NEW ISSUE **BOOK ENTRY - ONLY**

In the opinion of Harris Beach Murtha Cullina PLLC, Bond Counsel to the Authority, under existing statutes, regulations, administrative rulings and court decisions, and assuming compliance with the tax covenants described herein, interest on the Series R Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, interest on the Series R Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations. Bond Counsel is also of the opinion that under existing statutes, including the New York State Thruway Authority Act, interest on the Series R Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof. See "TAX MATTERS" for further information.

$565,350,000
New York State Thruway Authority
General Revenue Bonds
Series R

Dated: Date of Delivery **Due: January 1, as shown on the inside cover hereof**

Interest is payable each January 1 and July 1, commencing January 1, 2027. The New York State Thruway Authority General Revenue Bonds, Series R (the "Series R Bonds") are issuable only as fully registered bonds without coupons, in the principal amount of $5,000 or any integral multiple of $5,000 in excess thereof. The Series R Bonds will be issued initially under a book-entry only system and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Series R Bonds. See APPENDIX D — "BOOK-ENTRY ONLY SYSTEM" herein. Principal of and premium, if any, and interest on the Series R Bonds will be payable to Bondholders through The Bank of New York Mellon, New York, New York, as Trustee.

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

The Series R Bonds of the New York State Thruway Authority (the "Authority") will be issued pursuant to the Authority's General Revenue Bond Resolution adopted on August 3, 1992, as supplemented (such General Revenue Bond Resolution as from time to time amended, restated or supplemented being herein called the "Bond Resolution"), including as supplemented by the Twenty-Fourth Supplemental Revenue Bond Resolution Authorizing General Revenue Bonds, Series R, adopted by the Authority on March 25, 2026 (the "Twenty-Fourth Supplemental Resolution"), and are secured as to the payment of principal, premium, if any, and interest thereon by a pledge of the Revenues and certain funds and accounts established under the Bond Resolution, subject to the application thereof for the purposes and on the terms and conditions provided in the Bond Resolution. **The Series R Bonds are not a debt of the State of New York (the "State") nor shall the State be liable thereon.**

The Series R Bonds are being issued to (i) fund a portion of the Authority's 2026-2030 Capital Plan, (ii) make a deposit to the Series R Senior Series DSRF, (iii) refund certain outstanding Bonds, and (iv) pay the Costs of Issuance of the Series R Bonds.

MATURITY SCHEDULE — See Inside Cover

The cover and inside cover pages contain certain information for general reference only. They are not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed decision.

The Series R Bonds are offered, when, as and if issued by the Authority and are subject to the approval of legality by Harris Beach Murtha Cullina PLLC, Bond Counsel to the Authority. Certain legal matters are subject to the approval of Joseph P. Igoe, Esq., First Deputy General Counsel to the Authority. Public Resources Advisory Group and Frasca & Associates, LLC are acting as Co-Financial Advisors to the Authority. It is expected that the Series R Bonds will be available for delivery to The Depository Trust Company on or about July 23, 2026.

July 8, 2026

$565,350,000
New York State Thruway Authority
General Revenue Bonds
Series R

Maturities, Principal Amounts, Interest Rates, Yields and CUSIP Numbers

Due January 1	Principal Amount	Interest Rate	Yield	CUSIP Number (Base# 650009)*
2033	$10,810,000	5.00%	2.85%	2T9
2034	11,350,000	5.00	2.93	2U6
2035	11,920,000	5.00	3.01	2V4
2036	12,515,000	5.00	3.10	2W2
2037	13,140,000	5.00	3.22	2X0
2038	13,795,000	5.00	3.32†	2Y8
2039	55,295,000	5.00	3.39†	2Z5
2040	58,705,000	5.00	3.49†	3A9
2041	15,970,000	5.00	3.55†	3B7
2042	16,770,000	5.00	3.62†	3C5
2043	17,610,000	5.00	3.70†	3D3
2044	18,490,000	5.00	3.80†	3E1
2045	19,410,000	5.00	3.90†	3F8
2046	20,385,000	5.00	4.03†	3G6
2047	21,400,000	5.00	4.18†	3H4
2048	22,470,000	5.00	4.26†	3J0
2049	23,595,000	5.00	4.30†	3K7
2050	24,775,000	5.00	4.33†	3L5
2051	26,015,000	5.00	4.35†	3M3
2052	27,315,000	5.00	4.39†	3N1
2053	28,680,000	5.00	4.46†	3P6
2054	30,115,000	5.00	4.51†	3Q4

$64,820,000 5.00% Term Bond due January 1, 2056 Yield 4.56%† CUSIP No.: 6500093S0*

† Priced at the stated yield to the first optional redemption date of January 1, 2037, at a redemption price of 100%.

* CUSIP® is a registered trademark of the American Bankers Association ("ABA"). The CUSIP numbers listed above have been assigned by CUSIP Global Services, which is managed on behalf of the ABA by FactSet Research Systems, Inc. and are being provided solely for the convenience of the registered owners of the Series R Bonds at the time of the issuance of the Series R Bonds. Neither the Authority nor the Initial Purchaser are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Series R Bonds or as included herein. The CUSIP numbers are subject to being changed after the issuance of the Series R Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series R Bonds.

IN CONNECTION WITH THE OFFERING OF THE SERIES R BONDS, THE INITIAL PURCHASER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement (the term "Official Statement" when used herein shall for all purposes include reference to the Appendices hereto), and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series R Bonds by any person in any jurisdiction in which it is unlawful for the person to make such offer, solicitation or sale.

The information set forth herein has been provided by the Authority and other sources which are believed to be reliable by the Authority, but is not guaranteed as to its accuracy or completeness.

The information herein is subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

This Official Statement and particularly the information contained under the captions "SUMMARY STATEMENT," "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS", "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT", "INVESTMENT CONSIDERATIONS", "APPENDIX A-1 – TRAFFIC ENGINEER'S REPORT" and "APPENDIX A-2 – BRING-DOWN LETTER" contain statements relating to future results and economic performance that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "anticipate", "believe", "may", "will", "should", "seek", "expect", "assume", "estimate", "projection", "plan", "budget", "forecast", "intend", "goal", and similar expressions identify forward-looking statements. The words or phrases "to date", "now", "currently", and the like are intended to mean as of the date of this Official Statement. Examples of forward-looking statements contained in this Official Statement are statements that concern the Authority's future revenues, costs, additional revenue needs, traffic projections and liquidity. The forward-looking statements contained herein are based on the Authority's expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete or imprecise or not reflective of actual results. The Authority does not undertake to update or revise any of the forward-looking statements contained herein, even if it becomes clear that they will not be realized.

Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS." The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

THE SERIES R BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE SERIES R BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE SERIES R BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

The order and placement of information in this Official Statement, including appendices, are not an indication of relevance, materiality or relative importance, and this Official Statement, including the appendices, must be read in its entirety. The captions and headings in this Official Statement are for convenience purposes only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provision or section of this Official Statement.

This Official Statement contains summaries of and references to documents that the Authority believes to be accurate; however, reference is made to the actual documents for complete information. All such summaries and references are qualified in their entirety by such reference.

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SUMMARY STATEMENT

This summary statement is qualified in its entirety by reference to the information appearing elsewhere in this Official Statement. Terms used in this summary statement and not defined herein shall have the meanings set forth in the body of this Official Statement.

The Authority

The New York State Thruway Authority (the "Authority"), a body corporate and politic constituting a public corporation of the State of New York (the "State"), created in 1950 by the New York State Thruway Authority Act, as amended, Title 9 of Article 2 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York (the "Act"), is empowered, among other things, to construct, operate and maintain as a toll facility, and to improve and reconstruct the Governor Thomas E. Dewey Thruway (the "Thruway System"), subject to certain statutory limitations on the Authority's right to impose tolls on certain parts of the Thruway System, including the Cross-Westchester Expressway. The Act also authorizes the Authority to issue, from time to time, negotiable bonds and notes for any corporate purpose secured by tolls, revenues, rates, fees, charges, rents and other earned income of the Authority. See "THE AUTHORITY".

The Thruway System is a 570-mile superhighway system crossing the State and is one of the largest toll superhighway systems in the United States. In addition to being the principal artery of travel and commerce within New York connecting the State's principal cities, the Thruway System is a vital link to long distance interstate travel. In addition, the Thruway System provides the major route of access for visitors to the State's tourist destinations including Niagara Falls, the Finger Lakes, the Adirondacks, the Catskills and New York City. The twin-span Governor Mario M. Cuomo Bridge (also referred to herein as the "New NY Bridge Project"), which replaced the Tappan Zee Bridge in 2018, is a major component of the Thruway System spanning the Hudson River north of New York City. See "AUTHORITY GOVERNANCE, FACILITIES AND OPERATIONS — Thruway Facilities and Operations", "APPENDIX A-1 – TRAFFIC ENGINEER'S REPORT" and "APPENDIX A-2 – BRING-DOWN LETTER"

Purpose of Issue

The Series R Bonds are being issued to (i) fund a portion of the Authority's 2026-2030 Capital Plan, (ii) make a deposit to the Series R Senior Series DSRF, (iii) refund certain outstanding Bonds, and (iv) pay the Costs of Issuance of the Series R Bonds. See the table below under "SOURCES AND USES OF FUNDS". See "PLAN OF FINANCE AND REFUNDING". See also "APPENDIX G—THE REFUNDED BONDS" for a complete list of the Bonds being refunded.

Security

The Series R Bonds are direct and general obligations of the Authority. Bonds issued under the Bond Resolution, including the Series R Bonds, are secured as to the payment of principal, premium, if any, and interest thereon by a pledge of the Revenues and certain funds and accounts established under the Bond Resolution, subject to the application thereof for the purposes and on the terms and conditions provided in the Bond Resolution. **The Series R Bonds are not a debt of the State nor shall the State be liable thereon.** The Authority has no taxing power. The Series R Bonds are secured by the Series R Senior Series DSRF, in an amount initially equal to $20,000,000, as permitted by the Bond Resolution and are *not* secured by the Senior Debt Service Reserve Fund. The Bond Resolution also provides that Operating Expenses of Facilities will be funded from Revenues prior to the provision for accrued Debt Service on the Bonds. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS" and "AGGREGATE ANNUAL DEBT SERVICE REQUIREMENTS".

Toll Covenant

Pursuant to the Bond Resolution, the Authority has covenanted at all times to fix, charge and collect such tolls, fees and charges for the use of the Facilities as are required in order that, in each fiscal year, Net Revenues shall at least equal the Net Revenue Requirement for such year. "Net Revenue Requirement" means, with respect to any period of time, an amount equal to the greater of (i) the sum of amounts required to make payments with respect to Aggregate Debt Service, deposits to the Senior Debt Service Reserve Fund, Reserve Maintenance Payments (minimum, $30 million a year), and the amounts required to be deposited in the Junior Indebtedness Fund pursuant to the Supplemental Resolution or other resolution or agreement authorizing outstanding Junior Indebtedness or (ii) 1.20x the sum of the Aggregate Debt Service for such period. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Tolls, Fees and Charges" and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Tolls, Fees and Charges".

Additional Indebtedness

Under the Bond Resolution, the Authority may issue Additional Bonds, Refunding Bonds, Junior Indebtedness and Subordinated Indebtedness payable from Revenues. Additional Bonds may be issued, subject to certain limitations, to pay for Project Costs of the Original Project, any Additional Projects and any Other Authority Projects. Refunding Bonds may be issued, subject to certain limitations, to refund Outstanding Bonds, any Junior Indebtedness and any Subordinated Indebtedness. Such limitations include, but are not limited to, satisfaction of a coverage test or not-to-exceed Aggregate Debt Service test. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Additional Bonds, Refunding Bonds and Other Indebtedness" and "— Reserve Maintenance Fund".

As of June 26, 2026 the Authority had outstanding under the Bond Resolution $2,895,105,000 aggregate principal amount of Bonds. On the date of delivery of the Series R Bonds, the Authority will have outstanding $3,360,330,000 aggregate principal amount of Bonds.

Junior Indebtedness

On November 7, 2013, the Authority established a subordinate credit structure with the adoption of the "Resolution Authorizing General Revenue Junior Indebtedness Obligations" (the "Junior Indebtedness Resolution"), to finance the costs of a new twin-span New NY Bridge Project (now named The Governor Mario M. Cuomo Bridge) to replace the existing Tappan Zee Bridge. See "The New NY Bridge Project" herein. As of June 26, 2026 and the date of delivery of the Series R Bonds, the Authority has outstanding under the Junior Indebtedness Resolution $2,670,365,000 of Junior Indebtedness Obligations.

2026 Budget and 2026-2030 Capital Plan

On December 10, 2025, the Authority Board approved the 2026 Budget and the 2026-2030 Capital Plan. The 2026 Budget totals $1.46 billion and provides the resources needed to operate and maintain the Thruway System and deliver high levels of safety and service. The 2026-2030 Capital Plan totals $2.8 billion, including $207 million in costs for the New NY Bridge Project. The implementation of enhanced and modernized asset management systems and project selection protocols have allowed the Authority to pursue a more efficient and balanced approach to the 2026-2030 Capital Plan project mix, focusing more on high priority and high impact investments to maintain the useful life of Thruway System infrastructure. The 2026-2030 Capital Plan expects to complete major, job-sustaining reconstruction projects currently underway and includes new projects that address reconstruction and rehabilitation of roadways, bridges, facilities and support systems of the Thruway System; congestion relief and mobility enhancements; and provision for replacement of equipment and other non-bridge and highway projects of the Authority. See "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT – 2026-2030 Capital Plan" and "– Funding of the 2026-2030 Capital Plan" for more information on the 2026-2030 Capital Plan and the New NY Bridge Project. As of the date of this Official Statement, there are no changes to either the 2026 Budget or the 2026-2030 Capital Plan.

Actual and Projected Results

The Authority retained Stantec Consulting Services, Inc., as Traffic Engineer ("Traffic Engineer"), to prepare (i) a study dated December 17, 2025, (the "December 2025 Traffic Engineer's Report"), that produced a traffic and revenue forecast based on the Authority's programmed 2024 through 2027 toll modifications and reviewed the operations, physical condition of the Thruway System and projected financial results for the period 2025-2030 and (ii) a Bring-Down Letter, dated June 26, 2026 (the "Bring-Down Letter", and collectively with the December 2025 Traffic Engineer's Report, the "Traffic Engineer's Report"), updating and supplementing the December 2025 Traffic Engineer's Report. The Traffic Engineer's Report projects that the Authority will generate sufficient revenues needed to fulfill its system-wide operating, debt service, and capital needs, exceed management's minimum targets with respect to debt service coverage (1.55x General Revenue Bonds and 1.35x General Revenue Bonds and Junior Indebtedness Obligations combined) as well as the contractual financial covenants contained in its Bond Resolution and Junior Indebtedness Resolution through the forecast period.

The projections for the years 2025 through 2030 are set forth in the December 2025 Traffic Engineer's Report included as APPENDIX A-1 hereto with any updated projections being set forth in the Bring-Down Letter included as APPENDIX A-2 hereto, and both should be read in their entirety. See "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT– Actual and Projected Results." The December 2025 Traffic Engineer's Report and the Bring-Down Letter are also available for review on the Authority's website.

Toll Initiatives

On September 18, 2023, the Authority's Board of Directors approved a set of 2024 through 2027 toll modifications on The Governor Mario M. Cuomo Bridge and systemwide that went into effect on January 1, 2024.

Ratings

Moody's Ratings ("Moody's") and S&P Global Ratings ("S&P") have rated the Series R Bonds "Aa3" with a stable outlook and "A+" with a stable outlook, respectively. See "RATINGS" herein.

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OFFICIAL STATEMENT

$565,350,000
New York State Thruway Authority
General Revenue Bonds
Series R

Albany, New York
July 8, 2026

INTRODUCTION

The purpose of this Official Statement, including the cover and inside cover pages, the summary statement and appendices, is to set forth information with respect to the General Revenue Bonds, Series R (the "Series R Bonds"), of the New York State Thruway Authority (the "Authority"). The Series R Bonds are authorized by the New York State Thruway Authority Act, as amended, Title 9 of Article 2 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York (the "Act"). The Series R Bonds are authorized to be issued under and pursuant to the Authority's General Revenue Bond Resolution, adopted on August 3, 1992, as amended on January 5, 2007, as amended and restated on September 16, 2025, as supplemented (such General Revenue Bond Resolution as from time to time further amended or supplemented being herein called the "Bond Resolution"), including as supplemented by the Twenty-Fourth Supplemental Revenue Bond Resolution Authorizing General Revenue Bonds, Series R (the "Twenty-Fourth Supplemental Resolution"), adopted by the Authority on March 25, 2026.

THE AUTHORITY

The Authority, a body corporate and politic constituting a public corporation, created in 1950 by the Act, is empowered to finance, construct, operate and maintain as a toll facility, and to improve and reconstruct, the Governor Thomas E. Dewey Thruway (the "Thruway System"). In addition, pursuant to Chapter 766 of the Laws of New York of 1992 and other authorizations, the Authority, among other things, (i) will finance and undertake specified economic development transportation projects in New York State (the "State") and (ii) may undertake certain financings on behalf of the State for transportation purposes.

History

In 1942, the State's leaders recognized that the State's highway system would not be adequate for post-war needs and ordered the planning of a superhighway system through the major travel corridors of the State. In 1944, the State Legislature authorized the State Bureau of Public Works (the predecessor of the New York State Department of Transportation) to proceed with construction of the Thruway System. Governor Thomas E. Dewey broke ground for the Thruway System in 1946. In May 1948, the first section, four miles between Canandaigua and Victor near Rochester, was opened. By 1950, approximately $25 million of State funds had been spent on the Thruway System. A special committee of State officials from whom Governor Dewey sought advice urged that it become a toll highway operated by an independent public authority.

In 1950, the State Legislature created the Authority to build, operate and maintain the highway. It was financed primarily through the issuance of $500,000,000 of State Guaranteed Bonds and $472,000,000 of Prior General Revenue Bonds, all of which have been paid in full and are no longer outstanding. The revenue to retire these bonds was generated primarily from tolls. In June 1954, the first toll section, a 115-mile stretch from Lowell (west of Utica) to Rochester, was opened. The 426-mile mainline was completed in 1956 and in 1964 it was given Governor Dewey's name in recognition of his role in its development.

Powers

The Authority is authorized under the Act to establish and collect such tolls and charges as may be convenient or necessary to produce at all times sufficient revenues to meet its expenses of maintenance and operation, to pay, as the same shall become due, the principal of and interest on the Bonds and Junior Indebtedness Obligations and to fulfill the terms of any agreement made with the holders of Bonds and Junior Indebtedness Obligations until such Bonds and Junior Indebtedness Obligations and the interest thereon are fully met and discharged. Under the Bond Resolution and the Junior Indebtedness Resolution, tolls shall remain in effect until all of the Bonds and Junior Indebtedness Obligations, as applicable, have been retired.

Under the Act, the powers of the Authority include, among others, the power to maintain, reconstruct and operate the Thruway System so long as its corporate existence shall continue; and, in addition, to construct and maintain facilities for the public not inconsistent with the appropriate use of the Thruway System, to contract for such construction, and to lease the right to construct and use such facilities on such terms and for such considerations as it determines.

Title to the real property utilized by the Authority is vested in the State, but the Authority has the right, so long as its corporate existence shall continue, to possess, use and dispose of all real property and rights therein. The Authority has the power to acquire, hold and dispose of personal property for its corporate purposes. The Authority has no taxing power.

Outstanding Indebtedness

General Revenue Bonds

The Authority has been authorized under the Act to issue its bonds and notes to fund a portion of the capital needs of the Authority. As of June 26, 2026, the Authority had outstanding under the Bond Resolution $2,895,105,000 aggregate principal amount of Bonds. On the date of delivery of the Series R Bonds, the Authority will have outstanding $3,360,330,000 aggregate principal amount of Bonds.

Junior Indebtedness

On November 7, 2013, the Authority established a subordinate credit structure with the adoption of the "Resolution Authorizing General Revenue Junior Indebtedness Obligations" (the "Junior Indebtedness Resolution"). The Authority began issuing Junior Indebtedness Obligations in December 2013 to finance the costs of construction of a new twin-span New NY Bridge Project (now named The Governor Mario M. Cuomo Bridge) to replace the Tappan Zee Bridge. As of June 26, 2026 and the date of delivery of the Series R Bonds, the Authority has outstanding under the Junior Indebtedness Resolution $2,670,365,000 of Junior Indebtedness Obligations.

Authority Board Members and Officers

The Act provides that the Authority consists of a Board of seven members appointed by the Governor of the State, with the advice and consent of the State Senate. Board members serve for terms of nine years each. Vacancies in the Authority occurring other than by expiration of term are filled for the remainder of the unexpired term in the manner previously stated. Pursuant to the New York State Public Officers Law, members of the Authority whose terms have expired continue to serve until a successor is appointed and qualified. The members of the Authority receive no salary but are reimbursed for their necessary expenses incurred in connection with their duties. The Chair serves in that capacity for the full term of his/her appointment as a member of the Authority. The members of the Authority may appoint other officers. The present members of the Board and the expiration dates of their terms of office are as follows:

Name	**Expiration of Term**
Robert L. Megna	January 1, 2026*
José Holguín-Veras	December 12, 2018*
Heather C. Briccetti Mulligan	September 14, 2026
Norman Jones	June 22, 2026*
Joan McDonald	June 13, 2027
Paul Tokasz	June 13, 2027
Linda Brown-Robinson	January 1, 2029

* Holding over.

The present officers of the Authority are as follows:

Name	**Office**
Robert L. Megna	Chair
Joan McDonald	Vice Chair
Frank G. Hoare	Executive Director
David Malone	Treasurer
Keith Fragomeni	Assistant Treasurer
Juliane Miskinis	Secretary
Christiano DeSorrento	Assistant Secretary
Michelle McHale	Assistant Secretary

David Malone serves as Chief Financial Officer of the Authority and Sandra Rivera serves as General Counsel of the Authority. See "AUTHORITY GOVERNANCE, FACILITIES AND OPERATIONS" for additional detail on the Board membership and senior staff at the Authority.

PLAN OF FINANCE AND REFUNDING

The Series R Bonds are being issued to (i) fund a portion of the Authority's 2026-2030 Capital Plan, (ii) make a deposit to the Series R Senior Series DSRF, (iii) refund certain outstanding Bonds, and (iv) pay the Costs of Issuance of the Series R Bonds. See the table below under "SOURCES AND USES OF FUNDS".

A portion of the net proceeds of the Series R Bonds will be used to refund and defease certain of the Authority's outstanding General Revenue Bonds issued under the Bond Resolution and identified in APPENDIX G – "THE REFUNDED BONDS" (collectively, the "Refunded Bonds") and the Refunded Bonds are to be paid on the sinking fund installment dates and credited to the sinking fund installments due as indicated in APPENDIX G. Such proceeds of the Series R Bonds will be deposited

into an escrow established pursuant to an escrow agreement between the Authority and The Bank of New York Mellon, as Escrow Agent and as the Trustee under the Bond Resolution (the "Escrow Deposit Agreement"), and used to acquire Government Obligations (as defined in the Bond Resolution), the principal of and interest on which, when due, will provide, together with any moneys or other investments which may be deposited by the Authority with the Escrow Agent, moneys sufficient to pay the escrow requirements of the Refunded Bonds and the interest accrued thereon. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein. Upon making such deposit with the Trustee and the issuance of certain irrevocable instructions to the Escrow Agent pursuant to the Escrow Deposit Agreement, the Refunded Bonds will, under the terms of the Bond Resolution, be deemed to have been paid and will no longer be Outstanding and will cease to be entitled to any lien, benefit or security under the Bond Resolution.

SOURCES AND USES OF FUNDS

The proceeds received from the sale of the Series R Bonds, together with other available moneys, are expected to be applied in the following approximate amounts:

Sources of Funds	
Principal Amount of Series R Bonds	$565,350,000.00
Original Issue Premium	50,765,959.95
Other Available Moneys*	3,504,375.00
Total Sources of Funds	$619,620,334.95
Uses of Funds	
Deposit to Construction Fund	$501,200,000.00
Deposit to Series R Senior Series DSRF	20,000,000.00
Deposit to Escrow Fund for Refunded Bonds*	95,741,721.58
Initial Purchasers' Discount	1,698,103.08
Costs of Issuance**	980,510.29
Total Uses of Funds	$619,620,334.95

* As a result of the defeasance of certain of the Series M Bonds, the Senior Debt Service Reserve Fund Requirement for all outstanding General Revenue Bonds secured by the Senior Debt Service Reserve Fund is reduced. A portion of the excess moneys on deposit in the Senior Debt Service Reserve Fund will be deposited in the escrow established for the defeasance of the Series M Bonds.

** Includes legal fees, municipal advisory and consultant fees, rating agency fees, accounting fees, printing costs, and the other fees and costs.

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AGGREGATE ANNUAL
DEBT SERVICE REQUIREMENTS

The following schedule sets forth, for each 12-month period of the years shown, the amounts required to be paid by the Authority for the Debt Service for the Outstanding General Revenue Bonds, the Outstanding Junior Indebtedness Obligations and the aggregate debt service on General Revenue Bonds and Junior Indebtedness Obligations.

		Series R Bonds					
Calendar Year[1]	**Outstanding General Revenue Bond Debt Service[2]**	**Principal**	**Interest**	**Total**	**Total General Revenue Bond Debt Service[2]**	**Outstanding Junior Indebtedness Obligations Debt Service**	**Aggregate Gen. Revenue Bonds and Junior Indebtedness Obligations Debt Service[2]**
2026[3]	$193,325,375	-	$12,406,292	$12,406,292	$205,731,667	$ 84,571,338	$290,303,005
2027	247,003,000	-	28,267,500	28,267,500	275,270,500	151,029,925	426,300,425
2028	257,876,250	-	28,267,500	28,267,500	286,143,750	147,501,175	433,644,925
2029	257,885,400	-	28,267,500	28,267,500	286,152,900	148,502,925	434,655,825
2030	272,529,400	-	28,267,500	28,267,500	300,796,900	108,607,675	409,404,575
2031	272,531,400	-	28,267,500	28,267,500	300,798,900	111,078,175	411,877,075
2032	213,023,213	$10,810,000	28,267,500	39,077,500	252,100,713	146,915,925	399,016,638
2033	211,421,213	11,350,000	27,727,000	39,077,000	250,498,213	150,371,175	400,869,388
2034	154,409,213	11,920,000	27,159,500	39,079,500	193,488,713	222,877,925	416,366,638
2035	210,885,463	12,515,000	26,563,500	39,078,500	249,963,963	172,194,925	422,158,888
2036	210,912,213	13,140,000	25,937,750	39,077,750	249,989,963	174,204,675	424,194,638
2037	143,620,488	13,795,000	25,280,750	39,075,750	182,696,238	206,971,575	389,667,813
2038	126,193,588	55,295,000	24,591,000	79,886,000	206,079,588	176,238,675	382,318,263
2039	126,308,988	58,705,000	21,826,250	80,531,250	206,840,238	175,184,475	382,024,713
2040	179,358,988	15,970,000	18,891,000	34,861,000	214,219,988	175,141,375	389,361,363
2041	179,362,188	16,770,000	18,092,500	34,862,500	214,224,688	176,423,425	390,648,113
2042	106,754,788	17,610,000	17,254,000	34,864,000	141,618,788	176,379,125	317,997,913
2043	106,754,438	18,490,000	16,373,500	34,863,500	141,617,938	176,415,825	318,033,763
2044	89,400,138	19,410,000	15,449,000	34,859,000	124,259,138	176,427,075	300,686,213
2045	89,407,738	20,385,000	14,478,500	34,863,500	124,271,238	176,296,175	300,567,413
2046	89,402,538	21,400,000	13,459,250	34,859,250	124,261,788	176,400,275	300,662,063
2047	89,408,588	22,470,000	12,389,250	34,859,250	124,267,838	176,105,375	300,373,213
2048	89,401,488	23,595,000	11,265,750	34,860,750	124,262,238	176,745,275	301,007,513
2049	89,407,338	24,775,000	10,086,000	34,861,000	124,268,338	176,589,175	300,857,513
2050	54,292,113	26,015,000	8,847,250	34,862,250	89,154,363	173,111,175	262,265,538
2051	21,196,388	27,315,000	7,546,500	34,861,500	56,057,888	172,899,875	228,957,763
2052	21,196,938	28,680,000	6,180,750	34,860,750	56,057,688	173,074,538	229,132,225
2053	21,197,350	30,115,000	4,746,750	34,861,750	56,059,100	59,957,425	116,016,525
2054	-	31,620,000	3,241,000	34,861,000	34,861,000	59,961,150	94,822,150
2055	-	33,200,000	1,660,000	34,860,000	34,860,000	59,959,063	94,819,063
Total	$4,124,466,213	$565,350,000	$541,058,042	$1,106,408,042	$5,230,874,255	$4,638,136,888	$9,869,011,142

(1) Includes principal and interest due January 1 of the following calendar year.

(2) Excludes debt service on General Revenue Bonds refunded and defeased by the Series R Bonds.

(3) Excludes debt service already paid in calendar year 2026.

Note: Totals may not add due to rounding.

DESCRIPTION OF THE SERIES R BONDS

General

The Series R Bonds will be dated their date of delivery, will bear interest at the rates per annum and will mature, subject to optional and mandatory redemption as described below, on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Series R Bonds will be payable semiannually on January 1 and July 1 of each year, commencing on January 1, 2027.

Book-Entry Only System

The Series R Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("DTC"). The Series R Bonds will be held in book-entry only form. Principal of and premium, if any, and interest on the Series R Bonds will be payable through The Bank of New York Mellon, as paying agent (the "Paying Agent"). The Bank of New York Mellon is also serving as trustee (the "Trustee") under the Bond Resolution. Purchases from DTC of beneficial interests in the Series R Bonds will be made in book-entry only form (without certificates) in the principal amount of $5,000 or any integral multiple of $5,000 in excess thereof. For so long as Cede & Co., as nominee of DTC, is the registered owner of the Series R Bonds, payments of the principal of, premium, if any, and interest on the Series R Bonds will be made directly to DTC. Disbursement of such payment to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, each such term as hereinafter defined. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES R BONDS, AS NOMINEE FOR DTC, REFERENCES HEREIN TO BONDHOLDERS OR OWNERS OF THE SERIES R BONDS (OTHER THAN UNDER THE CAPTION "TAX MATTERS" HEREIN) SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES R BONDS.

See APPENDIX D — "BOOK-ENTRY ONLY SYSTEM".

Redemption Provisions

The Series R Bonds are subject to optional redemption as described below. In addition, the State may, upon furnishing sufficient funds therefor, require the Authority to redeem the Bonds as provided in the Act. See APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION — Redemption of Bonds".

Optional Redemption. The Series R Bonds are subject to redemption prior to maturity at any time on or after January 1, 2037, at the option of the Authority, as a whole or in part in the principal amounts and from the maturities selected by the Authority, at a Redemption Price of par, plus accrued interest to the redemption date.

Mandatory Redemption. The Series R Bonds maturing on January 1, 2056 (the "2056 Term Bond"), are also subject to redemption, in part, on January 1 of the years and in the respective principal amounts set forth below, at 100% of the principal amount thereof, plus accrued interest to the date of redemption, from mandatory Sinking Fund Installments which are required to be paid in amounts sufficient to redeem on January 1 of the following years the principal amount of Series R Bonds specified for each of the years shown below:

2056 Term Bond

Year	Sinking Fund Installments
2055	$31,620,000
2056	33,200,000†

† Final maturity.

In satisfaction, in whole or in part, of any Sinking Fund Installment, the Authority may deliver to the Trustee at least 45 days prior to the date of such Sinking Fund Installment, for cancellation, Bonds acquired by purchase or redemption, except Bonds acquired by purchase or redemption pursuant to certain provisions of the Bond Resolution, of the same series, maturity and interest rate entitled to such Sinking Fund Installment. All Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Installment shall reduce the amount thereof by the amount of the aggregate principal amount of such Bonds. There shall be credited toward each such Sinking Fund Installment thereafter to become due (other than that next due), unless otherwise directed by the Authority, an amount bearing the same ratio to such Sinking Fund Installment as the total principal amount of such Bonds so purchased or redeemed bears to the total amount of all remaining Sinking Fund Installments for the Series R Bonds of the same maturity.

Selection of Bonds to be Redeemed. In the case of redemption of less than all of the Series R Bonds, the Authority will select the maturities of the Series R Bonds to be redeemed. If less than all of the Series R Bonds of a maturity are to be redeemed, the Trustee shall select the Outstanding Bonds of such maturity to be redeemed, using such method of selection as it shall consider proper in its discretion. In the event of redemption of less than all of the Outstanding Bonds of a Series and maturity held in book-entry format, the selection of Bonds to be redeemed shall be determined in such manner so as to comply with the operational procedures of the Securities Depository then in effect.

Notice of Redemption. The Trustee is to give notice of the redemption of the Series R Bonds in the name of the Authority. Such notice shall be given by first-class mail, postage prepaid, not less than thirty (30) days nor more than ninety (90) days prior to the redemption date to the registered owners of any Series R Bonds which are to be redeemed, at their last known addresses appearing on the registration books of the Authority, or if the Bonds of any Series are held in book-entry form, by giving notice in accordance with the operational procedures of the Securities Depository not less than thirty (30) nor more than ninety (90) days prior to the redemption date stated in such notice. The failure of any owner of a Series R Bond to be redeemed to receive notice of redemption thereof will not affect the validity of the proceedings for the redemption of such Series R Bonds.

In accordance with provisions of the Bond Resolution and the Twenty-Fourth Supplemental Resolution, any notice of optional redemption may expressly state that it is conditioned upon (i) receipt by the Trustee on or prior to the Redemption Date selected by the Authority for the redemption of Series R Bonds of moneys sufficient to pay the Redemption Price thereof and accrued interest thereon to such Redemption Date and that if such moneys are not received by the Trustee on or prior to the Redemption Date, such notice shall be of no force or effect and the Bonds of such Series shall not be required to be redeemed, or (ii) the satisfaction of any other specified condition or the occurrence or non-occurrence of any other specified event (the condition or event described in clause (i) or (ii) being referred to herein as a "Redemption Condition or Event"). Any conditional notice so given may be rescinded by the Trustee at the direction of the Authority at any time before payment of the Redemption Price of and accrued interest on the Series R Bonds if the Redemption Condition or Event is not satisfied or occurs or does not occur, as the case may be.

If on the redemption date moneys for the redemption of the Series R Bonds to be redeemed, together with interest thereon to the redemption date, are held by the Trustee so as to be available for payment of the Redemption Price, and if notice of redemption shall have been given, then interest on the Series R Bonds to be redeemed will cease to accrue from and after the Redemption Date and such Series R Bonds will no longer be considered to be Outstanding under the Bond Resolution.

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

Authorized Projects

In order to finance the projects included within the Authority's responsibilities as broadened by 1992 legislation, the Authority adopted the Bond Resolution which established two project categories: "Facilities" and "Other Authority Projects," as defined below. Only projects which qualify in one of those two categories may be funded from proceeds of Bonds. Any Authority project may be funded from surplus Revenues released from time to time from the General Reserve Fund.

The Bond Resolution uses the two categories to determine which revenues are pledged to the Bonds, the priority of application of Revenues, and the amount of Additional Bonds that may be issued, all as discussed below.

The first category, "Facilities," includes all of the Thruway System as it existed in 1992 when the Bond Resolution was adopted (the "Original Project"), together with "Additional Projects" acquired or constructed thereafter, such as additional interchanges, extensions, toll roads, tunnels or bridges and other transportation or transportation-related projects. To qualify as an "Additional Project," a project must meet certain financial requirements and be under the Authority's jurisdiction, and the Authority must have the exclusive power to set tolls, rates, fees and charges on it. The issuance of Bonds for Facilities is limited by the Additional Bonds test. See "— Additional Bonds, Refunding Bonds and Other Indebtedness — *Additional Bonds for Facilities*" below

The second category, "Other Authority Projects," includes six specifically designated projects: the Inner Harbor project and the Intermodal Transportation Center in Syracuse, the Horizons Waterfront project in Buffalo, the Thruway Exit 26 Bridge, Tappan Zee Ferry Service and Stewart International Airport Access projects. Pursuant to a Supplemental Resolution, the Authority may designate a transportation or transportation-related facility or property as an Other Authority Project, if it is within the jurisdiction and control of the Authority. The issuance of Bonds for Other Authority Projects is limited by the Additional Bonds test, and a provision which restricts total debt service in any year on all debt issued for Other Authority Projects to a level equal to no more than 20% of certain historical Net Revenues. See "— Facilities" and "— Additional Bonds, Refunding Bonds and Other Indebtedness — *Additional Bonds for Other Authority Projects*" below

Revenues

Under the Bond Resolution, the Authority has pledged "Revenues" to the payment of Bonds, including the Series R Bonds. "Revenues" mean (i) all tolls, revenues, fees, charges, rent and other income and receipts derived from the operation, jurisdiction and control of the Facilities (*i.e.*, the Original Project and Additional Projects), (ii) the proceeds of any use and occupancy insurance relating to the Facilities and of any other insurance which insures against loss of Revenues and (iii) investment income received on any moneys or securities held under the Bond Resolution other than investment income on amounts held in the Rebate Fund or Junior Indebtedness Fund and certain other investment income which is not transferred to the Revenue Fund pursuant to the Bond Resolution. Revenues do not include the (i) proceeds of any gifts, grants or other income to the Authority from the government of the United States or the State, any public instrumentality of the State or any other individual or entity to the extent the Authority is precluded by law, the grant or other operative contract or instrument from applying such amounts to Operating Expenses and Debt Service, or (ii) revenues of Other Authority Projects. Provision for operating expenses or capital needs associated with Other Authority Projects or

activities to be financed from amounts released from time to time from the General Reserve Fund may not be made under the Bond Resolution unless provision has first been made for, among other things, Operating Expenses of Facilities, accrual of debt service on the Bonds (including the Series R Bonds), and required Reserve Maintenance Fund deposits for Facilities. See "— General Revenue Bond Resolution Flow of Funds" below.

Pledge under the Bond Resolution

The Bonds are direct and general obligations of the Authority. Under the Bond Resolution, the payment of principal and redemption price of, interest on, and Sinking Fund Installments for the Bonds is secured by a pledge of the following: (i) the Revenues, (ii) the proceeds of the sale of the Bonds, and (iii) all Funds and accounts established under the Bond Resolution referred to below under "General Revenue Bond Resolution Flow of Funds" and in APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION — Funds and Revenues", including the investments thereof, except for the Rebate Fund and the Junior Indebtedness Fund and, with respect to certain series of Additional Bonds and Refunding Bonds, the Senior Debt Service Reserve Fund. See "Senior Debt Service Reserve Fund" below. The pledge created by the Bond Resolution is subject to the provisions of the Bond Resolution permitting the application of the Revenues, the proceeds of the sale of the Bonds and the funds and accounts established under the Bond Resolution for the purposes and upon the terms and conditions set forth in the Bond Resolution. The Bond Resolution also provides that monthly Operating Expenses of Facilities will be funded from Revenues prior to the provision for accrued Debt Service on Bonds. The Bond Resolution also provides that the pledge and lien created by the Bond Resolution shall be superior in all respects to any pledge or lien now or hereafter created for Junior Indebtedness or Subordinated Indebtedness.

The Act provides that notes and bonds of the Authority shall not be a debt of the State nor shall the State be liable thereon, nor shall such notes or bonds be payable out of any funds other than those of the Authority. The Bond Resolution specifically provides that the Bonds shall not be a debt of the State nor shall the State be liable thereon.

General Revenue Bond Resolution Flow of Funds

Pursuant to the Bond Resolution, the Authority is required to pay into the Revenue Fund all Revenues as received. On or before the last Business Day of each month, the Authority is required to pay into the Operating Fund, out of the moneys in the Revenue Fund, all amounts required for reasonable and necessary Operating Expenses and reserves for Operating Expenses and working capital with respect to Facilities. Operating Expenses for Other Authority Projects are not payable out of the Operating Fund but may be paid out of the Other Authority Projects Operating Fund. On or before the last Business Day of each month, the Authority is required to deposit amounts remaining in the Revenue Fund after such deposits to the Operating Fund as of the last day of the preceding month as follows:

(1) To the Trustee for deposit in the Senior Debt Service Fund, the amount required so that the balance in the Senior Debt Service Fund shall be at least equal to the Accrued Debt Service for all Bonds Outstanding as of the last day of the then current calendar month, after taking into account any other amounts available for payment of Debt Service, including any amounts representing investment earnings retained in the Senior Debt Service Fund or transferred from the Senior Debt Service Reserve Fund or a Senior Series DSRF, as applicable;

(2) To the Trustee for deposit in the Senior Debt Service Reserve Fund and any Senior Series DSRF on a pro rata basis, as applicable, if and to the extent required so that (A) the balance in the Senior Debt Service Reserve Fund shall equal the Senior Debt Service Reserve Requirement for all Bonds secured by such the Senior Debt Service Reserve Fund and Outstanding on said date, and (B) the balance in each Senior Series DSRF shall equal the Senior Series DSRF Requirement for the Bonds of a Series secured by such Senior Series DSRF and Outstanding on said date;

(3) To the Reserve Maintenance Fund, an amount such that (a) on or before the first day of the seventh month of the Authority's fiscal year there shall have been deposited an amount equal to or greater than one-half of the amount, and (b) on or before the last day of the Authority's fiscal year there shall have been deposited an amount equal to or greater than the full amount, provided in the Authority Budget for the applicable fiscal year for Reserve Maintenance Payments, plus accrued deficits, if any, with respect to the prior required allocations to such Fund;

(4) To the Junior Indebtedness Fund, the amount required so that the balance in said Fund shall equal the amounts required to be deposited therein by any instrument authorizing the issuance of Junior Indebtedness outstanding on said date;

(5) To the Facilities Capital Improvement Fund, the amount determined to be necessary or appropriate by the Authority Board to fund Project Costs of Facilities or to set up reserves to fund such costs;

(6) To the Other Authority Projects Operating Fund, the amount determined to be necessary or appropriate by the Authority Board to fund operating expenses relating to Other Authority Projects or to set up reserves to fund such expenses; and

(7) To the General Reserve Fund, any remaining balance of such moneys.

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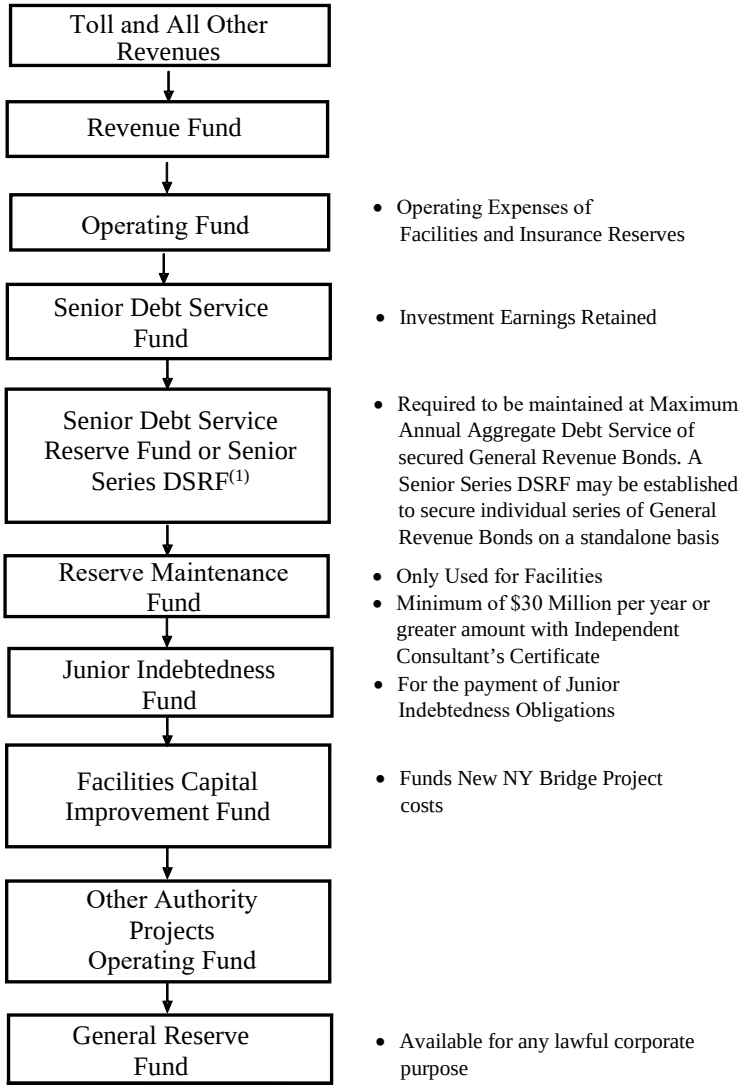
General Revenue Bond Resolution Flow of Funds



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(1) To the extent established as security for a Series of General Revenue Bonds. A Senior Series DSRF is being established and funded with the proceeds of the Series R Bonds, solely for the purpose of additionally securing the Series R Bonds.

Senior Debt Service Reserve Fund; Senior Series DSRF

The Senior Debt Service Reserve Fund Requirement is equal to the maximum amount of Aggregate Debt Service for any 12-month period on all Outstanding Bonds secured by the Senior Debt Service Reserve Fund (calculated with respect to Variable Interest Rate Bonds at the Estimated Average Interest Rate until conversion to a fixed rate of interest and subject to certain limitations). On the date of issuance of the Series R Bonds, the amount in the Senior Debt Service Reserve Fund shall be equal to the Senior Debt Service Reserve Fund Requirement. To the extent that amounts in the Senior Debt Service Fund and unencumbered moneys in the General Reserve Fund, the Other Authority Projects Operating Fund, the Facilities Capital Improvement Fund and the Reserve Maintenance Fund are insufficient to pay debt service, when due, on the Bonds, deficiencies will be made up from amounts in the Senior Debt Service Reserve Fund (or to the extent that a Series of Bonds is separately and solely secured by a Senior Series DSRF, amounts in such Senior Series DSRF); provided that no payments will be made from moneys in the Senior Debt Service Reserve Fund with respect to Bonds not secured by the Senior Debt Service Reserve Fund. The Bond Resolution provides that the Authority may determine pursuant to any Supplemental Resolution authorizing a series of Bonds that such series of Bonds will not be secured by the Senior Debt Service Reserve Fund. Notwithstanding the foregoing, the Authority may determine by Supplemental Resolution to either (A) separately secure a Series of Bonds with a Senior Series DSRF benefitting only such Series of Bonds, or (B) to not establish any Senior Series DSRF for such Series of Bonds. The Series R Bonds are not secured by the Senior Debt Service Reserve Fund. The Series R Bonds are secured by the Series R Senior Series DSRF. The Bond Resolution also provides that a Reserve Credit Facility may be deposited or substituted for deposit in the Senior Debt Service Reserve Fund to satisfy all or any portion of the Senior Debt Service Reserve Fund Requirement. See APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION — Senior Debt Service Reserve Fund; Senior Series DSRF".

As permitted by the Bond Resolution, the Authority currently has on deposit in the Senior Debt Service Reserve Fund, together with cash and investments to meet the Senior Debt Service Reserve Fund Requirement, a Reserve Credit Facility in the form of a Debt Service Reserve Surety Bond originally issued by MBIA Insurance Corporation ("MBIA") in the maximum amount of $69,895,025 (the "MBIA Reserve Fund Surety"). The MBIA Reserve Fund Surety expires on January 1, 2027, subject to early termination. The Authority maintains sufficient financial resources and financial flexibility to fund the Senior Debt Service Reserve Fund at the Senior Debt Service Reserve Fund Requirement upon expiry of the MBIA Reserve Fund Surety. The MBIA Reserve Fund Surety permits the Trustee, in the event that scheduled debt service is due on Bonds secured by the Senior Debt Service Reserve Fund, and moneys to the credit of the Senior Debt Service Fund are insufficient, to draw pro rata amounts up to the maximum amounts of the MBIA Reserve Fund Surety after all the cash and investments of that cash to the credit of the Senior Debt Service Reserve Fund have first been withdrawn. The Bond Resolution and the MBIA Reserve Fund Surety permit the substitution at any time and from time to time of other Reserve Credit Facilities meeting certain requirements for cash to the credit of the Senior Debt Service Reserve Fund. The Authority understands that MBIA ceded the MBIA Reserve Fund Surety to its subsidiary, MBIA Insurance Corp. of Illinois ("MBIA Illinois"), and that MBIA Illinois has been renamed National Public Finance Guarantee Corporation ("National"). As of the date hereof, National is rated "Baa2" by Moody's Ratings. S&P Global Ratings has withdrawn its rating of National. See "SOURCES AND USES OF FUNDS" and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Senior Debt Service Reserve Fund; Senior Series DSRF".

General Revenue Bonds of a particular series may be additionally secured by the establishment and funding of a separate Senior Series DSRF established pursuant to the Resolution so designated for such purpose in the applicable Supplemental Resolution authorizing a series of General Revenue Bonds or the related Certificate of Determination. Each Senior Series DSRF shall separately and solely secure the series of General Revenue Bonds for which it was established. Funding of the applicable Senior Series DSRF shall be from the proceeds of such series or from available moneys of the Authority so

designated and in an amount equal to the Senior Series DSRF Requirement established for such series in the applicable Supplemental Resolution or Certificate of Determination.

A Senior Series DSRF is being established solely for the purpose of additionally securing the Series R Bonds in an amount equal to an amount set forth in the Certificate of Determination for the Series R Bonds, which Series R Bonds is to be separately secured by such related Senior Series DSRF rather than by the Senior Debt Service Reserve Fund. The Senior Series DSRF Requirement for the Series R Bonds is an amount equal to the least of (i) one half of the maximum annual debt service in the then current and all future Bond Years on the Series R Bonds, (ii) 62.5% of the average annual debt service in the then current and all future Bond Years on the Series R Bonds, (iii) five percent (5%) of the net proceeds of the sale of the Series R Bonds, or (iv) $20,000,000. For purposes of this paragraph, "Bond Year" shall mean the 12-month period beginning January 2 of each year and ending on January 1 of the following year (other than for 2026 for which the Bond Year shall be on the date of delivery of the Series R Bonds and end on January 1, 2027. The initial Senior Series DSRF Requirement for the Series R Bonds is $20,000,000. See "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Senior Debt Service Reserve Fund; Senior Series DSRF".

Additional Bonds, Refunding Bonds and Other Indebtedness

The Bond Resolution permits the issuance of Bonds, Junior Indebtedness and Subordinated Indebtedness. The Bond Resolution defines the "Bonds" to be bonds or other indebtedness of the Authority payable from amounts in the Senior Debt Service Fund, including but not limited to, any Parity Reimbursement Obligation or a capital lease undertaken in connection with the issuance of certificates of participation. "Junior Indebtedness" is any evidence of indebtedness of the Authority payable out of the Junior Indebtedness Fund. "Subordinated Indebtedness" is any evidence of indebtedness of the Authority payable out of amounts available in the General Reserve Fund. The Authority has issued Junior Indebtedness Obligations under the Junior Indebtedness Resolution. See "– *Junior Indebtedness Obligations*". See "THE AUTHORITY – Outstanding Indebtedness" above. In addition, the Authority has not and has no current plans to enter into any payment obligations in connection with a Qualified Swap, a Qualified Reverse Swap, a Parity Reimbursement Obligation or a capital lease undertaken in connection with the issuance of certificates of participation under the Bond Resolution.

Bonds consist of the currently Outstanding Bonds and any Additional Bonds and Refunding Bonds that may be issued hereafter. Subject to the limitations described below (i) Additional Bonds may be issued to pay for Project Costs of the Original Project, any Additional Projects and any Other Authority Projects and (ii) Refunding Bonds may be issued to refund any Outstanding Bonds, any Junior Indebtedness or any Subordinated Indebtedness. For a more complete description of the provisions of the Bond Resolution governing the issuance of Additional Bonds and Refunding Bonds than the discussion that follows, see APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION — Additional Bonds" and "— Refunding Bonds".

