



Governance Principles and By-Laws

METROPOLITAN TRANSPORTATION AUTHORITY

GOVERNANCE GUIDELINES

The following mission statement and governance guidelines, as amended, have been recommended by the Governance Committee and approved by the Chairman and a majority of the members of the MTA Board and, along with the laws of the State of New York, the MTA By-laws, the by-laws of certain MTA subsidiaries and component units, and the charters and key practices of certain Committee of the Board, provide the framework for the governance of the MTA and its subsidiaries and component units. The Chairman and the Governance Committee will review these guidelines and other aspects of MTA governance annually or more often if deemed necessary.

Adopted by the Board September 27, 2012

Mission Statement of the Metropolitan Transportation Authority

The Metropolitan Transportation Authority (“MTA”) preserves and enhances the quality of life and economic health of the region we serve through cost-efficient provision of safe, on-time, reliable and clean transportation services.

The MTA is the public benefit corporation of the State of New York responsible for an integrated mass transportation system for the City of New York and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties. The statutory purposes set forth in the MTA enabling act are:

“the continuance, further development and improvement of commuter transportation and other services related thereto within the metropolitan commuter transportation district, including but not limited to such transportation by railroad, omnibus, marine and air, in accordance with the provisions of this title. It shall be the further purpose of the authority, consistent with its status as the ex officio board of both the New York city transit authority and the triborough bridge and tunnel authority, to develop and implement a unified mass transportation policy for such district.” (Public Authorities Law §1264(1))

Governance Guidelines

These Governance Guidelines apply to MTA and the other public benefit corporations under common control of MTA (collectively with MTA, the “MTA Agencies”). The MTA Agencies consist of:

Metropolitan Transportation Authority
Triborough Bridge and Tunnel Authority
New York City Transit Authority
Manhattan and Bronx Surface Transit Operating Authority
The Long Island Rail Road Company
Metro-North Commuter Railroad Company
Staten Island Rapid Transit Operating Authority
Metropolitan Suburban Bus Authority
MTA Bus Company
MTA Capital Construction Company
First Mutual Transportation Assurance Company

1. Functions of the MTA Chairman/Chief Executive Officer.

(a) The Chairman of the MTA shall be primarily responsible for providing leadership to the MTA Board in performing oversight of the senior management in the effective and ethical management of the MTA Agencies’ integrated mass transportation system. The Chairman, inter alia, convenes and presides over Board meetings, establishes Board committees and appoints committee members and chairs, and shall serve as the principal liaison between MTA management and the Board.

(b) The Chairman, pursuant to statute, is the chief executive officer of the Authority and shall have responsibility to discharge the executive and administrative functions and powers of the Authority. In discharging the executive and administrative functions and

powers of the Authority, the Chairman shall, inter alia, be responsible for (i) managing the day-to-day operations of the MTA's integrated mass transportation system, (ii) coordinating the development and approval by the Board of long term strategy for the maintenance and expansion of that system, (iii) overseeing and providing appropriate direction to the President of each of the MTA's constituent Agencies and (iv) appointing, disciplining, and removing officers or employees.

2. **Functions of the MTA Board.** The Board shall meet no less than 8 times a year at which the Board shall review and discuss reports by management on the performance of the MTA, its plans and prospects, as well as immediate issues facing the MTA. Board members are expected to attend all scheduled meetings of the Board and meetings of Committees on which they serve. The entire Board shall be responsible for the general oversight of the Authority's senior management in furtherance of the effective and ethical management of the entire MTA, as required by law. In addition to this general responsibility, the entire Board (with the assistance of Committees of the Board as appropriate) shall also perform a number of specific functions, including
 - (a) providing counsel and oversight on the evaluation, development and compensation of senior management. When determining compensation for the Chairman/Chief Executive Officer, the Board, as required by law, shall act without the participation of the Chairman/Chief Executive Officer;
 - (b) reviewing, approving and monitoring fundamental financial and business strategies and major actions, including fundamental financial and management controls;
 - (c) assessing major risks facing the MTA and reviewing options for the mitigation of these risks;
 - (d) ensuring processes are in place for maintaining the integrity of the MTA, including the integrity of the financial statements of the MTA (and the financial statements of the MTA subsidiaries or component units that are required by law to issue separate financial statements), the integrity of the MTA's compliance with law and ethics (including by adopting and updating codes of ethics applicable to MTA directors, officers and employees that at a minimum incorporate the standards established in section seventy-four of the Public Officers Law), the integrity of the MTA's relationships with customers and suppliers, and the integrity of the MTA's relationship with the public at large;
 - (e) establishing written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the authority; investments; travel; the acquisition of real property; the disposition of real and personal property; and the procurement of goods and services; and
 - (f) adopting a defense and indemnification policy and disclose such plan to any and all prospective board members.

