement is in violation of any provisions of the Securities Act, the Exchange Act, the Trust Indenture Act or any rule or regulation promulgated under any such Acts;

(5) there shall occur any outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or other occurrence of any other calamity or crisis or any change in the financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in this subparagraph (5), in the judgment of the Underwriter, makes it impracticable or inadvisable to proceed with the public offering or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement as first amended and supplemented relating to the Bonds;

(6) [there is a withdrawal or downgrading of any rating on any of the Guarantor's unsecured debt obligations, or any notice shall have been given of (A) any intended potential downgrading or (B) any review of possible change that does not indicate the direction of a possible change;]

(7) there shall be in force a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required and be in force on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction;

(8) a general banking moratorium shall have been declared by federal, or New York State authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred which in the reasonable judgment of the Underwriter, would make the marketing of the Bonds impractical;

(9) the Constitution of the State of New York shall be amended, legislation shall be enacted or actively considered for enactment by the legislature of the State of New York, or a court decision shall be announced which would, in the reasonable opinion of the Underwriter, make the marketing of the Bonds impractical;

(10) in the reasonable judgment of the Underwriter, the market for any Bonds or of obligations of the general character of the Bonds might be adversely affected because: (a) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental issuer or by any national securities exchange or (b) the New York Stock Exchange or other national securities exchange, or any governmental issuer, shall have imposed, as to any Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by or the charge to the net capital requirement of the Underwriter or broker-dealers;

(11) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of any Bonds or in any way protesting or affecting any authority for or the validity of any Bonds, or the existence or powers of the Issuer; and

(12) a supplement or amendment shall have been made to the Official Statement subsequent to the date hereof which in the reasonable judgment of the Underwriter, materially adversely affects the marketability of any Bonds or the market price thereof.

(c) At or prior to the Closing, the Underwriter, the Issuer and the Company shall receive the following documents:

(1) Copies of the Agreement, the Bonds, the Guaranty and the Continuing Disclosure Agreement duly executed by the parties thereto.

(2) The unqualified approving opinion of Bond Counsel, as to the Bonds, dated the Closing Date, in the form included as Exhibit C, to the Official Statement, with a reliance letter to the Underwriter and the Trustee.

(3) The supplemental opinion of Bond Counsel, dated the Closing Date, addressed to and in form and substance satisfactory to the Underwriter and the Company, substantially to the effect that:

(i) The Issuer has full power and authority to enter into the Agreement and this Bond Purchase Contract, and to issue and sell the Bonds;

(ii) The Bonds are not subject to the registration requirements of the Securities Act and the Agreement is exempt from qualification pursuant to the Trust Indenture Act.

(iii) This Bond Purchase Contract has been duly authorized, executed and delivered by the Issuer and constitutes a valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms except as enforceability hereof may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally or may be limited by customary principles of equity;

(iv) The Agreement, and the Bonds have been duly and validly authorized, executed, issued and delivered by the Issuer and each is a valid and binding obligation of the Issuer, enforceable in accordance with its terms except as enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally or may be limited by customary principles of equity;

(v) The Agreement and the Bonds conform as to form and tenor with the terms and provisions thereof as summarized in the Official Statement;

(vi) Except as otherwise provided in the Agreement or the Guaranty, all right, title and interest of the Issuer under, in, and to the Agreement and the Guaranty has been validly and effectively assigned to the Trustee;

(vii) The information and statements contained in the Official Statement under the headings "INTRODUCTION" (as to the second, third and fourth paragraphs only), "SECURITY AND SOURCE OF PAYMENT," "THE LOAN AND TRUST AGREEMENT," "THE GUARANTY," "DESCRIPTION OF THE SERIES 2005 BONDS" (except for the information contained under the subheading "Book-Entry Only System" as to which no opinion is expressed), and "TAX MATTERS" are accurate in all material respects;

(viii) Without having undertaken an independent inquiry or investigation into the affairs of the Issuer, the Company or the Guarantor, to such counsel's knowledge, the Official Statement as of the date hereof and as of the Closing Date does not contain and did not contain any untrue statement of a material fact or omit or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no opinion need be expressed with respect to the Depository Trust Company, or the Book-Entry Only System or any financial statements included in the Official Statement, including Exhibits A or B of the Official Statement; and

(ix) And to such other effect, concerning such other matters, as the Underwriter may reasonably request prior to Closing.