Additional Bonds for Facilities. In the case of Additional Bonds issued to provide for the Project Cost of one or more Facilities, other than as described under "Additional Bonds to Prevent a Loss of Revenues from Facilities" below, the following requirements, among others, must be met:

(1) The Net Revenues (subject to certain adjustments including toll increases, as provided by the Bond Resolution) for any period of 12 consecutive calendar months out of the 18 calendar months next preceding the date of issuance of the proposed Additional Bonds are at least equal to the Net Revenue Requirement. "Net Revenue Requirement" means, with respect to any period of time, an amount equal to the greater of (i) the sum of the amounts required to make payments with respect to Aggregate Debt Service, deposits to the Senior Debt Service Reserve Fund, Reserve Maintenance Payments, and the amounts required to be deposited in the Junior Indebtedness Fund pursuant to the instrument authorizing the issuance of such Junior Indebtedness and (ii) 1.2 times the sum of the Aggregate Debt Service (which under certain circumstances may be reduced by an amount equal to

anticipated investment income on the Senior Debt Service Fund and on the Senior Debt Service Reserve Fund) for such period;

(2) For the then current fiscal year and each fiscal year in the Test Period (being the next five Authority fiscal years or the period extending from the next Authority fiscal year through the second Authority fiscal year following the estimated date of completion of any Facility not then completed, whichever period is greater), the Net Revenues (subject to certain adjustments including toll increases, as provided by the Bond Resolution) must, based on estimates by an Independent Consultant, be at least equal to the estimated Net Revenue Requirement (assuming the Maximum Interest Rate on any Variable Interest Rate Bonds); and

(3) The Net Revenues in the last fiscal year of the Test Period must be estimated by an Independent Consultant to be at least equal to Maximum Annual Debt Service on all Bonds Outstanding immediately after the issuance of the proposed Additional Bonds.

Additional Bonds to Prevent a Loss of Revenues from Facilities. The Authority may issue Additional Bonds without satisfying any earnings or coverage test for the purpose of providing for Project Costs of improvement, reconstruction or rehabilitation of one or more Facilities for the purpose of preventing a loss of Net Revenues derived from such Facilities where such loss would otherwise result from an emergency or some unusual or extraordinary occurrence.

Additional Bonds for Other Authority Projects. Additional Bonds may be issued to finance Other Authority Project Costs only if, in addition to satisfying the conditions described under the subheading "Additional Bonds for Facilities" above, the Maximum Annual Debt Service on all Outstanding Bonds (including the proposed Additional Bonds) the proceeds of which are used to finance or refinance Project Costs for Other Authority Projects (excluding Other Authority Projects that have since been designated as Additional Projects in accordance with the Bond Resolution) is less than 20% of the amount of Net Revenues for 12 consecutive months out of the most recent 18 months. Following the transfer of the State Canal System to the Power Authority on January 1, 2017, the Authority was no longer required to pay for any capital or operating costs of the State Canal System.

Refunding Bonds to Refund Bonds. Bonds may be issued for the purpose of refunding Bonds if, in addition to meeting certain other requirements, (i) Aggregate Debt Service (assuming with respect to any Variable Interest Rate Bonds a Maximum Interest Rate), including the Refunding Bonds then proposed to be issued but not including the Bonds to be refunded, for the then current and any future fiscal year is no greater than the Aggregate Debt Service on the Bonds as calculated immediately prior to the refunding (including the Refunded Bonds but not including the Refunding Bonds) or (ii) the requirements set forth above under the subheading "Additional Bonds for Facilities" are met.

Refunding Bonds to Refund Junior Indebtedness or Subordinated Indebtedness. Refunding Bonds may be issued for the purpose of refunding Junior Indebtedness or Subordinated Indebtedness that was issued to finance or refinance Project Costs of Facilities or Other Authority Projects if the requirements set forth above under the subheading "Additional Bonds for Facilities" are met and, in addition, if the Junior Indebtedness or Subordinated Indebtedness to be refunded was issued to finance Project Costs for any Other Authority Project that has not been designated as an Additional Project, Refunding Bonds may be issued only if the requirements set forth under the subheading "Additional Bonds for Other Authority Projects" above are met.

Junior Indebtedness Obligations. Under the Junior Indebtedness Resolution, the Authority may issue Additional Junior Indebtedness Obligations and Junior Indebtedness Refunding Obligations payable from Revenues. Subject to the limitations set forth in the Junior Indebtedness Resolution, Additional Junior Indebtedness Obligations may be issued to (i) pay for Project Costs of the Original Project, any Additional Projects (including Additional Junior Indebtedness Projects) and any Other Authority Projects, (ii) refund or refinance any General Revenue Bonds (including any bond anticipation notes related thereto), Junior Indebtedness Obligations or Subordinated Indebtedness of the Authority, (iii) make a deposit to a subaccount of the Junior Indebtedness Debt Service Reserve

Account, if required, (iv) pay Costs of Issuance relating to the issuance or incurrence of Junior Indebtedness Obligations and (v) pay or provide for the payment of Project Costs of improvement, reconstruction or rehabilitation of the New NY Bridge Project for the purpose of preventing a loss of Net Revenues derived from the New NY Bridge Project, provided that such loss of Net Revenues would be the result of an emergency declared by the State, the federal government or a federal authority or agency and that proceeds of Additional Junior Indebtedness Obligations would not be used for such purpose to the extent that insurance proceeds relating to such occurrence were then available.

Other Indebtedness. The Bond Resolution permits the issuance of Junior Indebtedness and Subordinated Indebtedness under another resolution. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Junior Indebtedness Fund" and "– General Reserve Fund". The Authority may covenant with the holders of Junior Indebtedness Obligations or Subordinated Indebtedness to add to the conditions and restrictions under which Additional Bonds may be issued. *The holders of Junior Indebtedness Obligations or Subordinated Indebtedness may not accelerate the principal owed upon a default unless all Outstanding Bonds shall have been declared immediately due and payable in accordance with the Bond Resolution.* The proceeds of Junior Indebtedness Obligations may be used to provide for Facilities or Other Authority Projects.

Subordinated Indebtedness may be used to finance any lawful corporate purpose of the Authority.

Facilities

The Facilities consist of the Original Project and any Additional Projects. Additional Projects consist of New Interchanges, New Extensions and Other Authority Projects that have been designated as Additional Projects by the Authority in accordance with the requirements set forth in the Bond Resolution.

Original Project. The Original Project consists of all Thruway sections and connections constituting roads or bridges, authorized by the Act as in effect on, and open to traffic on, the date of adoption of the Bond Resolution on August 3, 1992, together with any Facility Capital Improvements related thereto which include other related structures and facilities.

Additional Projects. Any project may become an Additional Project if so designated by the Authority and if (i) such project has been operated (whether or not by the Authority) so as to produce revenues in excess of operating expenses for a twelve-month period prior to the date such project is designated as an Additional Project by the Authority, (ii) the Authority certifies that the Net Revenues (including the revenues and operating expenses of the proposed Additional Project) at least equaled the Net Revenue Requirement for such twelve-month period, (iii) an Independent Consultant estimates that Net Revenues for all Facilities (including the proposed Additional Project) less the estimated Reserve Maintenance Payments for each of the fiscal years in the Test Period equal or exceed the estimated Net Revenues for all Facilities (excluding the proposed Additional Project) less the estimated Reserve Maintenance Payments for each of the fiscal years in the Test Period, and (iv) counsel opines that the Authority has the legal right and authority to undertake such project and to establish charges in connection therewith which do not require certain additional governmental approvals. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Additional Projects". Operating Expenses with respect to Facilities, including Additional Projects, are payable from the Operating Fund prior to Debt Service on the Bonds, including the Series R Bonds. The Authority has not designated any project as an Additional Project under the Bond Resolution.

Other Authority Projects. Other Authority Projects include facilities and other property which the Authority is now or hereafter authorized to acquire, construct, maintain, operate, finance, improve, reconstruct, rehabilitate or otherwise undertake for transportation or transportation-related purposes. In order for a facility or any other property to qualify as an Other Authority Project, it must be within the jurisdiction and control of the Authority and be designated as an Other Authority Project by the Authority. Other than projects for which the Authority has already reached its maximum funding

obligation, the Authority has not designated any other project as an Other Authority Project under the Bond Resolution.

Reserve Maintenance Fund

Pursuant to the Bond Resolution, the Authority is required to deposit in each fiscal year into the Reserve Maintenance Fund an amount which shall be no less than the greater of $30,000,000 or the amount specified in an Independent Consultant's Certificate for such fiscal year (the "Minimum Amount"). The amount deposited into the Reserve Maintenance Fund may not exceed any amount from time to time established by the Authority pursuant to a Supplemental Resolution (the "Maximum Amount") provided that the Maximum Amount may not be less than the Minimum Amount.

Subject to the provisions of the Bond Resolution, money held in the Reserve Maintenance Fund can be disbursed for the purpose of paying (i) costs relating to the Facilities of (a) maintenance or repairs not recurring annually, and renewals and replacements; (b) repairs or replacements resulting from an emergency or caused by some unusual or extraordinary occurrence, to the extent that the moneys in other available Funds, together with insurance proceeds, if any, available therefor are insufficient to meet such emergency; (c) items of equipment; and (d) engineering expenses incurred in connection with the above permitted uses; and (ii) similar costs relating to certain highway and railroad grade crossings. The Authority may from time to time transfer any money from the Reserve Maintenance Fund to the Revenue Fund when such amount is no longer needed for the purposes of the Reserve Maintenance Fund. In addition, to the extent that amounts in the Senior Debt Service Fund and unencumbered moneys in the General Reserve Fund, the Other Authority Projects Operating Fund and the Facilities Capital Improvement Fund are insufficient to pay debt service, when due, on the Bonds, deficiencies will be made up from amounts in the Reserve Maintenance Fund.

Tolls, Fees and Charges

Toll Covenant. Pursuant to the Bond Resolution, the Authority has covenanted at all times to fix, charge and collect such tolls, fees and charges for the use of the Facilities as are required in order that, in each fiscal year, Net Revenues shall at least equal the Net Revenue Requirement for such year. "Net Revenue Requirement" means, with respect to any period of time, an amount equal to the greater of (i) the sum of amounts required to make payments with respect to Aggregate Debt Service, deposits to the Senior Debt Service Reserve Fund, Reserve Maintenance Fund Payments (minimum, $30 million a year), and the amounts required to be deposited in the Junior Indebtedness Fund pursuant to the Supplemental Resolution or other resolution or agreement authorizing outstanding Junior Indebtedness or (ii) 1.20 times the sum of the Aggregate Debt Service for such period.*

If the Authority determines that Net Revenues may be inadequate, it is required to cause a study to be made by an Independent Consultant that will recommend a schedule of tolls, fees and charges which will provide sufficient Net Revenues in the following year to comply with the revenue covenant described above and which will provide additional Net Revenues to eliminate any deficiency in funds and accounts held under the Bond Resolution at the earliest practicable time, and the Authority will place in effect as soon as practicable either (i) the recommended schedule of tolls, fees and charges, or (ii) a different schedule of tolls, fees and charges developed by the Authority which will provide sufficient Net Revenues in the following fiscal year to comply with the revenue covenant described above and which will provide additional Net Revenues in such following fiscal year to eliminate any deficiency at the earliest practicable time, which conclusion is concurred in by an Independent Consultant. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION – Tolls, Fees and Charges".

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* For so long as any Junior Indebtedness Obligations are outstanding, the Authority has covenanted in the Junior Indebtedness Resolution, to maintain tolls in such amounts in order that Net Revenues will at least equal both the Net Revenue Requirement under the Bond Resolution and the Junior Indebtedness Net Revenue Requirement under the Junior Indebtedness Resolution (*i.e.,* that Net Revenues at any time required shall equal or exceed 1.20x the sum of Aggregate Debt Service and the amount required to be deposited in the Junior Indebtedness Debt Service Payment Account).

Ability To Set Tolls. The Authority's power under the Act to fix, collect and alter toll rates is not subject to the approval of any governmental entity. Tolls on The Governor Mario M. Cuomo Bridge and the Grand Island Bridges, each constructed pursuant to the General Bridge Act of 1946, as amended, may be subject to the standard imposed by Section 135 of the Surface Transportation and Uniform Relocation Assistance Act of 1987, Pub. L. 100-17 to the effect that such tolls be "just and reasonable". The Authority believes that the tolls on all of its vehicular toll facilities are just and reasonable.

Agreement of the State

Under the Act, the State has agreed with the holders of the bonds and notes of the Authority, including the Bonds, that it will not limit or alter the rights vested by the Act in the Authority to establish and collect such fees, rentals and charges as may be convenient or necessary to produce sufficient revenue to meet the expense of maintenance and operation and to fulfill the terms of any agreements made with such holders of bonds, or in any way impair the rights and remedies of such bondholders and noteholders. In addition, the State has agreed with the holders of bonds and notes of the Authority secured by a pledge of tolls from any bridge constructed by the Authority across the Hudson River south of Bear Mountain bridge or from any part of the Original Project which includes such bridge, that no bridge or tunnel constituting a connection for vehicular traffic over, under or across the Hudson River between the present location of the Bear Mountain bridge and the boundary line between New York and New Jersey at the west side of the Hudson River will be constructed or maintained so long as the obligations of such bonds and notes for principal and interest shall not have been paid or otherwise discharged.

AUTHORITY GOVERNANCE, FACILITIES AND OPERATIONS

Thruway Facilities and Operations

The Thruway System is one of the largest tolled highway systems in the United States and is a critical component in the national interstate network. The original Thruway roadway system was constructed between 1949 and 1960 and is one of the oldest components of the national Interstate Highway System. In 1991, State legislation made the Authority additionally responsible for the operation and maintenance of 11 miles of I-287 Cross-Westchester Expressway while the New York State Department of Transportation ("NYSDOT") remains responsible for capital improvements to this roadway. The Thruway System is now over 570 miles in total length and includes 134 interchanges.

The Thruway System serves travelers with a variety of needs and purposes, including commuters, business travelers, recreational travelers, and commercial vehicle traffic and provides the major route of access for visitors to the State's tourist destinations including Niagara Falls, the Finger Lakes, the Adirondacks, the Catskills and New York City. The Thruway System has provided a dependable roadway system for these travelers, sustaining and encouraging economic growth, fostering job creation and generating tax revenues to the State and its local governments. Underscoring its importance to the State, region and nation, in 2025 Thruway customers traveled approximately 8.2 billion vehicle-miles on the highway, averaging over 22.4 million vehicle-miles per day. Due to the extent of its maintenance activities, good infrastructure conditions and the dedication of a specialized troop of the New York State Police to patrol the Thruway System, it has remained one of the safest roadway networks in the nation.

The Thruway System is comprised of 2,840 lane miles of roadway. In addition, the Authority has maintenance responsibility for 819 bridges and also owns 27 travel plazas located at intervals along the Thruway System, as well as three welcome centers. The travel plazas, operated through concessionaire agreements, provide food, fuel, and other amenities to Thruway customers.

In July 2021, the Authority commenced a $450 million service area project under a private investment plan by Empire State Thruway Partners to redevelop the 27 service areas. The service areas were originally built in the 1950s, with the last significant redevelopment taking place in the 1990s. As of November 2025, all 27 of the service areas have been modernized and reopened.

The Authority owns a fiber optic system consisting of 550 miles of duct and fiber optic cable located primarily within the right-of-way of the Thruway System. As part of its asset monetization efforts, the Authority has entered into seventeen agreements with various parties for the irrevocable right to use the system for terms ranging from 3 to 30 years. These agreements generally require users to make a one-time lump sum payment upon execution followed by annual recurring payments that escalate based on the lesser of the year over year change in the consumer price index or 3%. Total projected income over the life of the agreements is estimated to be $161.3 million. In 2025, the Authority recognized total revenue of $9.06 million from users of the fiber optic system.

Routine maintenance activities are performed by Authority staff from 21 maintenance locations grouped into four divisions. Also, the Authority's tolling system is extensive, and it manages sophisticated incident response, ITS and traveler information systems to enhance mobility, safety and service.

The Thruway System connects the principal cities of the State from New York City to Albany, and on to Utica, Syracuse and Rochester through to Buffalo and the Pennsylvania State Line. Because the Thruway System corridor serves 37 of the State's 62 counties and the majority of the State's population, it is the principal artery of travel and commerce within the State. It also is an important interstate connector, joining with the Massachusetts Turnpike (I-90), Connecticut Turnpike (I-95), New Jersey's Garden State Parkway, as well as several other Interstate routes such as I-287 from New Jersey; I-90 in Pennsylvania; I-290 around the north side of Buffalo; I-390 and I-490 serving Rochester; I-81, I-481 and I-690 at Syracuse; I-790 in Utica; I-87 (the Northway), I-88, I-90, I-787, and I-890 at Albany; and I-84 at Newburgh. As a result, the Thruway System is a vital link to long distance interstate travel and a high proportion of its patrons are from out-of-state.

For a further description of the Thruway System's facilities, traffic patterns on the Thruway System, and an analysis of the Thruway System's financial history and projections for the future, see APPENDIX A-1 – "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER".

The New NY Bridge Project

Formal construction of the New NY Bridge Project (now known as "The Governor Mario M. Cuomo Bridge") began in October 2013. Both spans of the bridge were substantially completed and opened for vehicular traffic, with the north span opening on August 25, 2017 and the south span opening on September 12, 2018. As of March 2026, $3.773 billion in total had been spent on the New NY Bridge Project leaving an unspent budget balance of approximately $207 million. This unspent budget balance is reflected in the Authority's 2025 Revised Budget and 2026-2030 Capital Plan and is available to fund remaining costs necessary to complete the project. The Governor Mario M. Cuomo Bridge was constructed under a fixed-price, date-certain, Design-Build Contract with TZC, LLC. The original budget established at the commencement of the New NY Bridge Project was $3.981 billion and has not changed. See BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT – The New NY Bridge Project."

Toll Collection

Toll System. The Thruway System is comprised of two types of toll systems – a controlled system and a barrier system. The controlled system (approximately 481 miles) makes up the largest portion of the Thruway System, running from Woodbury (in the southeast corner of the State) north along I-87 to Albany, then west on I-90 to Buffalo and south of Lake Erie to the Pennsylvania border. In addition to this main stretch of the controlled system, there is a small tolled branch south and east of Albany, known as the Berkshire Spur. On the controlled system, tolls are charged based on the distance traveled by the customer and vary by payment type (in-State E-ZPass, out-of-State E-ZPass, and Tolls by Mail).

Meanwhile, barrier toll plazas have a fixed toll rate for each vehicle class and payment type (e.g., Tolls by Mail, E-ZPass, as well as Commuter and other E-ZPass Discounts). The barrier system is comprised of the Governor Mario M. Cuomo Bridge (formerly Tappan Zee Bridge Barrier), Yonkers Barrier, New Rochelle Barrier, Spring Valley Barrier, Harriman Barrier and the Grand Island Bridges.

Under the existing toll policy, toll rates across the system are based on vehicle classifications, related to the number of axles per vehicle and the height of the vehicle over the first two axles. Approximately 397 million toll transactions occurred on the Thruway System in 2025, generating over $992 million in toll revenues.

Ability To Set Tolls. The Authority's power under the Act to fix, collect and alter toll rates is not subject to the approval of any governmental entity. Tolls on The Governor Mario M. Cuomo Bridge and the Grand Island Bridges, each constructed pursuant to the General Bridge Act of 1946, as amended, may be subject to the standard imposed by Section 135 of the Surface Transportation and Uniform Relocation Assistance Act of 1987, Pub. L. 100-17 to the effect that such tolls be "just and reasonable". The Authority believes that the tolls on all of its vehicular toll facilities are just and reasonable.

AETC Implementation. The Authority commenced conversion to all-electronic toll collection ("AETC" or "Cashless Tolling") on its system, beginning with the Tappan Zee Bridge in April 2016. The Governor Mario M. Cuomo Bridge opened with AETC in August 2017. The Authority's conversion to AETC of its remaining barriers (Grand Island Bridges, and the Harriman New Rochelle, Yonkers and Spring Valley Barriers) occurred during 2018. The Authority completed system-wide AETC with conversion of the entire controlled system to AETC in November 2020.

AETC reduces travel times, enhances safety, improves traffic flow, and provides environmental benefits by limiting idling and reducing delays, as vehicles no longer have to stop at a toll plaza. Instead, overhead gantries detect E-ZPass transponders or use cameras to read license plates while vehicles travel at highway speeds. Customers with E-ZPass accounts have their toll deducted from a prepaid account balance. Customers without an E-ZPass account are invoiced (Tolls by Mail). In the opinion of the Authority's Traffic Engineers, AETC has resulted in (i) small traffic changes and payment type shifts, and (ii) some uncollectable revenues. This is in addition to the lag in time to allow for collection of Tolls by Mail revenue.

To encourage timely payment of Tolls by Mail invoices, a late fee is assessed on a customer's second bill and a fine is assessed on a Violation Notice if the second invoice is not paid. Unpaid Violation Notices are referred to collection agencies and, in some cases, legal action is commenced to enforce payment. Toll enforcement was enhanced by a 2016 regulation authorizing the Department of Motor Vehicles to suspend the registrations of New York State drivers with five or more toll violations in 18 months. In 2017, this threshold was changed to three violations over a five-year period. In 2018, the State of New York entered into a reciprocal agreement with Massachusetts providing that those who have unpaid tolls and fees in the other state will have a hold placed on their vehicle registrations. In 2025, the Authority revised its regulations to allow for the exclusion from the Thruway vehicles owned or operated by the owner and/or operator of vehicles who fail to pay tolls or observe other Thruway regulations or other statutes. Even with these measures, some toll revenue remains uncollected and is likely to remain uncollected in the future. See APPENDIX A-1 – "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER".

The Authority includes an allowance for uncollectable toll revenue in its monthly financial reporting. This allowance is the Authority's estimate of tolls that will not be collected from customers with outstanding Tolls by Mail invoices, as well as from customers with negative E-ZPass account balances. In late 2024, the Authority revised its method for estimating this allowance using historical data on collected and uncollected Tolls by Mail transactions. As a result, the Authority included a one-time revenue reduction adjustment of $52.2 million in its November 2024 financial report, reflecting several years of uncollectible toll revenue that exceeded previous allowance estimates. In April 2025, the Authority further adjusted its allowance for estimating uncollected tolls to take into account delays

in issuing Tolls by Mail invoices resulting from the implementation of a new back-office tolling system. See "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT– Actual and Projected Results".

The majority of customers that receive a toll bill pay their toll. Late fees and fines are assessed on the second and third bills, respectively, in order to motivate Tolls By Mail customers to pay on time. Even with these measures, some toll revenue remains uncollected and is likely to remain uncollected in the future.

Toll Initiatives. Due to the need for additional revenues to fulfill system-wide operating, debt service, and capital needs through 2028, on September 18, 2023 the Authority Board of Directors approved a set of 2024 through 2027 toll modifications on The Governor Mario M. Cuomo Bridge and system-wide. The first toll modification occurred, on January 1, 2024 system-wide and again on January 1, 2025 and January 1, 2026 for The Governor Mario M. Cuomo Bridge. Passenger toll rates on The Governor Mario M. Cuomo Bridge will increase again on January 1, 2027. See "INVESTMENT CONSIDERATIONS – Traffic Engineer's Report" and APPENDIX A-1 – "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER" for a detailed discussion of these toll modifications and their impact on Authority revenues.

2025 Toll System Transition. In April 2025 the contractor responsible for the Authority's toll collection transitioned to a new back-office system. The transition resulted in delays processing image-based (plate) transactions, which delayed invoices being sent to Tolls by Mail customers. As of March 2026, there is no longer a backlog of unbilled toll transactions but the collection of tolls and fees from Tolls by Mail customers continues to lag behind 2025 levels as these transactions continue to progress through the escalation process for unpaid toll bills. The transition has also resulted in financial reporting delays that continue and expected delays with annual audit reports that the contractor is required to provide the Authority. The Authority relies on these audit reports to evaluate if internal controls over toll collections are operating as intended. The full impact of the back-office system transition on the Authority's financial results is not yet known. The Traffic Engineer's Report provides a conservative estimate indicating some revenue loss from Tolls by Mail transactions in 2025, with a portion of that revenue anticipated to be recovered through delayed collections in 2026. See "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT – Actual and Projected Results" and APPENDIX A-1 – "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER".

2026-2027 State Appropriation for Orange County Resident Toll Discount Program. The State budget for fiscal year 2026-2027, enacted on May 28, 2026, contains an appropriation authorizing and directing the State Comptroller to transfer, upon request of the Director of the Budget, on or before March 31, 2027 from the State's General Fund to the Authority up to $3,000,000, pursuant to a plan to be submitted by the Executive Director of the Authority and approved by the Director of Budget, to account for costs of providing a toll discount on The Governor Mario M. Cuomo Bridge for applicable Orange County residents. The Authority is in the process of evaluating the appropriation and any related discount programs.

Authority Board Members

The Act grants to the Authority Board the broad powers of the Authority, as summarized herein under the caption "THE AUTHORITY". The Authority Board continues in existence so long as the Authority has any indebtedness or other obligations outstanding. Pursuant to the New York State Public Officers Law, members of the Authority's Board whose terms have expired continue to serve until a successor is appointed and qualified.

Robert L. Megna was confirmed as a member of the Authority Board in June 2025. Mr. Megna serves in a term that expires on January 1, 2026. Mr. Megna currently serves as the President of the Rockefeller Institute of Government and Senior Advisor to the Chancellor of the State University of New York (SUNY). Previously, he served as Senior Vice Chancellor and Chief Operating Officer for

the State University of New York (SUNY) System Administration and as Senior Vice President for Finance and Administration at Stony Brook University. Prior to his time with SUNY, Mr. Megna served as Vice-Chair of the Authority from 2016 to 2025. Prior to joining the Authority, Mr. Megna served for six years as director at the New York State Division of the Budget and previously served as commissioner of the New York State Department of Taxation and Finance. Mr. Megna holds master's degrees in public policy from Fordham University and economics from the London School of Economics.

José Holguín-Veras, Ph.D., P.E., was confirmed as a member of the Authority Board in May 2010. Mr. Holguín-Veras serves in a term that expired on December 12, 2018. Dr. Holguín-Veras is a Professor and Director of the Center for Infrastructure, Transportation, and the Environment at the Rensselaer Polytechnic Institute. Dr. Holguín-Veras received a Bachelor of Science degree in Civil Engineering from Universidad Autónoma de Santo Domingo; Master of Science degree in Transportation from Universidad Central de Venezuela; and a doctoral degree in transportation from the University of Texas at Austin.

Heather C. Briccetti Mulligan was nominated by the Governor and confirmed by the New York State Senate as a member of the Thruway Authority Board in June 2019. Ms. Mulligan is the President and Chief Executive Officer of The Business Council of New York State, Inc. Ms. Mulligan joined The Business Council in 2007 and has also served as Vice President of Government Affairs. Ms. Mulligan's career spans decades in the public and private sectors. Prior to The Business Council, Ms. Mulligan was a consultant and lobbyist for Powers and Company. She has also served as assistant counsel to the New York State Senate majority, as a legislative aide and counsel to the New York State Assembly majority committee on Racing and Wagering, and special counsel in the New York State Attorney General's office. She also founded a private law practice, Sweeney & Wollowitz, and served as the chief public defender for Rensselaer County earlier in her career. In addition to serving on the Thruway Authority Board of Directors, Ms. Mulligan has also served on numerous boards and committees including the New York State Council for Women and Girls; Berkeley College Board of Trustees; Council of State Chambers (COSC) Board of Directors; New York State Wage Board; American Chamber of Commerce Executives (ACCE), among others. Ms. Mulligan received a bachelor's degree in political science from the State University of New York at Binghamton and graduated from Albany Law School.

Norman H. Jones, Sr. was nominated by the Governor and confirmed by the New York State Senate as a member of the Thruway Authority Board in June 2023. Mr. Jones, Sr. retired in 2021 after more than three decades of distinguished service with the City of Rochester. During his career in public service, he served as the Commissioner of the Department of Environmental Services (2014 to 2021), Director of Operations (2012 – 2014), Manager of Building Services (1995 – 2012) and Recycling Coordinator (1988 – 1995). In his most recent position as Commissioner of the Department of Environmental Service, Mr. Jones completed or initiated some of Rochester's most transformative physical changes, including nearly $50 million in improvements to the Inner Loop East and the Port of Rochester Marina. He is also credited with assisting with the design and implementation of the City of Rochester community recycling program. Mr. Jones currently serves on the Board of Directors of the County of Monroe Industrial Development Agency and continues to be active within his community serving on various volunteer boards including most recently as the Chair of the Rochester Schools Modernization Program which just completed the $460 million phase for the Rochester City School District and exceeded all of the program's goals. Mr. Jones attended the University at Buffalo.

Joan McDonald was nominated by the Governor and confirmed by the New York State Senate as a member of the Thruway Authority Board in June 2024. Ms. McDonald currently serves as the Director of Operations for Westchester County and the Board Chair of the New York State Bridge Authority. She previously served as the Commissioner of the New York State Department of Transportation from 2011 through 2015. Ms. McDonald previously served on the Transportation Research Board and the Women's Transportation Seminar. She currently is a member of the National Infrastructure Advisory Council. Ms. McDonald received her Master's Degree in Public Administration from Harvard University and her Bachelor's Degree from LeMoyne College.

Paul Tokasz was nominated by the Governor and confirmed by the New York State Senate as a member of the Thruway Authority Board in June 2024. Mr. Tokasz served as an Assembly member representing the Western New York region from 1988 to 2006, and served as New York State Assembly Majority Leader from 2001 to 2006. Most recently, Mr. Tokasz served as Administrative Vice President/Manager of Government Relations at M&T Bank from 2016-2022. Mr. Tokasz was also an educator in Buffalo in the 1970s, before becoming Clerk of the Erie County Legislature, Deputy County Clerk of Erie County and First Deputy County Clerk in the 1980s. Mr. Tokasz received his Bachelor's Degree from Hobart College and a Master's Degree in Education from the Buffalo State College.

Linda Brown-Robinson was nominated by the Governor and confirmed by the New York State Senate as a member of the Thruway Authority Board in June 2026. A lifelong New Yorker, Ms. Brown-Robinson is the Immediate Past President of the Syracuse/Onondaga County NAACP and continues to serve on its executive board, where she has been a strong voice on issues impacting communities across Central New York. Ms. Brown-Robinson serves on the Board of Trustees at the SUNY College of Environmental Science and Forestry.

Senior Staff

The day-to-day management of the Authority is primarily the responsibility of the following senior staff members:

Executive Director. Frank G. Hoare was confirmed by the State Senate as the Executive Director of the Authority in April 2024. Mr. Hoare served as Interim Executive Director from December 2022 through September 2023, and previously as General Counsel of Authority since December 2020. Mr. Hoare's legal career has included both state government service and private practice. Previous assignments include Associate Counsel at the N.Y.S. Division of Military & Naval Affairs, Deputy Secretary to the Governor for Legislative Affairs, General Counsel at the N.Y.S. Division of Homeland Security & Emergency Services, Deputy Attorney General for Regional Affairs and Deputy Counsel to the Attorney General, and Counsel to Assemblyman Herman D. Farrell, Jr., Chair of the Assembly Ways & Means Committee. Mr. Hoare was a partner at a litigation/lobbying firm for six years and early in his career was an Associate at several firms engaged in civil litigation in Federal and State Courts. Mr. Hoare served as a Judge Advocate in the U.S. Army Reserve for 28 years. Mr. Hoare earned a Bachelor of Arts from the University at Albany and his Juris Doctor from Albany Law School.

Chief of Staff. Nicole Leblond has served as the Chief of Staff since April 2024. Ms. Leblond joined the Authority from the New York State Department of Agriculture and Markets ("Agriculture and Markets") where she served as the Deputy Commissioner for two years, spearheading critical regulatory reform and policy development and leading familiar initiatives such as the Taste NY and New York State Grown & Certified programs, among others. Prior to her tenure at Agriculture & Markets, Ms. Leblond spent six years in the Executive Chamber as Deputy Communications Director for both Economic Development and Health where she handled statewide crises management, broad policy development, strategic communications, and media relations covering emerging and sensitive topics such as water quality/perfluorinated compounds (PFCs), COVID-19, substance use and addiction, cannabis management, tenant protections, and business attraction and development. Ms. Leblond has previously worked in the education space serving as both Director of Communications and Manager of Special Projects for local and national charter school organizations including The Brighter Choice Foundation and National Heritage Academies. She also served as Deputy Press Secretary and spokesperson for New York State Comptroller Thomas P. DiNapoli covering various issues including local governments, school accountability, retirement, and not-for-profits, and led critical marketing and campaign efforts through her work as a Public Affairs and Public Relations Account Executive at Eric Mower and Associates. Nicole received her bachelor's degree in business administration from Russell Sage College in Troy, New York, and her master's degree in business administration at The College of Saint Rose.

Deputy Executive Director for Operations and Special Projects. Thomas McIntyre has been serving as Deputy Executive Director for Operations and Special Projects at the Authority since November 2023. Mr. McIntyre previously served as Assistant Commissioner for Regional Operations at NYSDOT. During his eight years at DOT in this role, Mr. McIntyre was responsible for the coordination of programs and functions throughout regions 1, 8, and 9 and worked directly with and supervised those Regional Directors. Mr. McIntyre is also a veteran with 30 years of service in the US Army and Army Reserves and has held several positions with the Army, including Brigade Battle Staff First Sergeant, United States Army Goodwill Ambassador and Ammunition and Equipment Operations Technician. He has an Associate's Degree in Applied Science from New River Community College.

Chief Financial Officer and Treasurer. David Malone was appointed as Chief Financial Officer of the Authority in September 2023. Mr. Malone oversees the Department of Finance and Accounts with responsibility for the Authority's budget and long-range financial plan, financial administration, debt management and investments. Mr. Malone has been with the Authority since 1993 and served as the Director of Accounting and Disbursements prior to his appointment to the Chief Financial Officer position. Mr. Malone earned an undergraduate degree from Siena College and a Master of Business Administration degree from Rensselaer Polytechnic Institute.

Chief Engineer. Brent Howard, P.E. serves as the Chief Engineer of the Authority. Mr. Howard has worked at the Authority since 2006 beginning in Highway Design and advancing his career in Traffic Systems and then progressively as Assistant Division Director, Division Maintenance Engineer, Director of Construction Management (Canal Corporation) and most recently as the New York Division Director since August 2020.

Chief Maintenance and Operations Officer. Kevin Wisely has served as the Chief Maintenance and Operations Officer for the Authority since October 2024. Mr. Wisely has more than 35 years of experience in public service, public safety and emergency services, both in the private and public sectors. Prior to joining the Authority, Mr. Wisely served as the Director of the Office of Resilience, Utility Security, Nuclear Affairs and Emergency Preparedness at the New York State Department of Public Service. He also served as Deputy Commissioner and Director of the Office of Emergency Management for the New York State Division of Homeland Security and Emergency Services. Before his state service, Mr. Wisely served as Emergency Management Commissioner in Onondaga County and worked for National Grid for 21 years. During his 35 years of active participation in the emergency services community, Mr. Wisely has been an instructor, volunteer fire chief, emergency medical technician, hazardous materials incident responder and a deputy coordinator for emergency management and hazardous materials. Mr. Wisely holds a Master of Business Administration Degree, Bachelor of Science Degree in Business Administration and an Associates of Occupational Studies Degree and has attended Executive Leaders Programs at the Naval Postgraduate School Center for Homeland Defense and Security and at the U.S. Army War College.

General Counsel. Sandra Rivera has served as General Counsel of the Authority since December 2023. Ms. Rivera has over 25 years of experience working with New York State Government on client legal issues and policy initiatives. She has spent the last two years serving in various roles in the Executive Chamber including as a Senior Advisor for Legislative Affairs, and most recently as Senior Counsel in the Office of Counsel to the Governor. As Senior Counsel, Sandra reviewed Gubernatorial Judicial appointments and focused on Judiciary legislation. She also handled the Transportation and Infrastructure portfolio for a time while in this role. Prior to joining the Executive Chamber, Sandra was in private practice advising clients on a variety of matters relating to technology and economic development, health and human services, and criminal and social justice. Sandra also was Principal of her own firm, Rivera Law, PLLC. Additionally, she was appointed as a Commissioner of the Office of Court Administration's Franklin H. Williams Judicial Commission. She has also served in a variety of leadership roles at the New York State Bar Association and was Chair of the Board of Family Planning Advocates of New York State. Before attending law school, Ms. Rivera began her career as a legislative associate in the New York State Assembly Majority Leader's Office. Ms. Rivera is a graduate of the University at Albany, where she received a B.A. in Anthropology and MA in

Political Communication. She received a J.D. from Albany Law School and is admitted to practice in New York

Chief Administrative Officer. Selica Y. Grant, Esq., CDE was appointed as the Authority's Chief Administrative Officer in April 2023. Prior to joining the Authority, Mrs. Grant served in a variety of positions at the New York State Department of Labor (DOL), most recently as the Chief Diversity Officer and the New York State Workforce Innovation Opportunities Act (WIOA) Equal Opportunity Officer. Her previous roles at the DOL include the Agency's Chief Risk Officer and Special Counsel, the Director for the Division of Equal Opportunity Development, and the American with Disabilities Act Coordinator. Prior to her tenure at the DOL, she held various roles at New York State Homes and Community Renewal including, Counsel of the Fair and Equitable Housing office, Deputy Director and Counsel for the Office of Fair Housing and Equal Opportunity and a Senior Attorney. Additionally, Mrs. Grant is an adjunct faculty member at The Sage Colleges and the State University at Albany where she teaches classes on racial justice, diversity and equity in the law, women and the law, and administrative leadership. Mrs. Grant is admitted to practice law in New York State and is a Certified Diversity Executive. She earned her Juris Doctorate from Albany Law School with a concentration in Intellectual Property and a Bachelor of Arts degree from the State University at Albany.

Chief Audit and Investigations Officer. Erin Cassidy serves as the Chief Audit and Investigations Officer, joining the Authority in 2026. Ms. Cassidy comes to the Authority with over 20 years of state service, most recently at the New York State Office of Children and Family Services ("OCFS"), where she has served in multiple roles within the Commissioner's office including Associate Commissioner for Executive Operations and IT Management. She oversaw the day-to-day operations of the Commissioner's Office, was responsible for the completion of agency initiatives and implementation of the Commissioner's priorities. Ms. Cassidy also served as Associate Commissioner for Oversight and Monitoring for the Division of Child Care Services at OCFS, where she oversaw implementation of pandemic recovery funds, along with several support functions within the division and the seven child care regional offices across the state who are responsible for licensing and enforcement activities of regulated child care programs. Ms. Cassidy earned a bachelor's degree in political science from Siena College.

Interim Chief Information Officer. Timothy Bonney has served as Interim Chief Information Officer at the Authority on multiple occasions, most recently beginning in June 2025. Prior to this interim role, Timothy has been the Director of Applications Development for the New York State Thruway Authority since October 2018. In this capacity, Timothy oversees staff and manages application development and technology support for web, business, financial, transportation, and engineering systems teams. Collectively, these teams support more than 200 software applications, both commercial and custom-developed, as well as external web and mobile platforms. Since joining the Authority in April 1998, Timothy has held several positions, including Manager of Information Technology Services 1 and Information Technology Specialist levels 2, 3, and 4. Before his tenure at the Authority, Timothy worked for a not-for-profit health insurance organization as a Senior Information Technology Systems Programmer, where he contributed to the design and implementation of electronic claims processing systems. Timothy earned a degree in Computer Science.

Chief Communications Officer. Jennifer Givner has served as the Chief Communications Officer for the Authority since 2015. Ms. Givner has close to 25 years of communications experience working for both the City and State of New York. Prior to the Authority, she served as the Assistant Commissioner of Communications for the New York State Office of Children and Family Services and before that, she served in various communications management positions at the New York State Office of the Attorney General, NY Lottery, and as the Deputy Press Secretary and Chief of Staff for Public Safety in the Executive Chamber. Ms. Givner has a Master of Public Administration degree from the Nelson A. Rockefeller College of Public Affairs and Policy at SUNY Albany and a Bachelor of Arts in Political Science from Hartwick College. She was recently named a member of the Leadership Council for the Hartwick Institute of Public Service.

Chief Revenue Management Officer. Diana Nebiolo was appointed Chief Revenue Management Officer in September 2022. Ms. Nebiolo is responsible for overseeing tolling and non-tolling revenue operations, electronic tolling customer service, toll systems quality assurance and exploring new revenue opportunities for the Authority. Prior to joining the Authority, Ms. Nebiolo served as the Deputy Commissioner of Administration and Finance at the New York State Homes and Community Renewal (HCR), where she worked for nearly seven years. While at HCR, Ms. Nebiolo also served as Senior Vice President for the Office of Professional Services. Prior to her time at HCR, Ms. Nebiolo held several key positions in the New York Division of the Budget during her 16 year tenure, where her most recent role was the Principal Budget Examiner of the Public Protection Unit. Ms. Nebiolo graduated from Siena College with a Bachelor of Arts.

Chief Procurement Officer. Andrew Trombley was appointed Chief Procurement Officer in March 2020, overseeing the Capital Plan and Contracts Management; Purchasing; and Contract Compliance Units at the Authority. Mr. Trombley manages the centralized purchasing system for the Authority that ensures integrity and fairness, with the responsibility for oversight of solicitation, vendor selection, negotiation, award, contract administration, reporting and disposal of surplus property. He assists with the development and management of the Authority's multi-year Capital Plan, the annual update to the Capital Plan, and other long range plans to address the capital need of the Authority's infrastructure. The Office also works to maximize opportunities for the participation of New York State business enterprise, including MWBE/SDVOBs and prime and sub-contractors and suppliers on all Authority contracts. Prior to joining the Thruway Authority in 2019, Mr. Trombley served in a variety of leadership roles in public service over his 17- year state and federal government career, most recently as the Director of the Onondaga County Division of Purchase. Mr. Trombley received his Bachelor of Arts degree in Government from St. Lawrence University.

Chief Strategic Initiatives Officer. Melissa Nussbaum was appointed Chief Strategic Initiatives officer for the Authority in 2026. Prior to joining the Authority, Ms. Nussbaum worked nearly two decades at the New York State Division of Homeland Security and Emergency Services, where she worked on issues around critical infrastructure protection; including grants, public-private partnerships, and risk and security assessments. Later, Ms. Nussbaum worked at the Division level on various policy initiatives involving emergency preparedness assessment, training, and building cross-agency partnerships and programs. She spent more than a decare at the New York State Office of Emergency Management where she served in numerous leadership and executive capacities, including overseeing headquarter operations, the State Emergency Operations Center, emergency public alerting, and a two-year tour as a liaison to the Department of Health focused on COVID testing logistics. Ms. Nussbaum has a Bachelor of Science in Public Affairs from SUNY Empire State College and a Master of Arts in National Security Studies from the Naval Postgraduate School Center for Homeland Defense and Security.

Organization

To administer its responsibilities for the Thruway System and Other Authority Projects, the Authority is organized into ten operating departments and employs approximately 1,724 permanent employees.

The departments include: Engineering, Maintenance and Operations, Administrative Services, Finance and Accounts, Legal, Strategic Management, Procurement Services, Revenue Management, Audit and Management Services, and Information Technology.

The Department of Engineering includes Asset and Innovation Management, Capital Plan and Contracts Management, Program Delivery, and Transportation Planning and Environmental Services. The Department oversees the development and implementation of the Authority's long range Capital Plan. It has the professional capacity to design and inspect some capital projects in-house and accordingly does not have to rely solely on outside consultants.

The Department of Maintenance and Operations manages and maintains the highway, bridge and facilities infrastructure and equipment in a cost-effective manner in order to offer Thruway users

high levels of safety and service. It is responsible for all toll collection activities, traffic management and travelers' services including concessions. The Department helps develop the multi-year Capital Plan designed to preserve the condition, serviceability and safety of the roadway, bridges and facilities. The Department also continues to explore and implement innovative designs and technologies to enhance the safety and efficiency of the Thruway System. Direct field management of the maintenance and operations functions is handled through the four division offices (New York, Albany, Syracuse and Buffalo) under the auspices of the four Division Directors who report to the Director of Maintenance and Operations.

The Department of Maintenance and Operations also acts as liaison with New York State Police Troop T, whose 320 members patrol the Thruway System. Beginning in 2016, the Authority has reimbursed the State for payment of State Police Troop T enforcement on the Thruway System, but reimbursement of such costs to the State are not payable as Operating Expenses and are payable only from the General Reserve Fund.

RESULTS OF OPERATIONS

2021-2025 Financial Results of Operations

Set forth below are certain revenue and expense items and certain other financial information derived from the Authority's audited financial statements for each of the Authority's fiscal years 2021 through 2025. The revenues and operating expenses below are presented in accordance with the Bond Resolution and the Junior Indebtedness Resolution and were derived by adjusting information contained in the Authority's audited financial statements, which are prepared in conformity with generally accepted accounting principles. This information is qualified by, and should be read in conjunction with, the audited financial statements for the Authority's fiscal year ended December 31, 2025 included in APPENDIX B to this Official Statement. See also "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS" herein.

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RESULTS OF OPERATIONS
FOR THE CALENDAR YEARS 2021-2025
($ in millions)

	2021	2022	2023	2024	2025
Toll Revenue[1]	$760.3	$820.4	$825.5	$980.3	$992.0
Other Revenues	66.2	95.7	123.9	131.8	128.5
Total Revenues	826.5	916.1	949.4	1,112.1	1,120.5
Thruway Operating Expenses[2]	339.8	361.8	378.4	414.1	409.4
Reserve for Claims and Indemnities and Environmental Remediation[3]	6.5	16.0	1.0	1.0	6.0
Net Revenue (A)	480.2	538.3	570.0	697.1	705.1
Net General Revenue Bond Debt Service (B)	241.3	240.9	241.5	221.7	260.0
Net Revenue after General Revenue Bond Debt Service	238.9	297.4	328.5	475.4	445.1
Retain for Reserve, Working Capital/Adjustment to Cash	24.2	22.3	(19.3)	26.5	(43.4)
Reserve Maintenance Deposit[4]	100.3	177.7	119.7	306.3	225.8
Reserve Maintenance Deposit Adjustment	0.0	0.0	0.0	13.3	(13.3)
Net Junior Indebtedness Debt Service (C)	46.7	67.6	104.7	106.0	110.4
Junior Debt Service Reserve Fund	0.0	0.0	0.0	0.0	0.0
Facilities Capital Improvement Deposit[5]	0.0	7.5	18.0	20.0	0.0
General Reserve Fund Provision - State Police[6]	64.6	66.3	66.8	69.5	65.5
General Reserve Fund Provision - Subordinate Debt[6]	51.5	0.6	0.0	0.0	0.0
Balance After Cash Adjustment	0.0	0.0	0.0	(13.3)	13.3
General Revenue Bond Debt Service Coverage Ratio (A/B)	1.99x	2.23x	2.36x	3.14x	2.71x
Junior Indebtedness Debt Service Coverage Ratio (A/(B + C))	1.67x	1.74x	1.65x	2.13x	1.90x

(1) Based on the Authority's audited financial statements for the years 2021 through and including 2025.

(2) Operating expenses do not include the unfunded costs of $110.4 million in 2021, $119.8 million in 2022 and ($10.9) million in 2023 and $3.4 million in 2024 and ($43.2) million in 2025 related to complying with GASB 75 (other post-employment benefit obligations). In 2015, the Authority adopted GASB Statement No. 68 Accounting and Financial Reporting for Pensions and GASB Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date. The adjustment to comply with GASB 68 and GASB 71 was ($10.5) million in 2021, ($14.1) million in 2022 and $15.6 million in 2023, $4.2 million in 2024 and ($7.1 million) in 2025.

(3) Includes $6.5 million for Environmental Remediation Reserve in 2021, $13.5 million in 2022, $0.5 million in 2023, $0.5 million in 2024 and $0.5 million in 2025. Includes $5.5 million in Public Liability Claims Reserve in 2025.

(4) Reflects the minimum required deposit to the Reserve Maintenance Fund ($30.0 million) as well excess revenue used for pay-as-you-go capital projects (see "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Reserve Maintenance Fund").

(5) The Facilities Capital Improvement Fund has been designated for capturing project costs relating to the New NY Bridge Project.

(6) Beginning in April 2016, the State Police costs for Troop T were reimbursed by the Authority to New York State.

Note: Totals may not add due to rounding.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

Discussion of Results of Operations: 2021 through 2025

A number of significant factors have impacted the Authority's operating results during the years 2021-2025.

2021: Total revenue was $826.5 million, an increase of $158.0 million, or 23.6% compared to 2020. Toll revenue for the year was $760.3 million, an increase of $145.0 million, or 23.6% compared to 2020. These increases are primarily due to higher traffic related to COVID-19 travel restrictions being rescinded in 2021. Toll adjustments implemented in January 2021 for commercial traffic using The Governor Mario M. Cuomo Bridge and system-wide for out of state E-ZPass customers and Tolls by Mail customers also contributed to the increase in toll revenues. Concession revenue for the year was $5.7 million, a decrease of $1.1 million, or 16.2% compared to 2020. Other revenue for the year was $60.5 million, an increase of $14.1 million, or 30.3% compared to 2020. This increase is primarily due to the increase in Tolls by Mail fees as a result of the conversion to the system wide conversion to cashless tolling in November 2020. Days cash on hand for 2021 was maintained at 411 days.

Total operating expenses were $346.3 million, an increase of $27.7 million, or 8.7% compared to 2020. This increase is primarily due to increased cashless tolling administrative costs associated with the system-wide conversion to cashless tolling in November 2020.

2022: Total revenue was $916.1 million, an increase of $89.5 million, or 10.8% compared to 2021. Toll revenue for the year was $820.4 million, an increase of $60.1 million, or 7.9% compared to 2021. These increases are primarily due to higher traffic related to COVID-19 recovery. Toll adjustments implemented in January 2022 for passenger traffic using the Governor Mario M. Cuomo also contributed to the increase in toll revenues. Concession revenue for the year was $6.8 million, an increase of $1.1 million, or 19.3% compared to 2021. Other revenue for the year was $88.9 million, an increase of $28.4 million, or 46.9% compared to 2021. This increase is primarily due to the increase in Tolls by Mail late fees and violations collected after one full year with system-wide cashless tolling. Days cash on hand for 2022 was maintained at 403 days.

Total operating expenses were $377.8 million, an increase of $31.6 million, or 9.1% compared to 2021. This increase is a result of an increase in snow and ice costs due to the December 2022 Buffalo storms, increased fiber optic marketing fees and an increase in the provision for environmental remediation.

2023: Total revenue was $949.4 million, an increase of $33.3 million, or 3.6% compared to 2022. Toll revenue for the year was $825.5 million, an increase of $5.1 million, or 0.6% compared to 2022. Other revenue for the year was $123.9 million, an increase of $28.2 million, or 29.5% compared to 2022. The increase in other revenues is primarily due to higher interest earnings on investments.

Total operating expenses were $379.4 million, an increase of $1.6 million, or 0.4% compared to 2022. There were significant increases in personal service and employee benefit costs in 2023 that were partially offset by reductions in environmental remediation costs and fiber optic marketing fees.

2024: Total revenue was $1.1 billion, an increase of $162.7 million, or 17.1% compared to 2023. Toll revenue for the year was $980.3 million, an increase of $154.8 million, or 18.8% compared to 2023. Other revenue for the year was $131.8 million, an increase of $7.9 million, or 6.4% compared to 2023. The increase in toll revenue is primarily due to the system-wide toll adjustment and continued traffic growth. The increase in other revenues is primarily due to higher Work Zone Speed Enforcement Fees and higher Tolls by Mail fees and violations. Days cash on hand for 2024 was maintained at 372 days.

Total operating expenses were $415.1 million, an increase of $35.6 million, or 9.4% compared to 2023. The increase in operating expenses is due to higher personnel services costs, including increased health insurance and pensions, increased costs in highway and bridge maintenance and increased costs associated with cashless tolling administration.

2025: Total revenue was $1.1 billion, an increase of $8.4 million, or 0.8% compared to 2024. Toll revenue for the year was $992.0 million, an increase of $11.7 million, or 1.2% compared to 2024. Other revenue for the year was $128.5 million, a decrease of $3.3 million, or 2.5% compared to 2024. The increase in toll revenue is primarily due to the system-wide toll adjustment. The decrease in other revenues is primarily due to lower Tolls by Mail fees and violations resulting from processing delays with the new back-office tolling system. Days cash on hand for 2025 was maintained at 491 days.

Total operating expenses were $415.4 million, an increase of $0.3 million, or 0.1% compared to 2024. This slight increase was primarily driven by higher personal services costs, including increased expenses for health insurance and pensions, as well as higher costs associated with highway and bridge maintenance, snow and ice removal, insurance premiums and provisions to reserves. These increases were partially offset by reductions in cashless tolling expenses, fiber optic marketing fees, and maintenance and repair costs.