3. **Functions of Senior Management:** The Chairman/Chief Executive Officer serves ex officio as the chair and chief executive officer of each of affiliated and subsidiary MTA Agencies and is responsible for appointing such other officials and employees (including, in his or her discretion, an Executive Director) as he or she determines is necessary and appropriate. These other officials and employees serve under the direction and at the pleasure of the Chairman/Chief Executive Officer. The Presidents of the MTA's constituent Agencies, pursuant to the direction of the Chairman/Chief Executive Officer, are primarily responsible for the general management and operations of such constituent Agencies.
4. **Committees of the Board.** The Chairman has established the following Committees to assist him and the Board in discharging their responsibilities: (1) the Audit Committee; (2) the Committee on Finance; (3) the Committee on Operations of the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, the Staten Island Rapid Transit Operating Authority and the MTA Bus Company; (4) the Committee on Operation of the Metro-North Commuter Railroad; (5) the Committee on Operation of the Long Island Rail Road; (6) the Committee on Operations of the Triborough Bridge and Tunnel Authority; (7) the Committee on Capital Program Oversight; (8) the Diversity Committee; and (9) the Corporate Governance Committee. The current charters and key practices of these Committees shall be maintained on the MTA website. The Committees may hold meetings in conjunction with the entire Board, as appropriate.
5. **Self-Assessment.** The Board, as a whole, and each of the Committees, individually, will perform an annual self-assessment. The Board will be requested to provide their assessments of the effectiveness of the Board, as a whole, and of the Committees on which they serve. The individual assessments will be organized and summarized for discussion with the Board and the Committees.
6. **Setting Agendas for Meetings of the Board.** The Chairman shall be responsible for the agenda of the Board meetings. Upon the request of the Chairman, an Agency President shall report to the Board regarding that Agency's operations, finances, and performance (with specific reference to the benchmarks established for that Agency) since the last time such Agency President reported to a meeting of the Board. The Chairman, or Committee chair as appropriate in consultation with the Chairman, shall determine the nature and extent of information that shall be provided regularly to Board members before each scheduled Board or Committee meeting. Committee chairs shall report to the entire Board for approval the matters discussed or recommended at Committee meetings as appropriate. Board members are urged to make suggestions for agenda items, or additional pre-meeting materials, to the Chairman, or the appropriate Committee chair at any time.
7. **Ethics and Conflicts of Interest.** The Chairman, Board members and the other officers and employees of the MTA are expected to act ethically at all times, to acknowledge their adherence to the policies comprising the MTA All-Agency and MTA Board Members Codes of Ethics and to comply in all respects with the Codes of Ethics. If an actual or potential conflict of interest arises for an MTA Board Member, the MTA Member shall promptly inform the Chairman. All Board members will recuse themselves from any discussion or decision affecting their personal or commercial interests. Other than in such

instances where jurisdiction over a conflict matter lies with the New York State Joint Commission on Public Ethics, the Board shall resolve any unresolved conflict of interest question involving the Chairman, a Vice Chairman, an MTA Member, the Auditor General, or an Agency President, and the Chairman shall resolve any unresolved conflict of interest issue involving any other officer of the MTA. If a significant conflict exists and cannot be resolved, the MTA Board Member should resign.