(4) The opinion of Issuer's Counsel, dated the Closing Date, addressed to and in form and substance satisfactory to the Underwriter, the Trustee and the Company, substantially to the effect that:

(i) The members of the Issuer have been duly appointed and qualified and the membership of the Issuer is in compliance with the New York Not-for-Profit Law;

(ii) The Issuer has full power and authority to enter into the Agreement and this Bond Purchase Contract, and to issue and sell the Bonds;

(iii) The Issuer has duly authorized the distribution of the Preliminary Official Statement and the execution by it and the distribution of the Official Statement;

(iv) The execution and delivery by the Issuer of the Agreement, the Bonds and this Bond Purchase Contract and the transactions contemplated thereby and hereby and by the Official Statement did not and will not require the consent, approval, authorization or order, or the giving of notice to, or the registration with, any court or other governmental authority or agency except the approvals of the Governor of the State of New York and/or the Mayor of the City of New York which have been obtained;

(v) The information and statements contained in the Official Statement under the headings "THE ISSUER," "LIBERTY BOND PROGRAM" and "LITIGATION" (insofar as it refers to the Issuer) are correct in all material respects and, when taken as a whole, do not omit information or statements that should be included or referred to therein so as to make the information or statements made therein not misleading in any material respect;

(vi) To the knowledge of such counsel, after reasonable inquiry, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, against or affecting the Issuer, or to which the Issuer is or may be a party, or of which property of the Issuer is or may be subject, wherein a unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Official Statement, the Agreement, the Bonds or this Bond Purchase Contract, or the validity of the Bonds or disqualify the Issuer from furnishing the certification required under Treasury Regulation 1.103-13(a)(2);

(vii) To the knowledge of such counsel, the execution and delivery of the Agreement, this Bond Purchase Contract and the Bonds, and compliance with the provisions hereof and thereof, under the circumstances contemplated hereby and thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any agreement or other instrument to which the Issuer is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Issuer is subject; and

(viii) And to such other effect, concerning such other matters, as the Underwriter may reasonably request prior to the Closing.

(5) A certificate or certificates, dated the Closing Date, signed by the Treasurer of the Issuer and in form and substance satisfactory to Bond Counsel and to the Underwriter, in which such official represents and warrants:

(i) That the representations of the Issuer herein contained are true and correct, in all material respects, as of the Closing, and the information with respect to the Issuer contained in the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) That no litigation is pending or, to the knowledge of the official signing such certificate after reasonable inquiry, threatened (A) to restrain or enjoin the issuance or delivery of any of the Bonds, the application of the proceeds thereof, or the payment, collection or application of revenues pursuant to the Agreement or (B) in any way contesting or affecting any authority for, or the validity of, the Bonds, the Agreement, this Bond Purchase Contract or the application of the proceeds of the Bonds; and

(iii) To the best of such official's knowledge after reasonable inquiry, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or that it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect.

(6) The Tax Certificate and Agreement dated the Closing Date, signed by the Treasurer of the Issuer, sufficient in form and substance to show to the satisfaction of Bond Counsel and the Underwriter that the Bonds will not be arbitrage bonds under Section 148 of the Code, and the regulations thereunder. Such certificate shall state (i) the reasonable expectations of the Issuer as of such date regarding the amount and use of proceeds (as "proceeds" is defined in said section of the Code and the Regulations thereunder) of the Bonds, and the facts and estimates on which the Issuer's expectations are based; and (ii) to the best of such official's knowledge and belief, the Issuer's expectations are reasonable.

(7) An opinion, dated the Closing Date, of Sullivan & Cromwell LLP, counsel for the Company, addressed to the Underwriter, the Issuer and the Trustee, that:

(i) The Company has been duly formed as a limited liability corporation and is an existing limited liability company in good standing under the laws of the State of Delaware;

(ii) The Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding obligation of the Company enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles;

(iii) The Bond Purchase Contract has been duly authorized, executed and delivered by the Company; and

(iv) The execution and delivery of the Agreement and this Bond Purchase Contract do not, and the performance by the Company of its obligations under the Agreement and this Bond Purchase Contract will not, violate the Company's Certificate of Formation, filed with the Delaware Secretary of State on September 9, 2004, or the Company's Limited Liability Company Agreement, dated September 23, 2004.