Unaudited Financial Results for the 3-Months Ended March 31, 2026

Through March 31, 2026, the Authority has reported revenues of $254.4 million. This reflects a decrease of $2.7 million or 1.05% below revenues for the same time period in 2025.

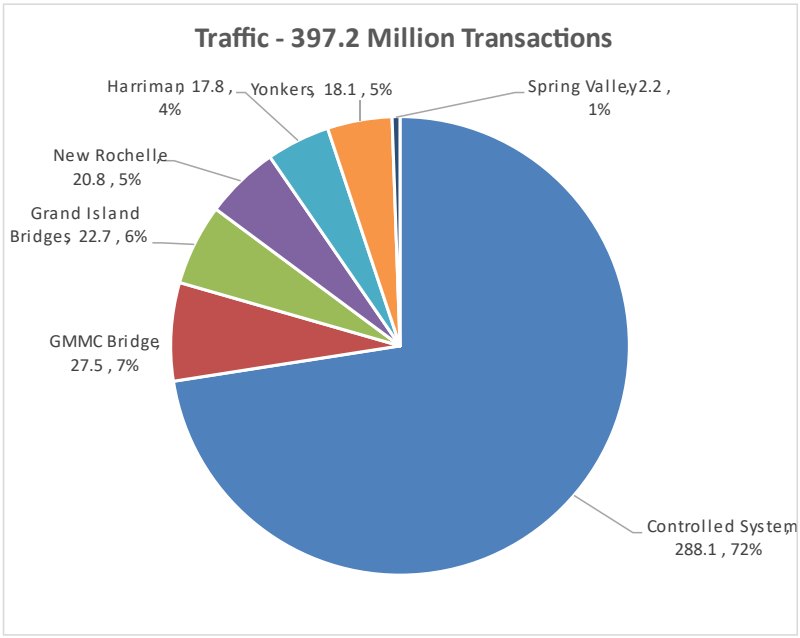
Through March 31, 2026, the Authority operating expenses and provisions, including debt service, totaled $222.3 million, which reflects an increase of $5.4 million or 2.49% above 2025 actual levels. These unaudited actual results are $13.9 million or 5.9% below the level contained in the 2026 Budget. The following table summarizes the unaudited financial results for the 3-months ended March 31, 2026.

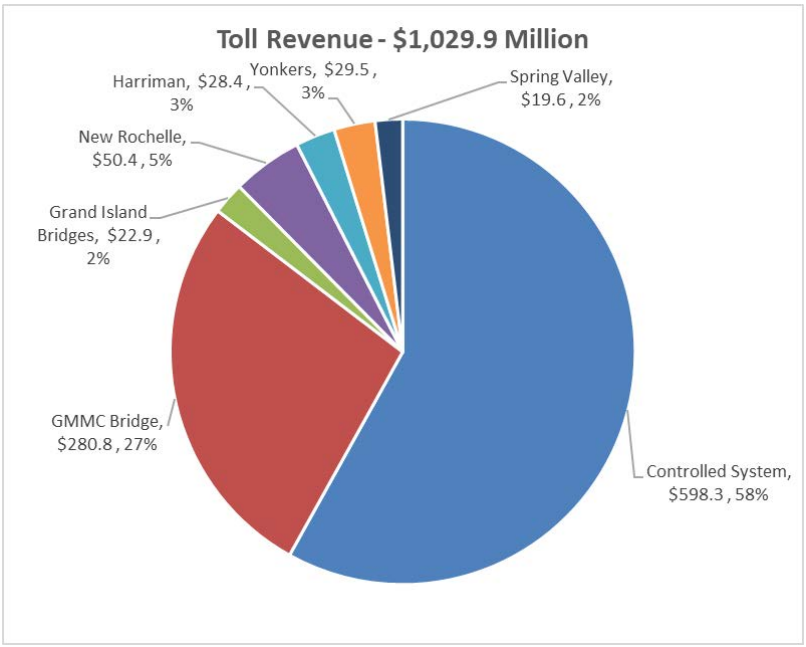
SUMMARY INTERIM FINANCIAL RESULTS
For the Three Months Ended March 31
($ in millions)

	2025 Unaudited	2026 Unaudited	Difference
Revenues:			
Passenger Revenue	$121.6	$116.8	(4.8)
Commercial Revenue	101.1	99.0	(2.1)
Other Revenues	34.5	38.7	4.2
Total Revenues	**257.2**	**254.5**	**(2.7)**
Operating Expenses:			
Thruway Operating	109.0	108.2	(0.8)
State Police Operating	14.2	15.2	1.0
Provisions for Claims & Environmental Remediation	0	(0.1)	(0.1)
Federal Aid & Other Reimbursement	0	(0.4)	(0.4)
Total Operating Expenses	**123.2**	**122.9**	**(0.3)**
Debt Service Provisions:			
General Revenue Bonds	65.6	65.2	(0.4)
Junior Indebtedness Obligations	28.1	34.2	6.1
Total Debt Service Provisions	**93.7**	**99.4**	**5.7**

Traffic and Revenue

The following charts show traffic and toll revenues at the various pay points and total revenues for 2025[(1)]:





See APPENDIX A-1 — "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER" for a more detailed discussion of historical traffic, revenue and expenses for the years 2014 through 2024 and forecasted and actual data for the years 2025 through 2030.

(1) Based on the Authority's 2025 audited financial statements and reflects actual results of traffic operations at 2025 year-end. "Traffic" refers to number of all toll transactions at all locations where tolls are charged. Total toll revenue shown does not consider volume discounts totaling $37.9 million taken under the Authority's commercial charge account program.

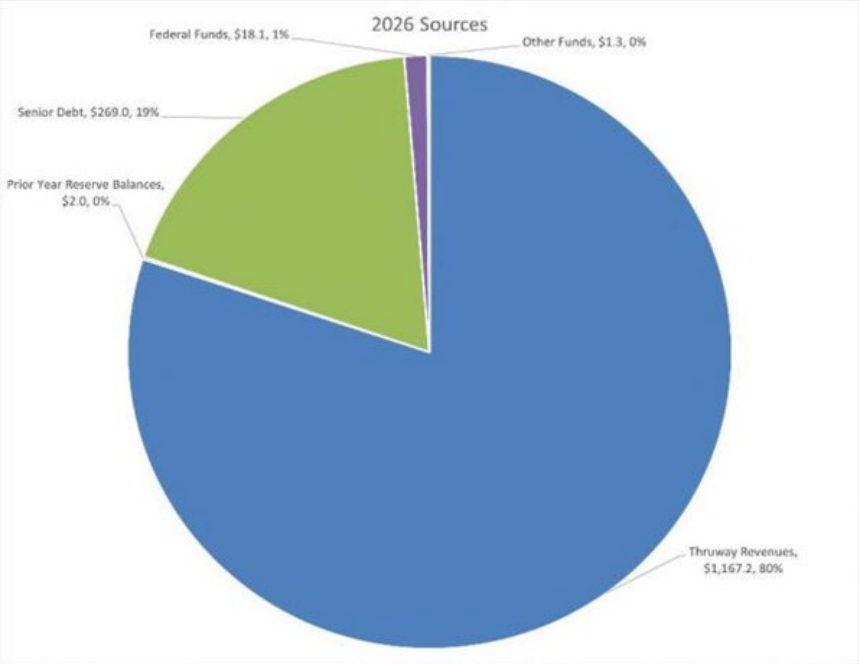
Note: Totals may not add due to rounding.

2026 Budget

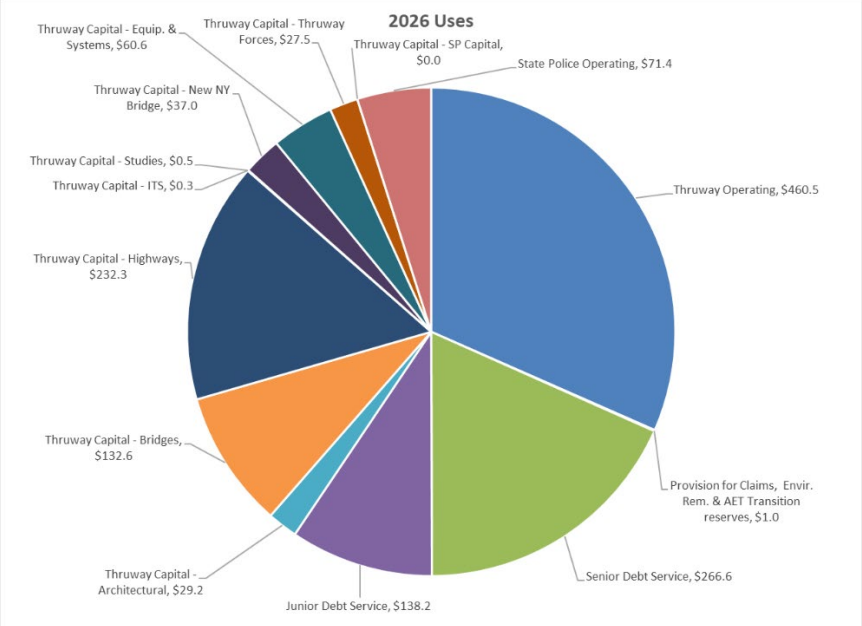
The Authority Board adopted the 2026 Budget (the "2026 Budget") at its December 10, 2025 meeting. The following charts and discussion present the 2026 Budget and shows the difference in sources and uses of funds between the 2025 Revised Budget and the 2026 Budget.

Sources and uses of the 2026 Budget are highlighted in the following charts.

2026 Budget Sources of Funds - $1.46 Billion



2026 Budget Uses of Funds - $1.46 Billion



2025 Actual vs. 2026 Budget
($ in millions)

	2025 Actual	2026 Budget	Change
SOURCES:			
Thruway Revenues	$1,101.4	$1,167.2	$65.9
Use of Prior Year Revenues	0.0	0.0	0.0
Prior Year Reserve Balances(Use/(Retain))	15.0	2.0	(13.0)
Senior Debt	245.3	269.0	23.6
Junior Debt	0.0	0.0	0.0
Federal Funds	11.1	18.1	7.0
Other Funds	0.6	1.3	0.7
Total Sources	$1,373.5	$1,457.7	$84.2
USES:			
Operating Expenses:			
Thruway Operating	$443.8	$460.5	$16.7
State Police Operating	63.7	71.4	7.6
Sub Total	507.5	531.9	24.4
Provisions for Claims & Env. Remediation	1.0	1.0	0.0
Total	$508.5	$532.9	$24.4
Retained for Working Capital			
Debt Service:			
Senior Debt	$272.5	$292.2	$19.7
Junior Debt	110.8	112.6	1.8
Total Debt Service	$383.3	$404.8	$21.5
Capital Plan:			
Thruway Capital - Architectural	15.0	29.2	14.2
Thruway Capital - Bridges	142.3	132.6	(9.7)
Thruway Capital - Highways	232.4	232.3	(0.1)
Thruway Capital - Intelligent Transportation Systems	0.0	0.3	0.3
Thruway Capital - Studies	1.7	0.5	(1.3)
Thruway Capital - New NY Bridge	15.0	37.0	22.0
Thruway Capital - Equipment & Systems	51.1	60.6	9.5
Thruway Capital - Thruway Forces	23.9	27.5	3.6
Thruway Capital - SP Equipment /Facilities	0.2	0.0	(0.2)
Total	481.7	520.0	38.3
Total Uses	**$1,373.5**	**$1,457.7**	**$84.2**

Note: Totals may not add due to rounding.

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2026 Budget Forecast to 2025 Actual

The 2026 Budget for the Thruway System totals $1.46 billion. This includes $460 million for operating expenses, $520 million for capital projects and equipment, $405 million for debt service, and $71 million for reimbursement to the State for the costs associated with New York State Police Troop T patrolling the system.

The 2026 Budget forecasts 377 million toll transactions, reflecting a decrease of 20 million transactions or 5.0 percent lower compared to 2025 levels. This decrease is not reflective of fewer vehicles being projected to use the Thruway System. In mid-2026 new toll gantries will become operational at Interchanges 25 and 25A. These new gantries will improve the Authority's toll system and reduce the number of toll transactions. Customer toll rates and forecasted toll revenues will not be impacted by the new gantries.

Total revenues for 2026 are projected to be $1.15 billion, an increase of $83.2 million or 7.2 percent above 2025 levels. This increase is primarily due to a toll adjustment that went into effect at The Governor Mario M. Cuomo Bridge on January 1, 2026, as well as the partial recovery of toll and fees that have been delayed in 2025 due to the transition to a new tolling system.

The 2026 Thruway System operating budget totals $461.5 million, an increase of $16.7 million or 3.8 percent above 2025 levels. Anticipated increases in health insurance and personal service costs are the primary reasons for this increase.

The 2026-2030 Capital Plan commits $2.79 billion to be invested into Thruway System infrastructure and equipment. This is an increased commitment of approximately $860 million or 45 percent since the approval of a multi-year toll adjustment plan in 2023.

2026-2030 Capital Plan

As the Thruway System is at the end of its seventh decade of operation, the necessity for reconstruction and rehabilitation of the aging Thruway infrastructure requires an increasing level of investment. At the same time, travelers on the roadway during peak travel periods are experiencing delays resulting from increasing traffic volumes. Authority staff, utilizing enhanced and modernized asset management systems, historical records of past remedial work, and their knowledge of the current condition of facilities, developed the multi-year Capital Plan. Project selection considers the following priority factors: safety, bridge and highway condition rating, capacity needs, and facility needs.

The multi-year Capital Plan is designed to address several key objectives that are critical to Thruway customers and is intended to maximize the benefit to the Thruway System. These objectives are system reliability, increased customer service, improved safety and mobility and environmental stewardship. The multi-year Capital Plan also will take advantage of technology improvements and innovations in the field of transportation management. As evidenced through the plan, the Authority is committed to providing customers with the mobility and service they expect, and to preserving the main transportation artery that supports New York State's economy.

The 2026-2030 Capital Plan will complete major, job-sustaining reconstruction projects that were let during the previous multi-year Capital Plan and includes reconstruction and rehabilitation of roadway, bridges, facilities, equipment and support systems of the Thruway System. The 2026-2030 Capital Plan provides for the replacement or rehabilitation of 150 bridges, the resurfacing/rehabilitation/reconstruction of approximately 1,500 lane miles of highway and the reduction of congestion in key corridors. From 2026 through 2030, the Authority estimates that the investments made in this program will preserve overall highway and bridge conditions in the "good" category, allowing for the continued reliability of the Thruway System.

Total Capital Plan Expenditures. The following table presents the year-by-year actual cash expenditure for the period from 2013 through 2024 and reflects the Revised 2025 Budget and projections for the 2026-2030 Capital Plan. The table also includes the Authority's projections for capital expenditures on the New NY Bridge Project, which began in 2013. With this level of capital expenses, the Authority can continue to provide good service to patrons, meet the growing demands of increased use with up-to-date

technology and other necessary improvements, and assure that the system is not adversely affected by deteriorating bridge and pavement conditions.

ACTUAL AND PROJECTED CAPITAL PLAN EXPENDITURES[1]
2013-2030
(in millions)

		Thruway Highway and Bridge Capital Expenditures	Equipment Replacement and Other Facility Capital Expenditures[2]	Canal Capital Expenditures[3]	Subtotal Capital Plan Expenditures	New NY Bridge	Subtotal New NY Bridge & Capital Plan Expenditures	Thruway System-wide AETC Projects	Total Capital Program Expenditures
2013	Actual	$183.7[4]	$30.7	$37.5	$251.9	$613.4	$865.3	-	$865.3
2014	Actual	170.7	33.7	76.7	281.1	594.2	875.3	-	875.3
2015	Actual	251.3	35.2	48.8	335.3	702.0	1,037.3	-	1,037.3
2016	Actual	200.1	36.5	30.3	266.9	790.7	1,057.6	-	1,057.6
2017	Actual	184.7	44.8	0.0	229.5	479.1	708.6	-	708.6
2018	Actual	222.9	76.7	0.0	299.6	264.1	563.8	$28.1	591.8
2019	Actual	222.1	40.3	-	262.4	171.6	434.1	130.4	564.5
2020	Actual	166.2	32.3	-	198.5	88.9	287.4	250.6	538.0
2021	Actual	120.6	26.1	-	146.7	20.8	167.5	136.4	303.9
2022	Actual	239.1	31.5	-	270.6	10.3	280.9	0.8	281.8
2023	Actual	262.6	43.7	-	306.3	12.4	318.7	0.1	318.8
2024	Actual	297.9	63.9	-	361.7	9.4	371.1	-	371.1
2025	Actual	313.5	87.6	-	401.2	14.4	415.6	-	415.6
2026	Projected	394.9	88.1	-	483.0	37.0	520.0	-	520.0
2027	Projected	467.7	90.7	-	558.4	37.0	595.4	-	595.4
2028	Projected	439.7	93.5	-	533.2	15.0	548.2	-	548.2
2029	Projected	412.1	96.3	-	508.4	10.0	518.4	-	518.4
2030	Projected	402.7	99.2	-	501.9	108.1	610.0	-	610.0
Total[1]		$4,952.5	$1,050.8	$193.3	$6,196.6	$3,978.4	$10,175.2	$546.4	$10,721.5

(1) Totals may not add due to rounding.
(2) Includes capital costs for system-wide AETC conversion.
(3) Effective January 1, 2017 the New York State Canal Corporation became a subsidiary of the New York Power Authority. Canal System costs for the period of March 31, 2016 to December 31, 2016 incurred by the Authority were reimbursed by the Power Authority.
(4) Includes $8.3 million of Pre-Design Environmental costs.

Funding of the 2026-2030 Capital Plan

The 2026-2030 Capital Plan totals $2.8 billion including the New NY Bridge Project. The 2026-2030 Capital Plan is expected to be funded with a combination of Net Revenues, General Revenue Bond proceeds, and Federal, State and other funds.

The Authority's Capital Plan Executive Committee continually monitors projected system needs and balances them with available resources. The Authority is also enhancing and modernizing its asset management system to ensure the efficient and effective delivery of the 2026-2030 Capital Plan, resulting in smart project selections and enhancing its ability to respond to price variability and other changes that would impact funding, project cost and delivery.

Funding sources projected to be applied to complete the 2026-2030 Capital Plan are set forth in the following chart.

	2026 – 2030 Capital Plan					
	2026	**2027**	**2028**	**2029**	**2030**	**2026-30 Total**
Senior Debt Proceeds	$269.0	$350.9	$350.1	$352.8	$450.7	$1,773.5
Reserve Maintenance Fund/FCIF	231.6	230.2	184.7	158.4	153.8	958.7
Federal, State and Other Funds	19.4	14.3	13.4	7.2	5.6	59.9
Total	$520.0	$595.4	$548.2	$518.4	$610.0	$2,792.0

Note: Totals may not add due to rounding

The New NY Bridge Project

The Tappan Zee Bridge was a major state and regional crossing of the Hudson River in the dense core of the Northeast with no nearby alternative crossings and a significant source of toll revenues for the Thruway System. Opened to traffic in 1955, it was built with a projected useful life of 50 years and serviced traffic that was 40% more than it was designed to handle. Due to growing congestion, the aging of its structural components, and the fact that it had no shoulders for emergency services or disabled vehicles, no mass transit capability and suffered from seismic and other structural deficiencies, the Tappan Zee Bridge was the subject of numerous replacement studies. In 2011, the New NY Bridge Project was advanced to replace the Tappan Zee Bridge.

Formal design and construction of the New NY Bridge Project (now known as "The Governor Mario M. Cuomo Bridge") began in early 2013 and both spans of the bridge are substantially completed and opened for vehicular traffic. The north span opened on August 25, 2017 and the south span opened on September 12, 2018. The Governor Mario M. Cuomo Bridge was constructed under a fixed-price, date-certain, Design-Build Contract with TZC (the "Design-Build Contract"). TZC is a special purpose joint venture of Fluor Enterprises, Inc., American Bridge Company, Granite Construction Northeast, Inc. and Traylor Brothers Inc.

The original budget established at the commencement of the New NY Bridge Project was $3.981 billion and has not changed. As of March 2026, $3.773 billion in total has been spent on the project, leaving an unspent budget balance of approximately $207 million. This unspent budget balance is included in the Authority's 2026 Budget and is available to fund remaining costs necessary to complete the project.

In 2018, as supplemented in 2019 and 2020, TZC submitted a dispute to the Authority alleging that it is owed funds in excess of the approved contract value and anticipated contract change orders (the "Dispute") due to purported issues relating to time and extra work. As of May 2023, TZC claimed that it is entitled to $1.33 billion (inclusive of interest).

Pursuant to the Design-Build Contract, the Dispute is subject to a non-binding contractual dispute resolution procedure consisting of a four-tiered administrative review process. At the conclusion of the administrative review process, TZC may be entitled to pursue litigation in the New York State Court of Claims. While the Authority cannot presently predict the outcome of the Dispute, the Authority believes it has meritorious defenses and positions with respect thereto. However, an adverse decision could significantly affect the Authority's financial position. On July 7, 2021, the first level of the administrative review process was completed when the Project Director for the New NY Bridge Project issued a determination rejecting the Dispute with the exception of granting limited time extensions. TZC appealed this determination to the next tier of administrative review and the Project Director's determination was upheld. Following such denials, TZC submitted the Dispute to the Authority's Executive Director for review and determination. Pursuant to the contract with TZC, in making a determination, the Executive Director shall seek the advice of an advisory committee that is chosen not later than 90 days following the Executive Director's receipt of an unresolved dispute. The advisory committee thereafter has 30 days to convene and 90 days after dispute proceedings (including an oral hearing) to provide a written non-binding recommendation to the Executive Director. Within 30 days of receiving such recommendation, the Executive Director shall provide a written determination regarding the dispute.

On December 8, 2023, the advisory committee, which is independent and partially comprised of members chosen by both TZC and the Authority, recommended that the Authority pay TZC $101.5 million, exclusive of interest, for the claims in the Dispute.

In March 2024, the Executive Director determined that TZC is entitled to $15.6 million for the claims in the Dispute. However, the determination further concludes that TZC owes the Authority a minimum of $111.4 million for liquidated damages and remedial work. After accounting for a contract balance of $33.1 million, the Executive Director's determination concluded that TZC owes the Authority a minimum of $62.7 million. The Executive Director's determination regarding the amount authorized is considered non-binding and subject to the Authority's final determination. If, as of the date of Final Acceptance of the project, the Dispute remains unresolved, the Authority's Chief Engineer and General Counsel may reach a final and binding decision as part of an administrative settlement process. TZC may pursue litigation if it has complied with the contractual resolution process.

On August 22, 2024, the Authority commenced litigation against TZC, its affiliated entities, and its sureties in New York State Supreme Court, Albany County to recover damages for defective work installed by TZC, including main span anchor pipes, that requires remediation. The Governor Mario M. Cuomo Bridge has been declared safe by multiple independent engineers and the planned corrective work is not expected to have a material adverse effect on either the operation of The Governor Mario M. Cuomo Bridge or Authority revenue collections therefrom. Preliminary cost estimates for the remedial work range from $45 million to $80 million. In the event that the Authority is unsuccessful in recovering from TZC, the Authority has sufficient funds in the bridge budget to complete the identified remediation work.

In October 2024, TZC filed a lawsuit against the Authority in the New York State Court of Claims alleging that it is owed approximately $920 million, plus interest, in excess of the approved contract value and anticipated change orders.

In January 2025, the Authority's Chief Engineer and General Counsel issued the final determination of the Authority upholding the determination of the Executive Director that TZC owes the Authority a minimum of $62.7 million. This amount depends on the amount of remediation work that the Authority is entitled to recover and an additional amount yet to be determined for liquidated damages for TZC's failure to timely achieve Final Acceptance.

The following photograph shows the substantially completed Governor Mario M. Cuomo Bridge:

(View of the Hudson River looking west toward Rockland County)

Bridge Inspection Program and Condition Ratings

There are 882 bridges on the Thruway System, excluding bridges on the Cross Westchester Expressway for which the Authority has not assumed any inspection responsibility. The Authority is responsible for inspecting 819 of these bridges, including 391 mainline bridges and 428 overhead and ramp bridges carrying interchange traffic as well as those carrying State and local roads, pedestrian or railroad traffic. The NYSDOT is responsible for inspecting the remaining bridges.

The Authority's inspection program exceeds current federal and State standards. The inspection process strives for strict adherence to both the qualification and training of inspectors, and inspection methodologies as prescribed by NYSDOT. All bridges are inspected biennially as required by the State's Uniform Code of Bridge Inspection (the "Bridge Code"). The Authority contracts with outside consultants to conduct this inspection for approximately half of its bridges. In addition to the Bridge Code requirement, as necessary, the Authority performs an inspection of bridges over waterways after major flooding events, and an inspection of bridges after significant seismic activity in the area. During each general biennial or interim inspection, certain superstructure elements which could cause the failure of a bridge receive particularly close inspection. Bridges over waterways which are identified for underwater diving inspection are also inspected regularly at a frequency recommended in the last diving inspection report as per guidelines issued by NYSDOT.

The Authority has maintenance responsibility for 819 bridges, while NYSDOT and other entities have maintenance responsibility for the remaining bridges. The Authority's bridge maintenance engineers review each bridge inspection report to determine maintenance and rehabilitation needs. A maintenance and rehabilitation program is implemented through in-house crews or through a contracts program depending upon the extent of work required to be performed at any bridge.

A comparison of the Authority's Bridge Ratings for December 2024 and December 2025 are shown as follows.

BRIDGE RATINGS		
CONDITION	**NO. OF BRIDGES**	
	Dec. 2024	Dec. 2025
GENERAL RECOMMENDATION 5-7 Bridges in generally good condition with only minor to moderate repairs required.	708	704
GENERAL RECOMMENDATION 4 Bridges in good to fair condition requiring reconditioning of some structural elements.	101	101
GENERAL RECOMMENDATION 2-3 Bridges in poor condition requiring major repairs or replacement.	10	14

Compared to the previous conditions recorded in December 2024, there are four less bridges with a general recommendation of 5-7, the same amount of bridges with a general recommendation of 4, and four more bridges with a general recommendation of 2-3. Only one bridge received a general recommendation of 2 in December 2025. The bridge with a general recommendation of 2 is currently closed to all traffic.

Federal Funding

Pursuant to the provisions of an agreement dated July 19, 1982, entered into among the Authority, the United States Department of Transportation and the State and in accordance with the provisions of Title 23, United States Code, as amended ("Title 23"), the Authority historically has received federal funds in connection with the funding of various resurfacing, restoration and rehabilitation projects on certain designated interstate portions of the Thruway System. The Authority routinely applies for direct federal grants and has been approved for three in the past year that will result in federal funds being received. Most notable is a $39 million federal grant that will be used to strengthen the infrastructure of the South Grand Island Bridges and perform critical upgrades to make them more resistant to the additional seismic loading caused by an earthquake. The Authority has also received a $21 million federal grant that will be used to partially fund the rehabilitation of the Castleton-on-Hudson Bridge as well as a $1.6 million federal grant received to conduct a Planning and Environmental Linkages (PEL) study focused on the Grand Island Bridges and the I-190 corridor.

Report of Independent Traffic Engineer

The Authority retained Stantec Consulting Services, Inc., as Traffic Engineer ("Traffic Engineer"), to prepare (i) a study dated December 17, 2025, that produced a traffic and revenue forecast based on the Authority's programmed 2024 through 2027 toll modifications and reviewed the operations, physical condition of the Thruway System and projected financial results for the period 2026-2030 (the "December 2025 Traffic Engineer's Report") and (ii) a Bring-Down Letter, dated June 26, 2026 (the "Bring-Down Letter", and collectively with the December 2025 Traffic Engineer's Report, the "Traffic Engineer's Report"). The forecast of traffic and revenues detailed in this section of the Official Statement are based on the toll rate schedules approved by the Authority Board on September 18, 2023 and implemented beginning January 1, 2024. The Traffic Engineer's Report projects that the Authority will generate sufficient revenues needed to fulfill its system-wide operating, debt service, and capital needs, exceed management's targets with respect to debt service coverage (1.55x General Revenue Bonds and 1.35x General Revenue Bonds and Junior Indebtedness Obligations combined) as well as the contractual financial covenants contained in its Bond Resolution and Junior Indebtedness Resolution through the forecast period. Future funding needs through 2030 were established by the Authority at amounts necessary to maintain levels of safety and service, good infrastructure conditions, support Thruway System operations, and maintain the Authority established debt service coverage policy targets.

The Authority's Traffic Engineer, with assistance from Dinmore Engineering, performed a "drive-through" physical inspection of the entire Thruway system during the period of June 23, 2025 through June 27, 2025. While an inspection of this type is not intended to identify specific localized problems, it does provide an overview of the Thruway's physical condition, and is required once every three years in compliance with Section 619 of the Bond Resolution.

The Authority has the ability to increase Net Revenues through periodic toll adjustments. In the Traffic Engineer's opinion, any toll rate adjustments to fill identified revenue shortfalls, inadequate debt service coverage ratios and low pay-as-you-go financing can be implemented on the Thruway System and will result in only small changes to traffic patterns. In addition, the Traffic Engineer's Report concludes that it will be able to:

- Fully fund necessary operations, maintenance and capital expenses;
- Meet the covenants of the Bond Resolution and the Junior Indebtedness Resolution;
- Preserve good overall infrastructure conditions of the Thruway System;
- Comply with the requirements of the Authority's Fiscal Management Guidelines which includes a debt service coverage ratio of 1.5x for the General Revenue Bonds; and
- Maintain targeted levels of debt service coverage.

In the Traffic Engineer's opinion, with the programmed toll adjustments, the Authority will continue to be able to provide good service to its customers and will continue to fulfill its critical role in supporting the State's economy through the forecast period.

The Traffic Engineer's Report contains the following additional conclusions:

- The Authority has the independent, statutory ability to adjust its toll rates and provide significant amounts of additional revenue;
- The Authority's toll rates are relatively low and compare well to other toll systems, allowing for future rate setting flexibility with minimal long-term traffic diversion impact;
- Infrastructure conditions and the capacity of the Thruway System have been considered in the forecasts, and should not adversely affect the projected growth of traffic and toll revenues throughout the forecast period;
- The Authority's facilities have been maintained at high standards over the years, resulting in good overall infrastructure conditions throughout the Thruway System;
- The Authority's planned extensive and regular maintenance programs, asset management systems and long-term capital planning process provide confidence that overall operational and structural integrity of its facilities will be maintained; and
- Target levels of future maintenance and capital expenditures beyond the current 2026-2030 Capital Plan will support the integrity and reliability of the Thruway System.

The conclusions presented above are subject to the limitations and assumptions detailed in the Traffic Engineer's Report. The December 2025 Traffic Engineer's Report and the Bring-Down Letter are set forth in APPENDIX A-1 and APPENDIX A-2 hereto, respectively, and each should be read in their entirety. The December 2025 Traffic Engineer's Report and the Bring-Down Letter are also available for review on the Authority's website.

Actual and Projected Results

The Traffic Engineer has analyzed the Authority's current operations, and projects financial results of the Authority's operations for the years 2026-2030. The forecast of traffic and revenues detailed in the Traffic Engineer's Report are based on the toll schedule with programmed 2024 through 2027 adjustments in effect beginning January 1, 2024 and indicated that projected revenues will enable the Authority to maintain levels of safety and service, good infrastructure conditions, meet its system-wide operating, debt service, and capital needs, as well as maintain the Authority's contractual debt service coverage covenants contained in its Bond Resolution and Junior Indebtedness Resolution and the Board's established debt service coverage policy targets.

The projections summarized in the following table, entitled "Actual and Projected Results" show the Traffic Engineer's findings for the years 2024 through 2027. See APPENDIX A-1 — "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER".

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Actual and Projected Results

(in millions)

	Actual 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030
Toll Revenue[1]	$992.0	$1,031.6	$1,086.6	$1,093.1	$1,099.8	$1,106.4
Other Revenues	128.5	115.3	104.5	99.3	99.6	99.8
Total Revenue	1,120.5	1,146.9	1,191.0	1,192.4	1,199.3	1,206.2
Thruway Operating Expenses	409.4	460.5	469.7	479.1	488.7	498.5
Reserve for Claims, Indemnities and Environmental Remediation and AET transition	6.0	1.0	1.0	1.0	1.0	1.0
Net Revenue (A)	705.1	685.4	720.2	712.3	709.6	706.7
Net General Revenue Bond Debt Service (B)	260.0	266.6	268.8	294.3	313.0	350.5
Net Revenue after General Revenue Bond Debt Service	445.1	418.7	451.6	418.1	396.7	356.1
Retain for Reserve, Working Capital/Adj to cash	(43.4)	0.0	0.0	0.0	0.0	0.0
Reserve Maintenance Deposit[2]	225.8	174.1	191.8	182.3	163.5	171.3
Reserve Maintenance Deposit Adjustment	(13.3)	0.0	0.0	0.0	0.0	0.0
Net Junior Indebtedness Debt Service (C)	110.4	138.2	149.9	146.4	147.4	107.5
Facilities Capital Improvement Deposit	0.0	35.0	37.0	15.0	10.0	0.0
General Reserve Fund Provisions – State Police and Subordinate Debt*	65.5	71.4	72.8	74.3	75.8	77.3
Balance	13.3	0.0	0.0	0.0	0.0	0.0
General Revenue Bond Debt Service Coverage Ratio (A/B)[3]	2.71x	2.57x	2.68x	2.42x	2.27x	2.02x
Junior Indebtedness Debt Service Coverage Ratio (A/(B+C))[3]	1.90x	1.69x	1.72x	1.62x	1.54x	1.54x

Source: Derived from Stantec Consulting Services, Inc., Traffic Engineer's Report dated December 17, 2025, and Bring-Down Letter to Supplement Traffic Engineer's Report, Dated June 26, 2026.

(1) Reflects actual and projected impacts from the revised accounting method for Tolls by Mail allowance and estimated processing delays due to the new back-office tolling system.

(2) Reflects the minimum required deposit to the Reserve Maintenance Fund ($30,000,000) as well as excess revenue intended for pay-as-you-go capital projects (see "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Reserve Maintenance Fund").

(3) The Bond Resolution requires a 1.2x minimum debt service coverage ratio only on General Revenue Bonds while the Junior Indebtedness Resolution requires a 1.2x minimum debt service coverage ratio on combined General Revenue Bonds and Junior Indebtedness Obligations.

* The General Reserve Fund figures reflect Thruway revenues to reimburse the State of New York for costs associated with the New York State Police Troop T patrolling of the Thruway System.

Note: Totals may not add due to rounding.

Future availability of Net Revenues will affect the level of debt service coverage and the amount of debt issued under both the Bond Resolution and the Junior Indebtedness Resolution to fund Authority capital expenditures. The Authority has covenanted to maintain tolls in order that Net Revenues will at least equal both the Net Revenue Requirement under the Bond Resolution and the Junior Indebtedness Net Revenue

Requirement under the Junior Indebtedness Resolution for each year. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Tolls, Fees and Charges".

In addition, the Authority continually monitors its projected needs and financial plan. It also continually reviews projections of revenues and expenses and has the independent power, without approval by the Legislature, the Governor or other person or entity, to increase toll rates to maintain a high level of operating safety and services on the Thruway System, to maintain and rehabilitate the Thruway System, to pay debt service, to meet toll covenants and to maintain the balance of revenues and expenses.

ADDITIONAL AUTHORITY INFORMATION

Employee Relations

Authority employees are represented pursuant to New York State's Public Employees' Fair Employment Act (Taylor Law) by two unions, International Brotherhood of Teamsters (the "Teamsters") and Civil Service Employees Association ("CSEA"). The Teamsters represent the Authority's maintenance and clerical employees while the CSEA represents Authority professional, supervisory and technical employees. At its November 14, 2023 Authority Board meeting, the Authority approved the terms of a collective bargaining agreement with CSEA effective through June 30, 2026. At its March 27, 2023, Authority Board meeting, the Authority approved the terms of a collective bargaining agreement with the Teamsters, effective through June 30, 2026.

Retirement Plans and Other Post-Employment Benefits

The Authority is a participating employer in the New York State and Local Employees' Retirement System ("ERS"). ERS is a cost-sharing multiple-employer retirement system that provides retirement benefits as well as death and disability benefits. Plan benefits are provided under the provisions of the New York State Retirement and Social Security Law and are guaranteed under the State Constitution. The Authority's election to participate in the State plans is irrevocable. Employees in permanent positions are required to enroll in ERS, and employees in part-time or seasonal positions have the option of enrolling in ERS. ERS Tiers I through IV are noncontributory except for employees with less than 10 years of service who contribute 3% of their salary. All Tier V employees contribute 3% of their salary. All Tier VI employees contribute between 3% and 6% of their salary, based upon the amount of their annual salary. Under State law, the Comptroller certifies annually the rates, expressed as proportions of payroll of members, which are used in computing the contributions required to be made by employers. The rates billed by the Comptroller for ERS during the year ended December 31, 2025 ranged from 12.8% to 25.4% and during the year ended December 31, 2024 ranged from 11.3% to 23.5%.

The approximate required Authority contributions for each of the years were as follows (in thousands):

Year	ERS
2025	$24,531
2024	21,698
2023	16,490
2022	14,915

The Authority's contributions in each of the foregoing years were equal to 100% of the contributions required for the period.

Other Post-Employment Benefits

The Authority provides other postemployment benefits, principally employer funded health care. With the exception of part-time toll collectors, substantially all Authority employees may become eligible for these benefits if they reach normal retirement age while working for the Authority. The Authority participates in the New York State Health Insurance Program ("NYSHIP"), an Agent Multiple-Employer Plan. The Authority contributes to the plan to satisfy obligations on a pay-as-you-go basis. For the years ended December 31, 2025, and 2024, the Authority paid $40.5 million and $36.3 million, respectively, on behalf of retirees.

The following table summarizes the Authority's OPEB liability at December 31, 2025 and 2024 (in thousands):

	2025	2024
OPEB Liability	$1,276,279	$1,094,648
OPEB Covered Payroll	$145,615	$124,898
OPEB Liability as a percentage of Covered Payroll	876%	876%

Investments

The Bond Resolution enumerates various investments for Authority funds as authorized by law. See APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION — Definitions — Investment Obligations" and "— Investments of Funds". The Act limits investments to those obligations in which the Comptroller of the State may invest public funds pursuant to Section 98-a of the State Finance Law, as amended from time to time. Title 7, Section 2925 of the Public Authorities Law requires that the Authority Board annually review and approve its investment policies and practices and provides for an annual independent audit of all investments. APPENDIX B includes a copy of the Authority's financial statements and a list of its investments as of December 31, 2025 and 2024. The Authority's investment policies emphasize preservation of principal and the Authority believes its practices are fiscally responsible.

Insurance

Pursuant to the Bond Resolution, the Authority purchases various insurance policies to provide against loss of or damage to the Facilities and loss of revenue, to the extent necessary and reasonably obtainable, to protect the interests of the Authority and the Bondholders. The insurance program is comprised of a combination of policies from major insurance companies, self-insurance and contractual transfer of liability, including naming the Authority as an additional insured and indemnification.

Property damage to bridges is insured through two policies with major insurance companies equal to the maximum probable loss from a single occurrence. The Thruway System's largest bridge, The Governor Mario M. Cuomo Bridge, is separately covered by a commercial insurance policy providing loss of revenue and damage coverage in the amount of $1.645 billion in total for the two spans. A second policy provides terrorism coverage for both spans in the amount of $1.500 billion in the annual aggregate. All of the other Authority's bridges are covered separately, whereby loss of revenues is insured through a use and occupancy policy that covers any interruption in excess of thirty days with a maximum recovery period of 30 months.

The Authority began monitoring and soliciting the insurance market for cyber insurance coverage beginning in 2021, shortly after the conversion to AETC, in an effort to mitigate the effects of any cyber intrusion or attack involving the AETC revenue data. In January 2025, the Authority procured a cyber insurance policy that among other benefits, allows for $40 million in coverage for Business Interruption, which includes loss of business income resulting from a cybersecurity breach on a network owned, operated, or under the control of the Authority, as well as Dependent Business Interruption (or Contingent Business Interruption), which includes coverage for similar business income losses as a result of an attack on a critical vendor.

The Authority purchases insurance for workers' compensation benefits and various liability exposures. In addition, the Authority is self-insured for property damage to its division headquarters buildings and maintenance facilities, and third-party liability, including automobile liability. There are two funded reserves for these exposures, a $2.5 million insurance fund and a reserve for public liability claims which, as of March, 2026, totaled $17.5 million.

Insurance for the Authority's service area facilities is provided by the concessionaires. Also, the liability related to construction projects, tandem trailer operations, authorized garage operations and similar type risks is transferred through contractual indemnification and compliance with Authority insurance requirements..

Other Bond Programs

Pursuant to its statutory mandate, the Authority has from time to time issued bonds to provide funds to finance primarily non-Authority transportation projects in the State. Those bonds and the programs discussed below have no lien on the Revenues, assets or properties of the Authority which secure the Bonds and the Junior Indebtedness Obligations. Those bond programs include the General Highway and Bridge Trust Fund Bonds, State Personal Income Tax Revenue Bonds, and State Sales Tax Revenue Bonds, all issued or expected to be issued in multiple series. These bond programs require varying debt service payments which are payable solely from payments received by the Authority under contractual agreements with the State. In each of these bond programs, the obligation of the State to make such payments is subject to, and dependent upon, annual State legislative appropriations. The State may from time to time authorize the Authority by statute to undertake additional financing activities.

INVESTMENT CONSIDERATIONS

The Series R Bonds are special obligations of the Authority which are secured and payable solely from the Net Revenues available therefor under the Bond Resolution. The following is a discussion of certain investment considerations that should be considered in evaluating an investment in the Series R Bonds. This discussion does not purport to be either comprehensive or definitive. The order in which such considerations and risks are presented is not intended to reflect either the likelihood that a particular event will occur or the relative significance of such an event. Moreover, there may well be other considerations and risks associated with an investment in the Series R Bonds in addition to those set forth herein. Investors are advised to read the entire Official Statement, including the appendices hereto, to obtain information essential to the making of an informed investment decision.

Traffic Engineer's Report

As the Traffic Engineer for the Authority, Stantec was requested by the Authority to prepare the Traffic Engineer's Report presenting its analyses and findings relative to recent trends in traffic and revenue on the Thruway System. See "APPENDIX A-1 – TRAFFIC ENGINEER'S REPORT" attached to this Official Statement. Certain information contained in the December 2025 Traffic Engineer's Report has been updated by Stantec in the Bring-Down Letter. See "APPENDIX A-2 – BRING-DOWN LETTER" attached to this Official Statement. *The revenue forecasts contained in the Traffic Engineer's Report and in the Bring-Down Letter are based upon certain assumptions and limits set forth or incorporated therein which should be reviewed by potential investors to assure an understanding of some of the risks inherent in such estimates and projections. The Traffic Engineer's Report projects the Authority's programmatic needs for the period through 2030 and concludes that with the implemented toll adjustments, the Authority will generate sufficient revenues needed for the Authority to fulfill its system-wide operating, debt service, and capital needs through the upcoming forecast period.* The Traffic Engineer's Report is not a guarantee of any future events or trends and the forecasts therein are subject to future economic and social conditions and demographic developments that cannot be predicted with certainty. Further, the estimates, projections and assumptions in the Traffic Engineer's Report are inherently subject to significant economic and competitive uncertainties and contingencies, many of which are beyond the control of the Authority. Failure to achieve or realize any of the assumptions listed in the Traffic Engineer's Report may have a materially adverse effect upon the Net Revenues actually realized by the Authority.

The information provided with respect to toll revenues collected by the Authority is based on historical data. The amount of future toll revenues to be collected by the Authority depends upon a number of factors, some of which are not in the control of the Authority. Some of these factors include a decline in traffic on the Thruway System due to general economic conditions, diversion of traffic to alternative non-toll routes, increased fuel costs, limited supply of fuel, availability of alternate forms of travel and shipping, and government regulations, such as Clean Air Act requirements, increased mileage standards or higher fuel taxes, which could significantly restrict motor vehicle use, as well as international events affecting fuel supply and costs.

On September 18, 2023, the Authority's Board of Directors approved a set of recent and future toll modifications on The Governor Mario M. Cuomo Bridge and systemwide. A detailed narrative of these 2024 through 2027 toll increases can be found in Table 16 of APPENDIX A — "TRAFFIC ENGINEER'S REPORT" hereto.

As shown in the Traffic Engineer's Report and the Authority's financial plan, the approved toll schedule included a 5% increase to base NY E-ZPass rates on January 1, 2024, with another 5% increase to base NY E-ZPass rates scheduled for January 1, 2027. Out-of-state E-ZPass and Tolls by Mail tolls were increased from their prior 15% and 30% differentials above the NY E-ZPass rate, respectively, to 75% above the NY E-ZPass rate on January 1, 2024. In addition, at The Governor Mario M. Cuomo Bridge, the base NY E-ZPass passenger car toll was increased by 50 cents in January 2024 and each January thereafter through 2026, with another 50 cent increase approved for January 2027. Passenger cars on the Westchester/Rockland Resident Plan saw their discount change from the prior 17% to 20% in January 2024, and the 40% commuter discount program has been maintained through 2027. Commercial rates were increased proportionately to the car rates in January 2024, January 2025 and January 2026; proportional increases will similarly be applied in January 2027.

The forecasts in this study assume no toll increases or adjustments to fees beyond the programmed toll modifications through 2027. In the unlikely event of a shortfall, the Authority has the power, without approval by the Legislature or the Governor, to increase toll rates to maintain its high level of operating safety and services on the Thruway System, to maintain and rehabilitate the Thruway System, to pay debt service, to meet toll covenants and to maintain the balance of revenues and expenses. It is the opinion of the Traffic Engineer that given the essentiality of the Thruway System and its currently low relative toll rates (compared to other toll roads nationally), the Authority has the ability to generate additional revenues if required.

Toll-Backed Components of the 2026-2030 Capital Plan

The planned and ongoing capital improvements to the Thruway System to sustain a state of good repair are primarily dependent upon additional debt and pay-as-you-go funding. Revenue actions which the Authority determines to be necessary to fund such Capital Plan obligations are contingent on future Board action, environmental reviews and traffic demand. The Authority has consistently fulfilled its responsibilities to maintain a state of good repair and its safety record exceeds the norms of the national interstate highway system. The Authority expects to maintain access to the capital markets to finance its capital costs and other system-wide capital needs through adherence to Board-adopted fiscal policies that assure continuation of the Authority's stable credit ratings, as well as strict controls over future operating costs and a disciplined approach to capital project selection.

Risks Relating to Natural and Catastrophic Events

It is possible that a natural disaster (e.g., earthquake, landslide), severe weather (e.g., tornados, floods, hurricanes, extreme wind and storm), or any other event (e.g., terrorism, explosion, ship strike) that damages the Thruway System, including The Governor Mario M. Cuomo Bridge, could reduce toll revenues projected to be generated by the Thruway System or significantly increase the expense of maintaining or restoring elements of the Thruway System. These risks are generally covered by Authority insurance policies for property damage and business interruption, and, in the extreme, assistance from the Federal Emergency Management Agency. If any of the foregoing events occur, to the extent not fully covered by insurance or

federal disaster assistance, the Authority's ability to meet its financial obligations, including the payment of debt service could be adversely affected.

Climate Change

The Thruway System is affected by changing climate conditions across the State, including more intense precipitation events, higher temperatures, increased flooding events, and greater variability in winter weather. These impacts influence project scoping, design standards, materials selection, and lifecycle costs. When feasible, projects include resilient system improvements through changes in roadway alignment, use of higher-performance pavement designs, and more resilient design options evaluated in the life-cycle cost analyses.

Risks Relating to the Impact of Public Health Events on Revenues

The COVID-19 coronavirus global pandemic that was declared by the World Health Organization in March 2020, had a measurable adverse impact on Thruway revenues in 2020 and 2021 before recovering in 2022. Any future outbreak of a disease or similar public health threat could similarly affect travel demand or travel behavior, or result in travel restrictions, which in turn, could have a material adverse impact on Thruway System revenues.

Risks Relating to Delays and Cost Increases

In connection with the Projects included in the 2026-2030 Capital Plan, there is a possibility of time delays and cost increases resulting from (i) design and construction problems and resulting change orders, (ii) environmental matters, (iii) the unavailability or cost of acquiring rights-of-way, (iv) historic and unidentified subsurface conditions, (v) utility relocation problems, (vi) hazardous materials, (vii) force majeure events, (viii) litigation, or (ix) inflation in the costs of materials and labor. As a result, there can be no assurance that the costs of completion for various capital projects will not exceed current estimates, or that the completion of such Projects will not be delayed beyond the scheduled completion date. Variations in cost estimates and delays in construction could be material.

As the Facilities age, it is expected that their respective operating costs will continue to increase and that there will be an increasing need for capital investment for the redevelopment, renovation or rehabilitation of existing and additional facilities in order for the Authority to continue to maintain good infrastructure conditions. The Authority has experienced increases in its projected operating costs due to, among other things, the ongoing impact of inflation and higher than anticipated costs for winter storm overtime wages, cashless tolling administration and biennial bridge inspections. The Authority's operating revenues are also subject to the effects of national and regional political and economic conditions, external events and equipment costs. While the Authority has taken steps to offset increased costs in its operations and construction activities via strict controls over future operating costs and a disciplined approach to capital project selection, there can be no assurance that such costs will not materially increase.

Risks Relating to Federal Funding

The Authority historically has received federal funds in connection with the funding of various resurfacing, restoration and rehabilitation projects on certain designated interstate portions of the Thruway System. The Authority continues to monitor developments involving the federal government, which can result in shifts in the level of federal transportation funding that is provided to state and local instrumentalities. The Authority cannot predict the outcome of such proposals and other actions, nor the potential impacts of any future such changes in federal policy on future grants and/or Authority operations.

Risks Relating to All Electronic Toll Collection

The Authority converted the entire Thruway System to AETC in November 2020. While there are many benefits to AETC, the Thruway System-wide conversion to AETC presents revenue risk that must be considered. Electronic toll collection records patron trips through the use of overhead gantries at AETC locations equipped with readers to detect E-ZPass transponders, and cameras to photograph license plates of

non-E-ZPass customers. Trips charged to patrons using E-ZPass transponders are recorded and paid to the Authority electronically through their related pre-paid E-ZPass accounts; non-E-ZPass customers are billed by mail. AETC for both E-ZPass customers and non-E-ZPass customers is dependent upon uninterrupted gantry operation, including physical and technological components. The Authority mitigates the technology and recording risk by careful design of each AETC location and physically protecting its AETC equipment, hardware and software, providing for appropriate backup equipment and periodic testing. Additionally, the Authority has secured an insurance policy for The Governor Mario M. Cuomo Bridge that incorporates coverage of its AETC equipment (including coverage for certain lost toll revenues), although the future availability of such coverage at a reasonable price cannot be assured. Collection for non-E-ZPass customer trips recorded via AETC can be affected by the inability to invoice due to poor license plate photos. The timely collection of tolls can also be affected by delays in invoicing patrons, delays in payment, or non-payment. The Authority mitigates collection risk through marketing of E-ZPass to patrons, the use of late fees as part of the invoicing process, imposing additional violation fees for non-payors, utilization of a contracted collection agency for delinquent accounts, enforcement of the New York State motor vehicle regulation mandating suspension of vehicle registration for repeat violators, entering into reciprocity agreements with other states for toll enforcement, and improving and updating technology where possible.

See APPENDIX A-1 — "TRAFFIC ENGINEER'S REPORT" and APPENDIX A-2 – "BRING-DOWN LETTER" for a discussion of additional considerations relating to the Authority's implementation of AETC on the Thruway System.

Tariffs and Trade Restrictions

There is currently significant uncertainty about the future relationship between the United States and various other countries with respect to trade policies and tariffs. Tariffs or trade restrictions that may be implemented by the United States or retaliatory trade measures or tariffs implemented by other countries could result in reduced economic activity, increased costs in operating the Authority's business and changes in freight movement. While tariffs and other retaliatory trade measures imposed by other countries on the United States have not yet had a significant impact on the Authority's revenues and operations, the Authority cannot predict future developments and the potential impacts.

Cybersecurity

The Authority recognizes the critical importance of robust cybersecurity to safeguard electronic data throughout its lifecycle including capture, transfer processing and storage. In the normal course of business, the Authority collects, processes, and stores sensitive information, including tolling trip data, financial records, employment records and other operational details, some of which may contain personally identifiable information of customers and employees.