8. **Oversight of Significant MTA Policies.** The Board shall ensure that the MTA has policies addressing significant issues, and shall regularly review and, as appropriate, suggest changes or additions to, all such statements of significant MTA policy. Each statement of a significant MTA policy should be published in an accessible manner.
9. **Access of Senior Management to the Board.** Senior management are encouraged to, from time to time, bring managers into meetings of the Board who (a) can provide additional insight into the items being discussed because of personal involvement in these areas, an/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.
10. **Access to Independent Advisors.** The Board or any Committee thereof shall have the right at any time to retain independent outside financial, legal or other advisors.
11. **MTA Member Orientation.** Each new MTA Board member shall, within three months of appointment as an MTA Board member, spend a day at MTA headquarters for personal briefing by the Chairman and other senior management on the MTA's strategic plans, its financial statements, and its key policies and practices. In addition, within one year of appointment, each new MTA Board member must participate in State-approved training regarding their legal, fiduciary, financial and ethical responsibilities. The Chief Executive Officer, the MTA General Counsel and Chief Compliance Officer shall be responsible for providing additional orientation materials and programs for new Board members, as appropriate. MTA Board members shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the MTA and to adhere to the highest standards.

BY-LAWS MTA BUS COMPANY

ARTICLE 1. OFFICES

The principal office of the MTA Bus Company (the “Company”) shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company (“the board” or “the board of the Company”) as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Company shall pay reasonable

attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS MTA CAPITAL CONSTRUCTION COMPANY

ARTICLE 1. OFFICES

The principal office of the MTA Capital Construction Company (the "Company") shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company ("the board" or "the board of the Company") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Company shall pay reasonable

attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS

FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY

ARTICLE 1. OFFICES

The principal office of the First Mutual Transportation Assurance Company (the "Company") shall be located in the City of New York, County of New York. The Company may have such other offices as the board may designate or as the business of the Company may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Company shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Company ("the board" or "the board of the Company") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings. At least one meeting of the board in each year shall be held in New York State.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Company and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Company at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Company then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Company. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Company, the Company shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Company shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Company and as the chief executive officer of the Company. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Company. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Company. As chief executive officer of the Company, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Company.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Company. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Company as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Company and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Company, see to it that the seal of the Company is affixed to all documents the execution of which on behalf of the Company under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officer or officers, agent or agents of the Company and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Company not otherwise employed shall be deposited from time to time to the credit of the Company in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Company and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Company shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Company or of a subsidiary of the Company against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Company or of a subsidiary of the Company, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Company or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Company employees or employees of a subsidiary of the Company. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Company or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Company or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Company or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Company of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Company as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Company may enter into a settlement on behalf of the member, officer or employee. If the Company or its designee determines that the defense shall not be provided by counsel for the Company because of a conflict of interests or other grounds warranting separate counsel, the member, officer or

employee may select another attorney and the Company shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Company's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS LONG ISLAND RAIL ROAD COMPANY

ARTICLE 1. OFFICES

The principal office of the Long Island Rail Road Company (the "Rail Road") shall be located at Jamaica Station, 93-02 Sutphin Boulevard, Borough and County of Queens, City of New York. The Rail Road may have such other offices as the board may designate or as the business of the Rail Road may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Rail Road shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Rail Road ("the board" or "the board of the Rail Road") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Rail Road and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Rail Road at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Rail Road then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Rail Road. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Rail Road, the Rail Road shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Rail Road shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Rail Road and as the chief executive officer of the Rail Road. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Rail Road. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Rail Road. As chief executive officer of the Rail Road, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Rail Road.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Rail Road. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Rail Road as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Rail Road and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Rail Road, see to it that the seal of the Rail Road is affixed to all documents the execution of which on behalf of the Rail Road under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Rail Road, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Rail Road and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Rail Road shall be signed by such officer or officers, agent or agents of the Rail Road and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Rail Road not otherwise employed shall be deposited from time to time to the credit of the Rail Road in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Rail Road shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Rail Road and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Rail Road shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Rail Road or of a subsidiary of the Rail Road against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Rail Road or of a subsidiary of the Rail Road, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Rail Road or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Rail Road employees or employees of a subsidiary of the Rail Road. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Rail Road or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Rail Road or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Rail Road or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Rail Road of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Rail Road as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in the making of such defense; and (d) an agreement that the Rail Road may enter into a settlement on behalf of the member, officer or employee. If the Rail Road or its designee determines that the defense shall not be provided by counsel for the Rail Road because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee

may select another attorney and the Rail Road shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Rail Road's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this section, such request shall be submitted to the board for its determination. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS METRO-NORTH COMMUTER RAILROAD

ARTICLE 1. OFFICES

The principal office of the Metro-North Commuter Railroad (the "Railroad") shall be located in the City of New York, County of New York. The Railroad may have such other offices as the board may designate or as the business of the Railroad may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Railroad shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Railroad ("the board" or "the board of the Railroad") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Railroad and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Railroad at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Railroad then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Railroad. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Railroad, the Railroad shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Railroad shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Railroad and as the chief executive officer of the Railroad. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Railroad. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Railroad. As chief executive officer of the Railroad, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Railroad.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Railroad. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Railroad as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Railroad and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Railroad, see to it that the seal of the Railroad is affixed to all documents the execution of which on behalf of the Railroad under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Railroad, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Railroad and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Railroad shall be signed by such officer or officers, agent or agents of the Railroad and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Railroad not otherwise employed shall be deposited from time to time to the credit of the Railroad in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Railroad shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Railroad and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Railroad shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Railroad or of a subsidiary of the Railroad against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Railroad or of a subsidiary of the Railroad, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Railroad or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Railroad employees or employees of a subsidiary of the Railroad. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Railroad or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Railroad or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Railroad or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Railroad of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Railroad as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Railroad may enter into a settlement on behalf of the member, officer or employee. If the Railroad or its designee determines that the defense shall not be provided by counsel for the Railroad because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Railroad shall pay reasonable attorney's fees and expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Railroad's payment of such fees

and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS METROPOLITAN SUBURBAN BUS AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Metropolitan Suburban Bus Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and

expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS NEW YORK CITY TRANSIT AUTHORITY

ARTICLE 1. OFFICES

The principal office of the New York City Transit Authority (the “Authority”) shall be located in the City of New York, County of Kings. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority (“the board” or “the board of the Authority”) as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and

expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS
STATEN ISLAND RAPID TRANSIT OPERATING AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Staten Island Rapid Transit Operating Authority (the "Authority") shall be located in the City of New York, County of Kings. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and

expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Triborough Bridge and Tunnel Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-Laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a president, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, and the president shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The President. The president shall have primary responsibility for the general management and operation of the Authority and shall have such additional executive and administrative functions and powers as may be delegated to him or her by the chairman.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and

expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.

BY-LAWS METROPOLITAN TRANSPORTATION AUTHORITY

ARTICLE 1. OFFICES

The principal office of the Metropolitan Transportation Authority (the "Authority") shall be located in the City of New York, County of New York. The Authority may have such other offices as the board may designate or as the business of the Authority may require from time to time.

ARTICLE II. THE BOARD

Section 1. General Affairs. The business and affairs of the Authority shall be managed by its board.

Section 2. Number, Tenure and Qualifications. The Authority ("the board" or "the board of the Authority") as used herein shall consist of all of those persons who from time to time hold office as chairman or members of the Metropolitan Transportation Authority pursuant to §1263 of the Public Authorities Law of the State of New York. Each member shall hold office for the term established by law and until his successor shall have been appointed and qualified. Members shall meet all requirements of law respecting their qualification for office.