(8) An opinion, dated the Closing Date, of Sullivan & Cromwell LLP, counsel for the Guarantor, addressed to the Underwriter, the Issuer and the Trustee (other than clauses (iii) and (iv)), that:

(i) The Guarantor has been duly incorporated and is an existing corporation in good standing under the laws of the State of Delaware;

(ii) The Continuing Disclosure Agreement and the Guaranty have each been duly authorized, executed and delivered by the Guarantor, and

each constitutes a valid and legally binding agreement of the Guarantor enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles;

(iii) The Bond Purchase Contract has been duly authorized, executed and delivered by the Guarantor; and

(iv) The execution and delivery of the Continuing Disclosure Agreement and this Bond Purchase Contract do not, and the performance by the Guarantor of its obligations under the Guaranty, the Continuing Disclosure Agreement and this Bond Purchase Contract will not, violate the Guarantor's Restated Certificate of Incorporation or Amended and Restated By-Laws, in each case in effect on the Closing Date.

(9) An opinion, dated the Closing Date, and addressed to the Underwriter, of Orrick, Herrington & Sutcliffe LLP, Counsel for the Underwriter, to the effect that (i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Agreement is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended, (ii) the Continuing Disclosure Agreement satisfies the requirements contained in Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule, and (iii) based upon their participation in the preparation of the Official Statement as Counsel for the Underwriter and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, no facts have come to their attention that would lead them to believe the Official Statement, as of its date and as of the date of Closing (except for information relating to DTC, the book-entry system, Tax Matters, Exhibits A through C, and the financial and statistical data or forecasts, numbers, charts, estimates, projections, assumptions, or expressions of opinion included or referred to therein, as to which such counsel need express no opinion), contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which the were made, not misleading.

(10) A certificate, dated the Closing Date, of the Company signed by an authorized officer of the Company on behalf of the Company, which states:

(i) That the representations and warranties of the Company in this Bond Purchase Contract are true and correct, in all material respects, as of the Closing;

(ii) That as of the Closing Date the Official Statement insofar as it relates to the Company does not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein contained, in the light of the circumstances in which they were made, not misleading; and

(iii) That no litigation is pending in any state or federal court against the Company or, to his knowledge, threatened, (A) to restrain or enjoin the issuance or delivery of any of the Bonds; (B) in any way contesting or affecting any authority of the Company to execute and deliver the Agreement or this Bond Purchase Contract; or (C) in any way contesting the existence or powers of the Company.

(11) A certificate, dated the Closing Date, of the Guarantor signed by an authorized officer of the Guarantor on behalf of the Guarantor, which states:

(i) That the representations and warranties of the Guarantor in this Bond Purchase Contract are true and correct, in all material respects, as of the Closing;

(ii) That as of the Closing Date the Guarantor's Form 10-K and the Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2015 and June 30, 2015, and the information filed with the SEC included in the Guarantor's Current Reports on Form 8-K dated January 16, 2015, March 9, 2015, March 11, 2015, April 16, 2015, April 23, 2015, May 21, 2015 and July 16, 2015 (collectively, the "Reports"), do not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein contained, in the light of the circumstances in which they were made, not misleading;

(iii) That subsequent to June 30, 2015, there has been no material adverse change in the financial position or results of operations of the Guarantor and its subsidiaries, taken as a whole, except as contemplated by the Official Statement; and

(iv) That no litigation is pending in any state or federal court against the Guarantor or, to his knowledge, threatened, (A) to restrain or enjoin the issuance or delivery of any of the Bonds; or (B) in any way contesting or affecting any authority for the issuance of the Guarantor to execute and deliver the Guaranty, the Continuing Disclosure Agreement, the Project Agreement, the Ground Lease or this Bond Purchase Contract.

(12) Copies of the Certificate of Formation, Limited Liability Company Agreement and a good standing certificate in the State of Delaware for the Company and a certification of the qualification to do business in the State New York for both the Company and the Guarantor;

(13) A certificate, dated the Closing Date, of the Company signed by an authorized officer on behalf of the Company, which states that no Default or Event of Default (as defined in the Agreement) exists under the Agreement.

(14) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Counsel for the Underwriter may reasonably request to evidence compliance by the Issuer and the Company with legal requirements; the truth and

accuracy, as of the Closing Date, of the respective representations contained herein and in the Official Statement; and the due performance or satisfaction by them of all agreements to be performed by them and all conditions to be satisfied by them at or prior to the Closing.

(15) If the Issuer or the Company shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Bond Purchase Contract, the Bond Purchase Contract shall terminate and neither the Underwriter, the Company, nor the Issuer shall have any further obligations hereunder, except as provided in Sections 12 and 13 hereof; provided, however, that the Underwriter may, in its discretion, waive one or more of the conditions imposed by this Bond Purchase Contract for the protection of the Underwriter and proceed with the Closing.