Maintaining confidentiality, integrity, and availability of electronic information is essential to the Authority's operations. Through its Department of Information Technology, the Authority has established comprehensive procedures, implemented security programs, and conducted regular testing to help ensure data security and compliance with applicable standards.

However, as the cyber threat landscape continues to evolve, no security program can guarantee absolute protection. Despite current and future enhancements, the Authority's systems may be vulnerable to attempts to disrupt operations, disable software, or steal, ransom, or delete data. While cybersecurity and operational safeguards are periodically tested and upgraded, the Authority cannot provide assurances that these measures will fully prevent unauthorized access or eliminate the risk of significant operational or financial impacts.

To address these challenges, the Authority continues to invest heavily in cybersecurity by:

· Procuring, maintaining, and upgrading security hardware and software

· Enhancing monitoring and alert systems

· Providing ongoing staff training

· Maintaining secure backups of critical data to ensure continuity of operations

Ratings of the Bonds Could be Lowered or Withdrawn

Two credit rating agencies have assigned credit ratings to the Bonds, including the Series R Bonds. The ratings of the Bonds are not a recommendation to purchase, hold or sell the Bonds, and the ratings do not comment on the market price or suitability of the Bonds for a particular investor. The ratings of the Bonds may not remain for any given period of time and may be lowered or withdrawn.

Certain Matters Relating to Enforceability of Obligations

The remedies available to the owners of the Series R Bonds upon the occurrence of an Event of Default under the Bond Resolution are, in many respects, dependent upon regulatory and judicial actions that are often subject to discretion or delay. Under existing law and judicial decisions, including specifically the United States Bankruptcy Code, the remedies specified in the Bond Resolution may not be readily available or may be limited. However, the Authority is not authorized under existing State law to file for bankruptcy under the United State Bankruptcy Code. Enforcement of such remedies (i) may be subject to general principles of equity which may permit the exercise of judicial discretion, (ii) are subject to the exercise in the future by the State and its agencies and political subdivisions of the police power inherent in the sovereignty of the State, (iii) may be subject, in part, to the provisions of the United States Bankruptcy Act and other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect, and (iv) are subject to the exercise by the United States of the powers delegated to it by the Constitution of the United States of America. The various legal opinions to be delivered concurrently with the delivery of the Series R Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series R Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Legislative Action

Legislation is introduced from time to time in the State Legislature which, if adopted, may affect the Authority and/or the Thruway System. The Authority cannot predict whether or not these bills will be enacted into law or how such legislation may affect the Authority and its ability to pay debt service on the Series R Bonds. Under the Act, the State has agreed with the holders of the bonds and notes of the Authority, including the Bonds, that it will not limit or alter the rights vested by the Act in the Authority to establish and collect such fees, rentals and charges as may be convenient or necessary to produce sufficient revenue to meet the expense of maintenance and operation and to fulfill the terms of any agreements made with such holders of bonds, or in any way impair the rights and remedies of such bondholders and noteholders.

LITIGATION

There is no litigation pending or, to the knowledge of the Authority, threatened in any court, questioning the creation, organization or existence of the Authority, the title to office of the members or officers of the Authority, the validity of any provision of the Series R Bonds or the Bond Resolution, or any proceedings of the Authority taken with respect to the issuance or sale thereof, or seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series R Bonds.

The Seneca Nation of Indians filed an action on April 11, 2018, in United States District Court for the Western District of New York (the "Western District" or the "District Court"), alleging that the October 5, 1954 permanent easement for a portion of Thruway going through the Seneca Nation's Cattaraugus Reservation was never legally valid or effective because the easement did not comply with federal law requiring approval of the Secretary of the Interior. Seneca Nation v. Andrew Cuomo, Eric T. Schneiderman, Paul A. Karas, Thomas P. DiNapoli, The New York State Thruway Authority. The Seneca Nation is seeking an injunction requiring a valid easement, an injunction requiring that the Comptroller of the State of New

York segregate and hold in escrow all future toll moneys collected on the Thruway System that are fairly attributable to the portion of the easement, and compensation pro rata for future use of its land or to prohibit the collection of tolls on the portion of land through the territory without a valid easement. A motion to dismiss the lawsuit was filed on June 5, 2018. On September 3, 2020, the Western District denied the Authority/State motion to dismiss on September 3, 2020. On January 26, 2023, the United States Court of Appeals for the Second Circuit (the "Second Circuit") affirmed the District Court's denial of the Authority/State motion to dismiss and remanded the case to the Western District. The Authority/State and the Seneca Nation filed motions for summary judgment in February 2025. In its motion for summary judgment, the Seneca Nation seeks an order that "a valid easement be negotiated based on an annual payment of $21.19 million." On September 30, 2025, the U.S. Magistrate Judge for the Western District of New York issued a Report and Recommendation. In the Report and Recommendation, which is non-binding, the Magistrate recommended granting the Seneca Nation summary judgment on its claim for declaratory relief (concluding that the easement violated the Nonintercourse Act and is therefore invalid). However, the Magistrate did not recommend granting the Nation summary judgment on its claim for a mandatory injunction or order the payment of $21 million annually to the Seneca Nation. The Magistrate "recommends that the District Court order that the parties return to mediation in order to negotiate the terms of a new easement." On November 14, 2025, the State/Authority issued objections to the Report.

The Cayuga Nation of Indians filed an action on December 11, 2023 in the Western District alleging that continued operation of the Thruway through the Cayuga Nation's Reservation without a valid right-of-way approved by federal officials violates the Cayuga Nation's sovereign right to its reservation, as established by the Treaty of Canandaigua in 1794. The Cayuga Nation is seeking an injunction requiring a valid right-of-way, an injunction requiring that the Comptroller of the State of New York segregate and hold in escrow all future toll moneys collected on the Thruway System that are fairly attributable to the portion of the easement, and compensation pro rata for future use of its land or to prohibit the collection of tolls on the portion of land through the territory without a valid right-of-way. The Authority has submitted a motion to dismiss the complaint. The Authority is unable at this time to predict the outcome of such litigation or the impact of an unfavorable decision on the Authority. In 2005, the Second Circuit for the United States Court of Appeals dismissed a similar lawsuit brought by the Cayuga Nation against the State of New York.

In October 2024, TZC, a special purpose joint venture of Fluor Enterprises, Inc., American Bridge Company, Granite Construction Northeast, Inc. and Traylor Brothers Inc., filed a lawsuit in the New York State Court of Claims alleging that it is owed approximately $920 million, plus interest, in excess of the approved contract value and anticipated change orders under its Design-Build Contract with TZC. The lawsuit submitted by TZC relates to issues of time and extra work. The Authority disputes these claims. The litigation is ongoing, and discovery has commenced. While the Authority cannot presently predict the outcome of this matter, the Authority believes that it has meritorious defenses and positions with respect thereto. However, an adverse decision could significantly affect the Authority's financial position. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Facilities" regarding the contractual dispute between the Authority and TZC related to the New NY Bridge Project.

The Authority is a party to various legal proceedings including negligence suits, many of which arise in the normal course of the Authority's operations, a majority of which will, in the opinion of the Authority, be disposed of within the amounts which the Authority has reserved or has available therefor, or, as applicable, within the amounts of insurance coverage provided therefor and without any material adverse effect on the financial position of the Authority. The Authority maintains a claims reserve sufficient to cover anticipated liability and it is periodically replenished. In addition, there are claims where liability is not probable but is possible and estimable. The estimated loss on these claims is approximately $50 million at December 31, 2025, none of which has been accrued.

TAX MATTERS

Federal Income Taxes

In the opinion of Harris Beach Murtha Cullina PLLC Bond Counsel to the Authority ("Bond Counsel"), and assuming compliance with the representations, certifications and covenants described below,

under existing statutes, regulations, administrative rulings and court decisions as of the date of such opinion, interest on the Series R Bonds is excluded from gross income for federal income tax purposes. Furthermore, in the opinion of Bond Counsel, such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, interest on the Series R Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at the time of, and subsequent to, the issuance and delivery of the Series R Bonds in order that interest on the Series R Bonds be and remain excluded from gross income for federal income tax purposes. Included among these continuing requirements are certain restrictions and prohibitions on the use of proceeds of Series R Bonds, restrictions on the investment of proceeds of Series R Bonds and other moneys or properties, and the rebate to the United States of certain earnings in respect of investments. Noncompliance with such continuing requirements may cause the interest on the Series R Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series R Bonds irrespective of the date on which such noncompliance occurs. The Bond Resolution and the Arbitrage and Use of Proceeds Certificate delivered by the Authority at the time of delivery of the Series R Bonds (the "Arbitrage Certificate") contain certain factual certifications, covenants, representations and warranties as to compliance with the requirements of the Code. In rendering the above-described opinions, Bond Counsel will assume the accuracy of such factual certifications and continuing compliance by the Authority with such covenants, representations and warranties set forth in the Bond Resolution and the Arbitrage Certificate.

All of the Series R Bonds ("Premium Bonds") are being offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the existence of bond premium, the determination for federal income tax purposes of the amount of bond premium properly accruable or amortizable in any period with respect to Premium Bonds, other federal tax consequences in respect of bond premium, and the treatment of bond premium for purposes of state and local taxes on, or based on, income.

Bond Counsel expresses no opinion regarding any other federal tax consequences related to the ownership or disposition of, or receipt or accrual of interest on, the Series R Bonds. The proposed form of the approving opinion of Bond Counsel relating to the Series R Bonds is attached to this Official Statement as Appendix F.

In addition to the matters referred to in the preceding paragraphs, prospective purchasers of the Series R Bonds should be aware that the accrual or receipt of tax-exempt interest on the Series R Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences may depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Examples of collateral federal income tax consequences of acquiring or holding the Series R Bonds include, without limitation, (i) with respect to certain insurance companies, the Code reduces the deduction for loss reserves by a portion of the sum of certain items, including interest on the Series R Bonds, (ii) interest on the Series R Bonds earned by certain foreign corporations doing business in the United States may be subject to a branch profits tax imposed by the Code, (iii) passive investment income, including interest on the Series R Bonds, may be subject to federal

income taxation under the Code for certain S corporations that have certain earnings and profits, and (iv) the Code requires recipients of certain Social Security and certain other federal retirement benefits and the earned income tax credit, to take into account, in determining gross income, receipts or accruals of interest on the Series R Bonds.

In addition, the Code generally denies the interest deduction for indebtedness incurred or continued by a taxpayer, including without limitation, banks, thrift institutions, and certain other financial institutions to purchase or carry tax-exempt obligations, such as the Series R Bonds. The foregoing is not intended as an exhaustive list of potential tax consequences.

The foregoing is not intended as an exhaustive list of potential tax consequences. Prospective purchasers of the Series R Bonds should consult with their tax advisors in order to understand the implications of the Code as to these and other federal and state tax consequences, as well as any local tax consequences, of purchasing or holding the Series R Bonds.

All quotations from and summaries and explanations of provisions of law do not purport to be complete, and reference is made to such laws for full and complete statements of their provisions.

State and Local Income Tax

In the opinion of Bond Counsel, under existing statutes, including the Act, interest on the Series R Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof.

Any noncompliance with the federal income tax requirements set forth above would not affect the exemption of interest on the Series R Bonds from personal income taxes imposed by New York State or any political subdivision thereof.

Bond Counsel expresses no opinion regarding any other state or local tax consequences related to the ownership or disposition of, or the receipt or accrual of interest on, the Series R Bonds.

Interest on the Series R Bonds may or may not be subject to state or local income taxes in jurisdictions other than the State of New York under applicable state or local tax laws. Bond Counsel expresses no opinion, however, as to the tax treatment of the Series R Bonds under other state or local jurisdictions. Each purchaser of Series R Bonds should consult his or her own tax advisor regarding the taxable status of the Series R Bonds in a particular state or local jurisdiction other than the State of New York.

Other Considerations

Bond Counsel has not undertaken to determine or to inform any person whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series R Bonds may adversely affect the value of, or the tax status of, interest on, the Series R Bonds.

Certain requirements and procedures contained or referred to in the Bond Resolution, the Arbitrage Certificate and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of nationally recognized bond counsel. Bond Counsel expresses no opinion as to any federal, state or local tax consequences with respect to the Series R Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of a bond counsel other than Bond Counsel.

No assurance can be given that any judicial decisions or action of the Internal Revenue Service, including but not limited to the promulgation of a regulation or ruling, or the selection of the Series R Bonds for audit examination or the course or result of any Internal Revenue Service examination of the Series R

Bonds or obligations which present similar tax issues, will not affect the market price or marketability of the Series R Bonds.

From time to time the United States Congress has considered and can be expected in the future to consider tax reform and other legislative proposals, including some that carry retroactive effective dates, which, if enacted, could alter or amend the federal tax-exempt status, or adversely affect the market value, of the Series R Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Series R Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel, expresses no opinion regarding any pending or proposed federal tax legislation. In the event any such legislation which amends the federal tax-exempt status or adversely affects the market value of the Series R Bonds become law, the Bond Resolution does not provide for the increase in interest rate on the Series R Bonds or the mandatory redemption of the Series R Bonds. Also, Bondholders of the Series R Bonds are not indemnified for any costs or losses (e.g., tax deficiencies, interest and penalties, loss of market value) that may be incurred as a result of a change in law.

No assurance can be given that any amendments to the State income tax laws, regulations, administrative rulings, or court decisions, will not cause interest on the Series R Bonds to be subject, directly or indirectly, to State or local income taxation, or otherwise prevent Bondholders from realizing the full current benefit of the tax status of such interest.

All quotations from and summaries and explanations of provisions of law do not purport to be complete, and reference is made to such laws for full and complete statements of their provisions.

Prospective purchasers of the Series R Bonds should consult their own tax advisors regarding the foregoing matters.

See APPENDIX F for the proposed form of approving opinion of Bond Counsel to be rendered on the date of delivery of the Series R Bonds.

RATINGS

Moody's Ratings ("Moody's") has rated the Series R Bonds "Aa3" with a stable outlook. S&P Global Ratings ("S&P") has rated the Series R Bonds "A+" with a stable outlook.

Ratings reflect only the respective views of such organizations, and any desired explanation of the significance of such ratings should be obtained from the rating agencies furnishing the same. The Authority furnished to such rating agencies certain materials and information in addition to that provided here. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by any or all of such rating agencies if, in the judgment of any or all of them, circumstances so warrant. Any such downward revision or withdrawal of such rating or ratings may have an adverse effect on the market price of the Series R Bonds. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

SALE BY COMPETITIVE BIDDING

The Series R Bonds were awarded pursuant to two separate competitive bidding processes on July 8, 2026. The Series R Bonds Maturity Group 1, comprised of Series R Bonds maturing on January 1 in the years 2033 through 2046, inclusive, were sold to JP Morgan Securities LLC. The Series R Bonds Maturity Group 2, comprised of Series R Bonds maturing on January 1 in the years 2047 through 2054 inclusive, and 2056, were sold to BofA Securities. The Series R Bonds Maturity Group 1 will be purchased at an aggregate price of $332,817,913.17, which reflects an aggregate original issue premium of $37,516,542.75 and an aggregate Initial Purchaser's discount of $863,629.58. The Series R Bonds Maturity Group 2 will be purchased at an aggregate price of $281,599,943.70, which reflects an aggregate original issue premium of $13,249,417.20 and an aggregate Initial Purchaser's discount of $834,473.50.

The respective initial purchasers (each an "Initial Purchaser") have supplied the information as to the initial public offering prices of the Series R Bonds as set forth on the inside cover of this Official Statement.

The Series R Bonds may be offered and sold to certain dealers at prices lower than the public offering prices set forth on the inside cover page, and such public offering prices may be changed from time to time by the Initial Purchasers.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Robert Thomas CPA, LLC ("Robert Thomas") will deliver to the Authority on or before the settlement date of the Series R Bonds, its report indicating that it has verified the mathematical accuracy of schedules provided by the Authority and its representatives. Included in the scope of its engagement will be a verification of the mathematical accuracy of the mathematical computations of the adequacy of the maturing principal of and interest on the Government Obligations, to pay, when due, the maturing principal of and interest on the Refunded Bonds.

The verification performed by Robert Thomas will be solely based upon data, information and documents provided to Robert Thomas by the Authority and its representatives. The Robert Thomas verification report will state that Robert Thomas has no obligation to update the report because of events occurring, or data or information coming to their attention, subsequent to the date of the report.

LEGALITY OF INVESTMENT

Pursuant to the Act, the Series R Bonds are made securities in which all public officers and bodies of the State and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and saving associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them. The Series R Bonds are also made securities which may be deposited with and may be received by all public officers and bodies of the State and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized.

LEGAL MATTERS

All legal matters incident to the authorization and issuance of the Series R Bonds are subject to the approval of Harris Beach Murtha Cullina PLLC, New York, New York, Bond Counsel to the Authority. Certain legal matters are subject to the approval of Joseph P. Igoe, Esq., First Deputy General Counsel of the Authority.

CONSULTANT'S AND ACCOUNTANT'S REPORTS

The December 2025 Traffic Engineer's Report and the Bring-Down Letter are set forth in APPENDIX A-1 and APPENDIX A-2 hereto, respectively, of this Official Statement in reliance upon the authority of Stantec as experts. The Traffic Engineer has advised the Authority that it has reviewed the summaries contained in this Official Statement of the information, estimates and projections contained in the Traffic Engineer's Report and that, in its opinion, the statements made herein are correct and fairly present in summary form the information contained in such reports, and that all material assumptions or qualifications with respect to such statements are reflected therein. The December 2025 Traffic Engineer's Report and the Bring-Down Letter are also available for review on the Authority's website.

The financial statements of the Authority as of December 31, 2025, and 2024, and for the years then ended, included in APPENDIX B of this Official Statement have been audited by BST & Co. CPAs, LLP, independent auditors, as stated in their report appearing in herein.

CO-FINANCIAL ADVISORS

The Authority has retained Public Resources Advisory Group and Frasca & Associates, LLC to serve as Co-Financial Advisors (the "Co-Financial Advisors") in connection with the issuance of the Series R Bonds. Although the Co-Financial Advisors have reviewed the Official Statement, the Co-Financial Advisors have not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of information in the Official Statement. The Co-Financial Advisors are independent financial advisory firms not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Initial Purchaser of the Series R Bonds in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Authority and the Trustee will enter into a written agreement (the "Continuing Disclosure Agreement") for the benefit of the holders of the Series R Bonds to provide continuing disclosure on an annual basis on or before 120 days after the end of each fiscal year, commencing with the fiscal year ending December 31, 2026. Pursuant to the Continuing Disclosure Agreement, the Authority will also undertake to provide no later than 120 days after the end of each of its fiscal years, commencing with the fiscal year ending December 31, 2026, the Authority's annual financial statements for such year, prepared in accordance with GAAP and audited by an independent firm of certified public accountants in accordance with generally accepted auditing standards, to the MSRB; provided, however, that if audited financial statements are not then available, unaudited financial statements shall be so provided and such audited financial statements shall be provided to the MSRB if and when available. The form of the Continuing Disclosure Agreement is attached hereto as "APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT".

The Authority has not in the previous five years failed to comply, in all material respects, with any previous undertakings pursuant to Rule 15c2-12; however, in 2024, the Authority failed to timely file a listed event notice with respect to a ratings upgrade of its Bonds by S&P.

MISCELLANEOUS

The references herein to the Act and the Bond Resolution are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and reference is made to the Act and the Bond Resolution for full and complete statements of such provisions. Copies of the Act and the Bond Resolution are on file at the offices of the Authority and the Trustee.

The agreements of the Authority with the holders of the Series R Bonds are fully set forth in the Bond Resolution. Neither any advertisement of the Series R Bonds nor this Official Statement is to be construed as a contract with the holders of the Series R Bonds.

Any statements in this Official Statement involving matters of opinion, forecasts or estimates, whether or not expressly stated, are intended merely as expressions of opinion, forecasts or estimates and not as representations of fact.

The execution and delivery of this Official Statement by its Chief Financial Officer and Treasurer has been duly authorized by the Authority.

NEW YORK STATE THRUWAY AUTHORITY

By: /s/ David Malone
Chief Financial Officer and Treasurer

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APPENDIX A-1

TRAFFIC ENGINEER'S REPORT

DATED DECEMBER 17, 2025

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New York State Thruway
Traffic and Revenue Report
Including a Review of the
Physical Condition of the Thruway System

December 17, 2025

Prepared for:

New York State Thruway Authority

Prepared by:

Stantec Consulting Services, Inc.

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1.0 INTRODUCTION AND EXECUTIVE SUMMARY

The New York State Thruway Authority ("Authority" or "Thruway Authority") has requested that Stantec Consulting Services Inc. ("Stantec") provide an investment grade traffic and revenue study for its General Revenue Junior Indebtedness Obligations Series 2026A ("2026A JIOs").

The forecasts of traffic and revenues set forth herein are based on the Authority's Board-approved 2024 through 2027 toll modifications, as summarized in Table 1.

Table 1: Adopted 2024 through 2027 Toll Modifications

GOVERNOR MARIO M. CUOMO BRIDGE TOLL RATE ADJUSTMENTS	
Toll Modification Element	**Description**
Gov. Mario M. Cuomo Bridge: Increase Base NY *E-ZPass* to a rate of $7.75 by 2027	50-cent annual increases to the base NY *E-ZPass* passenger toll rates on the Gov. Mario M. Cuomo Bridge each January 1st from 2024 through 2027. This results in a base NY *E-ZPass* rate for passenger vehicles increasing to $7.75 by 2027. Commercial rate increases are proportionate to the passenger rate increases. (Note that Systemwide adjustments to Non-NY *E-ZPass* and Tolls by Mail ("TBM") are applied on top of these base increases.)
40% Commuter Discount Program	Continuation of the commuter discounted rate of 40 percent off the NY *E-ZPass* rate for passenger vehicles that opt into the program. Consistent with the policy prior to the toll adjustments, the rates assume that a minimum of 20 trips are made in that month; if fewer than 20 trips are taken per month, customers are charged for each trip not taken. This program is offered to class 2L vehicles only, with a New York *E-ZPass*.
Resident Discount Program	An increase in the resident discount *E-ZPass* Plan for qualified Westchester and Rockland residents from a 17 percent to a 20 percent discount off the NY *E-ZPass* rate beginning on January 1, 2024. This program is only offered to class 2L passenger vehicles with a NY *E-ZPass* who opt into the plan and provide proof of residency.
SYSTEMWIDE TOLL RATE ADJUSTMENTS	
NY *E-ZPass* Rates	Base NY *E-ZPass* rate increases of 5 percent on January 1, 2024 and January 1, 2027 at all locations other than the Gov. Mario M. Cuomo Bridge.
Incentivize NY *E-ZPass* Usage	Beginning on January 1, 2024, an increase in the 30 percent TBM rate differential (a toll rate 30 percent above the NY *E-ZPass* rate) to a 75 percent differential above the NY *E-ZPass* rate.
Non-NY *E-ZPass* Rates	Beginning on January 1, 2024, an increase in the 15 percent Non-NY *E-ZPass* toll rate differential (a toll rate 15 percent above the NY *E-ZPass* rate for Non-NY *E-ZPass* tolls) to a 75 percent differential above the NY *E-ZPass* rate.

The toll modifications that took effect on January 1st, 2024 on the full the 570-mile Thruway System ("Thruway", or "Thruway System") and on January 1st, 2025 at the Gov. Mario M. Cuomo Bridge ("Cuomo Bridge") are included in the table. In addition to annual 50-cent base toll increases at the Cuomo Bridge, base tolls (tolls charged to NY *E-ZPass* customers) were increased by 5 percent on the rest of the system in 2024 as well as new rates for Non-NY *E-ZPass* and Tolls by Mail ("TBM") customers that are 75 percent higher than the base rate.

Other than the January 2024 and 2025 toll increases, there have been other events and changes to the system in recent years that have impacted traffic and revenue:

- The Controlled System was converted to all-electronic toll collection ("AETC"), also known as cashless tolling, in November 2020. The rest of the Thruway System had previously been converted - the Cuomo Bridge (formerly the Tappan Zee Bridge) in 2016, and the other toll barriers in 2018.
- The COVID-19 pandemic ("COVID-19") that began in March 2020 resulted in significant declines in Thruway traffic and toll revenues followed by several years of recovery, and a return to normal growth patterns.
- Tolls were modified in both 2021 and 2022 on the Cuomo Bridge for all vehicles except passenger cars participating in the new Resident Plan available to Rockland and Westchester County residents. The rest of the system had toll modifications in 2021 only for Tolls by Mail and out-of-state *E-ZPass* customers.
- Accounting changes were made in November 2024 regarding the method used to estimate the allowance for uncollectible Tolls by Mail revenue. This reduced both the 2024 annual revenue and, to a lesser extent, future forecasts of revenue.
- The New York City Central Business District Tolling Program began in January 2025 and may have led to a small reduction in traffic on Thruway facilities that feed traffic into Manhattan.
- Delays in processing image-based transactions and mailing invoices to Tolls by Mail customers occurred after the April 2025 transition to a new back-office system, which is likely to impact 2025 and 2026 revenue.

Future funding needs were established by the Authority at amounts necessary to maintain current levels of safety and service and good infrastructure conditions, support Thruway operations, and maintain established debt service coverage policy targets appropriate for high level investment-grade credit ratings. The Authority and its independent financial advisors have determined that the forecasted revenues with the programmed toll modifications through 2027 are sufficient to meet these funding needs throughout the forecast period. In the event of a shortfall, the Authority's Board has the independent statutory authority to set toll rates and has the obligation to adjust rates (as set forth in both the General Revenue Bond Resolution and the Junior Indebtedness Resolution) to the levels required to satisfy covenants pledged to its debt holders. In our opinion, the Thruway Authority has the capacity to generate additional revenues through periodic toll adjustments, and, if implemented, these adjustments would result in only small changes to traffic patterns. We believe, for the period through the final maturity of the Series 2026A JIOs, that the Authority will be able to:

- Fund necessary operations, maintenance and capital expenses;
- Meet the rate and debt service coverage covenants of the General Revenue Bond Resolution and the Junior Indebtedness Resolution;
- Preserve good overall infrastructure conditions of the Thruway System and complete its current 5-Year Capital Plan; and
- Comply with the Authority's Fiscal Management Guidelines by maintaining targeted levels of debt service coverage.

On the basis of our studies and analyses, we are providing the following additional conclusions:

- The Authority has the independent, statutory ability to adjust its toll rates and provide significant amounts of additional revenue;

- The Authority's toll rates are relatively low and compare well to other toll systems, allowing for future rate setting flexibility with minimal long-term traffic diversion impact;
- Infrastructure conditions and the capacity of the Thruway System have been considered in the forecasts, and should not adversely affect the projected growth of traffic and the accompanying growth of toll revenues throughout the forecast period;
- The Authority's facilities have been maintained at high standards over prior years, resulting in good overall infrastructure conditions throughout the Thruway System;
- The Authority's planned extensive and regular maintenance programs, asset management systems and long-term capital planning process provide confidence that overall operational and structural integrity of its facilities will be maintained; and
- Target levels of future maintenance and capital expenditures beyond the 2026-2030 Capital Plan will support the integrity and reliability of the Thruway System.

2.0 THE NEW YORK STATE THRUWAY SYSTEM

2.1 BACKGROUND

Since its opening in 1954, the 570-mile Thruway has served as an essential and central artery of New York State's (the "State") transportation system, providing a vital link between its major cities from the Atlantic Ocean to Canada and the Great Lakes. Over the years, the Authority has taken actions that have allowed for safe and efficient travel for millions of passenger cars and commercial customers.

The Thruway serves travelers with a variety of essential needs and purposes, including commuters, business travelers, recreational travelers, and commercial vehicle traffic that transports goods and services throughout the State. The Thruway has provided a dependable roadway system for these travelers, sustaining and encouraging economic growth, fostering job creation and generating tax revenues for the State and its local governments. Illustrating its importance to the State, region and nation, Thruway customers traveled approximately 8.3 billion vehicle-miles on the highway in 2024, averaging more than 22.6 million vehicle-miles per day.

At 570 miles in length, the New York State Thruway is one of the largest tolled highway systems in the United States and is a critical component of the national interstate network. There are few alternatives to the Thruway as it connects the principal cities of the State from New York City to Albany, and on to Utica, Syracuse and Rochester through to Buffalo and the Pennsylvania state line. The Thruway corridor serves 37 of the State's 62 counties and the majority of the State's population. Approximately 402.2 million toll transactions occurred on the Thruway in 2024, generating about $980.3 million in toll revenues.

The Thruway is an important interstate connector, joining with the Massachusetts Turnpike (I-90), Connecticut Turnpike (I-95), New Jersey's Garden State Parkway, as well as several other Interstate routes such as I-287 from New Jersey; I-90 in Pennsylvania; I-290 around the north side of Buffalo; I-390 and I-490 serving Rochester; I-81, I-481 and I-690 at Syracuse; I-790 in Utica; I-87 (the Northway), I-88, I-90, I-787, and I-890 at Albany; and I-84 at Newburgh. It also makes direct connections with numerous major State highways.

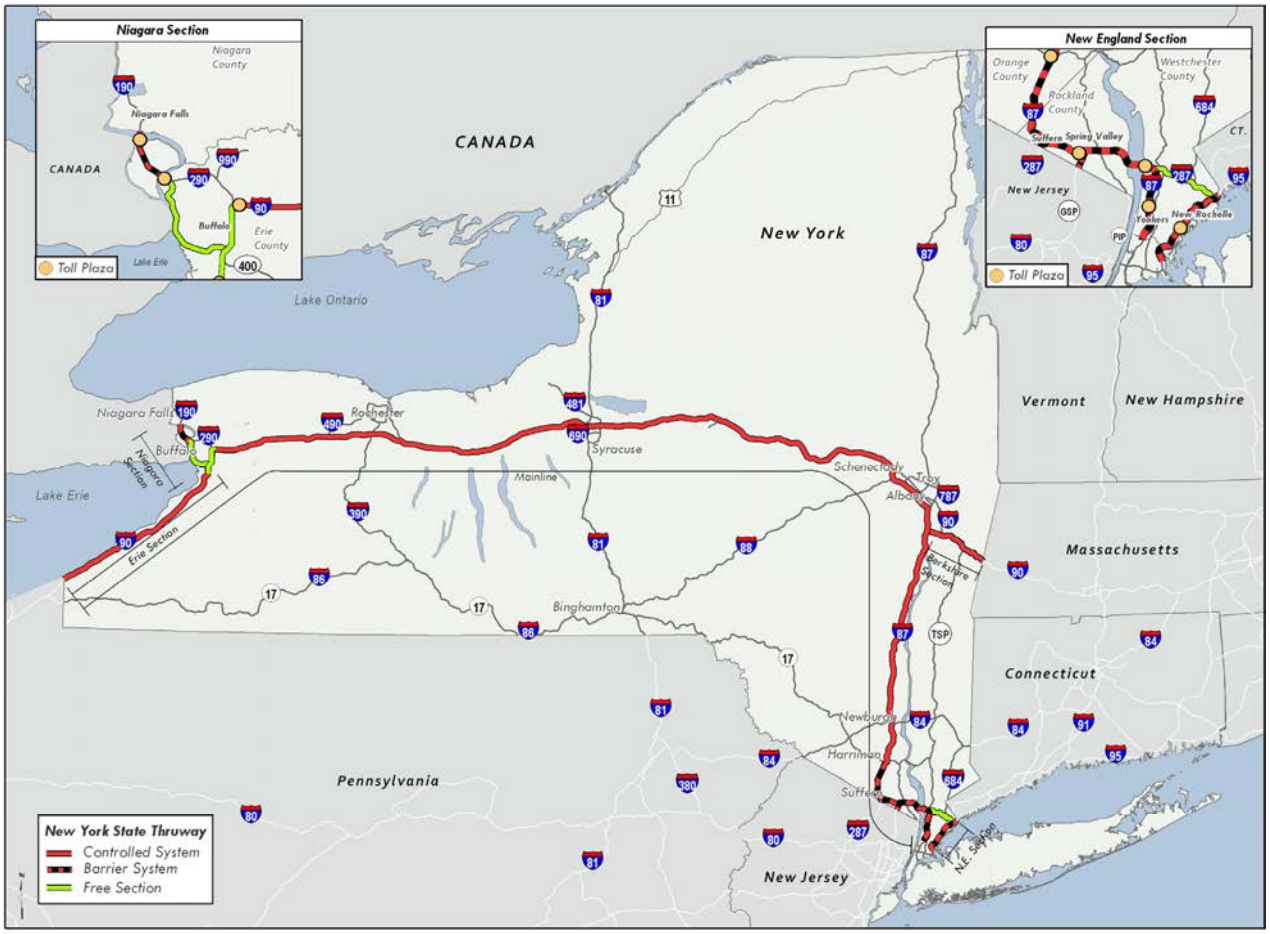
The Thruway is comprised of two types of toll systems – a Controlled System and a barrier system, as shown in Figure 1**.** The Controlled System (approximately 481 miles) makes up the largest portion of the Thruway, running from Woodbury (in the southeast corner of the State) north along I-87 to Albany, then west on I-90 to Buffalo and south of Lake Erie to the Pennsylvania border. In addition to this main stretch of the Controlled System, there is a small branch south and east of Albany providing a connection to the Massachusetts border and the I-90 Massachusetts Turnpike. The barrier system - located in the southeast corner of the State and the northwest corner of the State - are comprised of the Cuomo Bridge (formerly Tappan Zee Bridge barrier), Yonkers Barrier, New Rochelle Barrier, Spring Valley Barrier (where passenger cars only are toll-free), Harriman Barrier, and the Grand Island Bridges. The entire Thruway System operates with AETC.

Under the existing toll policy, toll rates across the Thruway System are based on vehicle classification, related to the number of axles per vehicle and the height of the vehicle over the first two axles. On the Controlled System, tolls are charged based on the actual distance traveled by the customer. Meanwhile, barrier toll plazas have a fixed toll rate for each vehicle class and payment type (e.g., Tolls by Mail, out-of-state *E-ZPass,* New York *E-ZPass*, as well as Commuter, Resident and other *E-ZPass* Discounts).

Portions of the roadways under the Thruway jurisdiction are currently toll-free. These include a nine-mile section in the Buffalo area between the controlled sections; I-190 between Buffalo and Grand Island; I-90 between Albany (Interchange 24) and I-88

(Interchange 25A); and the Cross Westchester Expressway (I-287). In addition, there are stretches of roadway on the sections with fixed-toll barriers where short trips can be made without passing through a toll barrier.

Figure 1: New York State Thruway Toll Systems



In 2020 the Authority completed conversion of its entire system to AETC. The Cuomo Bridge (formerly Tappan Zee Bridge barrier) was the first to launch AETC on April 23, 2016. AETC began at both of the Grand Island Bridges on March 30, 2018, at the Harriman Barrier on September 28, 2018, and at the Yonkers Barrier on November 19, 2018. The Spring Valley Barrier and New Rochelle Barrier were converted to AETC on December 20, 2018. The Controlled System was converted to AETC on November 14, 2020.

2.2 ROADWAYS

The 2,800 lane-mile Thruway roadway system was constructed between 1949 and 1960 and is one of the oldest components of the national Interstate Highway System. In addition to the Authority's mandate to operate and maintain the original components of the Thruway, in 1991, the Cross-Westchester Expressway (I-287), which starts at I-87 near Tarrytown and travels east for 11 miles to the Thruway's New England Section (I-95) in Rye became the Authority's responsibility for maintenance and operational expenditures only. Capital improvements remain the responsibility of the New York State Department of Transportation ("NYSDOT"). It should also be noted that the Authority had also been responsible for the

operation and maintenance for the New York State Canal System in the past; however, in 2017 the Authority was relieved of all responsibilities related to the Canal System.

The Thruway System is currently about 570 total miles in length and has 134 interchanges. The various sections of the roadway currently maintained by the Authority are listed in Table 2.

Table 2: The Thruway System

Section	Controlled Section	Barrier Section	Length (miles)
The Mainline (New York City – Buffalo)	X	X	426
Erie Section (Buffalo – Pennsylvania Line)	X		70
Niagara Section I-90 (Buffalo – Niagara Falls)		X	21
Berkshire Section (Selkirk – Massachusetts Line)	X		24
New England Section (I-95) (Bronx – Connecticut Line)		X	15
Garden State Parkway Connection (Spring Valley – New Jersey)			3
Cross-Westchester Expressway (I-287) (Mainline I-87 in Tarrytown – I-95 in Rye)			11
Total			**570**

X= tolled section of the Thruway

Thruway pavements are typically nine inches of reinforced Portland cement concrete placed on 12 inches of granular sub-base. Shoulders are made up of treated granular material with asphaltic wearing surface. A large portion of the roadway's base dates back to its original construction, precipitating the need for heavy maintenance, reconstruction and rehabilitation activities to retain the riding surface in a state of good repair.

The Authority has an established process under which it selects highway projects for its capital plan, which relies strongly on information and analytical tools contained within the Authority's Asset Management Systems, and coordination with the Department of Maintenance and the Authority's four geographic divisions. Projects are prioritized based on safety, riding surface condition, and the impact on asset useful life and capacity. This process has historically allowed the Authority to maintain good overall surface and riding conditions of its highway pavement.

2.3 BRIDGES

The Authority has maintenance and inspection responsibility for 819 bridges that carry Thruway traffic as well as local roads and State highways over the Thruway System. The structural characteristics of these bridges vary. About 15 percent are concrete structures, either pre-stressed girder, arch, rigid frame or box culverts; the remaining 85 percent of the bridges are steel structures with asphalt overlaid, reinforced concrete decks. As with the roadway, an overwhelming majority of the structures date back to the original opening of the Thruway System in the 1950s and require continual and significant repair, rehabilitation and reconstruction investments to prevent deteriorating conditions.

The largest bridge on the Thruway System is the twin-span Cuomo Bridge over the Hudson River, which is located approximately 20 miles north of New York City and replaced the then 61-year old Tappan Zee Bridge. The bridge consists of multi steel girder/composite deck approach spans at each end with cable-stayed spans over the main Hudson River shipping channels. Each of the twin bridge spans is approximately three miles in total length, with chamfered towers supporting the cables. Construction on the bridge project began in 2013. The new spans of the bridge were opened to traffic in phases between 2017 and 2018. Each span operates with four lanes of vehicle traffic per direction, with AETC continuing to collect tolls from southbound traffic only. The north span's shared-use bike and pedestrian path was completed in June 2020.

In addition to the Cuomo Bridge, the Thruway System includes other large and unique bridge structures: the Castleton-on-Hudson Bridge across the Hudson River on the Berkshire Section; the four Grand Island Bridges spanning branches of the Niagara River north of Buffalo; and the three bridges crossing the Catskill, Kaaterskill, and Normanskill Creeks in the Catskill Region.

As with its highways, the Authority pursues a similar established process under which it selects bridge projects for rehabilitation or replacement. Potential bridge capital projects are identified by Authority field engineering staff and are vetted through the Authority's Asset Management Systems. This process has allowed the Authority to target bridge projects towards those that are critical to maintain safety and good structural conditions.

2.4 FIBER OPTIC SYSTEM

The Authority owns and operates a fiber optic communications system comprising of approximately 550 miles of duct and fiber optic cable. This infrastructure is primarily situated within the right-of-way of the Thruway System and serves both operational and commercial purposes. To maximize the value of this asset, the Authority has entered into twelve long-term agreements with various telecommunications and governmental entities. These agreements grant irrevocable rights of use (IRUs) for terms ranging from 3 to 30 years, depending on the specific contract.

Key financial terms and highlights of the agreements are:

- Initial Payment: Each agreement typically includes a one-time lump sum payment upon execution.
- Recurring Payments: Users are also required to make annual recurring payments, which are subject to escalation based on the lesser of the year-over-year change in the Consumer Price Index ("CPI") or 3 percent.
- Estimated Revenue: The total projected income over the life of these agreements is estimated to be approximately $161.3 million.
- In 2024 the Authority recognized total revenue of $9.8 million from users of the fiber optic system.

These agreements are structured to ensure long-term financial sustainability while preserving the Authority's operational control and maintenance standards. The revenue generated supports infrastructure improvements and offsets operational costs.

2.5 SERVICE AREAS AND BUILDINGS

The Authority currently owns 642 buildings of various types. These include large maintenance and administrative facilities as well as storage sheds, utility buildings, and other minor facilities. The buildings include:

- 218 section maintenance and storage buildings
- 63 salt sheds
- 123 AETC buildings
- 180 service area buildings
- 6 buildings at the three New York State Welcome Centers
- 1 Port Byron Old Erie Canal Heritage Park Visitors Center

- 18 State Police barracks and storage buildings
- 33 radio shelter buildings

The Authority's Administrative Headquarters is located just off Interchange 23 at 200 Southern Boulevard in Albany, overlooking the Thruway mainline and the Albany Division maintenance complex. This building has been the Authority's Headquarters since it was constructed in 1972.

The Thruway's maintenance responsibility is divided into four divisions, with each division having its own headquarters facility. These Division headquarters are located in Suffern, Albany, Syracuse, and Buffalo. The Division headquarters serve several functions that include housing the administrative staff for the maintenance program, as well as providing offices for State police and toll collection, traffic and customer service personnel.

Twenty-seven service areas, owned by the Authority provide fuel, food and other amenities to Thruway customers. In 2021, the Authority entered into a 33-year agreement with Empire State Thruway Partners, LLC ("Empire") for the design, construction, finance, operation, and maintenance of all service areas. Empire assumed control of 16 of the service areas in July 2021 and the remaining 11 in January 2023. As part of the project, Empire rebuilt 23 of the 27 service area restaurant buildings and performed significant renovations to the remaining four. Fuel services remained available during construction. As of November 2025, all 27 service areas have been modernized and reopened.

Empire's total investment to rebuild and renovate the service areas is estimated to be $450 million, including an initial investment of $300 million. With the exception of the Thruway being financially responsible for remediation costs associated with pre-existing regulated site conditions, no toll or tax dollars were used for construction.

All buildings at the new service areas have been configured to provide entrances from both the parking lot and fuel station facilities. New amenities and services at select service areas include exterior seating, picnic areas, play areas, pet walking areas with comfort stations, private areas for nursing mothers, tourism kiosks, EV charging stations, and commercial driver services including lounges with restrooms, showers, and laundry facilities. High-speed diesel is offered at select service area locations. New food concepts are available to customers as part of the redevelopment project, with diverse food options at all 27 service areas, offering a range of healthy products and meals from nationally recognized restaurants.

The agreement requires Empire to pay rent calculated as a percentage of gross sales, subject to a guaranteed annual minimum per location. In addition, the agreement has ancillary rent provisions tied to the operation of commercial vehicle fueling stations at five of the service areas and advertising opportunities at all service areas. Sales generated by Empire during the operation of a restaurant prior to reconstruction (interim operations) have not been subject to rent provisions. Over the life of the agreement, base rent calculated as a percentage of sales is forecasted to be $85 million, of which $51 million is guaranteed. In 2024, the Authority recognized total rental income from the service areas of $2.2 million from Empire State Thruway Partners.

In addition, there are two leases for the operation of the fueling stations located at the service areas, Dunne Manning (13 facilities) and Sunoco, Inc. (R&M) (16 facilities). The Authority recognized $3.2 million in revenue from the fuel leases in 2024.

Apart from closures for the recent remodeling and modernization, all food and fuel centers are open 24 hours daily, seven days a week and offer parking, fuel, public restrooms (including family assist restrooms equipped for persons with disabilities), ATMs, and free wireless internet service. Applegreen C-Stores offer an assortment of hot food items as well as grab-and-go sandwiches and wraps, salads, coffee, snacks, drinks and more, and feature Taste NY products and merchandise. There is a food vendor at each service area open to the public 24 hours a day, seven days a week. Furthermore, many service areas have seasonal farm markets and gift shops, while all locations sell *E-ZPass* On-the-Go (retail *E-ZPass* transponders).

Thruway staff maintains the service area fuel station buildings and wastewater treatment plants and conducts winter maintenance of the parking areas.

2.6 SAFETY, INCIDENT RESPONSE AND TRAVELER INFORMATION SYSTEMS

The Thruway Statewide Operations Center ("TSOC"), housed at the Authority's Administrative Headquarters in Albany, is the central location for the coordination of all traffic incident response, emergency management, and dissemination of traveler information along the entire Thruway. The TSOC operates 24 hours a day, seven days a week, 365 days a year. The Authority exchanges traffic and Intelligent Transportation Systems ("ITS") data with NYSDOT through the Regional Traffic Operation Centers and uses the traveler's resource website 511ny.org to provide drivers with a view of traffic operations across the State so they may make more informed travel choices.

The TSOC controls an Advanced Traffic Management System that integrates and controls all current and future ITS devices and systems including: 110 Permanent Variable Message Signs, 286 Closed Circuit Television cameras, 125 Portable Variable Message Signs, 76 Weather Stations, 5 Weigh-in-Motion Sensors, 117 Lane Control Signs, and 20 Variable Speed Limit Signs.

The Authority also offers an email alert service ("TRANSalert") to its customers to inform them of major unscheduled incidents that may affect their travel plans and the Thruway website (www.thruway.ny.gov) offers a centralized location to access a multitude of traveler information. In addition, an iPhone and Android app was released in November 2017 with live traveler information, interactive feedback and a Thruway travel planner.

Finally, a troop of New York State Police ("Troop T") is entirely dedicated to policing on the Thruway System. The principal mission for Troop T is to increase safety on the roadway and reduce fatal and personal injury auto accidents. They achieve this through enforcement and education. Through the years, Troop T has participated in traffic enforcement initiatives directed at drivers who engage in behavior known to cause fatalities or exacerbate the fatality rate, such as speeding, failure to use seatbelts and drunk and/or drugged driving. Since 2016, Troop T has participated in an annual campaign to raise awareness of New York's Move Over Law, which requires motorists to drive with care, slow down, and safely move over when approaching emergency vehicles, tow trucks, construction and maintenance vehicles that are stopped along the side of the road. Additionally, in April 2019, Troop T boosted patrols along the Thruway during 'Operation Work Brake'; this campaign cracked down on speeding motorists and aggressive driving before, in, and around construction zones. In recent years Troop T has also participated in 'Operation Hardhat'; this statewide traffic enforcement initiative focuses on enforcing reduced speed limits, use of seatbelts, and distracted driving in the work zones. The greatest proven method, however, to reduce fatalities is the day-to-day visible enforcement of traffic laws by the patrol troopers on the Thruway.

Good overall highway conditions, traveler access to online and radio information services, good incident and weather response and the efforts of Troop T have contributed to a very low accident fatality rate. The fatality rate on the Thruway of 0.22 fatalities per 100 million miles traveled in 2024 has remained among the lowest in the nation. This compares to an index of 1.20 nationwide in 2024 (early estimate)[1] and 0.93 for all of New York State[2] in 2023.

[1] "NHTSA Estimates 39,345 Traffic Fatalities in 2024", National Highway Traffic Safety Administration, April 8, 2025, https://www.nhtsa.gov/press-releases/nhtsa-2023-traffic-fatalities-2024-estimates

[2] "Fatality Facts 2023 State by State." Insurance Institute for Highway Safety Highway Loss Data Institute, July 2025, https://www.iihs.org/topics/fatality-statistics/detail/state-by-state

2.7 ANNUAL ROUTINE MAINTENANCE ACTIVITIES

Over the years, the Authority has developed comprehensive plans for the maintenance of its facilities. Formal pavement and bridge management systems have been developed to address maintenance issues and provide input into the development of long-term infrastructure management programs. Routine maintenance activities are performed by Authority staff from 21 maintenance locations grouped into four divisions. Additional oversight of maintenance activities is provided by the four division highway and bridge maintenance headquarters and by the Cuomo Bridge maintenance team. Responsibilities include snow and ice removal, pavement and bridge repair and maintenance, guiderail and safety work, responding to incidents and accident damage, and right-of-way maintenance. Maintenance activities also include innovative preventative maintenance operations to preserve the highway system and minimize added capital improvement costs.

Environmental stewardship has become an important factor in ongoing maintenance decisions. In addition to the conversion to cashless tolling, which reduces pollution, other examples of environmental enhancements by the Authority include the use of solar-powered ITS elements, the planting of living snow fencing, the use of beet juice as an additive to road salt to promote adhesion and snow melting, and the purchase of flex fuel and electric vehicles and expansion of charging stations.

In addition to the original mandate of the Authority to operate and maintain the Controlled System and barrier system along the Thruway, the Authority was given responsibility over the Cross-Westchester Expressway (I-287) in 1991. This highway starts at I-87 near Tarrytown and travels east for 11 miles to the Thruway's New England Section (I-95) in Rye. Capital improvements have remained the responsibility of NYSDOT.

2.8 PHYSICAL CONDITION OF THE THRUWAY'S INFRASTRUCTURE

This section summarizes the physical inspection of the Thruway facilities in compliance with Section 619 of the General Revenue Bond Resolution, which requires a physical inspection by the Traffic Engineer once every three years. Stantec, with assistance from Dinmore Engineering, performed a "drive-through" physical inspection of the entire Thruway System during the period of June 23 – 27, 2025. While an inspection of this type is not intended to identify specific localized problems, it does provide an overview of the Thruway's physical condition.

The effectiveness of the Thruway's maintenance and capital plans was evident during this inspection. With some exceptions, the condition of the pavement and bridges was observed to be satisfactory or better. In locations where infrastructure was less than satisfactory, construction or repair efforts were either underway or scheduled for the near term.

The Authority has developed a comprehensive asset management program to strategically operate, maintain, and upgrade the bridge and highway network through its life cycle. Using analytical techniques and mathematical models that take into account current conditions, traffic volumes, maintenance history, and location, the Authority, along with input from each Division, determines how best to manage and maintain its assets in a state of good repair.

In addition to the drive-through inspection, Stantec conducted interviews in the summer of 2025 with the leadership of each of the Thruway's four divisions: New York Division, Albany Division, Syracuse Division, and Buffalo Division. Each of the division's leadership reinforced their commitment to the New York State Thruway's goal of providing a safe, sustainable, reliable, and resilient facility. Each interview explored the following topics:

- Current geographical limits of the division;
- For major facilities, condition and issues concerning pavement, bridges, facilities and service areas, and other assets;

- Maintenance issues, practices, resources, and potential needs;

- Capital Improvements, including status of existing projects, planned or potential new projects, quality of support from the consultant community, and potential needs; and

- Organization / Asset Management, including any potential risks to the division, any suggested changes or improvements in organization, and any other topics that the Division Engineers believe should be addressed.

The following sections contain the results of the summer 2025 drive-through inspection and interviews with each division.

2.8.1 New York Division

The New York Division includes I-87 from the New York City line to New Paltz, from Milepost ("MP") 0 to MP 76.5. It also includes I-95 from the Bruckner Expressway to the Connecticut state line (the New England Section), I-287 which is also known as the Cross-Westchester Expressway (for which the Authority is responsible only for maintenance), and the 2.4-mile Garden State Parkway connector from I-87 to the New Jersey state line. The New York Division is responsible for 578 mainline lane-miles and 101 Interchange lane-miles. Major bridges in the New York Division include the Cuomo Bridge over the Hudson River and the Byram River Bridge along the New England Section. There are 185 bridges in the New York Division, not including the Cross-Westchester Expressway. All five travel plazas in the Division have recently been redeveloped.

Division leadership reported that several roadway segments have been resurfaced recently, with five additional sections scheduled for resurfacing or reconstruction under the 2026-2030 Capital Plan. It was also noted that most bridges in the New York Division are over 70 years old and require ongoing maintenance. The frequency of vehicle bridge strikes increased in recent years, resulting in the full removal of the Brookside Road bridge over I-87 and the partial removal of the North Broadway bridge over I-87. It was also noted by division leadership that the older buildings are in need of modernization and expansion to accommodate larger trucks and equipment, such as plow trucks and attenuators.

During the drive-through inspection, pavement conditions across the division were generally reported to be in the range of fair to excellent. However, the stretch between MP 76 and MP 25 exhibited poor conditions, marked by severe surface distress, including extensive potholing and asphalt cracking. Active resurfacing operations were observed between MP 59.2 and MP 53.2 southbound. Most bridges in the division were found to be in fair to good condition. The bus lane on the Cuomo Bridge was temporarily closed for maintenance, with crews actively working in the area. Of the more than 180 structures, eight were identified as needing repairs, including the Meadow Hill Road overpass at MP 61.0, which is currently supported beneath its existing pier. The Authority has allocated funding in the Capital Plan for on-demand bridge repairs.