Section 3. Regular Meetings. Regular meetings of the board shall be held eight times per calendar year, at such dates and times as shall be fixed in a schedule established annually by the Chairman. Written notice of the schedule of regular meetings shall be provided to members on or before December 1 of the calendar year preceding such meetings; the schedule shall provide for at least two regular meetings to be held in each quarter of the calendar year. The board may provide by resolution for the time and place for the holding of additional regular meetings without other notice than such resolution. The chairman may adjust the date and time of any regular meeting by written notice provided to members at least forty-eight hours prior to such adjusted date and time. Such written notice shall be provided to members by the same means required by Section 4(b) of Article II of these by-laws for delivery of notice to members of special meetings.

Section 4. Special Meetings. (a) Special meetings of the board may be called by the chairman or, in his or her absence or in case of his or her disability, a vice chairman. In addition, a special meeting of the board shall be called by the secretary or in his or her absence by an assistant secretary upon the request of any two members. The person or persons authorized to call special meetings of the board may fix the time and any place within the City of New York as the place for holding any special meeting of the board called or requested by them.

(b) Written notice of each special meeting shall be given by the chairman or secretary or by an assistant secretary, specifying the time and place of the meeting. Such notice shall be addressed to each member at the member's postal address on record with the Authority and deposited with the U.S. Postal Service at least forty-eight hours prior to the time fixed for such meeting, and in addition, sent by facsimile or email to each member having a facsimile number or email address on record with the Authority at least forty-eight hours prior to the time fixed for such special meeting. Such notice shall state the purpose of such meeting, and no business other than that stated in the notice shall be transacted at such special meeting unless every member of the Authority then in office is present, and it is unanimously agreed to consider matters other than those specifically provided for in the notice of such meeting. Notwithstanding the foregoing, in the event of an emergency the chairman may call a special meeting without advance notice and by means other than the delivery of a writing to the members.

Section 5. Open Meetings. All meetings of the board shall be conducted in compliance with the provisions of the Open Meetings Law, being Chapter 511 of the Laws of 1976, as amended, and with all rules and regulations promulgated thereunder.

Section 6. Quorum. A majority of the whole number of voting members of the board as defined in §1263 (1) (a) of the Public Authorities Law of the State of New York then in office shall constitute a quorum for the transaction of any business or the exercise of any power of the Authority. Those members of the board appointed upon the recommendation of the chief executive officers of Dutchess, Orange, Putnam and Rockland counties (the "Hudson Valley Member" or "Hudson Valley Members") shall be considered to be a single member, and the presence of that member for purposes of determining a quorum shall be ascertained pursuant to section 10 of this article. Except as otherwise specified by law, for the transaction of any business or exercise of any power of the Authority, the Authority shall have power to act by a majority of the voting members of the board present at any meeting at which a quorum is in attendance with the chairman having one additional vote in the event of a tie vote. For purposes of determining a tie vote, an abstention shall be counted as a vote against a motion. If a meeting is validly called but a quorum is not present, a majority of the members of the board then present may adjourn the meeting from time to time without further notice.

Section 7. Attendance at Meetings. (a) Any one or more members of the board or of a committee thereof may attend a meeting of such board or committee by means of a conference telephone or similar communications equipment allowing all persons attending the meeting to hear each other at the same time; however, attendance by such means shall not constitute presence at a meeting for the purposes of section 6, section 8 or section 10 of this Article.

(b) Notwithstanding the provisions of Section 7(a), a member's attendance by means of videoconferencing shall constitute presence at a meeting for any purposes of this Article, *provided* (i) the public notice given for such a meeting of such board or committee states that videoconferencing would be used to conduct the meeting and identifies each location at which members may attend the meeting; and (ii) at each such location, opportunity for public attendance at the meeting is provided.

Section 8. Presumption of Assent. A member of the board who is present at a meeting of the board at which action on any matter is taken shall be presumed to have assented to the action taken unless his abstention or dissent is stated at the meeting, which dissent or abstention shall be duly entered in the minutes of the meeting.