SECTION 12. (a) The Company and the Guarantor agree to indemnify and hold harmless the Issuer and the Underwriter and each person, if any, who controls the Issuer or the Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (or actions in respect thereof) which arise out of or are based upon (i) the failure to register any security under the Securities Act or to qualify any indenture under the Trust Indenture Act in connection with the offering of the Bonds; or (ii) any untrue statement or alleged untrue statement of a material fact contained in or included by cross-reference in the Official Statement, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading and will reimburse the Issuer and the Underwriter for any legal or other expenses, reasonably incurred by the Issuer and the Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred provided, however, that the Company and the Guarantor shall not be liable in any such case to the extent such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made under the headings "THE ISSUER," "LIBERTY BOND PROGRAM," "LITIGATION" (insofar as it refers to the Issuer), "UNDERWRITING" or "MARKET-MAKING" therein.

(b) In case any action shall be brought against the Issuer, the Underwriter or any person controlling the Issuer or the Underwriter, in respect of which indemnity may be sought against the Company or the Guarantor, the Issuer or the Underwriter shall, as a condition to the above indemnity, promptly notify the Company and/or the Guarantor in writing, and the Company and/or the Guarantor shall assume the defense thereof, including the employment of counsel and payment of all expenses. The Issuer, the Underwriter or any such controlling person shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Issuer, the Underwriter or controlling person, as the case may be, unless (i) the employment of such counsel has been specifically authorized by the Company or the Guarantor in writing prior to the employment of such counsel, or (ii) the named parties to any such action (including any impleaded parties) include both (A) the Issuer, the Underwriter or such controlling person and (B) the Company and the Guarantor, and the Issuer, the Underwriter or such controlling person, as the case may be, shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the Company and the Guarantor and that joint representation would be inappropriate under professional

standards, in which case the Company and the Guarantor shall not have the right to assume the defense of such action on behalf of the Issuer, the Underwriter or such controlling person, as the case may be, it being understood, however, the Company and/or the Guarantor shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for each of the Issuer and the Underwriter (including their controlling persons), and any such firm shall be designated in writing by the Issuer and/or the Underwriter. If there shall be a final judgment for the plaintiff in any such action, the Company and/or the Guarantor agree to indemnify and hold harmless the Issuer, the Underwriter and any such controlling person from and against any loss or liability by reason of such judgment.

(c) The Underwriter agrees to indemnify and hold harmless the Issuer, any person controlling the Issuer, the Company and the Guarantor, its directors and officers and any person controlling the Company and the Guarantor to the same extent as the indemnity from the Company and the Guarantor to the Underwriter set forth in Subsection (a)(ii), but only with reference to information under the headings "UNDERWRITING" and "MARKET-MAKING" in the Official Statement. In case any action shall be brought against the Issuer, the Company and/or the Guarantor, any of its directors or officers or any such controlling persons based on the Official Statement and in respect of which indemnity may be sought against the Underwriter, the Underwriter shall have the rights and duties given to the Company and/or the Guarantor, and the Issuer, any controlling person of the Issuer, the Company and/or the Guarantor, its directors and officers and such controlling persons shall have the rights and duties given to the Underwriter by Subsection 12(b).

(d) If the indemnification provided for in this Section is unavailable to or insufficient to hold harmless the Issuer or Underwriter under Subsection (a) or the Issuer, the Company and the Guarantor under Subsection (c) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each of the Underwriter, the Guarantor or the Company shall contribute to the amount paid or payable by such party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and/or the Guarantor on the one hand and the Underwriter on the other from the offering of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the Underwriter, the Guarantor or the Company failed to give the notice required under Subsection (b), then each party shall contribute to such amount paid or payable by such party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and/or the Guarantor on the one hand and the Underwriter on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and/or the Guarantor on the one hand and the Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company and/or the Guarantor bear to the total underwriting discounts and commissions received by the Underwriter. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and/or the Guarantor on the

one hand or the Underwriter on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Guarantor and the Underwriter agree that it would not be just and equitable if contribution pursuant to this Subsection (d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Subsection (d). The amount paid or payable by the Underwriter, the Guarantor or the Company as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this Subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Subsection (d), the Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Bonds were offered to the public exceeds the amount of any damages which the Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (with in the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. In no event shall the Issuer be required to contribute any amounts hereunder.

(e) The indemnity and contribution provisions of this Bond Purchase Contract shall not supersede, limit or modify any other indemnity between any of the parties in any other agreement or arising otherwise by law.