Maintenance. The New York Division has more than 230 maintenance personnel for its roadways, bridges, and facilities, plus the Tarrytown Operations unit dedicated to the Cuomo Bridge. The division's maintenance fleet varies widely in age and undergoes a regular program of repair and replacement, operating most equipment until its useful end of life. On-going preventive maintenance activity continues to include mowing, tree clearing and removal, repairing/sealing pavement, responding to emergency work, and snow removal during the winter months (which uses a large majority of the staff). It was noted that guide rail hits have become more frequent and take up significant maintenance time and effort.

Capital Plan. The division's most significant recent or ongoing capital construction projects include: North Ave Bridge replacement; resurfacing the New England Thruway from MP 0.0 to MP 4.0, including the rehabilitation of 13 bridges; on-demand repairs to Thruway infrastructure; 2" mill and inlay with safety improvements from MP 47.6 to MP 60.1; bridge

rehabilitation at MP 29.54 over Route 202 and MP 29.41 over the Mahwah River; resurfacing from MP 4.0 to MP 8.8 including the rehabilitation of 12 bridges; and replacement of Meadow Hill Road Bridge over I-87 at MP 60.95.

The Capital Plan for 2026-2030 includes numerous roadway projects, including pavement reconstruction from MP 72.5 to MP 76.5 ($90M, 2026); pavement resurfacing from the Major Deegan Expressway to the Cross Westchester Expressway ($70M, 2026); pavement resurfacing from MP 38.7 to MP 43.5 ($15M, 2030); pavement resurfacing from MP 60.1 to MP 68.0 ($45M, 2029); pavement resurfacing from north of Newburgh (Exit 17) to south of New Paltz (Exit 18) ($11M, 2028); pavement reconstruction from MP 16.4 to MP 18.0 ($67M, 2029); and phase 2 pavement reconstruction from MP 18.0 to MP 24.0 ($100M, 2030). Additionally, 22 bridge projects are included in the 2026 – 2030 Capital Plan, which will focus on improvements such as bridge painting and cleaning, rehabilitation, and replacement.

New York Division's programmed capital improvements for 2026 to 2030 total $617.7M.

2.8.2 Albany Division

The Albany Division runs from I-87 MP 76.5 in New Paltz to I-90 MP 197.9 in Canajoharie and includes the 24.3-mile Berkshire Section (I-90), which connects the Thruway mainline to the Massachusetts Turnpike through rugged terrain, including several steep rock cuts. The Berkshire Section includes the largest bridge in the Albany Division: the Castleton-on-Hudson Bridge, a 1500-ft cantilever truss bridge spanning the Hudson River. There are six travel plazas that were all recently redeveloped as well as the recently constructed Mohawk Valley and Capital Region Welcome Centers. Overall, the Albany Division is responsible for 616.5 mainline lane-miles, 63.5 interchange lane-miles, 166 bridges, 27 bridge and 2,051 highway culverts, 6 travel plazas, 2 Welcome Centers, 5 parking areas and 4 wastewater treatment plants.

During discussions with Albany Division leadership, it was noted that recent projects have primarily focused on minor rehabilitation. While this approach has led to more frequent follow-up repairs, the division continues to adapt by prioritizing resources effectively. These additional repairs occasionally impact routine maintenance capacity, typically handled by division personnel. Facility needs are also being addressed, despite funding being primarily directed toward highway and bridge improvements. The division has identified 20 facility projects including expanded equipment bays, HVAC upgrades, roof replacements, and additional storage—that will be completed by Authority staff. In addition to its maintenance facilities, the Albany Division oversees three State Police barracks and the Thruway Headquarters building, which is currently undergoing a major multi-year renovation.

During the summer 2025 drive-through inspection, pavement conditions across the Albany Division were generally observed as fair to excellent. However, isolated areas along the mainline and within the Berkshire Section showed signs of deterioration, including potholes and cracking. Westbound deck rehabilitation was underway on the Castleton-on-Hudson Bridge, with traffic temporarily rerouted to one lane in each direction on the eastbound deck. Additional bridge construction activity was observed at MP 104 and at the US Route 32 overpass in Kingston (MP 85.4). In total, nine bridges were identified as being in poor condition, with three others in poor to fair condition. Several bridge rehabilitation and replacement projects addressing these deficiencies are included in the 2026–2030 Capital Plan.

Maintenance. The Albany Division includes approximately 250 personnel, encompassing snow and ice control teams, welders, mechanics, office staff, and engineering personnel. Routine maintenance activities performed by division forces include mowing, pavement repair and sealing, guiderail and safety feature maintenance, bridge bearing repairs, and snow removal.

The division's maintenance fleet varies widely in age and undergoes a regular program of repair and maintenance since equipment usage is typically through end of life. The Albany Division owns 57 large plow trucks, three Gradall, nineteen (19) loaders, one paver, one ten-ton roller and other miscellaneous equipment. Plow trucks have an average service life of 8 to 10 years and cost approximately $300,000 each.

Capital Plan. The division's most significant ongoing capital construction projects include: rehabilitation of the Castleton-on-Hudson Bridge; bridge rehabilitation over the Wallkill River at MP 81.72; bridge preservation of the I-87 over the Kaaterskill Creek and Catskill Creek Bridges at MP 111.13 and MP 113.22; rehabilitation of the bridge over the Route 5S/Erie Canal Rail Trail; and construction of toll gantries at I-90 Interchange 25 and 25A.

The Capital Plan for 2026 through 2030 includes numerous roadway projects, including pavement resurfacing east of Fultonville (Exit 28) to east of Canajoharie (Exit 29) ($34M, 2028); pavement resurfacing of the Berkshire Section from the Canaan Toll Barrier to the Massachusetts State Line ($11M, 2027); pavement resurfacing west of Rotterdam (Exit 26) to east of Amsterdam (Exit 27) ($15M, 2027); pavement resurfacing from south of Catskill to south of Coxsackie ($20.5M, 2028); MP 121.2 to MP 141.9 resurfacing ($28M, 2029); pavement resurfacing from east of Amsterdam (Exit 27) to east of Fultonville (Exit 28) ($19M, 2030); pavement resurfacing from south of Kingston to south of Saugerties ($13M, 2030); pavement resurfacing on the Berkshire Spur from MP 805.7 to MP 817.9 ($24M, 2030); and concrete pavement restoration from MP 141.9 to 148.2 ($30M, 2030). Additionally, 21 bridge projects are included in the 2026 – 2030 Capital Plan, which will focus on improvements such as vertical clearance improvements, rehabilitation, and replacement projects.

Albany Division's programmed capital improvements for 2026 to 2030 total $414.4M.

2.8.3 Syracuse Division

The Syracuse Division is a critical rural segment of the New York State Thruway extending from MP 197.9 in Canajoharie to MP 350.6 near Rochester–Victor (I-490). The division is responsible for 610.8 mainline lane-miles, 67.2 interchange lane-miles, 189 bridges, 1,833 culverts, 11 travel plazas, 3 parking areas and 8 wastewater treatment plants.

Division leadership noted that ten of the seventeen pavement segments in the division are projected to be in poor condition by next year, with four currently included in the Capital Plan. It was noted that rehabilitation of the more deteriorated segments, such as MP 327-347 and MP 289-394, are being expedited. Though most of the bridges in the Syracuse Division are original construction, the majority remain in satisfactory condition due to significant in-house bridge maintenance performed by the division. The facilities buildings are aging and in need of repairs. The Thruway has begun constructing additions to enlarge the existing facilities.

At the time of the drive-through inspection in the summer of 2025, three bridges were observed to be in poor condition, and another was observed to be temporarily supported (at MP 312.2 – this bridge is in the Capital Plan for replacement). Four more bridges were undergoing construction causing right lane closures. The remaining bridges were noted to be in good-to-excellent condition. The drive-through inspection team observed that most of the pavement in the Syracuse Division was generally in excellent condition.

Maintenance. The Syracuse Division includes approximately 200 personnel (of whom 131 are plow operators), encompassing snow and ice control teams, welders, mechanics, office staff, and engineering personnel. Inventories are maintained for both facility repairs and the division's numerous bridges and culverts, all of which require regular upkeep. Preventive maintenance activities performed by Division forces include mowing, pavement repair and sealing, guiderail and safety feature

maintenance, bridge bearing repairs, and snow removal. The division is also evaluating the decommissioning of underutilized structures, which would allow the Authority to reallocate maintenance resources to higher-priority needs.

The Syracuse Division's maintenance fleet includes 72 plow trucks, a paving machine, and other specialized vehicles. Syracuse is scheduled to replace eight (8) new plow trucks in its fleet this year.

Capital Plan. The division's most significant ongoing capital construction projects include: pavement rehabilitation and miscellaneous work from MP 347.1 to MP 351.4; replacement of mainline bridges over Mohawk St. at MP 219.91; replacement of mainline bridges over Oriskany Blvd. at MP 238.22; replacement of Townline Road overhead bridge at MP 280.3; safety upgrades and miscellaneous work on I-90, MP 197.9 to 210.3; rehabilitation of Interchange 34A Bridge over Thruway at MP 276.58; pavement repairs at various locations in Seneca and Ontario Counties; and deck replacement of mainline bridges over Sterling Creek at MP 277.4.

The Capital Plan for 2026 through 2030 includes numerous paving projects, including concrete pavement restoration from Fulton (Exit 39) to Weedsport (Exit 40) (MP 289.3; $100M, 2026). Other notable funded projects include a number of pavement resurfacing projects: west of Verona to west of Canastota (MP 253; $18M, 2026), east of Manchester to Canandaigua (MP 327.5 to 347.1; $40M, 2026), west of Weedsport to Waterloo (MP 313.8-320.7; $13M, 2027); west of Weedsport to Weedsport (MP 304.5-313.8; $17.5M, 2028); Herkimer (Exit 30) to west of Utica (MP 220.0-233.5; $16.5M, 2028); west of Canastota (Exit 34) to Thompson Road (Exit 35) (MP 268; $21M, 2029); Little Falls (Exit 29A) to Herkimer (Exit 30) (MP 210.3-220.0; $17M, 2029); and from MP 240.9 to 252.2 ($19M, 2030). Additionally, 18 bridge projects are included in the 2026 – 2030 Capital Plan, which will focus on improvements such as painting, rehabilitation, and replacement.

The program also includes building renovations and additions to section maintenance buildings, on-demand repairs, safety upgrades, waterline replacement, sewer connections, and replacement / rehabilitation of wastewater treatment plants at several service areas. The Capital Plan reflects a careful balance of necessary infrastructure maintenance and strategic resource allocation, following the division's directive to reduce concrete pavement restoration work due to documented durability issues when new concrete is placed adjacent to deteriorating slabs. As a result, the focus has shifted to prioritizing more long-lasting pavement replacements and resurfacing efforts. The significant $100M investment between Fulton and Weedsport in 2026 represents a critical section that requires concrete restoration and could potentially shift entirely toward other pavement preservation techniques. The majority of projects emphasize pavement resurfacing which align with strategies for longer-lasting pavement life and improved performance outcomes.

Syracuse Division's programmed capital improvements for 2026 to 2030 total $470.1M.

2.8.4 Buffalo Division

The Buffalo Division is divided into three sections: the eastern part, which is part of the Thruway Mainline, extending from MP 350 (Rochester–Victor–I-490) to MP 426.17 at Exit 53 (I-190); the Erie Section between MP 426.17 and MP 496.5 at the Pennsylvania State Line; and the Niagara Section which extends from MP 426.17 (Exit 53) to the City of Niagara Falls. The Erie Section, which is rural and flat, runs adjacent to Lake Erie and is known for its vineyards. This section runs through land belonging to the Seneca Nation. This area is subject to lake-effect snowstorms, with three to four major storms each winter, each producing about 2 feet of snow; however, over the past 3 years, total snowfall from these events has reached four to five feet. The Niagara Section features a 1.0-mile-long viaduct through Buffalo and four major bridges to Grand Island (two northbound, two southbound). Overall, the Buffalo Division is responsible for 702.23 mainline lane-miles, 103.9 interchange lane-miles, and 274 bridges, which is more bridges than in any other division of the Thruway.

Division leadership stated that about 15 percent of bridges in the division have yellow flags or worse, requiring structural repairs. A number of bridge rehabilitation and replacement projects are included in the 2026-2030 Capital Plan to address this. They noted that due to inconsistent methods for repairing and replacing pavement over the years, there is no longer uniformity to the different pavement sections.

The drive-through inspection team observed that the pavement in this division was in predominantly excellent condition, with some portions in fair condition exhibiting potholes and cracking. Resurfacing operations were seen at MP 469 to MP 467 of the Erie Section. Bridges were observed to be in good to fair condition. At the time of the drive-through, the North Grand Island Bridges were under construction for superstructure. Bridge construction was observed at MP 487.2, 473, and 466 and one bridge was noted to be in poor condition at MP 477.5. The Capital Plan contains budget for on-demand repairs.

Maintenance. The Buffalo Division has approximately 300 maintenance personnel and 60 office personnel dedicated to maintenance of bridges, highways, facilities, ITS and other assets including safety upgrades as needed. The division's maintenance fleet includes 80 plow trucks, a paving machine, a milling machine, an under-bridge inspection unit, and other specialized vehicles. The division is scheduled to add 14 new plow trucks to its fleet this year. It was noted during the interview that the Authority has a seasonal preventative maintenance program which prescribes preventative maintenance and annual maintenance plans; however, the Buffalo Division has started to perform bridge substructure repairs during the winter.

Capital Plan. Notable projects underway in the division include structural steel repairs and a seismic retrofit to the North Grand Island bridges and pavement mill and inlay projects from MP 350.6 to MP 378.2, MP 430 to MP 438, and MP 467 to MP 485.5.

Significant funded projects in the 2026 - 2030 Capital Plan include pavement rehabilitation at the south end of the viaduct (MP 900.7-904.2; $90M, 2026); I-90 bridge rehabilitations over CSX & Norfolk Southern RR (MP 475.25; $30M, 2027), pavement resurfacing from East of Silver Creek to Dunkirk - Exit 59 (MP 455.2-467.0; $32.5M, 2028); multi-course resurfacing from MP 404.7 to MP 416.9 ($30M, 2028); full painting of North Grand Island Bridges (MP 920.35; $60M, 2030); full painting of South Grand Island Bridges (MP 914.35; $51M, 2030); concrete pavement restoration between MP 910.0 and MP 914.0 ($30M, 2029); and pavement resurfacing on I-190 at the north end of the viaduct (MP 905.6: $30M, 2029). In addition to these major projects, the program includes several bridge rehabilitation and replacement projects, multiple pavement resurfacing initiatives, and various infrastructure improvements. Other notable projects include safety upgrades, a Niagara Section pumphouse upgrade, replacement of the Walden Avenue Maintenance Facility's metal building and new vehicle wash bay, and additional bridge painting projects.

The Buffalo Division's programmed capital improvements for 2026 to 2030 total $669.8M.

2.8.5 Statewide

The recent project to redevelop all 27 service areas is nearing completion. As of November 2025, all 27 service areas have been modernized and reopened.

The removal of toll plazas on the Controlled System and replacement with AETC gantries was completed in 2022. This change has alleviated congestion and delays at toll plazas, improving capacity and safety. However, the absence of toll booth collectors conducting active visual inspections of vehicles using the Thruway has led to an increase in bridge strikes – an issue that is currently being studied for mitigation. A noted benefit from the AETC system was with regards to snow removal and the ease of plowing the exits and interchanges after removal of the old tolling structures.

Several large projects to make upgrades for zero emission vehicles ("ZEVs") and install ZEV fueling facilities are included under the "Statewide" heading of the 2026-2030 Capital Plan. Other smaller planned projects include statewide bridge painting, pavement safety striping, replacement of ITS equipment statewide, and culvert rehabilitation and replacement. Statewide programmed capital improvements for 2025 to 2030 total $334.0M.

2.8.6 Opinion

This review of the Authority's maintenance and capital activities indicates a comprehensive program based on detailed inspections, evaluations, asset management, and a structured priority setting. The facilities have been maintained to high standards over the years with the result that the condition is generally good. In our opinion, the development and implementation of the Authority's 2026-2030 Capital Plan, together with the ongoing heavy and regular maintenance programs should assure that the operational and structural integrity of these facilities will be maintained during the term of the Series 2026A JIOs. We are also of the opinion that sufficient toll revenues can be generated to fund these programs with the programmed toll adjustments through 2027. Some of the longer-term needs identified by the division directors should be addressed in the next Capital Plan. If needed, the Thruway has the ability to generate more revenues beyond the programmed 2024-2027 toll adjustments.

3.0 ECONOMIC BACKDROP AND OUTLOOK FOR THE FUTURE

Historically, Thruway traffic trends have been influenced by socio-economic conditions and correlations have been found between passenger car traffic growth and Gross Domestic Product ("GDP") growth, and between commercial vehicle traffic growth and Industrial Production Index ("IPI") growth. Additional factors such as fuel prices and unemployment rates have also demonstrated some influence on traffic growth and have been reviewed herein.

The near-term economic outlook remains relatively stable, though emerging signs of strain are evident. Inflation remains elevated, and while employment continues to expand, year-over-year job growth has slowed steadily over the past year, with each successive 12-month period showing smaller gains than the one before. Gas prices have continued to decline since the June 2022 peak, largely due to rising inventories from global weakness in demand. GDP continues to rise although its growth has become increasingly reliant on tech sector investments. Shipping volumes have begun to decline following a surge in early 2025, when importers rushed to bring in goods ahead of new tariff enforcement. The Federal Reserve rate was recently cut by 0.25 percent in September 2025.

Stantec typically uses a consensus forecast from a group of financial institutions and economic forecasting firms to inform its traffic growth forecasts for revenue estimation purposes. The most recent *Blue Chip Economic Indicators* consensus forecast, derived from projections from more than 50 financial institutions and professional forecasting firms, is that real GDP will increase by 1.9 percent in 2025 and by 1.8 percent in 2026.[3] The consensus forecast assumes price increases for goods and services are expected to rise in the last quarter of 2025 as pre-tariff inventories decline, contributing to short-term increases in inflation. The consensus forecasters agreed that the Federal Reserve will respond to the slowing labor market with a rate cut by year-end 2025, which is anticipated to further increase the costs of goods and services. Despite these headwinds, forecasters indicated that there is little anticipated risk of recession, and the unemployment rate is expected to remain at healthy levels in 2026 and beyond.

Any forecast of toll traffic and revenues will, out of necessity, recognize the significant variations that can and do occur in the national, regional, and local economies as well as population changes within the Thruway corridors. Considering this, Stantec, with assistance from Urbanomics, Inc., performed a detailed analysis of the historical economic trends seen over the last few decades, particularly as they relate to the economic influence on traffic and how the Authority's facilities reacted to those trends. This includes both the lingering impact of the COVID-19 pandemic on return to work and the recent implementation of broad import tariffs on a wide range of goods. Stantec believes, that the new post-pandemic trends have reached a "new normal" whereby future shifts in traffic are not expected due to any further recovery from COVID-19.

3.1 RECENT MACROECONOMIC TRENDS

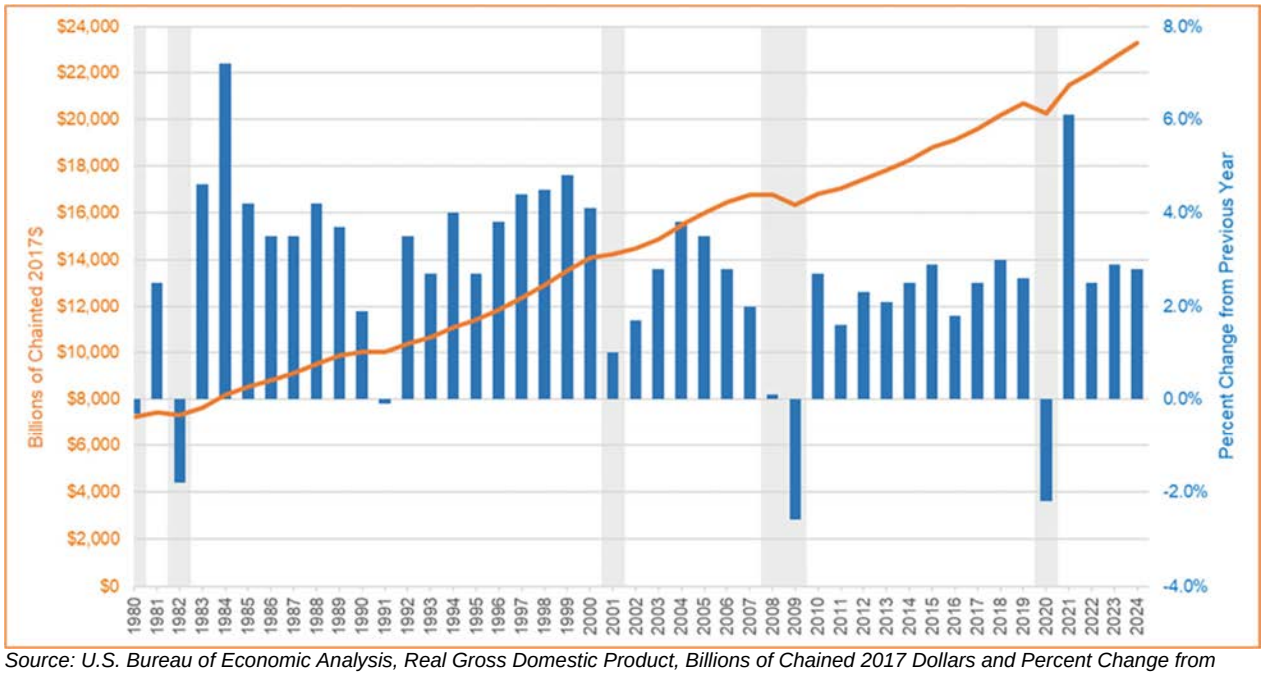
3.1.1 Gross Domestic Product

As noted previously, Thruway passenger car traffic growth trends have been influenced by socio-economic conditions, and correlations have generally been found between car traffic growth and GDP growth. Figure 2 shows the real annual GDP from 1980 through the end of 2024. From 2000 through 2019, the year before the COVID-19 pandemic struck, real GDP in the United States increased at an average annual rate of 2.0 percent. This period included the 2001 recession and the recession that began in late 2007 and ended in June 2009 – the "Great Recession" – which was far more severe than originally predicted and significantly deeper and longer than previous recessions. In 2008, real GDP increased by only 0.1 percent, and in 2009

[3] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

the recession reached its lowest point, with real GDP decreasing by 2.6 percent. From 2009 until 2019 the U.S. economy had recovered and shown consistent growth. Real GDP increased on an annual basis by between 1.6 and 2.9 percent in the years 2010 to 2017, then increased at annual rates of 3.0 percent in 2018 and 2.6 percent in 2019. The economic downturn that occurred in the first half of 2020 as a result of COVID-19 reduced annual GDP by 2.2 percent from 2019 levels. GDP rebounded in 2021, growing by over six percent over 2020. Over the later recovery years from 2022 to 2024, annual GDP continued to expand at relatively strong levels comparable with levels observed during the 2000s and 2010s, increasing between 2.5 and 2.9 percent with a gain of 2.8 percent in 2024. Note that gray shaded areas on the figures in this chapter represent U.S. recessions according to the Federal Reserve Bank of St Louis.

Figure 2: Real Gross Domestic Product (GDP), Historical Annual, 1980-2024



Source: U.S. Bureau of Economic Analysis, Real Gross Domestic Product, Billions of Chained 2017 Dollars and Percent Change from Preceding Period, retrieved from: [https://fred.stlouisfed.org/series/GDPCA.] & [https://fred.stlouisfed.org/series/A191RL1A225NBEA.]
Note: Gray shaded areas of the graphic represent U.S. recessions according to the Federal Reserve Bank of St Louis.

As shown in Figure 3, real GDP rose sharply in the second half of 2021 amid the post-COVID-19 recovery. After a slight decline in Q1 2022 and modest growth in Q2 2022, real GDP expanded at an average annualized rate of 3.2 percent through Q4 2023. Growth slowed to 0.8 percent in Q1 2024 but rebounded over the remainder of the year, averaging 2.9 percent. In early 2025, real GDP moderated, with a contraction of 0.6 percent in Q1 2025 linked to a surge in imports following the announcement of global tariffs.[4] However, Q2 2025 saw a strong 3.8 percent rebound as tariff implementation was delayed and both consumers and businesses accelerated orders ahead of anticipated trade restrictions later in the year.[5]

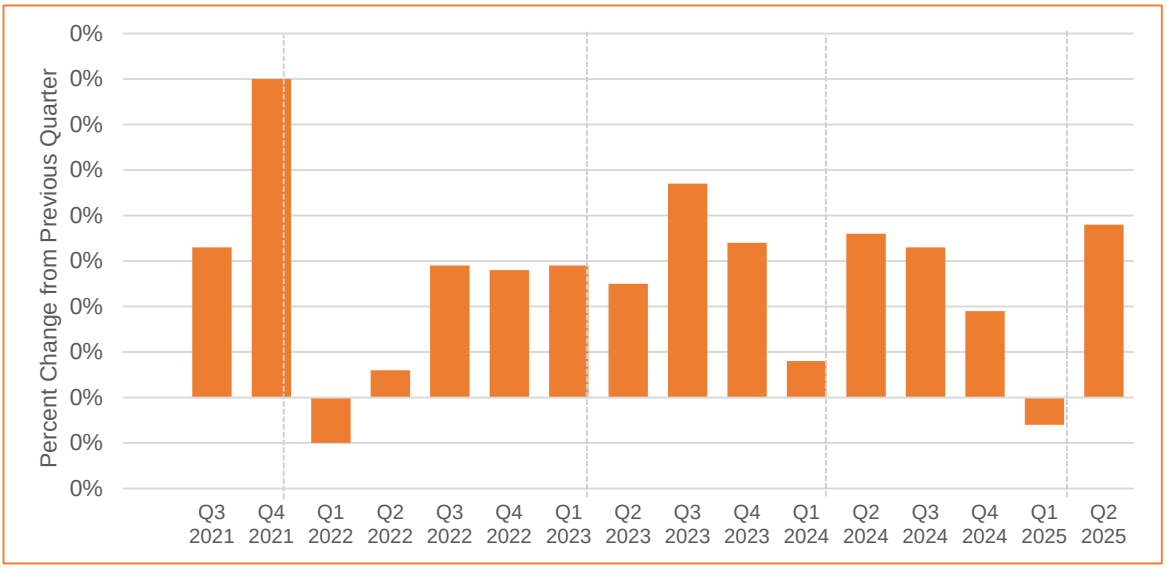
According to the Bureau of Economic Analysis, the broad increase in real GDP in the second quarter of 2025 “primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending.

[4] U.S. Bureau of Economic Analysis, Gross Domestic Product, First Quarter 2025 (Third Estimate), June 26, 2025, retrieved from [https://www.bea.gov/news/2025/gross-domestic-product-1st-quarter-2025-third-estimate-gdp-industry-and-corporate-profits.]

[5] U.S. Bureau of Economic Analysis, Gross Domestic Product, Second Quarter 2025 (Third Estimate), September 25, 2025, retrieved from [https://www.bea.gov/data/gdp/gross-domestic-product.]

These movements were partly offset by decreases in investment and exports."[6] Investments in AI-related software and capital expenditures made up an increasingly larger share of GDP in 2025 compared with prior years. S&P Global reported that spending in domestic high-tech manufacturing was up 14 percent in July compared with the prior year while output from other industries excluding energy increased by just 1 percent,[7] indicating that current economic momentum is largely confined to the high-tech sector.

Figure 3: Quarterly Changes in Real Gross Domestic Product (GDP), 1st Quarter 2021 – 2nd Quarter 2025



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product, Second Quarter 2025 (Third Estimate), September 25, 2025, retrieved from [https://www.bea.gov/sites/default/files/2025-06/gdp1q25-3rd.xlsx.]

3.1.2 Industrial Production Index

Stantec has tracked traffic volumes on the Thruway and other toll facilities throughout the Northeastern U.S. for over a decade and has found that growth in commercial vehicle traffic generally correlates to growth in the IPI. The IPI is a measure of real output in the manufacturing, mining, electric and gas industries published by the Board of Governors of the Federal Reserve System. The IPI is measured as a percentage of real output of a given base year, in this case 2017.

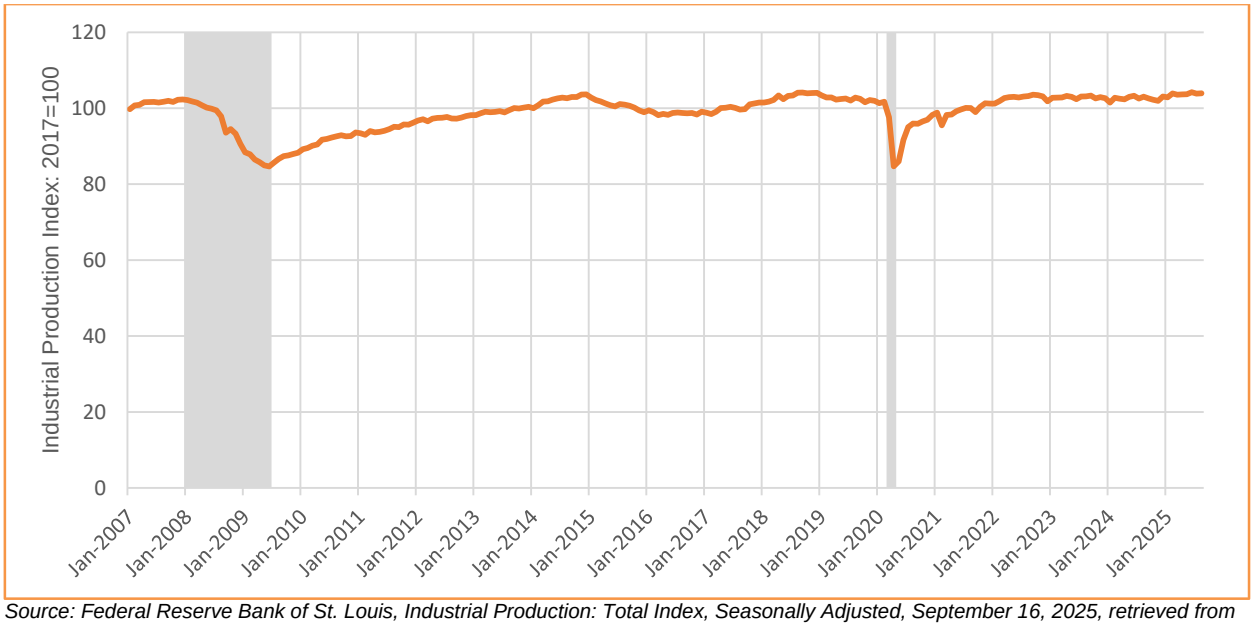
As shown in Figure 4, the IPI hit a trough in June 2009, the last month of the Great Recession (2007 to 2009). After that point, with the exception of a slow but small decline throughout 2015 and 2016, it generally followed an upward trajectory, increasing by 20 percent from June 2009 through the end of 2019. However, in the first four months of 2020, the IPI fell by nearly the same magnitude (-16.4 percent) due to the COVID-19 pandemic, nearly matching the June 2009 low. From the summer of 2020 through the summer of 2022, the IPI recovered gradually, reaching a year-end monthly average of 102.7 in 2022, up from 102.4 in 2019, reflecting a full recovery from the pandemic.

[6] Ibid.

[7] Satyam Panday, Economic Outlook U.S. Q4 2025: Below-Trend Growth Persists Amid A Swirl Of Policy Shifts, September 23, 2025, S&P Global, retrieved from [https://www.spglobal.com/ratings/en/regulatory/article/economic-outlook-us-q4-2025-below-trend-growth-persists-amid-a-swirl-of-policy-shifts-s101646549.]

The index remained stable through 2023, averaging 102.9, before easing slightly to 102.6 in 2024. Over the first eight months of 2025, the IPI increased to 103.7, on track to reach a new annual record high.

Figure 4: Industrial Production Index (IPI), Historical Monthly, January 2007 – August 2025



Source: Federal Reserve Bank of St. Louis, Industrial Production: Total Index, Seasonally Adjusted, September 16, 2025, retrieved from [https://fred.stlouisfed.org/series/INDPRO.]

3.1.3 Trends in Vehicle Miles Traveled (VMT)

Stantec monitors nationwide vehicle-miles traveled ("VMT") trends to understand broader travel patterns and identify factors that may have influenced year-to-year changes. Figure 5 depicts the 12-month moving total of national VMT on all U.S. highways, from 1970 through August 2025.

The United States experienced a historic decline followed by a period of almost no growth in VMT on its highways, starting in 2008 and lasting until approximately 2014. A number of factors have been cited as having a downward influence on VMT, including baby boomers retiring and driving less, the ability of many employees to work remotely in the internet era, use of communication technologies that can substitute for in-person interaction,[8] and a rising preference for compact, mixed-use neighborhoods which reduce the need for driving.[9] Beginning in mid-2014, national VMT experienced a renewed growth trend, increasing at an even more rapid rate than in the 1990s, followed by a period of moderate growth in 2017 through early 2020, a pattern disrupted by COVID-19.

One of the most significant developments in the early 2020s was the widespread shift to remote work. While this shift was temporary for many, a substantial number of companies have continued to allow employees to work from home at least part-

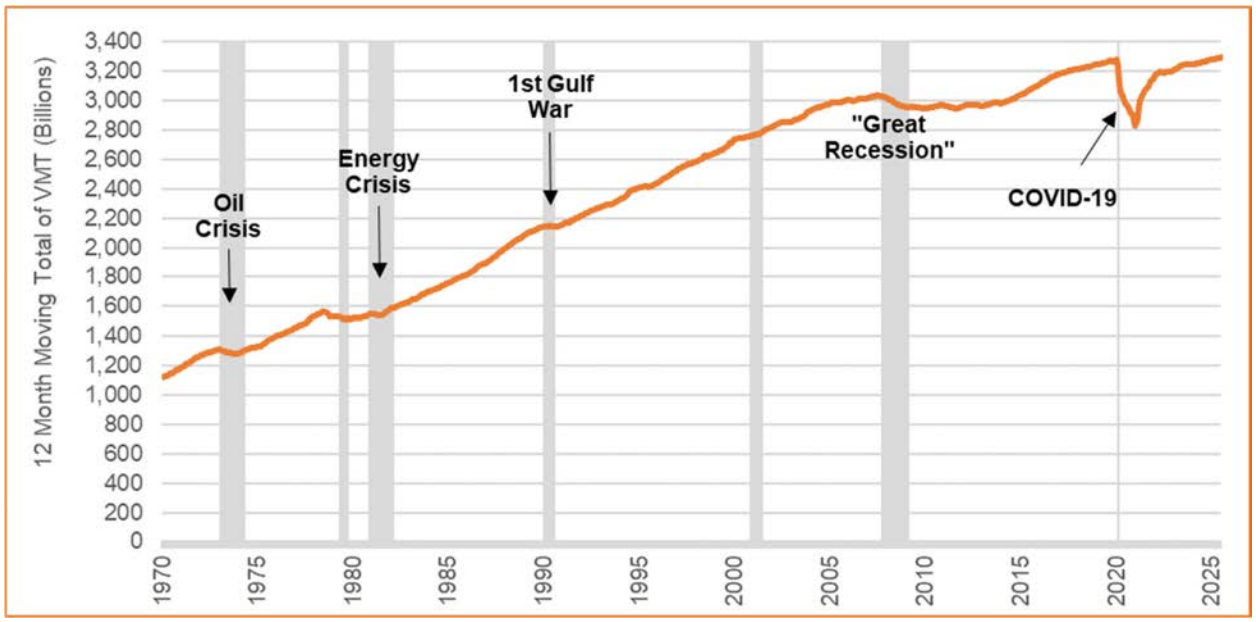
[8] Jill Mislinski, "Vehicle Miles Traveled: Another Look at Our Evolving Behavior", *Talkmarkets*, November 1, 2017, [retrieved from https://talkmarkets.com/content/us-markets/vehicle-miles-traveled-another-look-at-our-evolving-behavior-wednesday-nov- 1?post=154786.]

[9] Chris Cahill, "Per capita VMT drops for ninth straight year; DOTs taking notice", *State Smart Transportation Initiative*, February 24, 2014, [retrieved from https://ssti.us/2014/02/24/vmt-drops-ninth-year-dots-taking-notice/.]

time in the post-COVID-19 area. As of 2025, any additional return-to-office mandates have largely ended and trends have solidified nationwide, suggesting that the current status quo of hybrid-work arrangements is likely to have achieved some level of permanency. Results of the U.S. Bureau of Statistics' Current Population Survey indicate that 78 percent of the nation's workforce is fully in-person and the remaining 22 percent are either on a hybrid schedule or fully remote, a share that has not changed over the past year.[10] Even with lasting changes in travel and commuting behavior, by July 2024 the 12-month total national VMT had surpassed the 2019 peak, with August 2025 VMT reaching a new record high.

Return-to-office trends vary to some extent across New York State. For example, the Partnership for New York City reported in its survey of 125 major office employers that Manhattan office worker attendance in March 2025 equated to 76 percent of pre-pandemic 2019 attendance. This was up from 72 percent ten months earlier.[11] Roughly a quarter of surveyed Manhattan employers indicated that they planned to increase office attendance requirements in 2025, an indication that return-to-office requirements may continue to tighten, at least in Manhattan.

Figure 5: Vehicle Miles Traveled (VMT) – National, Historical 12-month Moving Average, 1970 – August 2025



Source: U.S. Department of Transportation, Federal Highway Administration, National Bureau of Economic Research

[10] U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, data through August 2025, https://www.bls.gov/cps/telework.htm (accessed November 19, 2025).

[11] Partnership for New York City, "Return to Office Reaches 76% of Pre-Pandemic Conditions; 1 in 4 Employers Plan to Increase Office Attendance Requirements," March 31, 2025, [retrieved from https://pfnyc.org/research/return-to-office-survey-results-march-2025.]

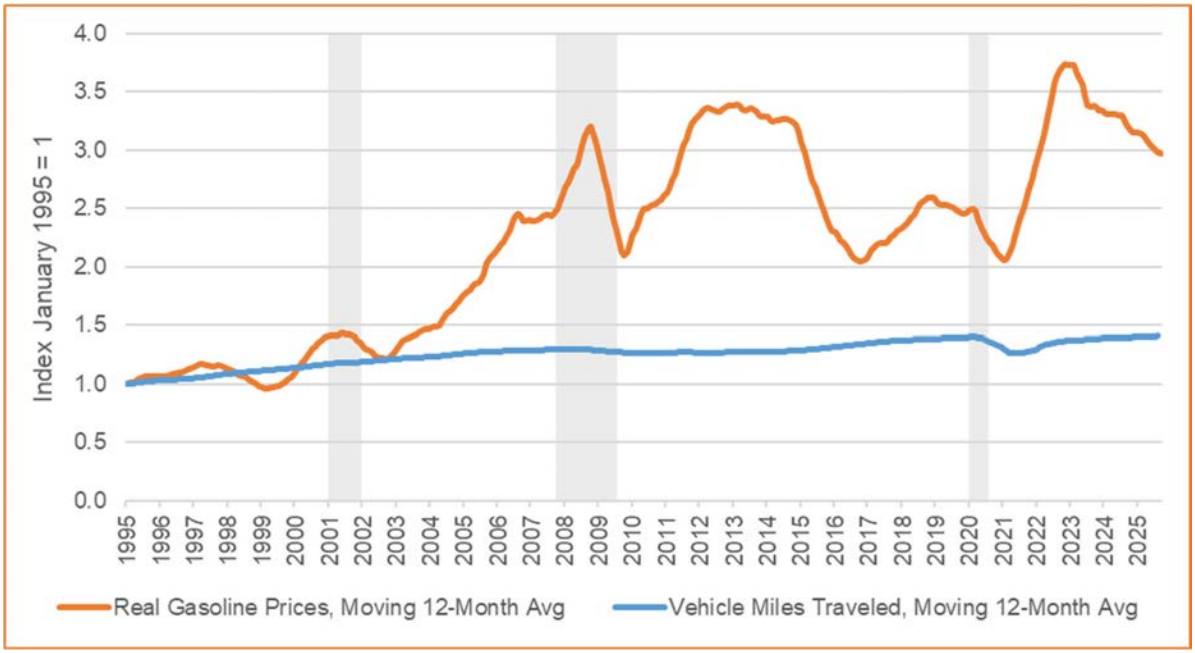
3.1.4 National Vehicle Miles Traveled (VMT) vs. Gas Prices (Fuel Costs)

Fuel costs (gas prices) are often cited as one of the primary factors that can have a significant impact on travel trends. Figure 6 shows the historical correlation between VMT and gas prices, presenting VMT across the United States (national) as compared to real retail gasoline prices, from 1990 through the fall of 2025. The VMT and real gas prices represent a 12-month moving average to remove any seasonality; all data are indexed to the 12 months ending January 1995.

The decline in VMT seen after autumn 2008 is likely more attributable to the recession than gas price changes, as prices dropped significantly by early 2009. Throughout the rest of 2009 and through the spring of 2011 gas prices increased with no noticeable change to VMT. Between 2014 and 2016, there was a precipitous drop in gas prices that coincided with a steep increase in VMT at the national level. Between late 2016 and early 2020, VMT grew at a steady rate and did not appear to be affected by fluctuations in real gas prices. The sharp decline of VMT and gas prices in 2020 through early 2021 were both related to the almost universal work and travel stoppages mandated by the COVID-19 pandemic. The Russian invasion of Ukraine in early 2022 caused oil and gas prices to soar, peaking in June 2022. Growth in VMT stalled throughout 2022 due to rising prices; but as gas prices declined in the following months and years, VMT recovered and increased to its current record high.

These data show that it is difficult to pinpoint the elasticity of travel as it relates to gas prices, as even relatively large increases in fuel costs seem to have only a small effect on VMT. Numerous other economic and demographic factors, including wages, employment levels, housing costs, taxes, tariffs, urban density, and access to public transit, also play an important role in shaping household and business fuel consumption and travel behavior.

Figure 6: National Vehicle Miles Traveled (VMT) vs. Real Gas Prices, Historical 12-month Moving Average, Indexed to January 1995, 1995 – September 2025

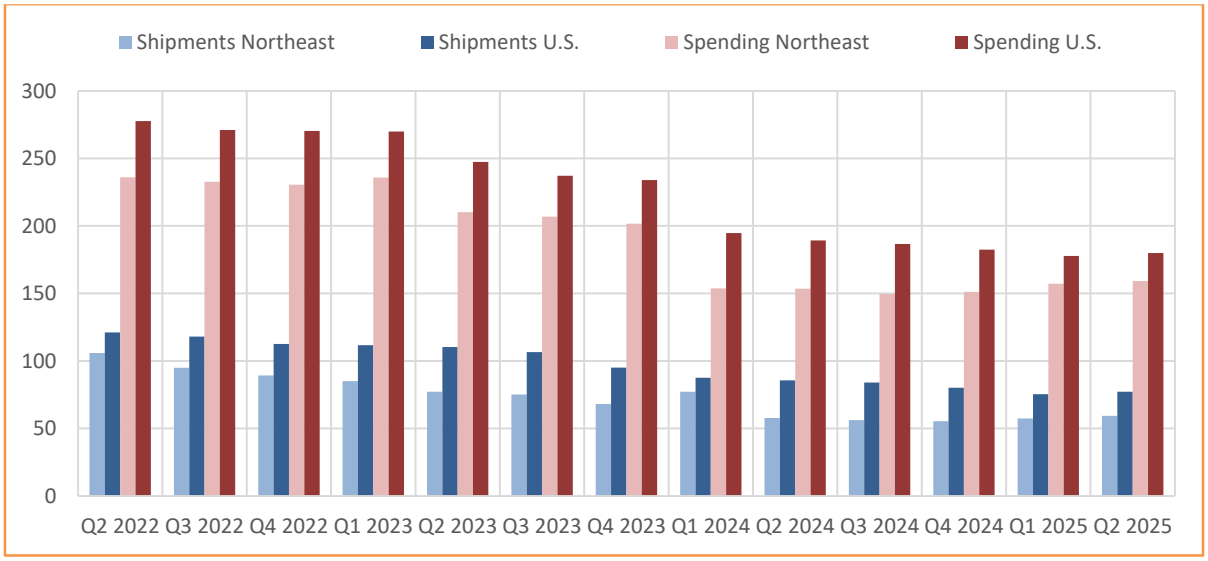


Source: U.S. Department of Energy, Energy Information Administration's Short Term Energy Outlook (September 2025) and U.S. Department of Transportation, Federal Highway Administration

3.1.5 Freight Movements

As part of the broader economic system connecting production, imports, and consumption, freight trends often provide early signs of changes in demand, output, and costs. The U.S. economy's transition from an e-commerce driven model in 2020–2021 to a more services-oriented economy in 2022–2023 led to a historic slowdown in freight volumes and transportation demand. Shipments and freight spending continued to decline through early 2024 but have since largely stabilized. According to U.S. Bank's Freight Payment Index shown in Figure 7, national shipments and spending activity remained down in Q2 2025 compared with a year earlier, with the Shipping Index declining 9.8 percent and the Spending Index down 4.9 percent.[12] While both indices rose slightly from Q1 to Q2 2025, these trends likely reflected shippers rushing to import goods ahead of tariff implementation, rather than sustained economic expansion. Regionally, the Northeast states outperformed the nation with an estimated three consecutive quarters of growth. This activity was supported primarily by housing starts and to a lesser extent, auto sales, while manufacturing activity remained low.

Figure 7: U.S. Bank Freight Payment Indices, U.S. vs Northeast States, Q2 2022 – Q2 2025



Source: U.S. Bank, U.S. Bank Freight Payment Index, Q2 2025.

As the freight sector stabilizes in 2025, the impact of tariffs remains challenging to assess. On October 6, 2025, President Trump announced new 25 percent tariffs on imports of medium- and heavy-duty trucks, set to take effect November 1, placing additional costs on shippers. According to DAT Freight & Analytics, truck volumes in August declined 8 percent from July highs and 7 percent year-over-year as tariff-driven import volumes decreased from earlier highs.[13] These trends suggest that recent shipping volumes have been short-lived and should not be misinterpreted to represent strength in economic activity.

[12] U.S. Bank, U.S. Bank Freight Payment Index, Q2 2025, retrieved from [https://www.usbank.com/dam/en/documents/pdfs/corporate-and-commercial-banking/freight-index-q2-2025-04-0170-16.pdf.]

[13] DAT Freight & Analytics, September 19, 2025, DAT: Truckload volumes, spot rates dipped in August, retrieved from [https://www.dat.com/company/news-events/news-releases/dat-truckload-volumes-spot-rates-dipped-in-august.]

3.1.6 Unemployment Rate

Over the past 25 years, there has been a moderate inverse relationship between the national unemployment rate and VMT levels. As unemployment rises, VMT generally declines, and as unemployment falls, VMT tends to increase, reflecting the fact that higher unemployment reduces commuting, business travel, and discretionary driving. Other factors, including gas prices, household spending power, and telecommuting, also influence travel behavior. The strength of the relationship between VMT and unemployment has varied over this period, depending on broader economic and behavioral conditions.

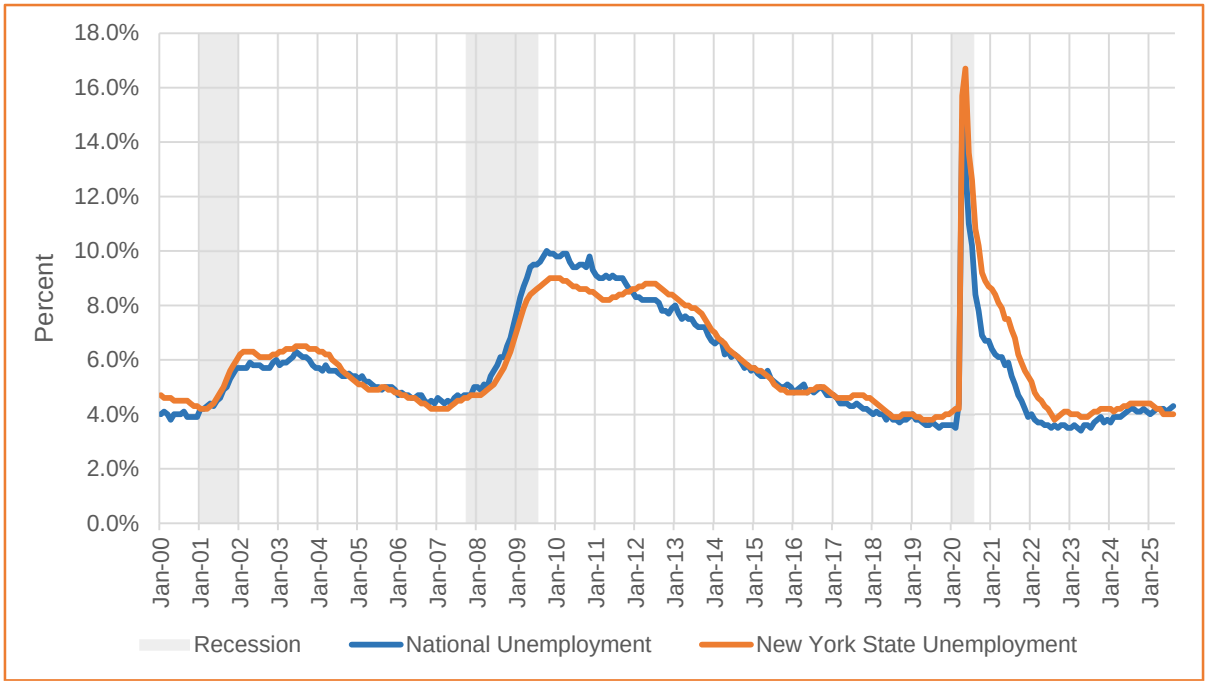
At the beginning of 2008, the national unemployment rate was 5.0 percent, slightly below the average non-recession monthly rate of 5.6 percent since 2000. By October 2009, at the depth of the Great Recession, unemployment peaked at approximately 10.0 percent. Although VMT also declined during this period, the early recovery showed little clear correlation between unemployment and travel; for example, while unemployment fell by roughly 40 percent over the four years following the recession, VMT experienced only minimal growth. By 2014, however, both total employment and VMT levels had fully recovered to pre-recession levels observed in 2007. In the latter half of the 2010s, VMT growth accelerated as unemployment rates dropped to 4 to 5 percent, a level generally considered full employment. During the early months of the COVID-19 pandemic, unemployment spiked to 14.8 percent nationally and 16.7 percent in New York State. In the subsequent years, unemployment stabilized around 4 percent, while VMT, which had dropped sharply during the pandemic, did not fully recover until 2024, two years after employment levels returned to pre-pandemic highs. This lag in recovery was largely due to the sustained prevalence of remote work.

As shown in Figure 8, the New York State unemployment rate has closely tracked national trends with notable deviations during recession lows and ensuing recovery periods. From the early months of the COVID-19 pandemic until early 2025, state unemployment has trended moderately higher than the national rate. Both fell sharply from the latter months of 2020 through early 2023, with the statewide recovery lagging behind the nation. By late 2021, national unemployment dipped below 4.0 percent, and state unemployment followed nearly one year later in August 2022. Monthly national unemployment stabilized on a 12-month change basis in May 2023 and continuously increased through August 2025, ranging from 3.5 to 4.3 percent. During this period, the state unemployment rate remained between 3.9 and 4.1 percent.

The latest jobs report as of September 2025 indicated that the US economy lost jobs in June for the first time in four years, following several months of reduced job growth. Economists blamed job losses on “new tariffs on imports, an immigration crackdown, and mass firing of public workers.”[14] Despite the national slowdown, New York State’s economy remained comparatively resilient. The state’s unemployment rate stayed below the national average for the fourth consecutive month as of August 2025, with its 12-month job growth continuing to outpace national gains on a percentage basis over the same period. Because of the federal government shutdown, the September 2025 jobs report was not released in October.

[14] Lucia Mutikani, US Unemployment Rate Near 4-Year High as Labor Market Hits Stall Speed”, *Reuters*, September 5, 2025, [retrieved from: https://www.reuters.com/business/us-unemployment-rate-near-4-year-high-labor-market-hits-stall-speed-2025-09-05.]