Section 9. Committees. The chairman may establish one or more committees of the board, each committee to consist of one or more of the members and each of which committees shall have and may exercise the powers conferred upon it by the chairman. Such committees shall have such names as shall be given them by the chairman. The chairman shall also establish such committees of the board as shall be mandated by law. Except in an emergency, the chairman and each board member shall be given advance written notice of the time and place of any meeting of any committee of the board.

Section 10. Quorum and Voting for members of the Board from the counties of Dutchess, Orange, Putnam and Rockland.

(a) The Hudson Valley Members shall be considered to be a single member. For the purposes of determining a quorum, such single voting member shall be considered present if one or more Hudson Valley Members is present.

(b) The single collective vote of the Hudson Valley Members shall be determined as follows:

(i) if at least three Hudson Valley Members are then in office: (A) if one such member is present, the single collective vote shall be recognized; (B) if two or more such members are present but only one such member votes, the single collective vote shall be recognized as the vote of such member; (C) if two or more such members are present and two or more such members vote, the majority vote shall be recognized as the single collective vote; and (D) if two or more such members are present and two or more of such members vote but no majority is achieved, the single collective vote shall not be recognized; and

(ii) if two or one Hudson Valley Member(s) are then in office: (A) if one such member is present, the single collective vote shall be recognized as the vote of such voting member; (B) if two such members are present but only one such member votes, the single collective vote shall be recognized as the vote of

such voting member; and (C) if two such members are present and both vote, only a unanimous vote shall be recognized as the single collective vote.

To evidence the single collective vote, each such member that is present may be polled as to his vote and such poll shall be recorded in the minutes.

ARTICLE III. OFFICERS

Section 1. Number. The officers of the Authority shall be a chairman, one or more vice chairmen (the number and exact designation thereof and the separate functions to be determined by the board if there is more than one), an executive director, if one is appointed by the chairman, a counsel, other senior officials (the number and exact designation thereof and the separate functions to be determined by the chairman), and a secretary. The chairman shall be appointed and shall serve as provided by law. The vice chairmen shall be appointed by the board, upon recommendation by the Chairman, and shall serve at its pleasure. The executive director, if one is appointed by the chairman, shall serve at the pleasure of the chairman. Other senior officials, the counsel, and the secretary shall be appointed by the chairman and shall serve at the pleasure of the chairman. Such other officials or employees as may be deemed necessary may be appointed by the chairman, and each shall serve at the pleasure of the chairman.

Section 2. Chairman. (a) The chairman shall serve as the chairman of the board of the Authority and as the chief executive officer of the Authority. The chairman shall be responsible for providing leadership to the board as it oversees the management of the Authority. The chairman shall preside at all meetings of the board. The chairman may delegate any or all of his or her powers relating to the leadership of the board to a vice-chairman. In the event of a tie vote, the chairman may cast an additional vote.

(b) The chairman shall also serve as the chief executive officer of the Authority. As chief executive officer of the Authority, the chairman shall be responsible for the discharge of the executive and administrative functions and powers of the Authority.

Section 3. The Vice Chairman. In the event of the chairman's death or inability to act, or in the event the position of chairman is for any other reason vacant, a vice chairman designated by the board shall perform the duties of the chairman and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. Such powers and duties shall terminate upon the appointment by the Governor of a successor chairman as provided by law or upon the cessation of the chairman's inability to act.

Section 4. Such Other Officials and Employees. The chairman may, in his or her judgment, appoint such other officials and employees, including an executive

director, as shall in his or her judgment be needed to discharge the executive and administrative functions and powers of the of the Authority. The chairman may delegate such of his or her powers relating to the discharge of the executive and administrative functions, including the administration and day to day operations of the Authority as the chairman may deem appropriate to such other officials and employees.

Section 5. The Agency Presidents. The presidents of the subsidiary and affiliate agencies of the Authority are primarily responsible for the general management and operation of their agencies.

Section 6. The Secretary. The secretary shall keep the minutes of the proceedings of the board, see that all notices are duly given as required by law, be custodian of the corporate records and of the seal of the Authority, see to it that the seal of the Authority is affixed to all documents the execution of which on behalf of the Authority under its seal is duly authorized, and in general shall perform all duties incident to the office of secretary. The chairman may appoint one or more assistant secretaries who may perform the duties of the secretary in the event of the absence, disability or incapacity of the secretary.