SECTION 13. The Company and the Guarantor will pay or cause to be paid all expenses incident to the performance of the Issuer's and the Company's obligations under this Bond Purchase Contract, including, but not limited to, mailing or delivery of the Bonds, costs of printing the Bonds, the Agreement, the Preliminary Official Statement and the Official Statement, this Bond Purchase Contract and the Blue Sky and legal investment surveys, including the mailing and delivery thereof by the printer, fees and disbursements of Bond Counsel and its counsel and any fees charged by investment rating agencies for the rating of the Bonds. In the event this Bond Purchase Contract shall terminate, the Underwriter, the Company and the Guarantor agree that they will not look to the Issuer for the payment of any third party costs, and the Company and the Guarantor will protect the Issuer against any third party claims for fees, costs or expenses, and will be responsible for the settlement and discharge thereof. The Underwriter shall pay the cost of qualifying the Bonds for sale in various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Bonds and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, including the fees and disbursements of its counsel.

SECTION 14. All representations, warranties and agreements hereunder of the Issuer, the Company and the Guarantor shall remain operative and in full force and effect regardless of any investigations made by or on behalf of the Underwriter and shall survive the Closing and any termination of this Bond Purchase Contract by the Underwriter pursuant to the terms hereof.

SECTION 15. This Bond Purchase Contract supersedes all prior agreements and understandings (whether written or oral) between the Issuer, the Company, the Guarantor and the Underwriter, or any of them, with respect to the purchase of the Bonds by the Underwriter.

SECTION 16. The Issuer, the Company, the Guarantor and the Underwriter hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Bond Purchase Contract or the transactions contemplated hereby.

SECTION 17. (a) Each of the Company and the Guarantor acknowledges and agrees that (i) the primary role of Goldman, Sachs & Co., as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer, the Company, the Guarantor and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Company and the Guarantor, (ii) the Underwriter is not acting as a municipal advisor, financial advisor, or fiduciary to the Company or the Guarantor and has not assumed any advisory or fiduciary responsibility to the Company or the Guarantor with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Goldman, Sachs & Co. has provided other services or is currently providing other services to the Company or the Guarantor on other matters), (iii) the only obligations the Underwriter has to the Company and the Guarantor with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Contract and (iv) the Company and the Guarantor has each consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Company and/or the Guarantor would like a municipal advisor in this transaction that has legal fiduciary duties to the Company and/or the Guarantor, then each of the Company and the Guarantor is free to engage a municipal advisor to serve in that capacity.

(b) The Issuer acknowledges and agrees that (i) the primary role of Goldman, Sachs & Co., as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer, the Company, the Guarantor and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer, (ii) the Underwriter is not acting as a municipal advisor, financial advisor, or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Goldman, Sachs & Co. has provided other services or is currently providing other services to the Issuer on other matters), (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Contract and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

SECTION 18. Notwithstanding anything herein to the contrary, each of the Company and the Guarantor is authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company and/or the Guarantor relating to that treatment and structure, without the Underwriter imposing any limitation of any kind. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

SECTION 19. This Bond Purchase Contract may be executed in any number of counterparts, all of which taken together shall be one and the same instrument, and any party hereto may execute this Bond Purchase Contract by signing any such counterpart.

SECTION 20. Any notice or other communication to be given to the Issuer or the Company under this Bond Purchase Contract may be given by delivering the same in writing at the addresses set forth above, and any notice or other communication to be given to the Underwriter under this Bond Purchase Contract may be given by delivering the same in writing to Goldman, Sachs & Co., 200 West Street, New York, New York 10282, Attention: Marvin Markus, Managing Director.

SECTION 21. The terms of this Bond Purchase Contract shall be construed in accordance with the laws of the State of New York.

[Remainder of page left intentionally blank]

SECTION 22. This Bond Purchase Contract is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriter) and, except as otherwise provided herein, no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements in this Bond Purchase Contract shall remain operative and survive in full force and effect, regardless of the delivery of and payment for the Bonds hereunder.

Very truly yours,

GOLDMAN, SACHS & CO.

By: \_\_\_\_\_

Name:

Title:

SIEBERT BRANDFORD SHANK & CO.,  
L.L.C.

By: \_\_\_\_\_

Name:

Title:

ACCEPTED AND AGREED TO:

NEW YORK LIBERTY DEVELOPMENT CORPORATION

By: \_\_\_\_\_

Name:

Title:

GOLDMAN SACHS HEADQUARTERS LLC

By: \_\_\_\_\_

Name:

Title:

THE GOLDMAN SACHS GROUP, INC.

By: \_\_\_\_\_

Name:

Title:

EXHIBIT A

FORM OF CONTINUING DISCLOSURE AGREEMENT