Figure 8: Civilian Unemployment Rate, National vs. New York State, Historical Monthly, Seasonally Adjusted, January 2000 – August 2025



Source: U.S. Department of Labor, Bureau of Labor Statistics, National Bureau of Economic Research

3.2 SHORT-TERM ECONOMIC FORECASTS

In the first half of the 2020s, the U.S. economy has suffered severe contractions followed by a robust recovery, alongside lingering effects from stimulus-driven expansions. Persistent inflation through the first half of 2023 raised concerns about a potential recession. However, as inflation stabilized near historic norms and job growth continued to expand, albeit at somewhat reduced levels in the second half of 2023 through early 2025, the economic outlook became more optimistic. By summer 2025, concerns about job growth resurfaced due to several months of rising unemployment and downward revisions to recent job numbers.

The Federal Reserve had been intentionally slowing economic activity by raising interest rates from early 2022 through summer 2023 as a means of reducing inflation. In the summer of 2024, Federal Reserve Chair Jerome Powell stated in remarks to Congress that the U.S. economy was "no longer an overheated economy," with a labor market that has since cooled from pandemic-era extremes.[15] Weakness observed in late 2024 and 2025 prompted several rate cuts, including quarter-point reductions in both September and October 2025 aimed at supporting long-term growth. These were in line with expectations by major Wall Street brokerages, including Goldman Sachs and Morgan Stanley. The U.S. government shutdown in early October 2025 disrupted the release schedule for several key economic data series that the Fed relies on to assess economic conditions and guide monetary policy decisions, adding uncertainty to the current economic outlook.[16]

[15] Howard Schnieder and Ann Saphir, "US economy no longer overheated, Fed's Powell tells Congress", *Reuters*, July 9, 2024, [retrieved from: https://www.reuters.com/markets/us/feds-powell-before-congress-could-show-developing-case-rate-cut-2024-07-09.]

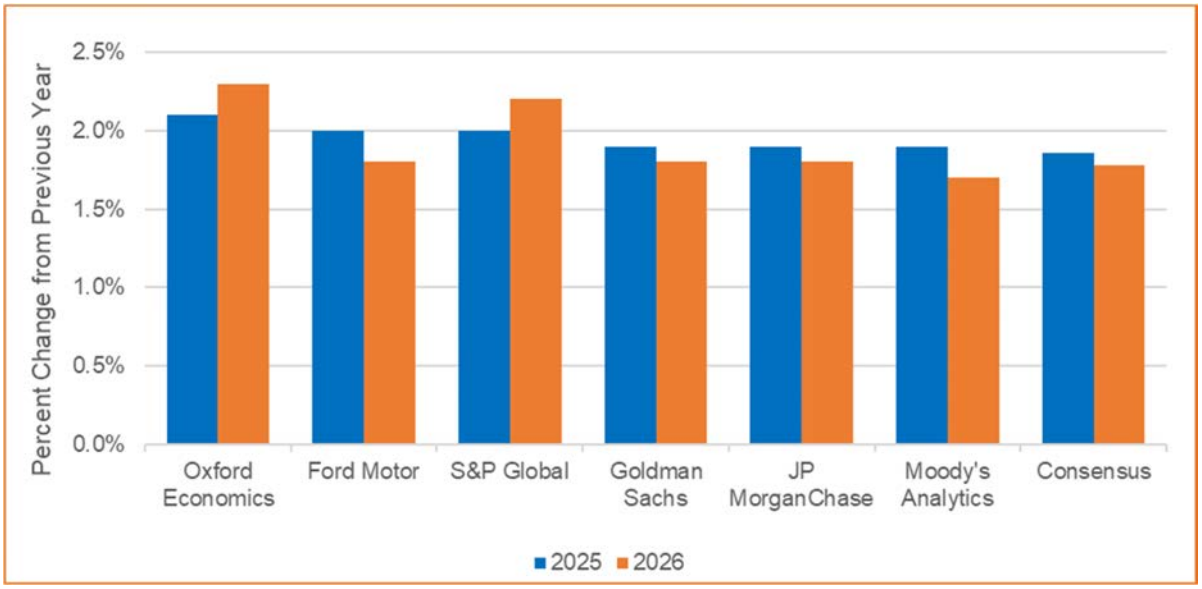
[16] Author Unknown, October 3, 2025, "BofA Global Research moves Fed rate cut forecast to October from December," *Reuters,* [retrieved from: https://www.reuters.com/business/bofa-global-research-moves-fed-rate-cut-forecast-october-december-2025-10-03.]

The latest *Blue Chip Economic Indicators* (October 2025) report on projections from more than 50 financial institutions and professional forecasting firms indicated that there is just a 37 percent probability of a recession occurring in the next 12 months in the U.S.[17] An earlier *Blue Chip* report (May 2025) put the probability of recession in the next twelve months at 47 percent; this was down from 30 percent in the May 2024 report.[18] In the most recent Conference Board report (3rd quarter of 2025), 36 percent of surveyed CEOs report that they are preparing for a recession in the next 12 to 18 months, reflecting overall cautious optimism towards the economy. This is down from 83 percent in the second quarter of 2025, but up from 30 percent a year ago.[19]

3.2.1 Gross Domestic Product

The October 2025 consensus forecast, derived from projections from more than 50 financial institutions and professional forecasting firms, indicated that real GDP will likely increase by 1.9 percent in 2025 and by 1.8 percent in 2026.[20] Figure 9 presents real GDP Forecasts from six different forecasting groups for the short-term timeframe through 2025.

Figure 9: Real GDP, Short-term Forecasts for 2025 and 2026



Source: Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead", Wolters and Kluwer Law & Business, October 10, 2025.

Other forecasts indicate faster or slower growth. The Congressional Budget Office ("CBO") projected an average annual real GDP growth rate of 1.9 percent in 2025 and 1.8 percent in 2026.[21] The Federal Reserve Bank projected 1.4 percent growth in real GDP in 2025 and 1.6 percent growth in 2026.

[17] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

[18] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," May 9, 2025 and May 10, 2024 .

[19] The Conference Board, "US CEO Confidence", August 7, 2025, [retrieved from https://www.conference-board.org/topics/CEO-Confidence.]

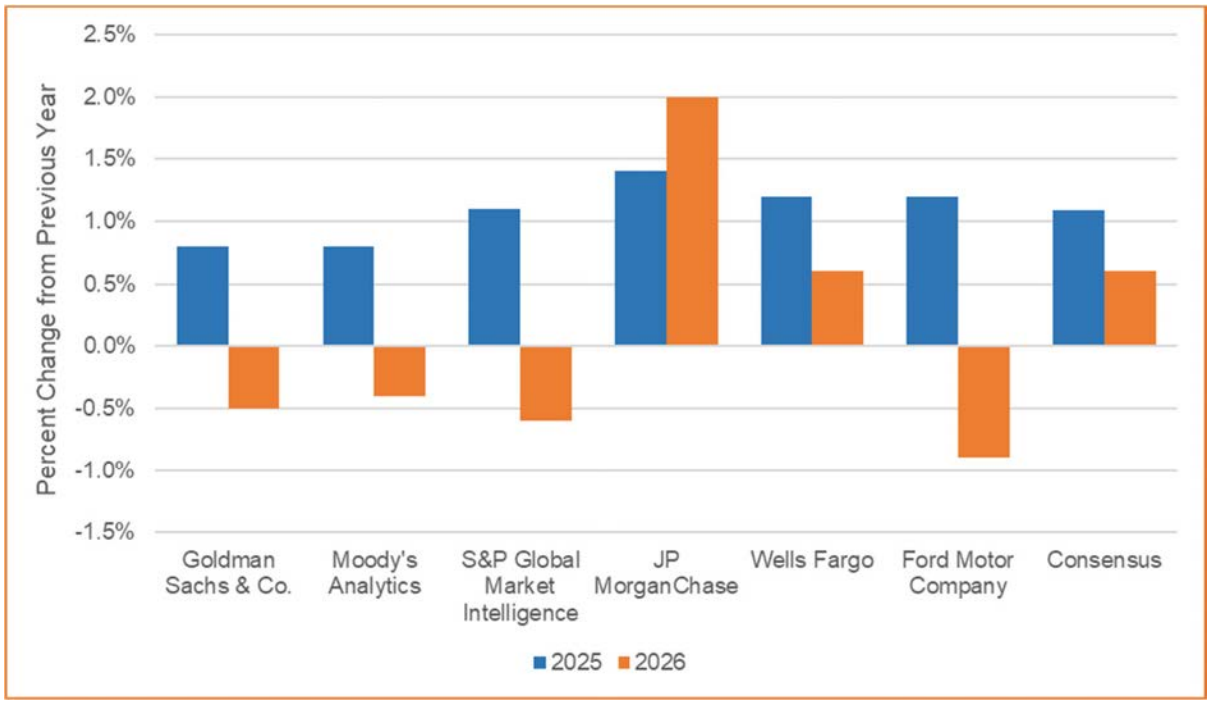
[20] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

[21] Congressional Budget Office, "The Budget and Economic Outlook: 2025 to 2035," January 17, 2025, [retrieved from https://www.cbo.gov/system/files/2025-01/60870-Outlook-2025.pdf, page 2.] Note that the CBO did not publish the expected mid-year update to the Outlook report in 2025.

3.2.2 Industrial Production Index

Based on *Blue Chip Economic Indicators* consensus forecasts developed by financial institutions and industry analysts, the IPI is forecasted to increase by 1.1 percent in 2025 and 0.6 percent in 2026.[22] Figure 10 presents IPI forecasts by six different groups, plus the consensus forecast among the more than 50 financial institutions and professional forecasting firms, for 2025 and 2026. While full-year 2025 forecasts are relatively aligned across different groups, pointing to modest economic growth, projections for the 2026 IPI vary significantly - ranging from a contraction of 0.9 percent to growth of 2.0 percent. The future outlook for industrial production remains complicated by the introduction of far-ranging tariffs with no recent historical precedent. According to the Institute for Supply Management's September 2025 Manufacturing PMI Report, ISM survey respondents reported tariffs, high costs, and weak demand as key challenges facing the nation's industrial growth, with many major businesses delaying major capital projects and delaying orders for imports of machinery, metals, and semiconductors impacted by tariff-induced price increases.[23]

Figure 10: IPI, Short-Term Forecasts for 2025 and 2026



Source: Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead", Wolters and Kluwer Law & Business, October 10, 2025.

3.2.3 Freight Movements

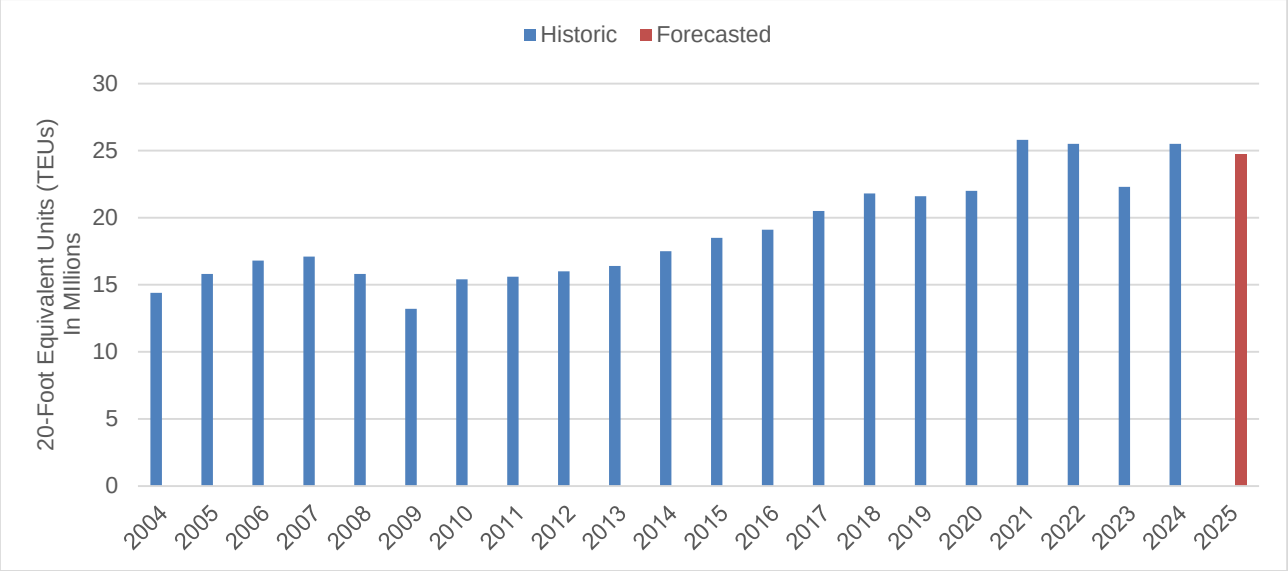
Amid tariff pressures and weakening demand, U.S. import cargo volumes are expected to decline in the second half of 2025 following "near-record peak" imports earlier this summer, as businesses and manufacturers rushed import shipments into local

[22] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead"*, October 10, 2025.

[23] Institute for Supply Management, ISM PMI Reports, September 2, 2025, [retrieved from https://www.ismworld.org/supply-management-news-and-reports/reports/ism-pmi-reports/pmi/september/.]

ports to avoid new tariffs.[24] The National Retail Federation ("NRF") projects that monthly imports will fall steadily through December 2025 as U.S. and retaliatory global tariffs further dampen demand for goods. The NRF estimates that first-half 2025 imports totaled 12.53 million twenty-foot equivalent units ("TEUs"), with a year-end forecast of 24.7 million TEUs, down from 25.5 million TEUs in 2024.[25] Shown in Figure 11, year-end 2025 shipping volumes are forecasted to decline 1.1 million TEUs from the record-high 25.8 million TEUs shipped in 2021 and down 0.8 million TEUs from 2024 levels.

Figure 11: U.S. Port Annual Shipping Volumes, Historical and Short-Term Forecasts, 2024-2025



Note: Includes import volumes at the U.S. ports of Los Angeles/Long Beach, Oakland, Seattle and Tacoma on the West Coast; New York/New Jersey, Port of Virginia, Charleston, Savannah, Port Everglades, Miami and Jacksonville on the East Coast, and Houston on the Gulf Coast.
Source: National Retail Association/Hackett Associates, Global Port Tracker, September 9, 2025

3.2.4 Fuel Cost Trends

Figure 12 presents historical and projected gasoline and crude prices from the U.S. Energy Information Administration ("EIA"). Following the sharp declines during the COVID-19 pandemic, energy prices began rebounding as economic activity resumed in 2021. U.S. regular retail gasoline climbed from $2.33 per gallon in January 2021 to $3.31 in January 2022, reflecting renewed global demand and tightening supplies. That period also saw temporary disruptions, including the Colonial Pipeline shutdown in May 2021 and Hurricane Ida's damage to Gulf Coast refineries, both of which caused regional price surges. In 2022, global energy markets were further destabilized by the Russian invasion of Ukraine and the resulting sanctions on Russian oil. This increased U.S. gasoline prices to nearly $5 per gallon by early summer, the highest level in over a decade. Retail gas prices dropped sharply after the summer of 2022 and continued to decline until the end of the year, ending the year 34.9 percent down from the peak. In 2023 and 2024, gas prices exhibited normal seasonal fluctuations, trending downward from an annual average of $3.96 in 2022, to $3.52 in 2023, and $3.31 in 2024. In 2025 the monthly gas prices through September remained flat at around $3.15.

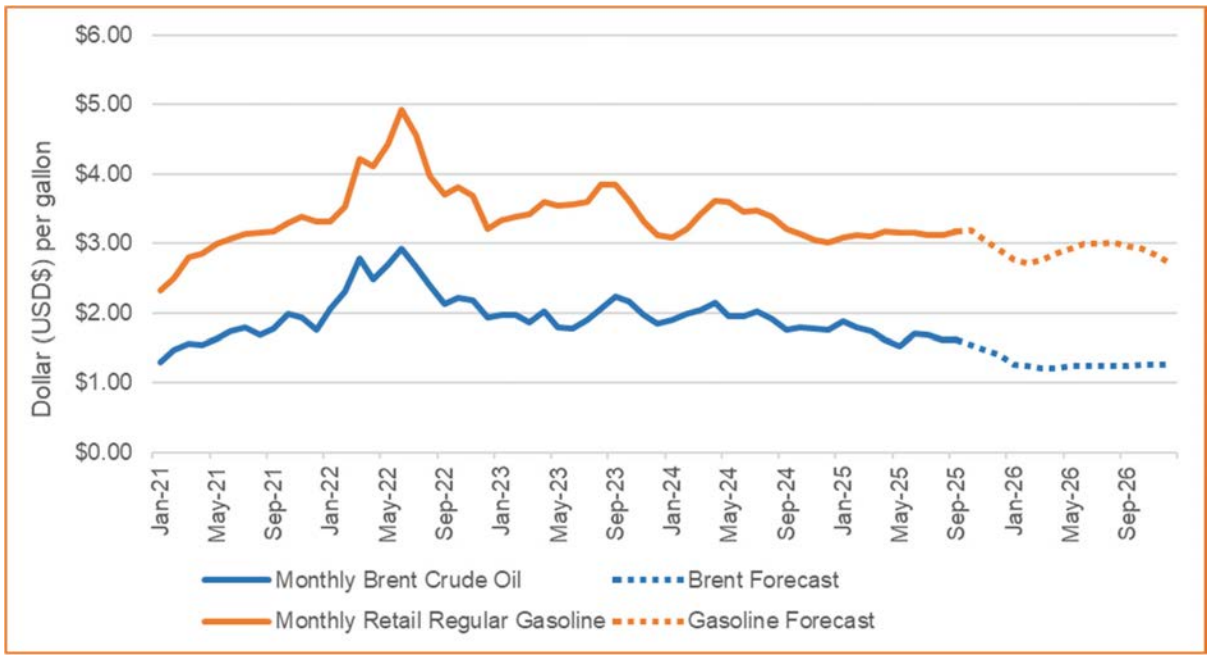
According to the EIA, the outlook is for retail gas prices to be flat-to-declining for the remainder of 2025, averaging $3.10 a gallon for the full year, decreasing to $2.90 a gallon in 2026 due to rising global oil inventories as economic growth and

[24] National Retail Association/Hackett Associates, *Global Port Tracker,* September 9, 2025, retrieved from [https://nrf.com/media-center/press-releases/imports-declining-following-summer-surge-ahead-of-tariffs.]

[25] Ibid.

consumer demand continue to slow. It is important to note that the average fuel economy for vehicles increased by 44.9 percent between 2004 and 2024, reducing the correlation between fuel demand and travel patterns compared to past years.[26]

Figure 12: Nominal U.S. Gasoline and Brent Crude Oil Prices, Historical and Short-term Forecasts, 2021 – 2026



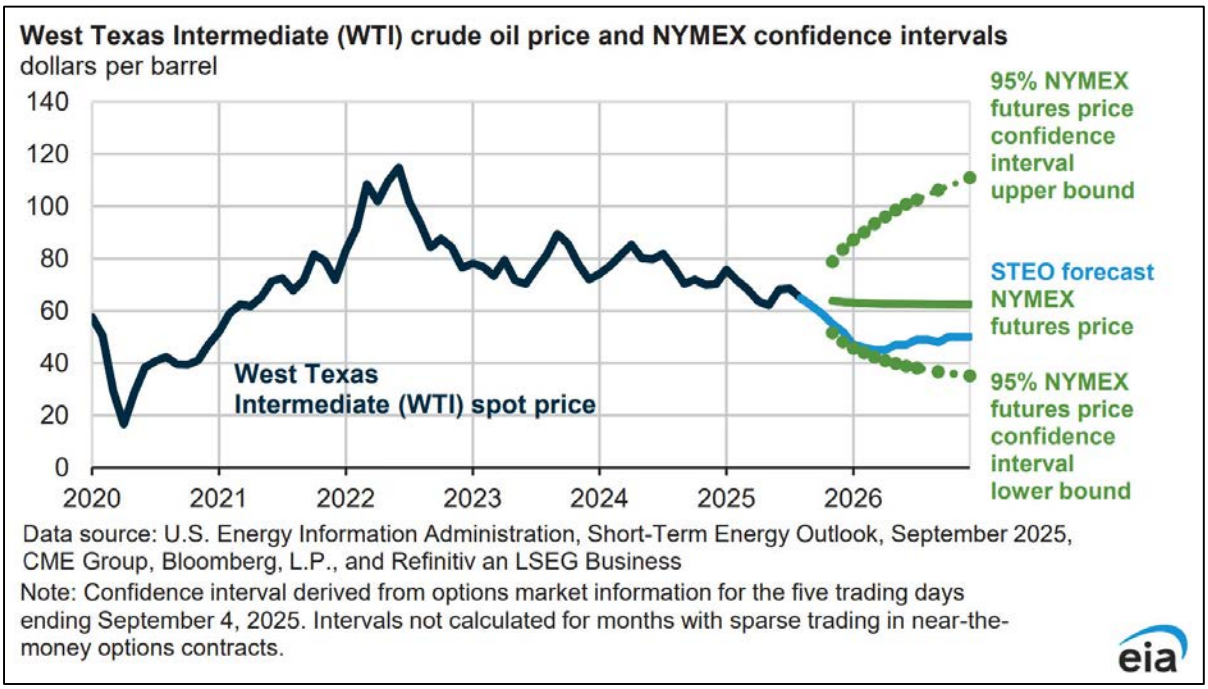
Source: U.S. Department of Energy, U.S. Energy Information Administration, Short-Term Energy Outlook, October 2025

This forecast for steady future oil and gas prices may be reassuring; however, this figure does not show the level of uncertainty in these projections. Figure 13 presents the EIA's projections for West Texas Intermediate Crude Oil Price. The base projection is similar to that illustrated in Figure 12, but it is the possible range of this price that represents a downside risk to the U.S. economy and VMT. Based on options markets, the Brent crude futures price for December 2026 is $61.87 per barrel, with a 95 percent NYMEX confidence interval ranging from $34.79 to $110.03 per barrel.[27] The wide range of likely future prices of oil and gasoline, knowing their impact on motorist behavior, presents one of the challenges in accurately projecting future traffic volumes.

[26] U.S. Environmental Protection Agency, "The 2023 EPA Automotive Trends Report: Greenhouse Gas Emissions, Fuel Economy, and Technology since 1975 Executive Summary," December 2023, [retrieved from https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P101CUU6.pdf, page ES-2.]

[27] U.S. Energy Information Administration, *Short-Term Energy Outlook*, August 12, 2025, [retrieved from https://www.eia.gov/outlooks/steo/.]

Figure 13: Crude Oil Prices, Historical and Short-term Forecasts, with Confidence Intervals, 2020 – 2026



Although fuel costs will remain a significant factor to monitor, the growing share of electric vehicles ("EVs") in the U.S. fleet is changing the landscape of the automotive industry. According to the US Department of Energy, the number of fully electric ("EV") vehicles reached 3.5 million in 2023. When combined with Plug-In Hybrid Electric ("PHEV") and Hybrid Electric ("HEV") vehicles, more than 12.3 million such vehicles are now on the road, accounting for 4.3 percent of all light-duty vehicles.[28]

In New York State, the market share of EV and PHEV vehicles is 2.3 percent as of September 2025 with 313,000 electric vehicles on the road.[29] Including HEVs, which totaled 314,000 vehicles in 2023, the combined share of electric and hybrid vehicles is likely around 4.6 percent.[30] The trend towards electrification is most evident among new vehicle sales. In the first quarter of 2025, the EIA reported that sales of EV, PHEV, and HEV vehicles accounted for 22 percent of total new light-duty vehicle sales in the United States, up from 18 percent one year earlier.[31]

Given that modern cars last 16 years on average, it will take a number of years for electric vehicles to become a significant share of the automotive fleet. Depending on local adoption rates, purchase prices, and incentives, some automotive analysts project that electric vehicles could increase to 3.4 million new car sales annually in the United States by 2030. By that time, 20.6 percent of the light-duty vehicles on the road could be electric.[32] Ambitious EV incentives and emissions regulations introduced in the early 2020s have come under reform throughout 2025, contributing to downward outlook revisions as the EV market faces new headwinds. In early 2024, federal tailpipe emissions standards were eased to provide automakers more

[28] U.S. Department of Energy, *Light-Duty AFV Registrations*, 2023, [retrieved from: https://afdc.energy.gov/vehicle-registration.]

[29] Atlas Public Policy, *EValuate NY: Market Overview*, October 8, 2025, [retrieved from https://atlaspolicy.com/evaluateny/.]

[30] U.S. Department of Energy, *Light-Duty AFV Registrations*, 2023, [retrieved from: https://afdc.energy.gov/vehicle-registration.]

[31] U.S. Energy Information Administration, "Hybrid vehicle sales continue to rise as electric and plug-in vehicle shares remain flat," May 30, 2025, [retrieved from: https://www.eia.gov/todayinenergy/detail.php?id=65384.]

[32] International Energy Agency, *Global EV Outlook*, July 31, 2025, [retrieved from: https://www.iea.org/data-and-statistics/data-tools/global-ev-data-explorer.]

time to meet EV adoption targets. By late September 2025, several key purchase tax credits for EVs were repealed, and enforcement of penalties for automakers failing to meet federal fuel economy standards was suspended.[33]

3.2.5 Inflation

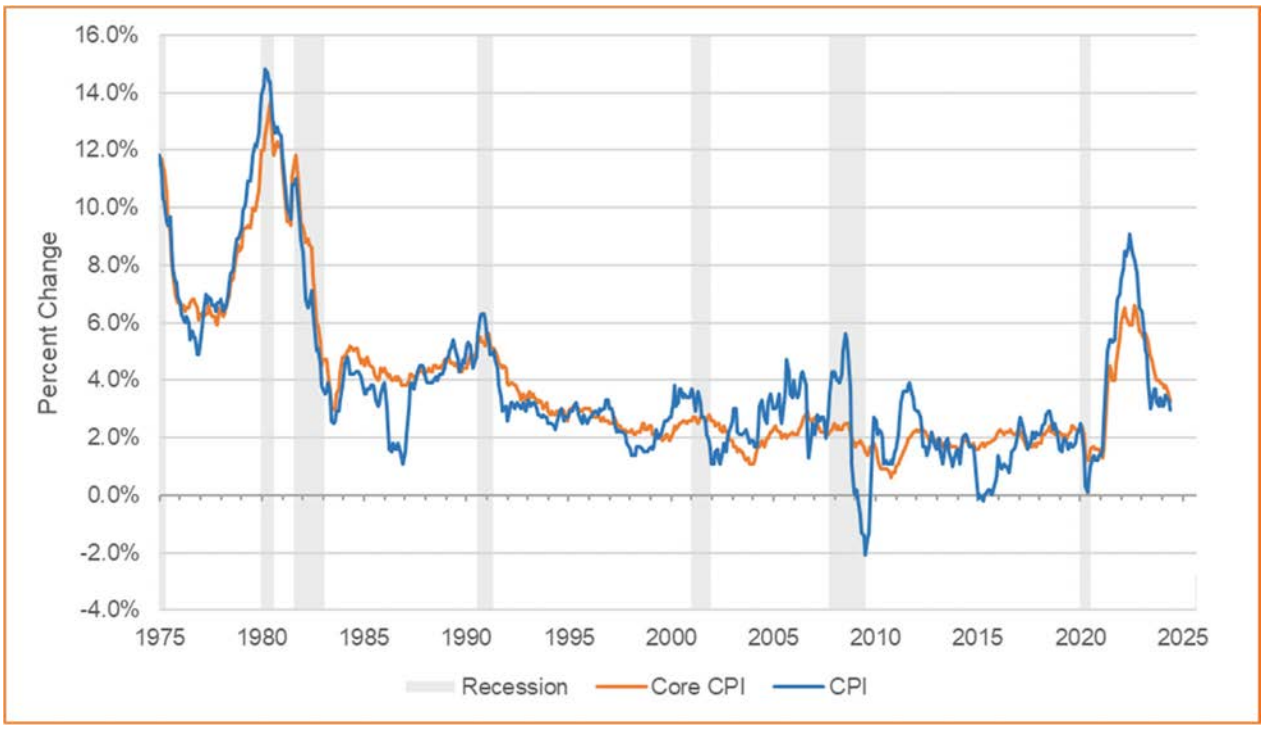
While rising fuel prices have an obvious potential impact on traffic levels, broader inflation in goods and services can also affect travel behavior by reducing household disposable income and constraining spending on nonessential trips, goods, and services, impacting both commuter travel and freight activity in the short term. The change in the Consumer Price Index ("CPI") is shown in Figure 14 for the period of 1975 through August 2025. Starting in mid-2021, year-over-year inflation change reached rates much higher than previous decades, exceeding 5 percent each month between May 2021 and March 2023. The last time inflation was this high was during the period from 1979 through the early 1980s when higher energy prices, sluggish economic growth, and the Federal Reserve's relatively loose monetary policy contributed to sustained increases in prices for goods and services across the economy.

Since June 2023, inflation has remained below 4 percent year-over-year, ranging from 2.3 to 3.7 percent. Although volatility has eased and appears to be on a downward trend, the 12-month change in prices remains elevated, well above the Federal Reserve target range of roughly two percent. As energy prices declined and the labor market weakened over this period, the costs of food, medical care, and rent increased. Some cost increases were associated with the higher prices of goods anticipated from new tariffs in 2025. Despite consistently lower readings over the past 12 months, from a survey of 50 financial institutions and industry analysts associated with the most recent (October 2025) *Blue Chip Economic Indicators*, 68 percent of surveyed firms stated that an expected increase in tariffs will contribute to a one-time inflation boost, while 32 percent reported a longer-lasting inflation increase was likely. The *Blue Chip Economic Indicators* consensus forecast predicts a December-over-December inflation growth rate of 2.8 percent in 2025 and 2.9 percent 2026, representing a 0.1 percentage point increase in the 2026 forecast compared with the previous month's consensus forecast.[34]

[33] Neal Boudette, "Electric Vehicles Face a 'Pretty Dreadful Year' in the U.S." September 29, 2025, [retrieved from: https://www.nytimes.com/2025/09/29/business/electric-vehicles-federal-tax-credit.html.]

[34] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators, "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead,"* August 11, 2025 and October 10, 2025.

Figure 14: Consumer Price Index for All Urban Consumers Annual Change (1975 - 2025)



Source: U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers ("CPI-U").
Note: Gray shaded areas of the graphic represent U.S. recessions according to the Federal Reserve Bank of St Louis.

3.2.6 Unemployment Rate

Based on *Blue Chip* consensus forecasts developed by financial institutions and industry analysts, the national unemployment rate, which was 4.5 percent in August 2025, is projected to average 4.4 percent in 2025 and decrease to 4.2 in 2026.[35] Comparatively, the Organisation for Economic Co-operation and Development forecasts a slightly more optimistic outlook with an average unemployment rate of 4.0 percent in 2025.[36] Largely in line with the *Blue Chip* consensus forecast, the CBO projected in January 2025 that unemployment will average 4.3 percent in 2025 but will climb to just 0.1 percentage points to 4.4 percent in 2026.[37]

[35] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators, "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead,"* August 11, 2025 and October 10, 2025.

[36] Organisation [sic] for Economic Co-operation and Development (OECD), *Unemployment rate forecast (indicator)*, September 15, 2025, [retrieved from https://www.oecd.org/en/data/indicators/unemployment-rate-forecast.html.]

[37] Congressional Budget Office, "The Budget and Economic Outlook: 2025 to 2035," January 17, 2025, [retrieved from https://www.cbo.gov/system/files/2025-01/60870-Outlook-2025.pdf, page 2.]

3.3 LONG-TERM ECONOMIC FORECASTS

3.3.1 Economic Indices

In the longer-term, the latest *Blue Chip* consensus forecast developed by financial institutions and industry analysts on October 10, 2025 projects that real GDP will grow by 2.0 percent annually in 2027 and 2028, and then 1.9 percent annually over the 2029-2036 timeframe.[38] Both the CBO and Federal Reserve Bank forecasted earlier in 2025 that real GDP would increase by 1.8 percent from 2027 through 2035.[39] [40]

The *Blue Chip* consensus forecast for the Industrial Production Index is that it will grow by an average of 1.6 percent annually from 2027 through 2031 and by 1.5 percent annually from 2032 through 2036.[41] The *Blue Chip* consensus forecast for the Consumer Price Index is that it will grow by 2.5 percent in 2027 before stabilizing at 2.2 percent annually from 2028 to 2036.[42]

3.3.2 Vehicle Miles Traveled

The Federal Highway Administration prepares long term (20- and 30-year) forecasts of VMT each year and projects VMT growth under three different economic outlooks- baseline, low economic growth, and high economic growth, with the most recent forecasts shown in Table 3.[43] Interestingly, growth in vehicle mileage for single unit and combination trucks is forecast to be at a higher rate than for light duty vehicles, reflecting expected growth in e-commerce and logistics.

Table 3: FHWA Long-Term Growth Forecasts of National VMT

Vehicle Class	Compound Annual Growth Rates					
	Pessimistic Economic Growth Outlook		Baseline Economic Growth Outlook		Optimistic Economic Growth Outlook	
	2023-2043 (20-Year)	2023-2053 (30-Year)	2023-2043 (20-Year)	2023-2053 (30-Year)	2023-2043 (20-Year)	2023-2053 (30-Year)
Light-Duty Vehicles	0.4%	0.3%	0.6%	0.5%	0.9%	0.8%
Single-Unit Trucks	1.4%	1.4%	2.1%	2.0%	2.9%	2.7%
Combination Trucks	0.7%	0.7%	1.0%	0.9%	1.2%	1.2%
TOTAL	0.5%	0.4%	0.7%	0.6%	1.0%	0.9%

Source: Office of Highway Policy Information U.S. DOT, Federal Highway Administration, September 2025.

[38] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

[39] Congressional Budget Office, "The Budget and Economic Outlook: 2025 to 2035," January 17, 2025, [retrieved from https://www.cbo.gov/system/files/2025-01/60870-Outlook-2025.pdf, page 2.]

[40] Federal Reserve Bank Open Market Committee, "Summary of Economic Projections," June 18, 2025, [retrieved from https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20250618.pdf.]

[41] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

[42] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025.

[43] FWHA, 2025 FHWA Forecasts of Vehicle Miles Traveled (VMT), Federal Highway Administration, Office of Highway Policy, September 2025 [retrieved from https://www.fhwa.dot.gov/policyinformation/tables/vmt/vmt_forecast_sum.cfm.]

The 2025 forecast from the EIA also projects a differential between light duty vehicles and trucks for the 2024-2050 timeframe. The EIA projected growth rates fall within the same limits as the Federal Highway Administration ("FHWA") projections shown above for each of the three vehicle categories:[44]

- 0.4 percent increase annually for light duty vehicles less than 8,501 pounds
- 0.9 percent decline annually for light duty trucks (commercial trucks 8,501 to 10,000 pounds gross vehicle weight rating)
- 0.8 percent increase annually for freight trucks greater than 10,000 pounds

3.3.3 Unemployment Rate

Long-term forecasts of the unemployment rate tend to differ, depending on varying assumptions of the impact of long-term structural trends such as advances in information technology, outsourcing, and an aging population. In its latest 10-year economic projections, the CBO has forecasted that the unemployment rate will average 4.4 percent in the 2026-2035 time period.[45]

Based on consensus forecasts developed by financial institutions and industry analysts, the unemployment rate is projected to average 4.2 percent over the 2028-2036 timeframe[46], slightly lower than the rate forecasted by the CBO.

[44] Annual Energy Outlook, 2025, Transportation Sector Key Indicators, [retrieved from https://www.eia.gov/outlooks/aeo/data/browser/#/?id=7-AEO2025&cases=ref2025~hm2025~lm2025~highprice~lowprice~highogs~lowogs~highZTC~lowZTC~nocaa111~alttrnp~aeo2023ref&sourcekey=0.]

[45] Congressional Budget Office, "The Budget and Economic Outlook: 2025 to 2035," January 17, 2025, [retrieved from https://www.cbo.gov/system/files/2025-01/60870-Outlook-2025.pdf, page 2.]

[46] Wolters and Kluwer Law & Business, *Blue Chip Economic Indicators: "Top Analysts' Forecasts of the U.S. Economic Outlook for the Year Ahead*," October 10, 2025

4.0 CAPITAL PLAN

In order to better understand the Authority's current and future financial condition, consideration must be given to the size, complexity and capital needs of its highway and bridge infrastructure. The Authority's Thruway System is extensive and aging and requires considerable investments to remain reliable. This section summarizes the Authority's 2026-2030 Capital Plan, the infrastructure investments and program changes that are to be made therein, and the impact that these investments will likely have on facility condition ratings. Table 4 and Table 5 on page 37 summarize the actual annual capital expenditures from 2012 through 2024, and planned expenditures through 2030. These are followed by Table 6 and Table 7 starting on page 38 which provide detail on the funding sources for the recent capital plan and projections for future capital plans.

4.1 2026-2030 CAPITAL PLAN DETAILS

The Authority's 2026-2030 Capital Plan provides about $2.8 billion for Authority capital projects. The Capital Plan includes reconstruction and rehabilitation of roadway, bridges, facilities, equipment, and support systems. From 2026 through 2030, the Authority believes that the planned investments made in this program will preserve overall highway and bridge conditions in the "good" category, allowing for the continued reliability of the Thruway System.

Major Thruway projects in the 2026-2030 program include:

- Zero Emission Vehicle ("ZEV") Facilities Upgrades Statewide (2030 letting)
- Pavement Reconstruction East of West Nyack Exit 12 (MP 18.0) to West of Exit 14A (MP 24.0) (2030 letting)
- Concrete Pavement Restoration East of Fulton Exit 39 (MP 289.3) to West of Weedsport Exit 40 (MP 304.5) (2026 letting)
- Installation of ZEV Fueling Facilities Statewide (2030 letting)
- Pavement Reconstruction near New Paltz Exit 18 (MP 72.5 to MP 76.5) with Brookside Rd. Bridge Replacement (2026 letting)
- South End of Viaduct located on I-190 near Exit 1 (MP 900.7 to MP 904.2) Pavement Rehabilitation (2026 letting)
- Kaaterskill / Catskill Bridge Improvement Project (2026 letting)
- Pavement Resurfacing South of Hall Place Exit 1 (MP 0.0) to West of Tarrytown Exit 9 (MP 13.0) (2026 letting)
- Pavement Reconstruction west of the Governor Mario M. Cuomo Bridge (MP 16.4 to MP 18.0) (2029 letting)
- North Grand Island Northbound and Southbound Bridges Full Painting (MP N20.35 to MP N21.12) (2030 letting)
- South Grand Island Northbound and Southbound Bridges Full Painting (MP 914.35 to MP 914.99) (2030 letting)
- Pavement Resurfacing Newburgh Exit 17 (MP 60.1) to South of New Paltz Exit 18 (MP 68.0) (2029 letting)
- Pavement Resurfacing West of Geneva Exit 42 (MP 327.5) to East of Canandaigua Exit 44 (MP 347.1 (2026 letting)

- MP 425.9, I-90 West of Williams St. (Exit 52A) to MP 427.7 of West Seneca (Exit 54) and I-190 (Niagara Section), I-90 to MP 900.7
- Pavement Resurfacing East of Fultonville (Exit 28, MP 180.0 to West of Canajoharie (Exit 29, MP 197.9) (2028 letting)
- Pavement Resurfacing East of Silver Creek (MP455.2) to Dunkirk (Exit 59, MP 497.0) (2028 letting)
- Concrete Pavement Restoration Albany (Downtown) (MP 141.9) to Interchange 24 I-87/I-90 (Exit 148.2) (2030 letting)
- I-90 Bridge over CSX & Norfolk Southern RR-Rehabilitations from MP 475.25 to MP 475.26 (between Exits 59 and Exit 60) (2027 letting)
- Multi-Course Resurfacing between Pembroke and Depew from MP 404.7 to MP 416.9 (2028 letting)
- Concrete Pavement Restoration MP 910.0 (Exit 14) to MP 914.0 (Exit 17) (2029 letting)
- I-190 (North end of Viaduct) Pavement Resurfacing at MP 905.6 to MP 910.0 (2029 letting)
- I-190 Viaduct – Deck Repairs and Sealing, Substructure Sealing, Joint and Joint Header Requirements, Bearing Rehabilitation and Select Painting (MP 904.24) (2030 letting)

The Authority adopts its Capital Plan on a rolling 5-year basis, amending it each year to include the next year. As the Authority progresses through the current Capital Plan, it will continue to modernize and enhance its asset management and capital plan management systems to ensure that changes to the program maintain the proper project mix, maximize investment value, and maintain good condition ratings as the economy and pricing environments change.

4.2 HISTORICAL AND PLANNED CAPITAL EXPENDITURES

Given the age of the Thruway System and the high percentage of its infrastructure that dates back to original construction, significant capital investments have been necessary to complement maintenance activities for the system to remain reliable and in a state of good repair. Actual capital expenditures for 2014 through 2024 are shown in Table 4. Table 5 presents the planned capital expenditures through 2030. With these planned capital expenditures, the Authority can continue to provide good service to its customers, meet the demands of future traffic growth, and ensure that the system is not adversely affected by deteriorating bridge and pavement conditions.

Table 4: Actual Capital Expenditures, 2014-2024 (millions)

Year	Thruway Highway and Bridges Capital Expenditures	Equipment Replacement and Other Facility Capital Needs[1]	Canal System and Other Authority Projects[2]	Subtotal Capital Plan Expenditures	New NY Bridge Project Capital Costs	Total Capital Plan Expenditures
2014	$170.7	$33.7	$76.7	$281.0	$594.2	$875.3
2015	251.3	35.2	48.8	335.3	702.0	1,037.3
2016	200.1	36.5	30.3	266.9	790.7	1,057.7
2017	184.7	44.8	0.0	229.5	479.1	708.6
2018	222.9	104.7	0.0	327.7	264.1	591.8
2019	222.1	170.7	0.0	392.9	171.6	564.5
2020	166.2	282.9	0.0	449.2	88.9	538.0
2021	120.7	162.4	0.0	283.1	20.8	303.9
2022	237.9	33.6	0.0	271.5	10.3	281.8
2023	262.6	43.8	0.0	306.4	12.4	318.8
2024	298.9	62.8	0.0	361.7	9.4	371.1
Total 2014-2024	**$2,338.1**	**$1,011.1**	**$155.9**	**$3,505.1**	**$3,143.6**	**$6,648.8**

Note: Numbers may not add due to rounding.
[1] Includes capital costs for system-wide AETC conversion
[2] These costs were payable only after Thruway operating and maintenance and debt service costs, and, as noted herein, jurisdiction for the Canal System was transferred to the New York Power Authority effective January 2017.

Table 5: Projected 2025-2030 Capital Expenditures (millions)

Year	Thruway Highway and Bridges Capital Expenditures	Equipment Replacement and Other Facility Capital Needs	Other Authority Projects	Subtotal Capital Plan Expenditures	New NY Bridge Project Capital Costs	Total Capital Plan Expenditures
2025	$398.6	$68.0	$0.0	$466.6	$15.0	$481.6
2026	392.4	90.6	0.0	483.0	37.0	520.0
2027	458.6	99.9	0.0	558.5	37.0	595.5
2028	442.9	90.2	0.0	533.1	15.0	548.1
2029	429.4	79.1	0.0	508.5	10.0	518.5
2030	417.0	84.9	0.0	501.9	108.1	610.0
Total 2025-2030	**$2,538.9**	**$512.7**	**$0.0**	**$3,051.6**	**$222.1**	**$3,273.7**

Note: Numbers may not add due to rounding.

Table 6 and Table 7 summarize actual funding sources for the previous Capital Plans and planned funding sources for the 2026-2030 Capital Plan.

Approximately $100 million of federal aid was allocated to the Authority's Capital Plan in 2014-2016. New York State's 2015-2016 Enacted Budget appropriated $1.285 billion to fund Thruway capital projects, including the New NY Bridge Project. The State's 2016-2017 Enacted Budget included an additional appropriation of $700 million for capital assistance to the Authority bringing the total appropriations to $1.985 billion.

In 2023, the Authority received a $21 million federal grant to help fund the rehabilitation of the Castleton-on-Hudson Bridge. In 2024, it was awarded a $39 million federal grant to strengthen the South Grand Island Bridges and implement critical upgrades to improve resilience against seismic loading from earthquakes.

Table 6: 2014-2024 Actual Funding Sources, Thruway Authority (millions)

Year	Funding Sources					
	Federal Aid (A)	Other [1] (B)	Bond / Note Proceeds (C)	Subtotal Exclusive of Thruway Revenues on Pay-As-You-Go Basis (A+B+C)	Revenues Required from Tolls, etc. (D)	Pay-As-You-Go % (A+B+D)/(A+B+C+D)
2014	$51.3	$9.9	$721.6	$782.8	$92.7	17.6%
2015	51.2	396.6	491.8	939.5	97.7	52.6%
2016	5.8	536.9	415.9	958.6	99.0	60.7%
2017	0.1	181.6	464.2	645.9	62.8	34.5%
2018	0.0	504.1	3.0	507.0	84.8	99.5%
2019	0.0	367.8	0.0	367.8	196.7	100.0%
2020	0.0	61.1	473.2	534.3	3.7	12.0%
2021	0.1	1.9	196.8	198.8	105.1	35.3%
2022	0.0	1.0	231.8	232.8	49.0	17.8%
2023	0.0	0.5	115.0	115.5	190.9	62.5%
2024	3.7	0.2	152.4	156.3	214.8	58.9%
Total 2014-2024	**$108.5**	**$2,060.9**	**$2,998.1**	**$5,167.5**	**$791.5**	**49.7%**

Note: Numbers may not add due to rounding.
[1] Incorporates portions of State grant assistance of $1.285 billion from the 2015-2016 State Budget and $700 million from the 2016-2017 State Budget. The remaining State grant funds were drawn down in 2019.

Table 7: Projected 2025-2030 Funding Sources, Thruway Authority (millions)

Year	Funding Sources					
	Federal Aid (A)	Other [1] (B)	Bond / Note Proceeds (C)	Subtotal Exclusive of Thruway Revenues on Pay-As-You-Go Basis (A+B+C)	Revenues Required from Tolls, etc. (D)	Pay-As-You-Go % (A+B+D)/(A+B+C+D)
2025	$11.1	$0.9	$245.3	$257.3	$224.4	49.1%
2026	18.1	1.4	269.0	288.5	231.5	48.3%
2027	13.4	0.9	350.9	365.2	230.2	41.1%
2028	13.4	0.0	350.1	363.4	184.7	36.1%
2029	2.2	5.0	352.8	360.0	158.4	31.9%
2030	-	5.6	450.7	456.3	153.8	26.1%
Total 2025-2030	**$58.2**	**$13.8**	**$2,018.8**	**$2,090.8**	**$1,183.0**	**38.3%**

Note: Numbers may not add due to rounding.

4.3 THE IMPACT OF THE CAPITAL PLAN ON CONDITIONS

As previously noted, the main goals of the Authority's capital and maintenance program are to preserve a high level of patron safety and service, maintain facilities in a state of good repair and ensure the overall reliability of the highway system. One measure of the effectiveness of these maintenance and capital plans is the condition ratings of highway and bridge facilities.

Figure 15 displays the historic average rating of Thruway pavement surface conditions since 2014 and the projected ratings as a result of the current capital plan. During the life of the current capital plan, it is projected that the pavement ratings for the Thruway facilities will stay within the "fair" category.

Similarly, the Authority maintains ratings for the 819 bridge structures for which it has maintenance responsibility. The Authority strictly complies with all State and federal bridge inspection requirements and the assessments in this report reflect the outcomes of such inspections. Figure 16 shows actual and projected bridge condition ratings from 1990 through 2031 and includes a change in the bridge inspection methodology in 2016, which was mandated by the FHWA. As noted, the current capital plan will maintain the average rating of all bridges in the "good" category.

Figure 15: Historical and Projected Thruway System Pavement Conditions, 2014 - 2030

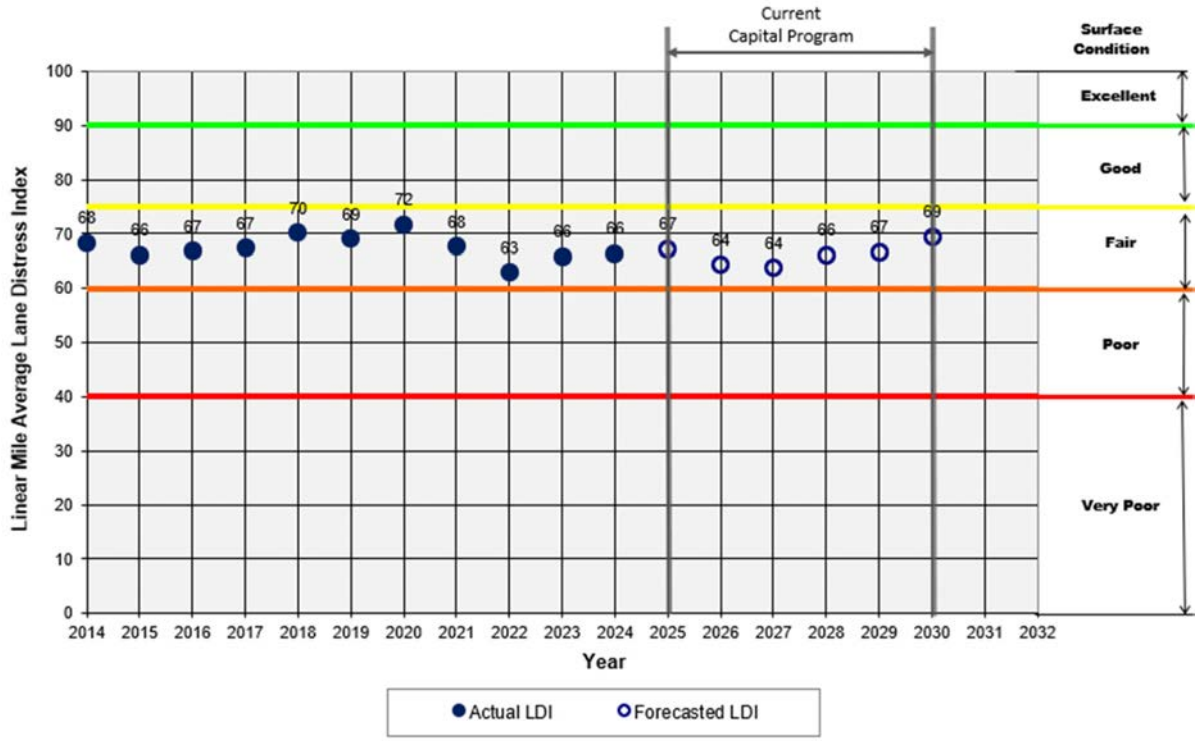
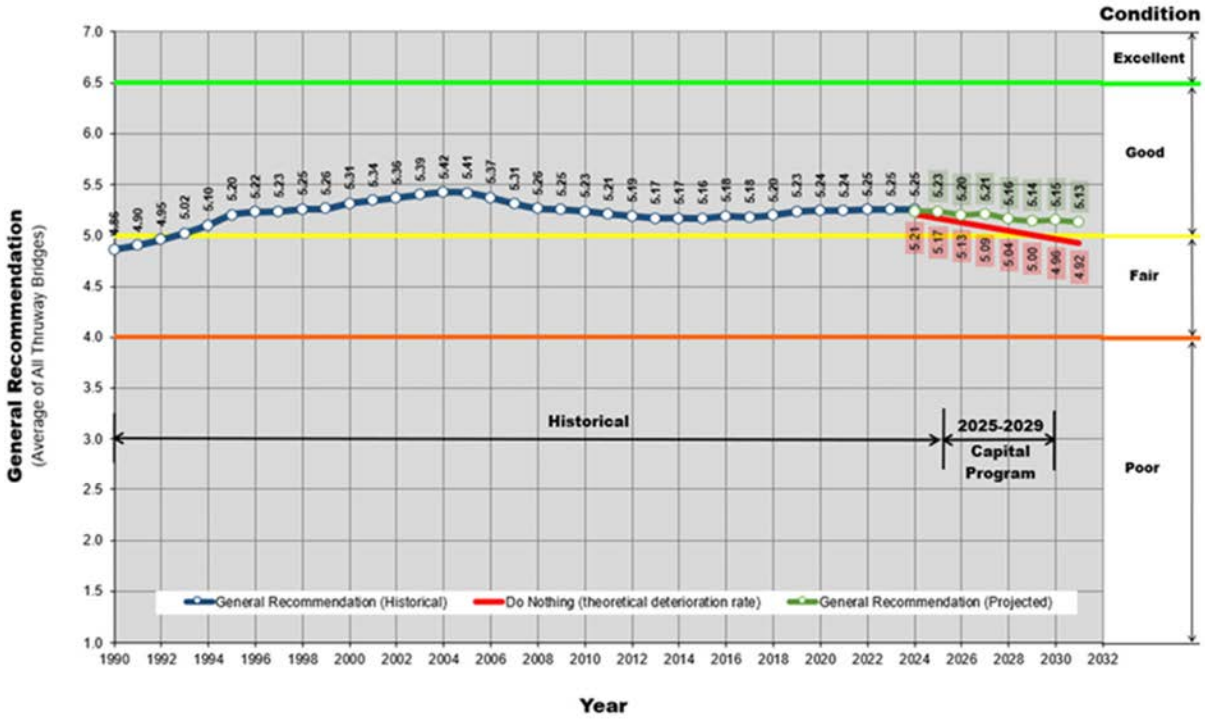


Figure 16: Historical and Projected Thruway System Bridge Condition Ratings, 1990 - 2031



Prior to 2016, the bridge condition rating was calculated by a specific formula containing separate components for each of the bridge elements. The current inspection methodology (since 2016) represents the condition of each element in terms of how much of the element is in a specific condition, called “condition state.”