Section 7. Salaries. The salaries fixed by the chairman for those officers and employees appointed by the chairman shall at all times be within the amounts budgeted therefore by the board.

ARTICLE IV. CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the board.

Section 4. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the board may select.

ARTICLE V. FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE VI. CORPORATE SEAL

The board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Authority and the words "Corporate Seal".

ARTICLE VII. INDEMNIFICATION

The Authority shall save harmless and indemnify any person (or his or her estate) who shall have served as a member, officer or employee of the Authority or of a subsidiary of the Authority against financial loss, including punitive damages, or litigation expense incurred in connection with any claim, demand, suit, action or proceeding, whether civil or criminal, or the defense thereof, and arising out of (a) any transaction of the Authority or of a subsidiary of the Authority, or (b) any act or failure to act by any such member, officer or employee while engaged in the discharge of his or her duties on behalf of the Authority or its subsidiaries, or the discharge of his or her duties as a fiduciary of a benefit plan for Authority employees or employees of a subsidiary of the Authority. In the event any such claim, demand, suit, action or proceeding shall occur, such member, officer or employee shall be saved harmless and indemnified as herein provided unless such individual is determined by the Authority or its designee not to have acted, in good faith, for a purpose which he or she reasonably believed to be in the best interests of the Authority or of its subsidiaries or affiliates, and, in criminal actions or proceedings, in addition, not to have had reasonable cause to believe that his or her conduct was lawful. The provisions of this Article shall inure only to the members, officers and employees of the Authority or of its subsidiaries, and to their estates, shall not enlarge or diminish the rights of any other party, and shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance. The foregoing shall be conditional on (a) the prompt delivery to the Authority of a copy of the summons, complaint, process, notice, demand or pleading commencing any such claim, demand, suit, action or proceeding; and, in civil cases only, (b) a contemporaneous offer to name counsel to the Authority as counsel to the member, officer or employee in the defense of such claim, demand, suit, action or proceeding; (c) the full cooperation of the member, officer or employee, in the event the offer is accepted, in making of such defense; and (d) an agreement that the Authority may enter into a settlement on behalf of the member, officer or employee. If the Authority or its designee determines that the defense shall not be provided by counsel for the Authority because of a conflict of interests or other grounds warranting separate counsel, the member, officer or employee may select another attorney and the Authority shall pay reasonable attorney's fees and

expenses incurred by or on behalf of such member, officer or employee represented by outside counsel. The Authority's payment of such fees and expenses may be conditioned upon the member, officer or employee's agreement that more than one member, officer or employee shall be represented by the same counsel. The provisions of Section 18 of the Public Officers Law relating to defense and indemnification shall supplement and be available in addition to the provisions of this Article; provided, however, that in the event of any conflict between the substantive provisions of this Article and those of Section 18 of the Public Officers Law, the provisions that afford the greater protection to such members, officers and employees shall control. In the event that the chairman or other member requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor is entitled to indemnification under the by-law, such request shall be submitted to the board for determination. In the event that an officer or employee, other than the chairman, requests indemnification under this by-law, the counsel for the Authority shall review and act upon such request; provided that if upon review, the counsel believes that the facts and circumstances warrant denial of such request or raise serious question as to whether the requestor may be entitled to indemnification under the by-law, such request shall be submitted to the chairman or his or her designee for determination. The provisions of this Article replace and supersede the provisions of the prior Article VII governing Indemnification, and govern any claim, demand, suit, action or proceeding that is pending as of the date of the adoption of this Article.

ARTICLE VIII. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the board at any regular or special meeting as to which nature of the proposed alterations, amendments or repeals have been sent in writing to the members of the board together with the notice of meeting if it is a special meeting or if at a regular meeting at least seventy-two hours in advance of such regular meeting.