Table 8 presents a summary of the general recommendation ratings for bridges on the Thruway based on bridge inspections through December 2024. The general recommendation is the inspector’s assessment of the overall bridge condition. The general recommendation ranges from 7 (bridge is in new condition) to 1 (bridge deterioration is so extensive that partial or total collapse is imminent). The lowest general recommendation for a Thruway bridge is 3 (considerable deterioration of some or all bridge components). Compared to the previous conditions recorded in December 2023, there is one more bridge with a general recommendation of 5-7, two more bridges with a general recommendation of 4, and one fewer bridge with a general recommendation of 2-3. Only one bridge received a general recommendation of 2 in December 2024; it is currently closed to traffic. Note that there were two additional bridges added to the Authority’s network during the December 2023 to December 2024 period.

Table 8: Bridge Conditions, Dec. 2024 vs. Dec. 2023

BRIDGE RATINGS		
CONDITION	NO. OF BRIDGES	
	Dec. 2023	Dec. 2024
GENERAL RECOMMENDATION 5-7 Bridges in generally good condition with only minor to moderate repairs required.	707	708
GENERAL RECOMMENDATION 4 Bridges in good to fair condition requiring reconditioning of some structural elements.	99	101
GENERAL RECOMMENDATION 2-3 Bridges in poor condition requiring major repairs or replacement.	11	10

5.0 OPERATING AND MAINTENANCE EXPENSES

The Authority's operating and maintenance ("O&M") expenses include non-capitalized costs for the maintenance of highway and building facilities; equipment purchases; snow and ice removal; Thruway toll collection; administrative costs and fringe benefits; Thruway traffic operations; and provisions for funding environmental and other liability reserves. In the past, the Authority was also responsible for the O&M for the New York State Canal System; however, effective January 1, 2017, the New York State Canal Corporation ("NYSCC") became a subsidiary of the New York Power Authority, and the Authority was relieved of all responsibilities related to the Canal System. Table 9 summarizes the Authority's actual 2014-2024 operating and maintenance expenses.

Table 9: The Thruway System's Actual Operating and Maintenance Expenses, 2014 – 2024 (millions)

Year	Thruway Operations & Maintenance	Reserves[1]	Total Operating Expenses[2]
2014	$286.1	$5.9	$292.0
2015	287.4	1.8	289.1
2016 [3]	311.6	1.8	313.3
2017	329.7	2.7	332.4
2018 [4]	339.9	5.0	345.0
2019	350.9	6.0	356.8
2020 [5 6]	316.6	2.0	318.6
2021	339.8	6.5	346.3
2022	361.8	16.0	377.8
2023	378.4	1.0	379.4
2024	414.1	1.0	415.1

[1] Includes provisions for legal claims and indemnities and reserves for environmental remediation.
[2] Does not include New York State Canal System expenses. Prior to 2017, the Authority was responsible for the O&M for the NYSCC. As of January 1, 2017, the NYSCC became a subsidiary of the NYPA, and the Authority was relieved of all responsibilities related to the Canal System.
[3] AETC began at the Cuomo Bridge (formerly Tappan Zee Bridge Barrier) on April 23, 2016.
[4] AETC began at the remaining barriers in 2018.
[5] AETC began at all Controlled System toll locations on November 14, 2020
[6] COVID-19 impacts began in March 2020.

Table 10 shows the Authority's projections of 2025 through 2030 O&M costs. These are expected to steadily increase from $444.8 million in 2025 to $499.5 million in 2030. Note that these figures have been adjusted upward from previous forecasts, reflecting the ongoing impact of inflation on overall operating costs, and higher than anticipated costs for winter storm overtime wages, cashless tolling administration and biennial bridge inspections.

Table 10: The Thruway System's Projected 2025-2030 Operating and Maintenance Expenses (millions)

Year	Thruway Operations & Maintenance	Reserves[1]	Total Operating Expenses
2025	$443.8	$1.0	$444.8
2026	460.5	1.0	461.5
2027	469.7	1.0	470.7
2028	479.1	1.0	480.1
2029	488.7	1.0	489.7
2030	498.5	1.0	499.5
Total 2025-2030	**$2,840.3**	**$6.0**	**$2,846.3**

[1] *Includes provisions for legal claims and indemnities and reserves for environmental remediation.*

6.0 DEBT SERVICE EXPENSES

As a result of a higher level of capital investment in prior years, the Authority utilized additional bond/note proceeds to finance commitments made in the multi-year Capital Plans. As summarized in Table 11 and Table 12, the greater reliance on bonds and the issuance of short-term notes to finance programmed capital improvements resulted in annual debt service payments increasing from $251.3 million in 2014 to $339.6 million in 2021. As the $51.5 million in line of credit costs in 2021 were paid in full, total debt service decreased to $309.1 million in 2022. Debt service payments increased to $346.2 million in 2023 then decreased to $327.7 in 2024, which is partially due to savings realized from the General Revenue Bonds Series P and Series Q in 2024 along with increased interest earnings on debt service and debt service reserve funds. Total debt service is projected to increase from $383.3 million in 2025 to $484.5 million in 2030. The increase reflects the additional financing needed to support the planned capital expenditures through 2030.

Table 11: Actual Debt Service, Thruway System, 2014-2024 (millions)

Year	Senior Debt Service	Bond Anticipation Note (BAN) or Line of Credit Interest	Junior Debt Service	Total Debt Service
2014	$250.9	$0.4	-	$251.3
2015	235.4	0.4	-	235.7
2016	227.3	0.4	$29.2	256.9
2017	234.6	0.0	43.7	278.2
2018	220.3	0.0	79.2	299.5
2019	226.8	27.0	47.4	301.2
2020	166.8 [1]	1.1	23.1 [1]	191.0
2021	241.3	51.5	46.7	339.6
2022	240.9	0.6	67.6	309.1
2023	241.5	0.0	104.7	346.2
2024	221.7	0.0	106.0	327.7

Note: Numbers may not add due to rounding.
[1] Net of defeasance

Table 12: Projected 2025-2030 Debt Service, Thruway System (millions)

Year	Senior Debt Service	Bond Anticipation Note (BAN) or Line of Credit Interest	Junior Debt Service	Total Debt Service
2025	$272.5	$0.0	$110.8	$383.3
2026	292.2	0.0	112.6	404.8
2027	311.6	0.0	114.3	425.9
2028	310.9	0.0	151.1	462.0
2029	330.6	0.0	153.6	484.2
2030	369.4	0.0	115.1	484.5
Total 2025-2030	**$1,887.2**	**$0.0**	**$757.5**	**$2,644.7**

Note: Numbers may not add due to rounding. Projected debt service numbers are net of Debt Service Reserve Fund interest.

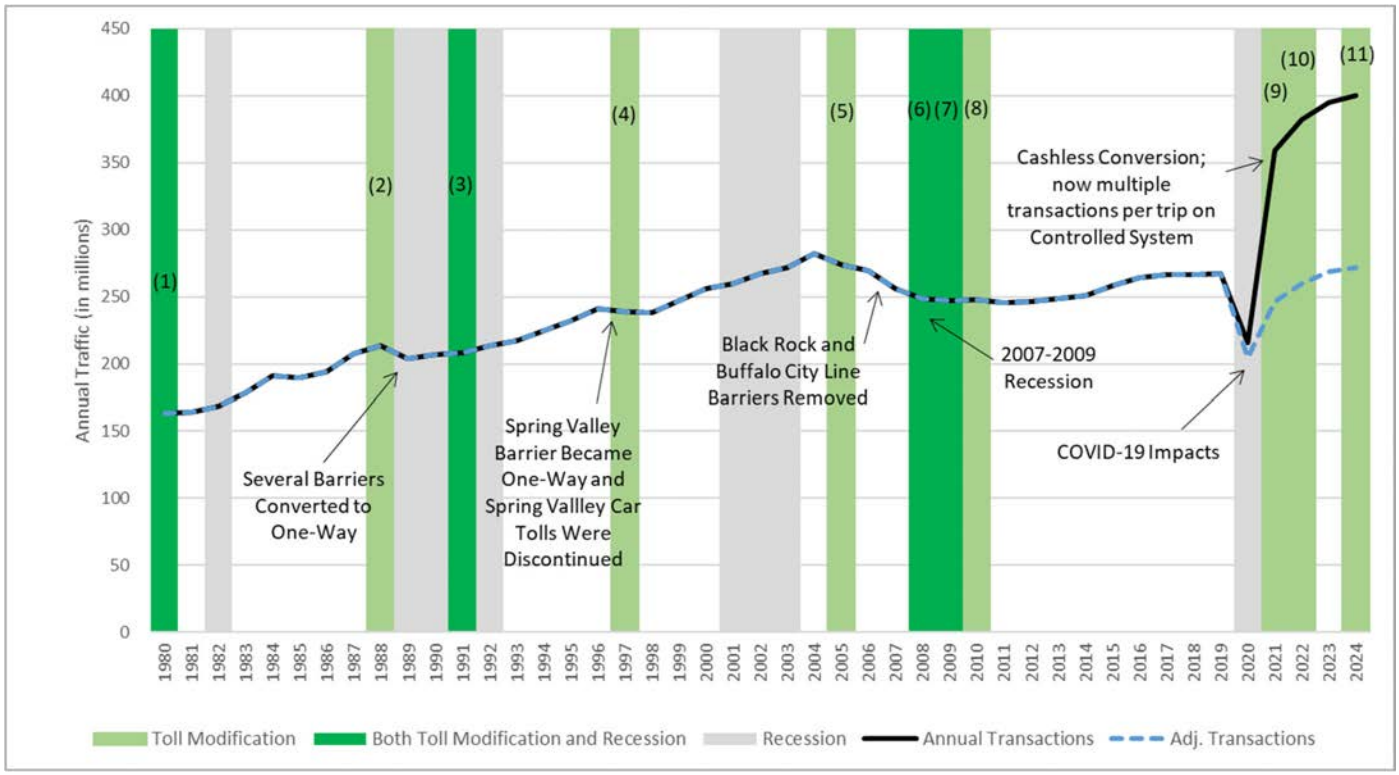
7.0 TRAFFIC AND REVENUES

7.1 HISTORICAL TOTAL THRUWAY TRAFFIC

Historical total traffic on the Thruway since 1980 is presented in Figure 17. It is important to note that the volumes shown before the 2020 AETC conversion have not been adjusted for the various toll collection changes that occurred on the Thruway. For example, the 2005 toll modification resulted in the elimination of several commercial vehicle classes that were based on a single vehicle receiving two toll tickets/transactions, resulting in an apparent decrease in commercial traffic counts. This was a one-time occurrence that did not represent a decrease in the actual number of vehicle trips made on the Thruway. Similarly, in October 2006, tolls were removed from the Buffalo City Line and Black Rock toll Barriers which reduced total toll transactions on the Thruway by approximately 17 million annually. With the Controlled System's conversion to AETC in mid-November 2020, the toll locations on the system were reconfigured and there may now be multiple transactions per trip. The figure, therefore, also shows an adjusted transaction number (dashed blue line) that removes this AETC impact, essentially converting Controlled System transactions to trips. The adjustment shows that the amount of traffic in 2023 and 2024 surpassed pre-COVID-19 levels.

Historically, slow traffic growth and traffic losses have been associated with economic downturns, toll increases, high fuel costs, harsh weather conditions and/or traffic shifts due to construction. After the end of the 2008-2009 recession, the national economy improved, and gas prices generally dropped. Additionally, at the George Washington Bridge – the biggest competitor to the Cuomo Bridge – tolls increased four times between December 2012 and December 2015, and construction closures occurred. The combination of these factors led to moderate growth rates between 2011 and 2018. Traffic growth in 2018 and 2019 was flat, following the nationwide trend in vehicle miles traveled. Large traffic losses occurred in 2020 due to COVID-19, with total annual traffic dropping to 23 percent below 2019 levels. 2021 and 2022 continued to be impacted by COVID-19, though significant improvement occurred; traffic increased to about 8 and 3 percent below 2019 levels for the two years, respectively. By 2023, traffic had fully recovered from the impacts of COVID-19, surpassing 2019 levels by 0.6 percent. A normal growth pattern emerged in 2024, with traffic growing 1.3 percent over 2023 despite a systemwide toll increase. More detail on the Thruway's historical traffic volumes can be found in Table 22 on page 66 and in the Appendix, which presents historical traffic and revenue by facility.

Figure 17: Historical Thruway Toll Transactions



Note: Adjustment made to transactions in 2020 and after to account for AETC conversion on the mainline, where one trip on the Controlled System (mainline) was previously one transaction, and may now be composed of one to twelve transactions depending on the number of tolling segments traveled.
(1) 1980 – Average Toll Increase of 25% Passenger Cars, 30% Commercial
(2) 1988 – Average Toll Increase of 32% Passenger Cars, 38% Commercial
(3) 1991 – Spring Valley Toll Adjustment, Passenger Cars Only
(4) 1997 – Tappan Zee Corridor Relief (Congestion Pricing)
(5) 2005 – System Reclassification, Average Toll Increase of 25% Passenger Cars, 35% Commercial
(6) 2008 – Average Toll Increase of 10% for All Vehicles, Plus Reduction of E-ZPass Discount in July
(7) 2009 – Average Toll Increase of 5% for All Vehicles
(8) 2010 – Average Toll Increase of 5% for All Vehicles (not apparent in all toll schedules, due to rounding)
(9) 2021 – Toll Increases of 9% and 24% for non-NY E-ZPass and Tolls by Mail vehicles, respectively, on all facilities other than the Cuomo Bridge. The Cuomo Bridge had toll increases of 5% for commuters, 11% for non-Resident Plan E-ZPass cars and trucks up to class 4H, 21% for non-NY E-ZPass cars and trucks up to 4H and 37% for Tolls by Mail cars and trucks up to 4H. Class 5H and larger trucks on the Cuomo Bridge had toll increases of 31% for NY E-ZPass, 51% for Non-NY E-ZPass and 70% for Tolls by Mail.
(10) 2022 – The Cuomo Bridge had toll increases of 10% for all cars and trucks up to class 4H, with the exception of Resident Plan cars which did not see a toll increase. 5H and larger trucks on the Bridge had a 30% toll increase.
(11) 2024 – Toll Increases of 5%, 60%, and 42% for NY E-ZPass, non-NY E-ZPass, and Tolls by Mail vehicles, respectively, on all facilities other than the Cuomo Bridge. The Cuomo Bridge had toll increases of 5% for Resident Plan, 9% for Commuters and standard NY E-ZPass vehicles, 65% for Non-NY E-ZPass, and 46% for Tolls by Mail.

7.2 DEMOGRAPHICS OF THRUWAY SYSTEM PATRONS

To better understand Thruway revenue trends and the impact toll policy may have on its patrons, it is important to appreciate the traffic make-up on the Thruway System and its customer base. As shown in Figure 18, in 2024 roughly 84 percent of traffic on the Thruway System was composed of passenger cars, with the remaining 16 percent of traffic coming from a variety of commercial vehicle types. About 85 percent of total vehicles toll transactions were paid with an *E-ZPass* transponder (approximately 84 percent of passenger vehicles and 89 percent of commercial vehicles). It should be noted that while

commercial vehicle traffic made up only 16 percent of systemwide toll transactions, it accounted for 43 percent of all Thruway toll revenues.

Figure 18: 2024 Systemwide Traffic and Revenue Distribution by Vehicle and Payment Type

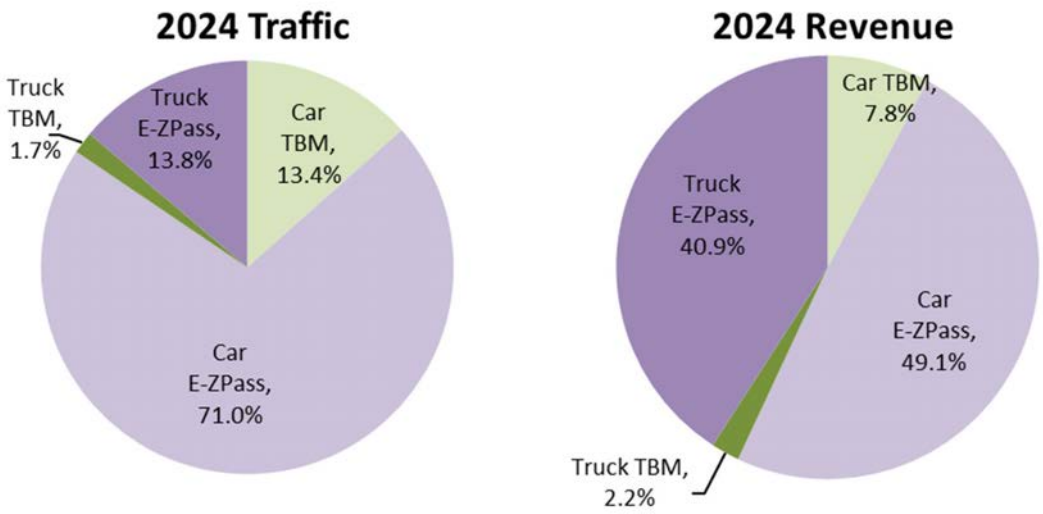


Table 13 provides further details on systemwide toll transactions by vehicle and payment type. Note that the majority of *E-ZPass* transactions are made by customers with NY-based accounts. About 88 percent of *E-ZPass* passenger car traffic (including commuters) has a NY *E-ZPass* transponder. About 78 percent of commercial vehicle E-ZPass traffic has a NY *E-ZPass* transponder.

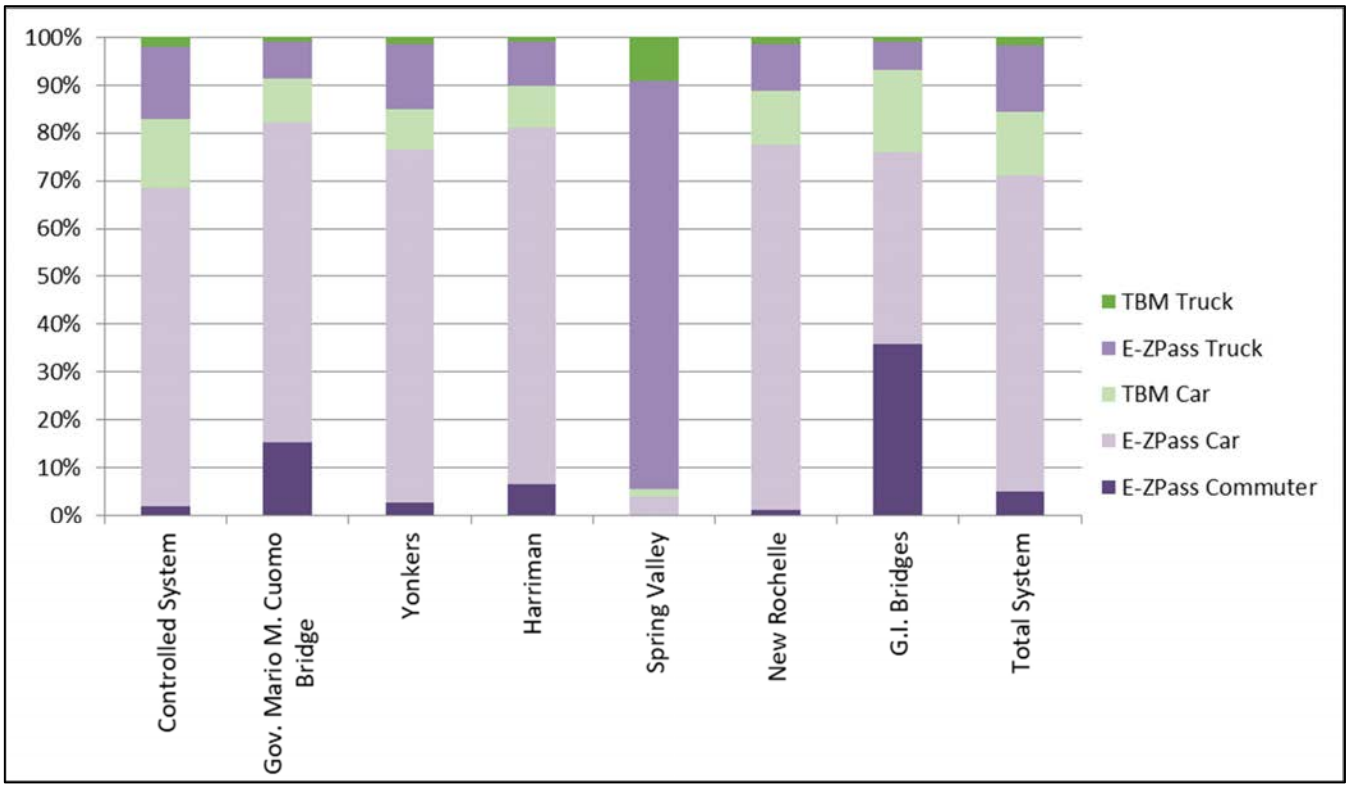
Table 13: 2024 Systemwide Traffic Distribution Details

Passenger Cars	Annual Traffic (millions)	Share of Passenger Traffic	Share of Total Traffic
NY State E-ZPass	229.4	67.8%	57.3%
NY State Commuter E-ZPass	20.2	6.0%	5.1%
Out of State E-ZPass	34.7	10.3%	8.7%
TBM	53.8	15.9%	13.4%
Total	**338.2**		**84.5%**
Commercial / Trucks	**Annual Traffic (millions)**	**Share of Commercial Traffic**	**Share of Total Traffic**
NY State E-ZPass	43.1	69.2%	10.8%
Out of State E-ZPass	12.3	19.8%	3.1%
TBM	6.9	11.0%	1.7%
Total	**62.2**		**15.5%**
Total Traffic	**400.4**		**100.0%**

Notes: 1) Numbers may not add due to rounding. 2) Numbers are an estimate based on available data.

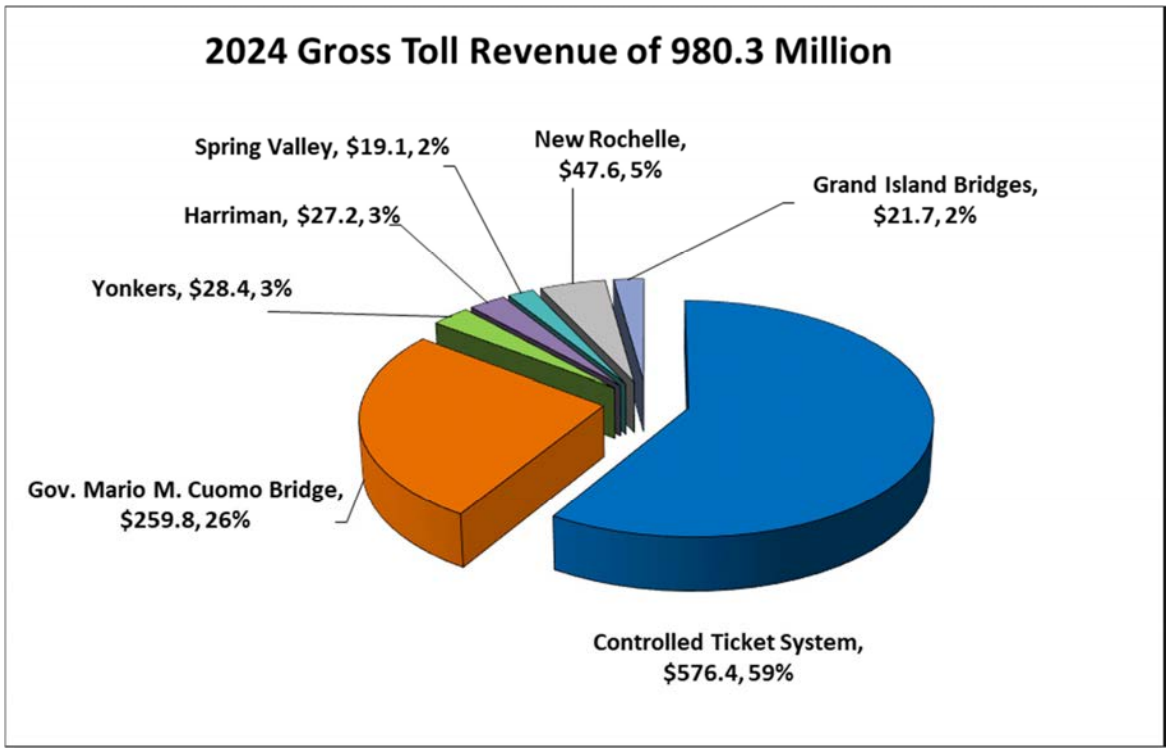
The distributions of vehicle class and payment types vary by facility, as shown in Figure 19. The highest passenger car participation in *E-ZPass* is seen at the Yonkers and Harriman Barriers and the Cuomo Bridge, while the truck participation rate in *E-ZPass* was consistently very high (88 to 91 percent) at all facilities. Overall, *E-ZPass* transactions accounted for about 85 percent of annual transactions on the Thruway in 2024. It should be noted that because the most frequent customers tend to have *E-ZPass* while very infrequent customers generally do not, the majority of *individual customers* using the Thruway over the course of a year do not have an *E-ZPass* account.

Figure 19: 2024 Passenger Car and Commercial Vehicle Traffic Distribution by Facility



2024 total toll revenues were $1,067.8 million in gross toll revenues minus $35.2 million in commercial vehicle volume discounts (discussed on page 53), minus a one-time accounting adjustment of $52.2 million (discussed on page 62), for a net amount of $980.3 million. As noted in Figure 20, the Controlled System and the Cuomo Bridge generate the most significant portions of the Thruway's toll revenue. The Controlled System generated a total of $576.4 million in 2024, or about 59 percent of total Thruway toll revenue. The Cuomo Bridge generated $259.8 million, or 27 percent of total toll revenue. The New York City metropolitan area barrier tolls generated a combined 12 percent of total toll revenue, or about $122.3 million. The Grand Island Bridges generated about $21.7 million, or some 2 percent of toll revenue.

Figure 20: Distribution of 2024 Toll Revenues by Thruway Facility



Note: The commercial volume discount by facility is estimated. It has been proportionally allocated to each facility based on its total toll revenue.
Source: New York State Thruway Authority

Specific regions within the Controlled System that see the most traffic volume include the Albany area, the Rochester area, the area outside of Buffalo, and the area north of Woodbury/Harriman. The sections of the Controlled System with the highest volumes in 2024 are shown in Table 14.

Table 14: Controlled System Sections with Highest Volumes, 2024

Section	Average Annual Daily Traffic (est.)
Between Int. 24 & 25, between Albany and Schenectady	83,500
Between Int. 49 & 50, Depew/Lockport/Niagara Falls area	57,900
Between Int. 44 & 45, Rochester/Victor/Canandaigua area	56,300
Between Int. 55 & 56, Erie Section/Lackawanna/Hamburg area	55,400
Between Int. 48A & 49, Erie/Genessee County Line	46,900
Between Int. 56 & 57, Erie Section/Hamburg area	44,700
Between Int. 15/16 & 17, Woodbury/Harriman/Newburgh area	43,100

Source: https://nysdottrafficdata.drakewell.com/publicmultinodemap.asp

Customers that had a transponder issued by a New York State toll agency (the Thruway Authority, Port Authority of NY & NJ or the Metropolitan Transportation Authority) accounted for about 67 percent of total *E-ZPass* toll revenues in 2024. As a result, 33 percent of *E-ZPass* toll revenues in 2024 were collected from customers that had a non-New York issued transponder, underscoring the importance of the Thruway System in the regional and national economy.

7.3 TOLL RATES

With the exception of a small amount of federal aid and other funds, tolls collected on the Controlled System and through toll barriers support an overwhelming majority of the Authority's budget. The following provides a brief history of toll adjustments on the Thruway System, details the approved toll increases through 2027, and compares Thruway toll rates to those on other facilities in the northeast.

7.3.1 Toll Adjustments on the Thruway System, 2005 through 2022

In 2005, a two-stage toll adjustment was implemented by the Authority that generally increased toll rates by 25 percent for all passenger vehicles and 35 percent for all commercial vehicles, and increased cash tolls in 2008 for both passenger and commercial vehicles by 10 percent. In 2005, the Authority also implemented a new vehicle classification system (reducing the number of classifications from 43 to 9), created a new *E-ZPass* discount program, continued a graduated volume discount program for commercial customers and expanded the availability of commuter plans to bridges and barriers on the Thruway System.

In response to the financial pressures brought on by high and volatile fuel prices and the state of the national economy, the Authority implemented another series of staged, smaller adjustments to toll rates in 2008. These adjustments were designed to provide additional funding to assist the Authority in financing operational, maintenance and capital commitments made in the 2005-2011 Capital Plan period. The 2008 toll adjustments maintained a 5 percent *E-ZPass* discount for all patrons, but added two five-percent across-the-board increases, which took effect in 2009 and 2010.

After 2010, there were no changes to toll rates on the Thruway System for more than ten years, with the exception of the discontinuation of discounts for vehicles with an out-of-state *E-ZPass*: both the 5 percent system-wide discount and the discounts for non-peak commercial vehicles (of up to 50 percent) at the Spring Valley Barrier and the Cuomo Bridge ceased as of January 1, 2017.

In 2019 the Authority proposed toll modifications for 2021-2022 to generate the additional revenues needed to successfully meet its future growing capital needs, fund outstanding debt and provide reliable service to its patrons. Note that this toll modification had been based on late 2019 projections of revenue needs, prior to the COVID-19 pandemic which caused a significant initial decline in travel. The modification increased all out-of-state *E-ZPass* tolls to 15 percent above the NY *E-ZPass* rate and increased all Tolls by Mail tolls to 30 percent over the NY *E-ZPass* rate on January 1, 2021. In addition, the base NY *E-ZPass* toll at the Cuomo Bridge was increased by 50 cents per year over two years (in January 2021 and January 2022) with a 40 percent commuter discount program, and commercial rates increased proportionately to car rates with an additional 20 percent increase for trucks with five or more axles. Residents of Westchester and Rockland Counties with proof of residency and NY *E-ZPass* could sign up for a new Resident Plan, avoiding a car toll increase on the Cuomo Bridge in 2021 or 2022. At all locations other than the Cuomo Bridge, any vehicle with NY *E-ZPass* (the vast majority of vehicles on the system) also did not see a toll increase in 2021 or 2022. The January 1, 2021 (systemwide) and January 1, 2022 (Cuomo Bridge only) toll increases are summarized in Table 15.

In addition to these toll increases, the Authority made several changes to help cover the additional processing costs associated with AETC beginning in 2021. The Authority began to charge the Tolls by Mail rate to *E-ZPass* customers without a properly mounted, readable transponder who are processed through a license plate image review. This charge offsets additional costs related to image review and is also meant to incentivize proper placement of *E-ZPass* transponders, which facilitates toll processing. The Authority also began to assess a $2 per-bill administrative surcharge for Tolls by Mail trips to offset printing and mailing costs.

Table 15: 2021 and 2022 Toll Modifications – Percent Toll Increases

Year	Location and Payment Type	Increases	
		Cars and Trucks up to 4 Axles	Trucks, 5+ Axles
2021	**Governor Mario M. Cuomo Bridge**		
	Car Resident *E-ZPass*	no increase	-
	Car Commuter *E-ZPass*	5%	-
	Standard NY *E-ZPass*	11%	31%
	Non-NY *E-ZPass*	21%	51%
	Tolls by Mail	37%	70%
	Remainder of Thruway System		
	NY *E-ZPass*	no increase	no increase
	Non-NY *E-ZPass*	9%	9%
	Tolls by Mail	24%	24%
2022	**Governor Mario M. Cuomo Bridge**		
	Car Resident *E-ZPass*	no increase	-
	Car Commuter *E-ZPass*	10%	-
	Standard NY *E-ZPass*	10%	30%
	Non-NY *E-ZPass*	10%	30%
	Tolls by Mail	10%	30%

7.3.2 Board-Approved 2024 Through 2027 Toll Modifications

Due to the need for additional revenues to fulfill system-wide operating, debt service, and capital needs through 2028, on September 18, 2023 the Authority Board of Directors approved a set of 2024 through 2027 toll modifications on the Cuomo Bridge and systemwide. A detailed narrative of these toll increases can be found in Table 16. The 2024 and 2025 increases have already occurred.

The approved toll schedule increased the base NY *E-ZPass* rates by 5 percent from their prior levels in January 2024. A similar 5 percent systemwide increase is programmed for 2027. Also in January 2024, out-of-state *E-ZPass* and Tolls by Mail rates were increased from their prior 15 percent and 30 percent differentials above the NY *E-ZPass* rate, respectively, to 75 percent above the NY *E-ZPass* rate. In addition, at the Cuomo Bridge, the base NY *E-ZPass* passenger car toll was increased by 50 cents a year in January of 2024 and 2025, and will also see 50 cent increases in both January 2026 and January 2027. In 2024, passenger cars on the Westchester/Rockland Resident Plan had their discount changed from the prior 17 percent to 20 percent, while the 40 percent commuter discount program has remained. Commercial rate increases during the 2024-2027 timeframe are proportional to the car rate increases. By modifying rates in this way, the Authority intends to have less of an impact on frequent and/or local drivers, promote *E-ZPass* usage, and provide a higher level of revenue for the Cuomo Bridge that is commensurate with the capital costs incurred for the recent, massive replacement project.

Two recent toll modifications have already occurred as part of this plan, on January 1, 2024 (systemwide) and January 1, 2025 (Cuomo Bridge only). These are summarized in Table 17. The Authority's current (2025) toll rate structure is presented in Table 18.

Table 16: Adopted 2024 through 2027 Toll Modifications

GOVERNOR MARIO M. CUOMO BRIDGE TOLL RATE ADJUSTMENTS	
Toll Modification Element	**Description**
Gov. Mario M. Cuomo Bridge: Increase Base NY *E-ZPass* to a rate of $7.75 by 2027	50-cent annual increases to the base NY *E-ZPass* passenger toll rates on the Gov. Mario M. Cuomo Bridge each January 1st from 2024 through 2027. This results in a base NY *E-ZPass* rate for passenger vehicles increasing to $7.75 by 2027. Commercial rate increases are proportionate to the passenger rate increases. (Note that Systemwide adjustments to Non-NY *E-ZPass* and TBM are applied on top of these base increases.)
40% Commuter Discount Program	Continuation of the commuter discounted rate of 40 percent off the NY *E-ZPass* rate for passenger vehicles that opt into the program. Consistent with the policy prior to the toll adjustments, the rates assume that a minimum of 20 trips are made in that month; if fewer than 20 trips are taken per month, customers are charged for each trip not taken. This program is offered to class 2L vehicles only, with a New York *E-ZPass*.
Resident Discount Program	An increase in the resident discount *E-ZPass* Plan for qualified Westchester and Rockland residents from a 17 percent to a 20 percent discount off the NY *E-ZPass* rate beginning on January 1, 2024. This program is only offered to class 2L passenger vehicles with a NY *E-ZPass* who opt into the plan and provide proof of residency.
SYSTEMWIDE TOLL RATE ADJUSTMENTS	
NY *E-ZPass* Rates	Base NY *E-ZPass* rate increases of 5 percent on January 1, 2024 and January 1, 2027 at all locations other than the Gov. Mario M. Cuomo Bridge.
Incentivize NY *E-ZPass* Usage	Beginning on January 1, 2024, an increase in the 30 percent TBM rate differential (a toll rate 30 percent above the NY *E-ZPass* rate) to a 75 percent differential above the NY *E-ZPass* rate.
Non-NY *E-ZPass* Rates	Beginning on January 1, 2024, an increase in the 15 percent Non-NY *E-ZPass* toll rate differential (a toll rate 15 percent above the NY *E-ZPass* rate for Non-NY *E-ZPass* tolls) to a 75 percent differential above the NY E-ZPass rate.

Table 17: 2024 and 2025 Toll Modifications – Percent Toll Increases

Year	Location and Payment Type	Toll Increases	
		Cars	Trucks
2024	**Governor Mario M. Cuomo Bridge**		
	Car Resident *E-ZPass*	5%	-
	Car Commuter *E-ZPass*	9%	-
	Standard NY *E-ZPass*	9%	9%
	Non-NY *E-ZPass*	65%	65%
	Tolls by Mail	46%	46%
	Remainder of Thruway System		
	NY *E-ZPass*	5%	5%
	Non-NY *E-ZPass*	60%	60%
	Tolls by Mail	42%	42%
2025	**Governor Mario M. Cuomo Bridge**		
	Car Resident *E-ZPass*	8%	-
	Car Commuter *E-ZPass*	8%	-
	Standard NY *E-ZPass*	8%	8%
	Non-NY *E-ZPass*	8%	8%
	Tolls by Mail	8%	8%

Table 18: Current Toll Schedule (2025)

New York E-ZPass

Vehicle Class [1]	MAINLINE (PER MILE)	Castleton Bridge Surcharge	GRAND ISLAND BRIDGES	HARRIMAN	YONKERS	NEW ROCHELLE	SPRING VALLEY		GOV MARIO M. CUOMO BR. (GMMCB)	
							PEAK	OFF PEAK	PEAK	OFF PEAK
2L Commuter [2]	varies [3]		$0.29	$0.58	$0.58	$1.16			$4.05	$4.05
2L Resident			$0.09						$5.40	$5.40
2L Standard	$0.0469	$0.65	$1.00	$1.25	$1.25	$1.74	$0.00	$0.00	$6.75	$6.75
3L	$0.0727	$0.90	$1.50	$1.50	$1.50	$2.50	$3.15	$1.58	$16.34	$8.17
4L	$0.0862	$1.05	$1.74	$1.74	$1.74	$2.99	$4.73	$2.37	$19.54	$9.77
2H	$0.0930	$1.10	$2.00	$2.00	$2.00	$3.50	$5.51	$2.76	$20.96	$10.48
3H	$0.1600	$1.54	$2.25	$2.74	$2.25	$4.24	$8.66	$4.33	$29.48	$14.74
4H	$0.1764	$2.00	$2.74	$2.99	$2.74	$4.99	$8.66	$4.33	$35.18	$17.59
5H	$0.2385	$2.70	$4.24	$4.24	$4.24	$7.98	$14.18	$7.09	$65.47	$32.74
6H	$0.2956	$3.24	$4.49	$4.99	$4.49	$8.73	$15.49	$7.75	$81.96	$40.98
7H	$0.3527	$3.84	$4.99	$5.73	$4.99	$9.72	$17.33	$8.67	$98.45	$49.23

Non-New York E-ZPass and Tolls by Mail

Vehicle Class [1]	MAINLINE (PER MILE)	Castleton Bridge Surcharge	GRAND ISLAND BRIDGES	HARRIMAN	YONKERS	NEW ROCHELLE	SPRING VALLEY	GMMCB
2L	$0.0821	$1.14	$1.75	$2.19	$2.19	$3.05	$0.00	$11.81
3L	$0.1272	$1.58	$2.63	$2.63	$2.63	$4.38	$5.51	$28.60
4L	$0.1509	$1.84	$3.05	$3.05	$3.05	$5.23	$8.28	$34.20
2H	$0.1628	$1.93	$3.50	$3.50	$3.50	$6.13	$9.64	$36.68
3H	$0.2800	$2.70	$3.94	$4.80	$3.94	$7.42	$15.16	$51.59
4H	$0.3087	$3.50	$4.80	$5.23	$4.80	$8.73	$15.16	$61.57
5H	$0.4174	$4.73	$7.42	$7.42	$7.42	$13.97	$24.82	$114.57
6H	$0.5173	$5.67	$7.86	$8.73	$7.86	$15.28	$27.11	$143.43
7H	$0.6172	$6.72	$8.73	$10.03	$8.73	$17.01	$30.33	$172.29

[1] Classes are generally denoted by the number of axles (2 through 7) and the vehicle height. "L" represents vehicles under 7.5' and "H" represents vehicles over 7.5' in height.
[2] Customers in the commuter program pay a monthly amount and must meet a monthly minimum number of trips (20 at one-way toll facilities and 35 at two-way toll facilities) to receive the fully discounted prices shown per trip. Once the monthly minimum number of trips is met, the customer is charged the fully discounted price per additional trip.
[3] Controlled System permit plan customers pay $88/year which covers the toll for the first 30 miles or less of a passenger car trip.

All *E-ZPass* discount programs that were in effect prior to the adoption of the 2024–2027 toll modifications have remained. In order to receive *E-ZPass* discounts a driver must have a transponder issued by a New York State toll agency (the Thruway Authority, Port Authority of NY & NJ or the Metropolitan Transportation Authority). In addition to having lower base rates for vehicles with a NY-issued *E-ZPass*, the Authority offers several specialized *E-ZPass* discount programs. Among these are a series of commuter plans designed specifically for frequent users of the Thruway that use one or more of the barrier toll stations. *E-ZPass* customers can pre-pay a monthly minimum for each facility that they choose and then receive discounted travel for each trip taken in excess of the minimum charge. In addition to the barrier commuter discounts, the Controlled System offers an annual permit that covers the toll for the first 30 miles of each trip, except for a $0.65 surcharge to cross the Castleton-on-Hudson Bridge.

All specialized passenger car plans include a resident discount available to residents of Grand Island when crossing through either of the Grand Island toll barriers, a resident plan available to Rockland and Westchester County residents crossing the Cuomo Bridge (which began in 2021), and a system-wide green discount that is available to certain high mileage vehicles that both achieve MPG ratings greater than 45 MPG and meet certain emission standards. Motorcycles, motor homes and "5th wheel" or "gooseneck" vehicles or vehicle combinations are also eligible for discounts. These discounts are administered

through the *E-ZPass* program and proof of residency or registration for the various plans and vehicle combinations must also be provided.

For commercial vehicles, there are two types of discount programs offered. The S-Discount is for non-tandem commercial vehicles less than or equal to 48 feet in length and requires a Thruway-issued *E-ZPass* transponder. The second discount program is a commercial volume discount for Thruway Authority Commercial Charge Account customers that offers progressively higher discounts based on the monthly toll charges on an account basis:

- $1,001 to $2,000 – 10 percent discount
- $2,001 to $3,000 – 15 percent discount
- Over $3,000 – 20 percent discount

Table 19 and Table 20 provide details of the future adopted 2026 and 2027 toll rate schedules. The Cuomo Bridge will have toll increases in both January 2026 and 2027, while the remainder of the Thruway System will see a toll increase in January 2027 only. Note that all the NY *E-ZPass* discounts currently in place will remain – commuter, permit, and resident plan; motorcycles and 5th wheel/gooseneck vehicles; and the commercial S Class. Customers with these plans will see toll increases similar to the base NY *E-ZPass* rates. In addition, the commercial volume discount for Thruway Charge Account customers will remain as is through 2027. The percentage toll increases for 2026 and 2027 are as follows:

- 2026: 7.4 percent increase for all vehicles at the Cuomo Bridge
- 2027: 6.9 percent increase for all vehicles at the Cuomo Bridge and 5 percent increase for all vehicles on the rest of the Thruway System

Table 19: 2026 and 2027 Adopted Toll Rate Schedules, Gov. Mario M. Cuomo Bridge

January 1, 2026 Adopted Toll Rates, Gov. Mario M Cuomo Bridge

Vehicle Class	NY E-ZPass Peak	NY E-ZPass Off Peak	Non-NY E-ZPass/ Tolls By Mail
Commuter	$4.35	$4.35	
Resident	$5.80	$5.80	
2L	$7.25	$7.25	$12.69
3L	$17.55	$8.78	$30.71
4L	$20.99	$10.50	$36.73
2H	$22.51	$11.26	$39.39
3H	$31.66	$15.83	$55.41
4H	$37.79	$18.90	$66.13
5H	$70.32	$35.16	$123.06
6H	$88.03	$44.02	$154.05
7H	$105.74	$52.87	$185.05

January 1, 2027 Adopted Toll Rates, Gov. Mario M Cuomo Bridge

Vehicle Class	NY E-ZPass Peak	NY E-ZPass Off Peak	Non-NY E-ZPass/ Tolls By Mail
Commuter	$4.65	$4.65	
Resident	$6.20	$6.20	
2L	$7.75	$7.75	$13.56
3L	$18.76	$9.38	$32.83
4L	$22.44	$11.22	$39.27
2H	$24.06	$12.03	$42.11
3H	$33.84	$16.92	$59.22
4H	$40.40	$20.20	$70.70
5H	$75.17	$37.59	$131.55
6H	$94.10	$47.05	$164.68
7H	$113.03	$56.52	$197.80

Table 20: 2027 Adopted Toll Rate Schedule, Remainder of Thruway System

January 1, 2027 Adopted Toll Rates, New York E-ZPass customers

Vehicle Class	MAINLINE (PER MILE)	Castleton Bridge Surcharge	GRAND ISLAND BRIDGES	HARRIMAN	YONKERS	NEW ROCHELLE	SPRING VALLEY	
							PEAK	OFF PEAK
2L	$0.0492	$0.68	$1.05	$1.31	$1.31	$1.83	$0.00	$0.00
3L	$0.0763	$0.95	$1.58	$1.58	$1.58	$2.63	$3.31	$1.66
4L	$0.0905	$1.10	$1.83	$1.83	$1.83	$3.14	$4.97	$2.49
2H	$0.0977	$1.16	$2.10	$2.10	$2.10	$3.68	$5.79	$2.90
3H	$0.1680	$1.62	$2.36	$2.88	$2.36	$4.45	$9.09	$4.55
4H	$0.1852	$2.10	$2.88	$3.14	$2.88	$5.24	$9.09	$4.55
5H	$0.2504	$2.84	$4.45	$4.45	$4.45	$8.38	$14.89	$7.45
6H	$0.3104	$3.40	$4.71	$5.24	$4.71	$9.17	$16.26	$8.13
7H	$0.3703	$4.03	$5.24	$6.02	$5.24	$10.21	$18.20	$9.10

January 1, 2027 Adopted Toll Rates, Non-New York E-Zpass and Tolls by Mail customers

Vehicle Class	MAINLINE (PER MILE)	Castleton Bridge Surcharge	GRAND ISLAND BRIDGES	HARRIMAN	YONKERS	NEW ROCHELLE	SPRING VALLEY
2L	$0.0861	$1.19	$1.84	$2.29	$2.29	$3.20	$0.00
3L	$0.1335	$1.66	$2.77	$2.77	$2.77	$4.60	$5.79
4L	$0.1584	$1.93	$3.20	$3.20	$3.20	$5.50	$8.70
2H	$0.1710	$2.03	$3.68	$3.68	$3.68	$6.44	$10.13
3H	$0.2940	$2.84	$4.13	$5.04	$4.13	$7.79	$15.91
4H	$0.3241	$3.68	$5.04	$5.50	$5.04	$9.17	$15.91
5H	$0.4382	$4.97	$7.79	$7.79	$7.79	$14.67	$26.06
6H	$0.5432	$5.95	$8.24	$9.17	$8.24	$16.05	$28.46
7H	$0.6480	$7.05	$9.17	$10.54	$9.17	$17.87	$31.85

7.3.3 Comparison of Thruway Toll Rates to Other Regional Toll Facilities

Figure 21 and Figure 22 compare the current 2025 and approved 2027 Thruway Controlled System toll rates per mile to current rates on a number of major toll roads in the northeastern quadrant of the United States. Rates for Tolls by Mail, New York State Customer Service Center ("NYCSC") standard *E-ZPass*, and out-of-state *E-ZPass* are shown. Note the comparatively low per-mile passenger car toll rates on the Thruway's Controlled System when compared to other toll facilities, as shown in Figure 21.

The current 2025 and approved 2027 5-axle truck rates, as seen in Figure 22, are also comparatively low on the Thruway relative to current rates on other regional facilities - especially for customers with a NYCSC *E-ZPass* transponder - and will be effectively lower than the rate shown due to the commercial volume discount program.

Figure 21: Peak Toll Rates Per-Mile on Toll Roads in the Northeastern Quadrant of U.S., Passenger Cars

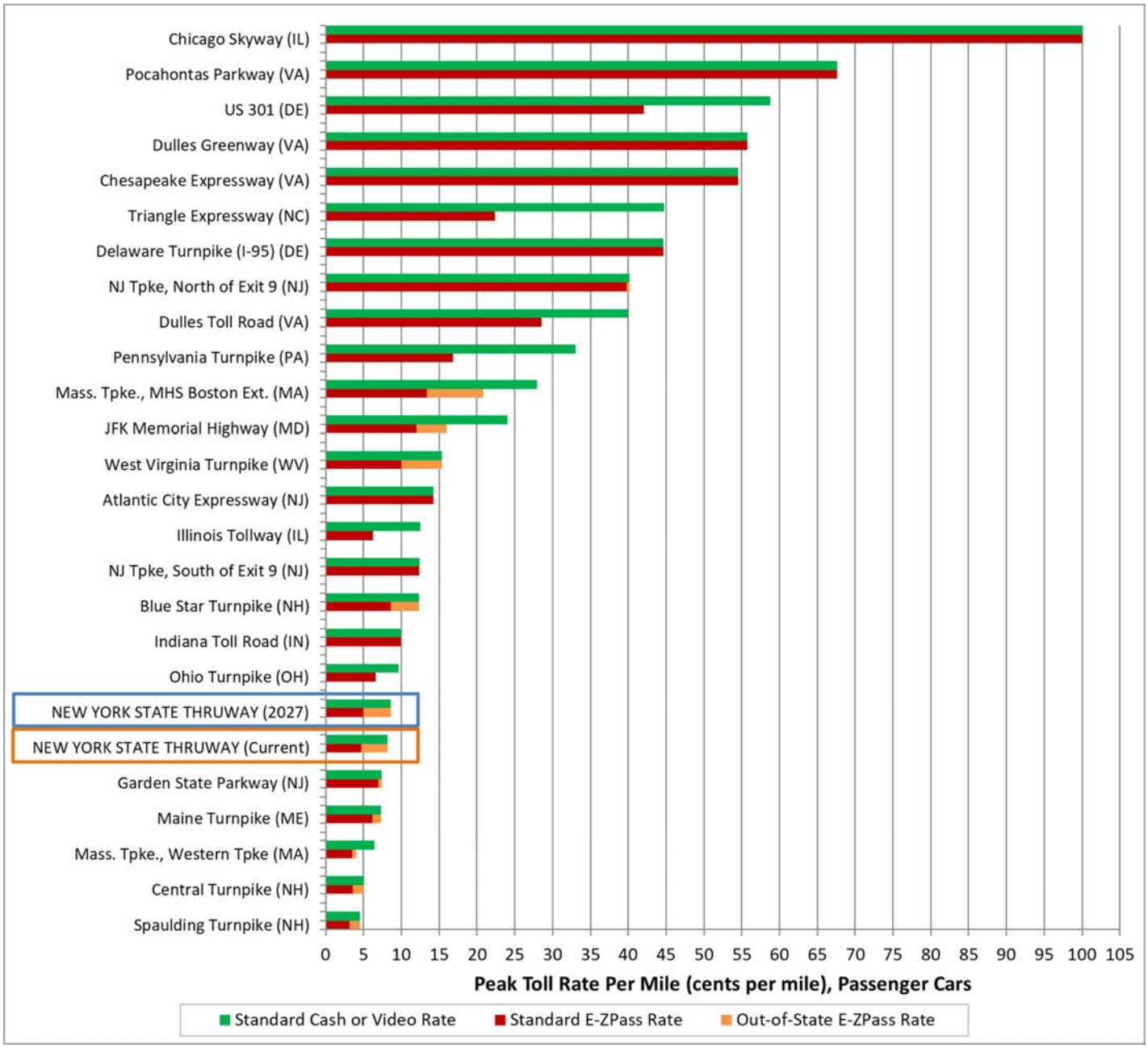


Figure 22: Peak Toll Rates Per-Mile on Toll Roads in the Northeastern Quadrant of U.S, 5-Axle Trucks

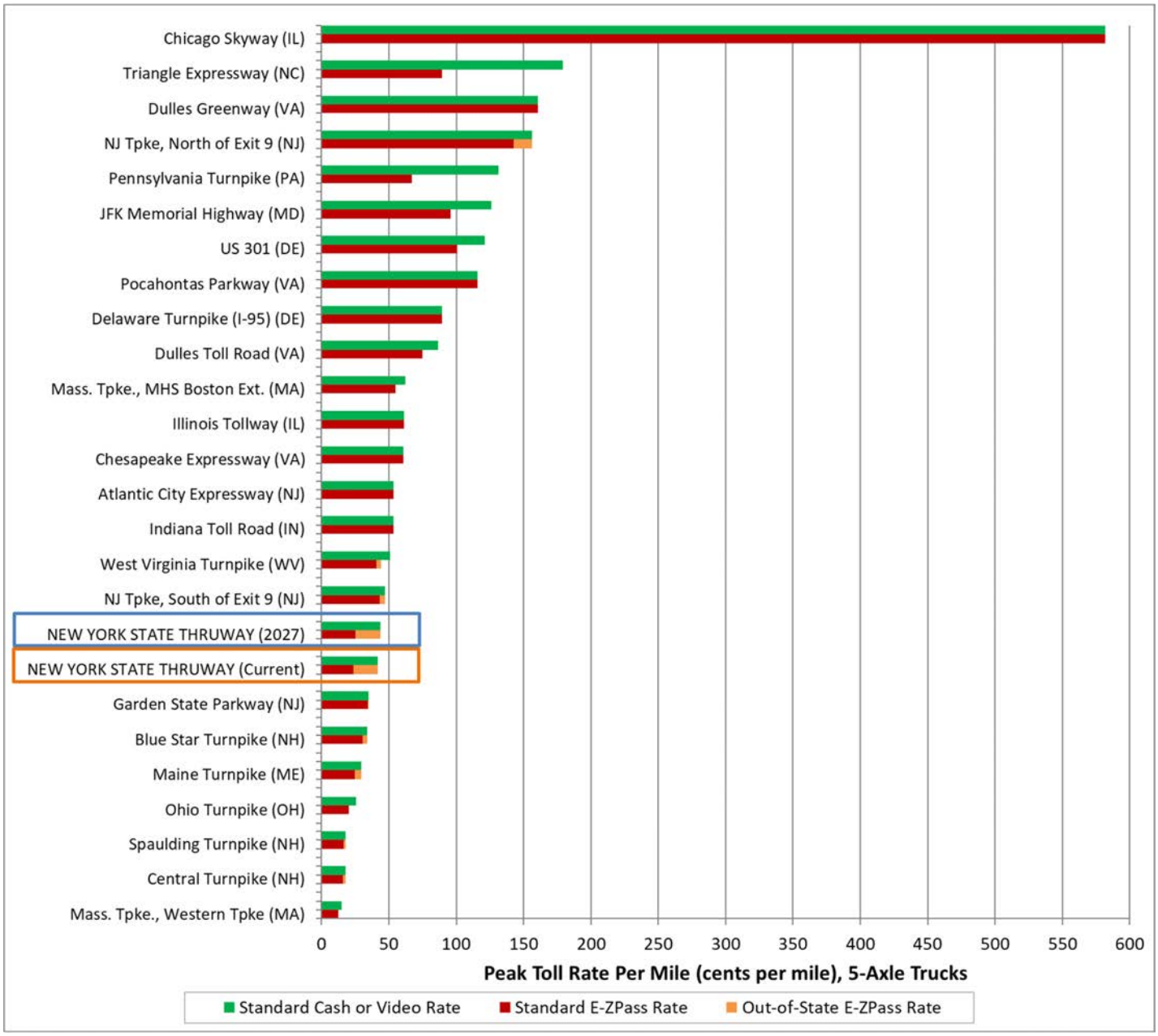


Figure 23 and Figure 24 compare toll rates on a number of major toll crossings in the northeast. Both current 2025 and approved 2026 and 2027 rates are shown for the Cuomo Bridge. Of note is that current and future approved car tolls on the Cuomo Bridge are below current rates on other metro New York crossings and are reasonable when compared to other major crossings on the interstate highway system. The current and future peak rates for 5-axle trucks are also comparable to that of other regional facilities. Nearly 90 percent of the Cuomo Bridge commercial vehicles with a NY *E-ZPass* travel during off-peak periods, paying a reduced rate as low as half of the standard peak rate. In addition to the lower off-peak rates, many vehicles further reduce the average toll rate paid through participation in the commercial volume discount program. These reductions

in the effective rate make the current and 2024 Cuomo Bridge commercial toll rates considerably lower than those on other metro New York tolled crossings. It is also important to note that it is highly likely that most of the locations shown will also see toll increases over the next several years. For example, MTA Bridges and Tunnels, which operates the Verrazano-Narrows, RFK, Whitestone, and Throgs Neck Bridges, has had five toll increases since 2013, and has proposed a 7.5 percent increase in January 2026. The Port Authority, which operates all the crossings between NY and NJ, has mandated annual inflation-based toll increases, and the Maryland facilities are also planning a toll increase in 2027.

Figure 23: Round Trip Toll Rates on Major Toll Crossings in the Northeast, Passenger Cars

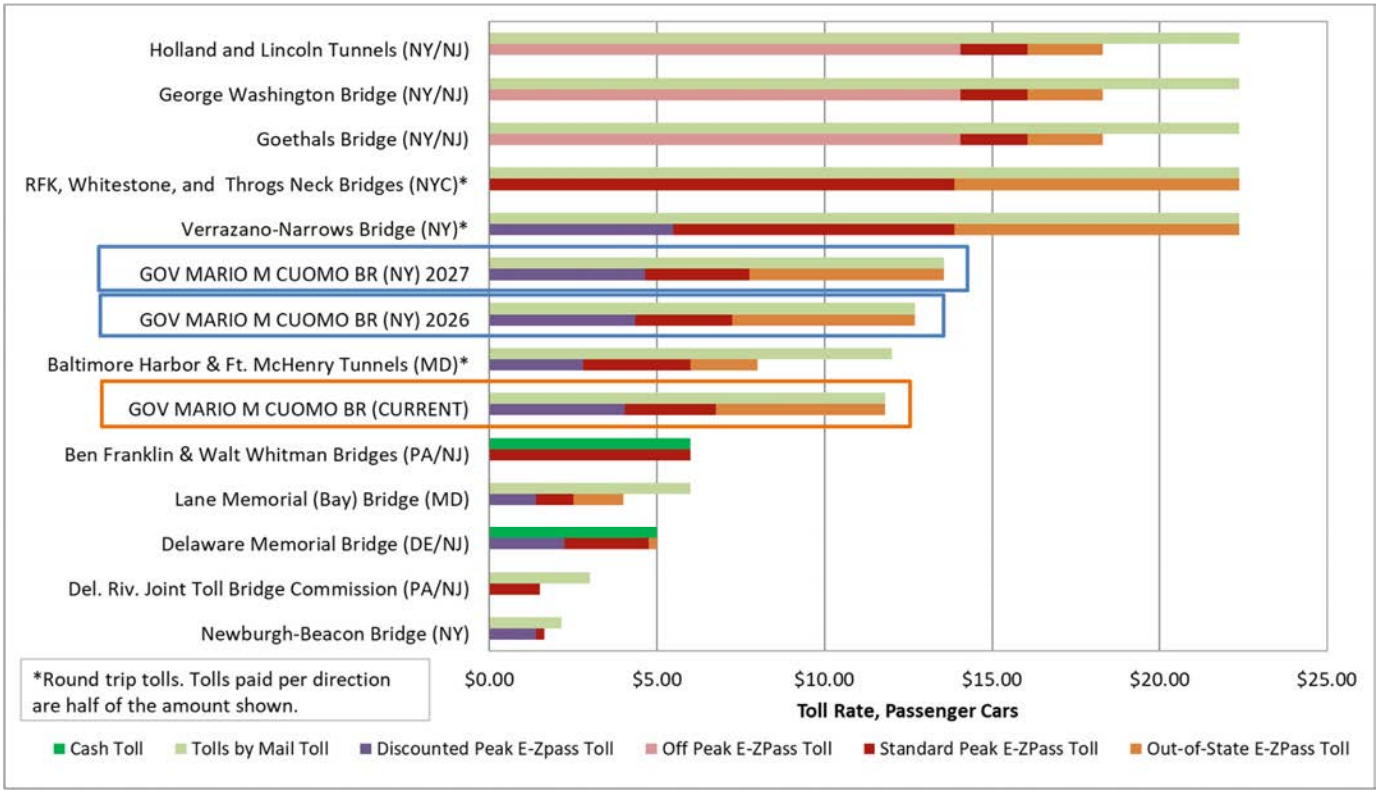
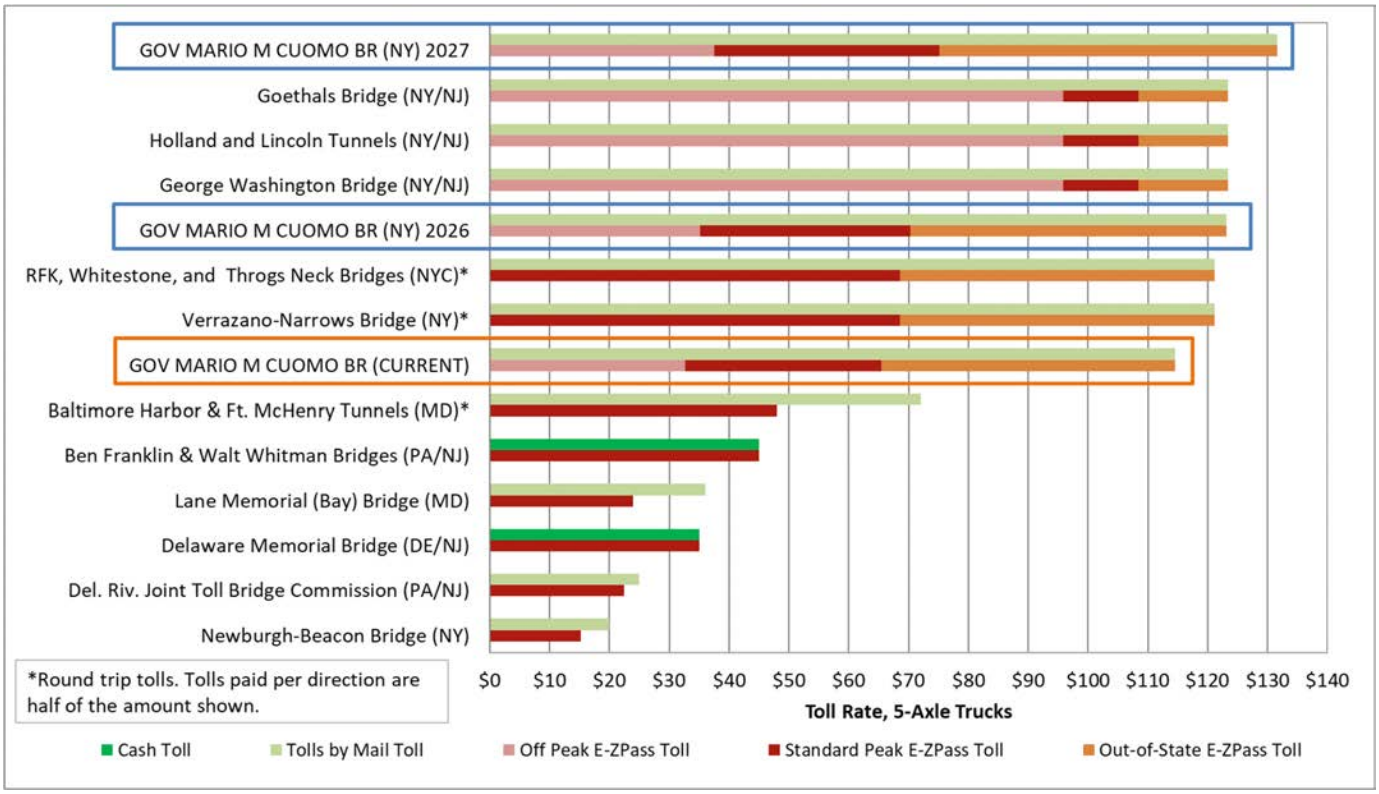


Figure 24: Round Trip Toll Rates on Major Toll Crossings in the Northeast, 5-Axle Trucks



7.4 FORECAST METHODOLOGY

Stantec's forecasting methodology is built upon similar methodologies used for previous successful forecasts. The following sections provide an overview of the on the process involved in developing the traffic and toll revenue forecasts for the Thruway which are presented in Section 7.5.

We developed toll traffic and revenue forecasts with the aid of a computerized modeling platform created specifically for the Thruway System. The basic function of this model is to take current traffic volumes by general payment class (passenger cars and trucks; Tolls by Mail, *E-ZPass*, and commuter) for each Thruway facility and adjust them for various factors such as underlying socio-economic/demographic growth in the project corridors. Potential traffic losses due to toll increases are applied based on estimated toll elasticity. Toll revenues are then calculated based on these traffic volumes by applying average toll rates to each payment class volume.

7.4.1 Base Forecasting Methodology

To develop base toll traffic projections for the Thruway for the period 2025-2030, historical traffic information through early 2025 was analyzed and trends in growth were considered for different toll payment classes on the different facilities of the Thruway System. Relevant socio-economic data were collected as discussed in Chapter 3.0, including economic consensus forecasts and trends, and used as an aid in our assessment of future Thruway traffic trends. We estimated separate traffic growth rates for cars and trucks on each facility, as historical trends have pointed to correlations with different economic

factors between the two: passenger car growth has been shown on many facilities to correlate reasonably well with GDP growth, whereas trucks have been shown to correlate reasonably well with the corresponding growth in the IPI.

7.4.2 Forecasting Methodology for Toll Modifications through 2027

Traffic diversion due to the programmed toll modifications was considered in the forecasts. Traffic data from previous toll increases indicates that Thruway traffic is relatively insensitive to toll rate increases. This is due in part to the fact that there are few effective competitive routes, and that the physical condition of the Thruway is generally better than that of alternative routes. The safety and security related services, such as snow plowing and police patrols, are better on the Thruway than on alternative routes. Additionally, travel plazas along the length of the Thruway provide 24-hour fuel, rest stop, and food services without the need to exit the system. As a result of any toll increase, slight declines in traffic volumes are expected. The decline in volumes includes drivers that choose an alternative route, combine trips or choose not to travel at all.

Toll diversion estimates have been developed for each Thruway barrier facility and segments of the Controlled System and conclude that diversion off the Thruway in response to the programmed toll modifications will be minor, at approximately 0.7 percent of total toll transactions with the 2025 through 2027 toll modifications. The diversion percentages and estimated toll elasticities by toll location are summarized in Table 21. Estimated diversions on the Thruway mainline vary by segment due to variation in *E-ZPass* market share. See "*Traffic and Payment Type Shifts Due to Recent Toll Increases – Cuomo Bridge Truck Traffic*" on page 64 for additional discussion of traffic diversion.

Table 21: Estimated Toll Diversion and Elasticity, 2025 through 2027 Toll Modifications

Toll Location	Diversion Percentage for All Vehicles [1]	Toll Elasticity [2]
Mainline, Woodbury Section	0.6%	-0.12
Mainline, Erie Section	0.6%	-0.12
Gov. Mario M. Cuomo Bridge	1.9%	-0.08
Spring Valley	0.3%	-0.06
New Rochelle	0.6%	-0.12
Yonkers	0.6%	-0.12
Harriman	0.6%	-0.12
Grand Island Bridges	0.5%	-0.10
Thruway Average	0.7%	-0.12

[1] *Percent of traffic diverted for 2025 through 2027 toll increases*
[2] *Toll elasticity is the percent change in volume divided by the percent change in average toll rate. For example, an elasticity of -0.12 means that with a 100 percent toll increase, 12 percent of the vehicles would no longer use the toll facility (or, with a 10 percent toll increase, 1.2 percent of vehicles would no longer use the facility).*

7.4.3 Other Forecast Considerations and Assumptions

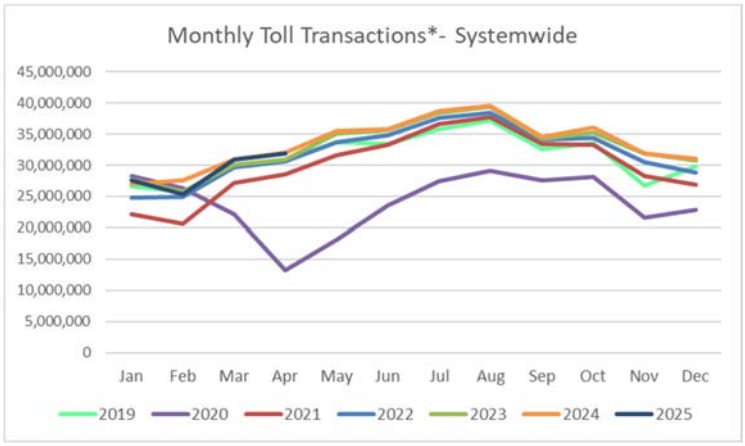
In addition to accounting for background growth trends derived from socioeconomic indicators and the anticipated impacts of programmed toll increases, Stantec's forecast of traffic and revenue for the years 2025 through 2030 incorporates a range of additional factors and assumptions. These considerations are discussed in detail in the below and across the following pages.

COVID-19 Recovery

Figure 25 compares total monthly toll transactions and revenue from 2019 through April 2025 and provides a clear indication of COVID-19 recovery. Traffic reductions due to the COVID-19 pandemic were most severe during the height of the outbreak in 2020. Significant improvement was seen over the summer and fall of 2021 where transactions often exceeded 2019 levels. In December of 2021 and January of 2022, with the spread of the Omicron variant, traffic experienced a notable decline, followed by recovery through the spring of 2022. In May through December 2022, traffic grew over 2021 levels. Traffic growth

slowed in 2023 and further in 2024, representing more typical year-over-year growth rates, suggesting that the COVID-19 recovery in growth is complete, and that no further growth should be anticipated as a result of any COVID-19 recovery.

Figure 25: Monthly Toll Transactions, 2019 through April 2025



** With the new AETC system, there may now be multiple toll transactions per trip on the Woodbury to Williamsville Section of the Controlled System, while there was previously only one transaction per trip. From January 2019 through November 2020 these trips were converted to "new system transactions" for graphing purposes to provide a better comparison to pre-AETC conditions.*

Uncollectable Tolls by Mail Revenue

There are some uncollectable toll and fee revenues associated with Tolls by Mail due to a number of independent variables which include:

- Non-Usable Video Images: Not all license plates are readable due to various reasons such as weather or obstructions, or the plate may be a temporary one in the window of the vehicle, or it may be missing. In addition, there could be technical issues with the camera (image is too bright, dark, or blurry) or the plate may be out of view of the camera.

- Invalid DMV record: A number of license plates do not match to valid DMV records, and therefore an invoice cannot be sent to these drivers.

- Invalid Addresses: Many people who move do not change their address attached to their DMV vehicle registration and do not have mail forwarded; therefore, they would not be able to receive a video toll invoice. When the first invoice is returned to the Authority because of a bad address, another invoice is not sent.

- Nonpayment of Toll Bills / Violators: In the event a customer does not pay the first toll bill they receive, late fees and fines (see Section 7.6) are assessed on the second and third bills, respectively, in order to motivate Tolls By Mail customers to pay on time. After a third invoice is sent to a customer, remaining unpaid balances are referred to a collection agency. In addition, drivers of New York State registered vehicles with three toll violations over a five-month period are subject to having their registration suspended. Drivers from states that have reciprocity agreements with New York could also face registration holds or suspension for unpaid Thruway tolls. Even with these measures, some toll revenue remains uncollected. The Thruway dismisses tolls and fees if it is found they were charged to a customer in error.

- Toll and Fee Dismissals/Reductions: The Thruway has an established policy governing the reduction or dismissal of valid tolls and related fees. The policy generally requires tolls to be paid in full in order for related fees to be dismissed or reduced.

AETC has now been on the full Thruway System for nearly five years and on the full barrier system for seven years, therefore it is assumed that the collectability of the Tolls by Mail revenue will not change materially in the future. 2024 Tolls by Mail car and truck revenues were divided by traffic at each location to estimate the average Tolls by Mail toll collected per transaction by location and vehicle type. Similar collectability – with an adjustment as discussed in the following section - was applied to 2025 and future forecast years.

Change to Accounting Method Used to Estimate Allowance for Uncollectible Tolls

Since converting to AETC, the Authority has included an allowance for uncollectable Tolls by Mail revenue in its monthly financial reporting. This allowance was the Authority's estimate of tolls that would not be collected for invoiced Tolls by Mail transactions. In late 2024, the Authority revised its method for estimating this allowance using historical data on collected and uncollected Tolls by Mail transactions. As a result, the Authority included a one-time adjustment of -$52.2 million in its November 2024 financial report, reflecting several years of uncollectible toll revenue that exceeded previous allowance estimates.

Because Stantec relies on Authority financial reports to track historical monthly revenues by payment type, the change in accounting method used to estimate the allowance also required an adjustment to future Tolls by Mail revenue projections. Stantec and the Authority jointly analyzed monthly collections under both the old and new methods and estimated a pro forma 2024 adjustment of about -$18.5 million. This adjustment was applied to the 2025 through 2030 forecast period as a percentage reduction in collectable Tolls by Mail revenue.

2025 Toll System Transition

In April 2025 the contractor responsible for the Authority's toll collection transitioned to a new back-office system. The transition resulted in delays processing image-based (plate) transactions, which delayed invoices being sent to Tolls by Mail customers. As of November 2025, the backlog of unbilled toll transactions has effectively cleared but collection of tolls and fees from Tolls by Mail customers continues to lag behind 2024 levels as these transactions continue to progress through the escalation process for unpaid toll bills. The transition has also resulted in financial reporting delays that continue as of the date of this report. A new collection agency began operations in October 2025; however, the full impact of the back-office system transition on the Authority's financial results is not yet known. Stantec has provided a conservative estimate indicating some revenue loss from Tolls by Mail transactions in 2025, with a portion of that revenue anticipated to be recovered through delayed collections in 2026.

Change to Controlled System Gantry Locations at Interchange 25 and 25A

The Woodbury-Williamsville Section of the Controlled System is currently made up of thirteen segments. Some segments have a fixed mainline toll gantry; the rest essentially operate as a small version of a ticket system, which have toll gantries on the ramps and at each end of the segment on the mainline, and the toll charged is based on where a vehicle enters and exits. Each segment-trip is counted as a toll transaction.

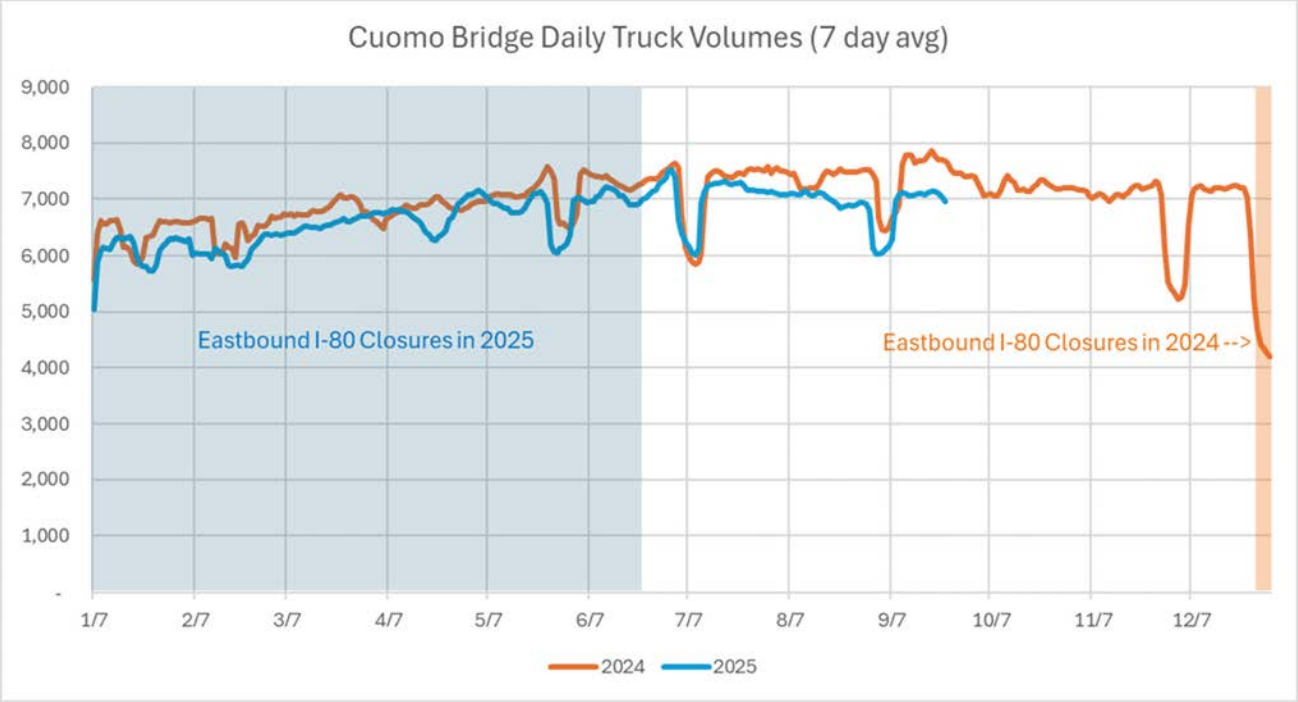
In the first quarter of 2026 (assumed to be March), the Authority plans to remove the two mainline toll gantries west of Albany between interchanges 25 and 25A and between interchanges 25A and 26 and replace them with ramp toll gantries, including

them as a part of the segment that extends westward just beyond Exit 34. This has the effect of reducing the number of segments – and therefore the maximum possible number of transactions per trip on the Woodbury-Williamsville Section - from thirteen to eleven. Using origin-destination data provided by the Authority, Stantec estimates a reduction of about 27 million annual transactions from this change. Tolls remain distance-based on the Controlled System, therefore toll revenue will not be impacted by this change.

I-80 Sinkhole Closure Impacts on Cuomo Bridge

Interstate 80 in New Jersey is a major truck route that feeds into the Hudson River crossings including the George Washington Bridge and the Cuomo Bridge (via I-287). Beginning December 26, 2024, and continuing through June 2025, multiple sinkholes on I-80 in Wharton, NJ—caused by the collapse of an abandoned mineshaft—led to extensive lane closures and detours. During this closure period, tolled commercial vehicle volumes on the Cuomo Bridge were noticeably lower than the same timeframe in 2024, as shown in Figure 26. Truck traffic appeared to rebound in late June through mid-July after the full reopening of I-80, however, it declined further from 2024 levels in August and September. This data suggests that the overall impact of I-80 disruptions on Cuomo Bridge toll traffic was likely minimal.

Figure 26: Cuomo Bridge Daily Truck Volumes, 2025 vs. 2024



The NYC Congestion Pricing Plan

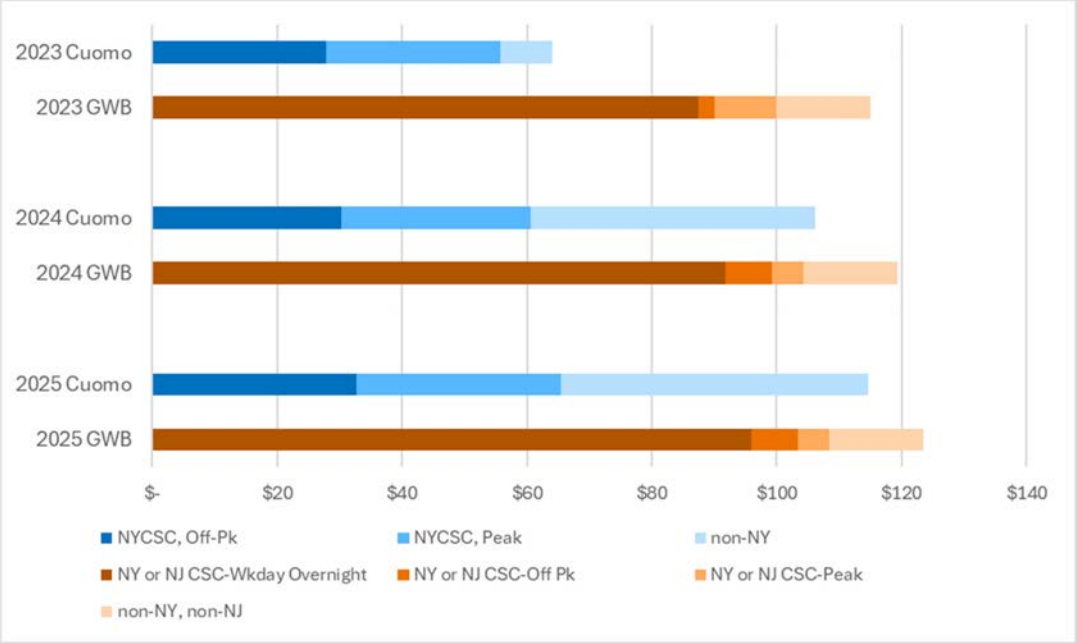
The New York City Central Business District Tolling Program, otherwise known as “CBD Tolling” or “The NYC Congestion Pricing Plan,” which charges a toll to vehicles that enter local Manhattan streets south of 60th Street, began on January 5, 2025. A $9.00 toll is charged to passenger vehicles to enter the zone from 5AM to 9PM on weekdays and from 9AM to 9PM on weekends, with a $2.25 toll at other times; higher tolls are charged to trucks. Early 2025 Thruway System car traffic has seen a slight reduction from 2024 which may have been due in part to CBD tolling. CBD tolls are scheduled to increase to $12.00 in

2028 and to $15.00 in 2031. Any impact of these future toll increases on Thruway System traffic and revenue are expected to be de minimis.

Traffic and Payment Type Shifts Due to Recent Toll Increases – Cuomo Bridge Truck Traffic

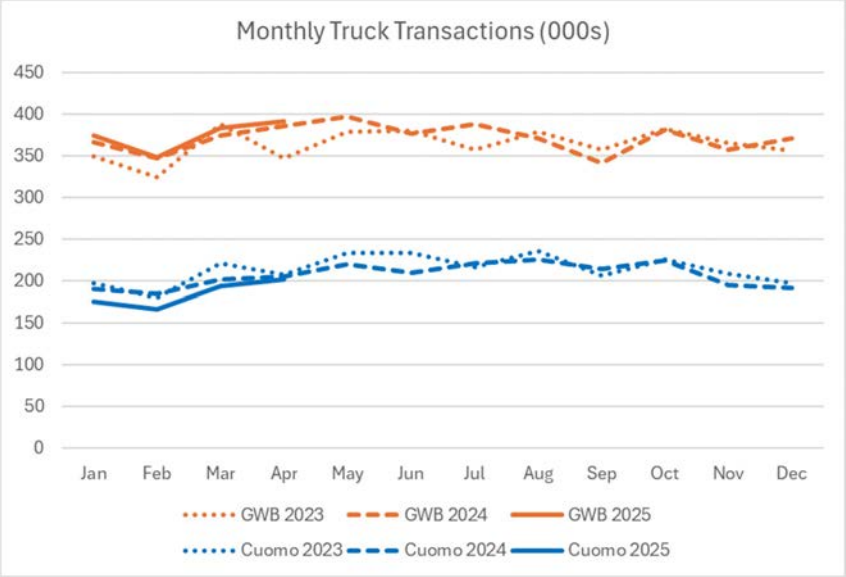
Starting with the 2024 toll increase, vehicles with an out-of-state *E-ZPass* were charged 75 percent higher than the NYCSC *E-ZPass* rate, a significant change from the previous 15 percent premium. This brought the 5-axle toll rate for non-NY *E-ZPass* vehicles at the Cuomo Bridge to be more in line with the historically more expensive George Washington Bridge ("GWB") rates, as illustrated in Figure 27. NYCSC *E-ZPass* customers, however, continue to benefit from significantly lower rates on the Cuomo Bridge - ranging from $32.74 to $65.47, depending on time of day, for 5-axle trucks - with additional discounts of up to 20 percent for high-frequency commercial charge accounts. As a result, there has been a noticeable shift in commercial traffic from out-of-state *E-ZPass* accounts to NYCSC accounts beginning in 2024, a trend expected to continue, though at a slower pace, into 2025 and 2026. Because of the lower toll rates for NY *E-ZPass* customers, this shift in payment type has a negative impact on toll revenue.

Figure 27: 5-Axle Truck *E-ZPass* Toll Rates, Cuomo Bridge Versus George Washington Bridge, 2023-2025



In addition to the shift in payment type, the recent toll increases may have caused some truck traffic to switch from the Cuomo Bridge to the GWB. Though passenger vehicle tolls on the Cuomo Bridge have historically remained well below GWB rates, commercial tolls have gradually increased and, since 2024, surpassed those on the GWB specifically for New Jersey *E-ZPass* accountholders, whose 5-axle truck toll on the Cuomo Bridge rose to $106.09 in 2024, exceeding the GWB's $104.25. In 2025, these rates increased to $114.58 on the Cuomo Bridge and $108.40 on the GWB. As shown in Figure 28, GWB truck traffic has generally grown since 2023 while for most months Cuomo Bridge truck traffic has declined, which suggests that some traffic may have switched to the GWB.

Figure 28: Cuomo Bridge vs. George Washington Bridge Truck Toll Transactions



7.5 HISTORICAL AND FORECASTED TRAFFIC AND TOLL REVENUE

Table 22 presents a recent history of tolled traffic on the various elements of the Thruway System. "Other Barriers" includes the barrier toll locations in Yonkers, New Rochelle, Spring Valley (trucks only), Harriman, and the Grand Island Bridges.

The system experienced low to moderate growth in 2014 through 2017, followed by relatively flat growth in 2018 and 2019, following the nationwide trend in vehicle miles traveled as shown previously in Figure 5 (page 21). COVID-19 impacts on traffic began in March 2020, leading to a significant decline in toll transactions that year. Note that commercial traffic was impacted much less than passenger car traffic. In 2021 there was a systemwide toll increase and passenger car traffic continued its recovery from COVID-19 impacts, reaching closer to pre-COVID-19 levels, while commercial traffic exceeded pre-COVID-19 levels. This growth was mainly due to the sharp increase in e-commerce and disruptions to supply chains that resulted from the pandemic.

It is important to note that due to the November 2020 AETC conversion, traffic appears to have more than doubled on the Controlled System in 2021; in reality, this is not the case. With the AETC conversion, the Controlled System now records trips by segment (one segment-trip is one toll transaction), and there are a total of thirteen tolling segments between Woodbury and Williamsville. Previously, one trip was recorded as one toll transaction, and with AETC there may now be multiple toll transactions per Controlled System trip.

In 2022, overall toll transactions rose by 6.4 percent compared to 2021, continuing the system's recovery. The Cuomo Bridge saw another toll increase that year, resulting in a slight decline in commercial vehicle trips, while passenger car trips increased. In 2023, both passenger and commercial traffic grew, with total transactions up 3.4 percent. Despite a systemwide toll increase in 2024, passenger car transactions continued to rise by 1.6 percent. However, truck transactions declined by 0.3 percent across the system. At the Cuomo Bridge—where toll increases have been more substantial in recent years—truck traffic dropped by 3.1 percent in 2024.

Table 22: The Thruway System's Actual 2014-2024 Tolled Transactions (millions)

Year	Passenger Cars			Commercial Vehicles			Total	Growth
	Controlled System	Cuomo Br.	Other Barriers	Controlled System	Cuomo Br.	Other Barriers		
2014	129.5	23.4	71.4	16.5	1.9	8.3	250.8	1.0%
2015	134.2	23.6	72.7	17.0	2.0	8.8	258.2	3.0%
2016 [1]	137.8	24.4	73.5	17.4	2.2	9.0	264.2	2.3%
2017	139.6	24.6	73.3	17.6	2.4	9.1	266.6	0.9%
2018 [2]	139.5	24.8	72.5	18.0	2.4	9.3	266.4	-0.1%
2019	139.6	25.5	72.1	18.0	2.5	9.3	267.0	0.2%
2020 [3]	108.7 [4]	19.2	56.0	20.5 [4]	2.4	8.6	215.5 [4]	N/A[4]
2021 [5] [6]	208.2 [4]	24.0	67.3	47.1 [4]	2.7	9.9	359.2 [4]	N/A[4]
2022 [7]	226.7	25.0	68.8	48.6	2.6	10.5	382.1	6.4%
2023	235.6	25.7	71.4	49.3	2.6	10.6	395.1	3.4%
2024 [6]	240.2	25.9	72.0	49.2	2.5	10.6	400.4	1.3%

Notes: Totals may not add due to rounding. Traffic classified as non-revenue is not included.
[1] AETC began at the Cuomo Bridge formerly Tappan Zee Bridge Barrier April 23, 2016.
[2] AETC began on Grand Island Bridges in March 2018, at the Harriman Barrier in September 2018, Yonkers Barrier in November 2018, and Spring Valley and New Rochelle Barriers in December 2018.
[3] COVID-19 impacts began in March 2020
[4] AETC began at all Controlled System toll locations on November 14, 2020; with the new configuration a vehicle can have multiple transactions per trip on the Woodbury-Williamsville Section. The Controlled System toll transactions in 2020 and 2021 are therefore not indicative of traffic growth.
[5] First full year of systemwide AETC
[6] Systemwide toll increase
[7] Toll increase at Cuomo Bridge only

Table 23 shows Stantec's forecast of traffic through 2030 considering the economic information, future approved toll modifications, and other assumptions and considerations as discussed within this study. Monthly data through April 2025 plus daily data through late September 2025 indicate a slight loss in toll transactions compared to 2024. While low background growth is forecasted for 2026 through 2030, the change to the Controlled System gantry locations at Interchanges 25/25A (discussed on page 62) and the upcoming toll increases are expected to cause some loss in toll transactions in 2026 and 2027.

Table 23: The Thruway System's Forecasted 2025-2030 Tolled Transactions (millions)

Year	Passenger Cars			Commercial Vehicles			Total	Growth
	Controlled System	Cuomo Br.	Other Barriers	Controlled System	Cuomo Br.	Other Barriers		
2025 [1]	238.7	25.3	71.0	49.4	2.4	10.7	397.4	-0.8%
2026 [1]	222.5 [2]	25.3	71.4	45.1 [2]	2.3	10.8	377.4	-5.0%
2027 [3]	218.9	25.3	71.4	44.1	2.3	10.8	372.9	-1.2%
2028	220.2	25.4	71.9	44.4	2.4	10.8	375.1	0.6%
2029	221.5	25.6	72.3	44.6	2.4	10.9	377.3	0.6%
2030	222.9	25.7	72.7	44.8	2.4	11.0	379.6	0.6%

Notes: Totals may not add due to rounding. Traffic classified as non-revenue is not included.
[1] Recent and future toll modifications on Cuomo Bridge only
[2] With the change to Controlled System gantry locations at Interchanges 25/25A, assumed to occur March 2026, the number of tolling segments on the Woodbury-Williamsville Section will be reduced from 13 to 11, resulting in fewer toll transactions while not impacting revenues.
[3] Future systemwide toll modification

Table 24 includes a recent history of toll revenue on the Thruway System. Revenue from cars and trucks are shown separately for the Controlled System, the Cuomo Bridge, and the remaining toll barriers. Adjustments for commercial vehicle volume discounts are also included. There was a slight reduction in revenue at the Cuomo Bridge in 2016; this is due to its conversion to AETC. With AETC there is the inability to bill or collect revenue from some Tolls by Mail customers as previously discussed in Section 7.4.3. All of the remaining toll barriers were converted to AETC throughout 2018, which led to a small reduction in revenue at these locations in 2018 and 2019. Even with the conversion, there was still a small amount of total systemwide toll revenue growth in those two years.

In 2020, toll revenues dropped by 16.8 percent primarily due to COVID-19. Because truck traffic had not been impacted by the pandemic as much as car traffic, and trucks pay higher tolls, the revenue loss was not as deep as the traffic loss. With the conversion of the Controlled System to AETC in mid-November 2020, there were additional losses due to some uncollectable Tolls by Mail revenues. These impacts continued into 2021, the first full year of AETC on the Controlled System. With the January 2021 systemwide toll increase, plus traffic growth related to COVID-19 recovery, 2021 toll revenue reached $760.3 million - more than $20 million higher than the 2019 pre-COVID-19 annual toll revenue. In 2022, with the Cuomo Bridge toll increase and further recovery from COVID-19, toll revenue grew 7.9 percent to $820.4 million. In 2023, a year without a toll increase, toll revenue grew by 0.6 percent to $825.5 million. This modest, more typical growth rate suggested an end to the post-COVID-19 recovery phase. In 2024, with the systemwide toll increase, revenue grew by 25.1 percent to $1.033 billion; however, a financial reporting adjustment (due to the change in accounting method to estimate allowance, discussed on page 62) reduced the 2024 annual revenue to $980.3 million, 18.8 percent above 2023 revenue levels.

Table 24: The Thruway System's Actual 2014-2024 Toll Revenues (millions)

Year	Passenger Cars			Commercial Vehicles				Financial Reporting Adjustment	Total	Growth
	Controlled System	Gov. Mario M. Cuomo Br.	Other Barriers	Controlled System	Gov. Mario M. Cuomo Br.	Other Barriers	CV Disc			
2014	$ 226.5	$ 105.1	$ 81.6	$ 209.6	$ 32.2	$ 33.6	$(24.6)		$ 664.1	2.3%
2015	237.8	106.5	83.5	219.3	34.4	35.6	(25.5)		691.7	4.2%
2016 [1]	245.2	103.4	84.0	227.6	38.2	36.4	(26.6)		708.3	2.4%
2017 [2]	251.6	103.4	84.1	233.3	47.8	38.7	(27.4)		731.5	3.3%
2018 [3]	250.3	104.2	81.3	242.0	47.8	39.1	(28.0)		736.5	0.7%
2019	253.0	105.1	77.7	243.1	50.2	38.8	(28.0)		739.9	0.5%
2020 [4] [5]	177.2	80.6	59.9	240.8	48.2	37.7	(29.0)		615.3	-16.8%
2021 [6]	215.7	112.8	76.0	261.9	77.2	46.5	(29.9)		760.3[7]	23.6%
2022 [8]	233.5	128.1	78.4	267.5	96.5	48.6	(32.1)		820.4[7]	7.9%
2023	242.2	148.0[9]	83.0	258.0	78.3[9]	47.6	(31.6)		825.5	0.6%
2024 [10]	305.7	181.9	100.7	318.5	103.5	57.5	(35.2)	(52.2)[11]	980.3	18.8%

Notes: Totals may not add due to rounding.
[1] AETC began at the Cuomo Bridge (formerly Tappan Zee Bridge Barrier).
[2] Removal of discounts for vehicles with out-of-state E-ZPass
[3] AETC began at the remaining toll barriers
[4] AETC began at all Controlled System toll locations on November 14, 2020
[5] COVID-19 impacts began in March 2020
[6] Toll modification on January 1, 2021 systemwide; first full year of systemwide AETC
[7] The Authority later made adjustments to these published revenue numbers; 2022 toll revenues had included some $6.5 million from 2021. When accounting adjustments were made, the 2021 revenue was adjusted up to $766.8 million and the 2022 revenue was adjusted down to $813.9 million.
[8] Toll modification on January 1, 2022 at Cuomo Bridge only
[9] Includes adjustments to the recorded passenger car/commercial revenue split at the Cuomo Bridge
[10] Systemwide toll modification on January 1, 2024
[11] Adjustment due to uncollectable Tolls by Mail tolls going back to 2021 beyond the previously-estimated allowance. Starting in late 2024, the Authority updated its accounting method used to estimate allowance for uncollectible Tolls by Mail tolls that reflects reduced collectability (see page 62).

Table 25 presents Stantec's gross toll revenue forecasts for the Thruway System from 2025 through 2030. Toll revenue for the first four months of 2025 is slightly below the same period in 2024. Due to back-office disruptions and delays discussed above, and a revised Tolls by Mail allowance, total 2025 revenue is projected to reach $1.007 billion. This is 2.5 percent lower than the unadjusted 2024 revenue of $1.033 billion, but 2.7 percent higher than the adjusted 2024 figure of $980.3 million. In 2026, toll revenue is expected to increase by 4.2 percent, reaching $1.049 billion, driven by a toll increase at the Cuomo Bridge and partial recovery of Tolls by Mail revenue lost in 2025 due to the back-office delays. With a systemwide toll increase in 2027, revenue is projected to rise to $1.095 billion, a 4.5 percent increase over 2026. No toll increases are programmed for 2028 through 2030; revenue is forecasted to grow from approximately $1.102 billion to $1.115 billion during that timeframe - a modest annual growth rate of 0.6 percent.

Table 25: The Thruway System's Forecasted 2025-2030 Toll Revenues (millions)

Year	Passenger Cars			Commercial Vehicles				Total	Growth
	Controlled System	Gov. Mario M. Cuomo Br.	Other Barriers	Controlled System	Gov. Mario M. Cuomo Br.	Other Barriers	CV Disc		
2025 [1,2]	$ 286.5	$ 186.7	$ 97.5	$ 315.1	$ 100.0	$ 56.8	$ (36.1)	$ 1,006.5	2.7%
2026 [1,2]	301.3	202.3	99.3	317.4	107.3	57.7	(36.7)	1,048.5	4.2%
2027 [3]	310.7	214.5	103.1	331.3	113.9	60.2	(38.5)	1,095.3	4.5%
2028	312.6	215.8	103.8	333.1	114.8	60.6	(38.8)	1,101.9	0.6%
2029	314.5	217.0	104.4	334.9	115.8	61.0	(39.0)	1,108.6	0.6%
2030	316.3	218.3	105.0	336.8	116.7	61.3	(39.2)	1,115.3	0.6%

Notes: Totals may not add due to rounding.
[1] Recent and future toll modifications on Cuomo Bridge only
[2] Back-office disruptions and delays in invoice processing are expected to result in reduced TBM revenues in 2025, with some of that loss recovered in 2026.
[3] Future systemwide toll modifications

7.6 OTHER REVENUES/TOTAL REVENUES

In addition to toll revenues, the Authority collects a variety of non-toll revenues derived from payments received from concessionaires at the Thruway service areas' restaurant and gasoline stations, sales of surplus property, revenues from special hauling permits, *E-ZPass* violations and other *E-ZPass* fees, fiber optic agreements, interest on various invested funds, and other miscellaneous sources.

In addition, since the start of AETC at the Cuomo Bridge in April 2016, "other revenues" have also included fines and fees collected from Tolls by Mail customers. One of these fees is a $5 per bill late fee which is charged on the second bill sent to Tolls by Mail customers if payment has not been received for the first toll bill. This fee is split among all the New York *E-ZPass* agencies whose transactions appear on a single late toll bill. If a second bill is not paid, on the third bill sent to Tolls by Mail Customers – a violation notice – a violation fee of $50 is charged. Violations also continue to be charged to *E-ZPass* customers who travel through a toll location without sufficient funds in their accounts, and, up until November 14, 2020, cash customers who evaded the toll. Some changes were made over the past decade to fines and fees charged on the Thruway System:

- On January 20, 2016, an enforcement measure was enacted whereby drivers of New York-state registered vehicles with toll violations on five days over an 18-month period would have their registration suspended. In 2017, this was changed to three violations over a five-year period. This enforcement measure was applied to all past unpaid tolls and violations from prior years.
- Starting January 1, 2017, violations for system-wide *E-ZPass* vehicles and Cuomo Bridge Tolls by Mail customers that did not pay their toll bills increased from $25 to $50.
- On January 17, 2017, this Tolls by Mail violation fee increased again to $100 at the Cuomo Bridge.
- On January 9, 2018, the Authority announced a short-term amnesty program that allowed Tolls by Mail customers with open toll violations to pay their outstanding tolls and have all violations and late fees waved. This program ran from January 22, 2018 through February 26, 2018 and resulted in $1.1 million in additional toll revenue for the Cuomo Bridge.

- On May 15, 2018, the Tolls by Mail violation fee was reduced to $50 per transaction at the Cuomo Bridge. This Tolls by Mail $50 violation fee was applied to all the other toll locations as they were converted to AETC.
- During the period of transitioning to a new collection agent in the fall of 2020 the Authority temporarily suspended sending violations to collections; this resumed later in 2021, to include violations incurred in 2021.
- As part of the conversion to systemwide cashless tolling, beginning February 2021, the Authority temporarily suspended mailing of violation notices which resumed in the summer of 2021.
- Starting in 2021, a $2 billing fee was added to Tolls by Mail invoices, and the Tolls by Mail violation fee, previously $50 per transaction, was changed to $50 *per violation notice* for all Thruway toll locations.

In 2016, the first year with cashless tolling on the Cuomo Bridge, $5.3 million was collected in *E-ZPass* violation fees. Increases to $7.7 million in 2017 and $10.6 million in 2018 can be attributed to enforcement measures, the increase in the *E-ZPass* violation fee to $50, and a significant amount of delayed violation payments (violations from trips made in prior years). In 2019 and 2020, collected *E-ZPass* violation fees dropped to $9.6 million and $8.3 million, respectively. This decline was expected because *E-ZPass* violation fees also included cash customers at facilities where cash was collected, and by the end of 2018 all barriers had been converted to cashless toll collection. Further decline in *E-ZPass* violations to $1.9 million in 2021 and $0.5 million in both 2022 and 2023 occurred after the completion of the Controlled System conversion to AETC in late 2020, with no cash customers remaining on the system. In 2024, revenue from *E-ZPass* violations dropped further to $0.3 million.

The Authority began charging the $2 Tolls by Mail billing fee (on the first bill sent to customers) in April 2021 after the entire system was converted to cashless, and collected $6.2 million in billing fees that year. This increased to $10.0 million in 2022, declined to $8.8 million in 2023, then grew to $9.6 million in 2024.

Late fee charges of $5 per bill appear on the second bill sent to Tolls by Mail customers. The $5 violation is split among all agencies under the Tolls by Mail program (the Thruway Authority, the Triborough Bridge and Tunnel Authority, the New York State Bridge Authority, and the Port Authority of New York and New Jersey) where a driver has not paid their first bill. The amounts the Authority has collected in late fees has fluctuated since the charge first began in 2016, due to more Authority facilities converting to AETC, and increased sharing of the $5 fee among agencies as they also completed their AETC conversions. In addition, there was a reduction due to COVID-19 in 2020. The amount in late fees collected by the Authority was $2.6 million in 2021, $3.6 million in 2022, $2.7 million in 2023, and $2.6 million in 2024.

In 2016, $2.2 million was collected in Tolls by Mail violation fees which were charged per transaction on the third bill sent to Tolls by Mail customers. Tolls by Mail violation revenue grew to $14.6 million in 2017. This growth occurred because 2017 was the first full year with Tolls by Mail at the Cuomo Bridge, and because the Tolls by Mail violation fee increased from $25 to $50 and then to $100. In 2018, the amnesty program and the reduction in Tolls by Mail violation fees to $50 at the Bridge resulted in a reduction in Tolls by Mail violation amounts collected to $10.6 million, followed by growth to $14.2 million in 2019, the first full year with cashless tolling at all barriers. COVID-19 tempered growth in 2020, which saw $14.3 million in Tolls by Mail violation revenue. In 2021 and 2022, however, traffic grew as it recovered from COVID-19 impacts, conversion of the Controlled System to AETC had been completed, and the violation charge was changed from $50 per transaction to $50 per violation notice, resulting in Tolls by Mail violation fee revenues of $23.3 million and $33.8 million for the two years, respectively. This amount grew to $36.4 million in 2023 and $40.3 million in 2024.

Table 26 provides actual and forecasted billing fee, late fee, and violation fee revenues. The current Tolls by Mail billing fee of $2 per bill, late fee of $5 per bill, and violation fee of $50 per violation notice has been assumed at all facilities going forward.

Based on seven months of fee collection data from 2025, and factoring in known delays in invoice processing and back-office disruptions, total violation and fee revenue for the year is projected to be about $42.6 million. While this reflects a shortfall, nearly half of the lost revenue is expected to be recovered in 2026, as delayed billing resumes and with a new collection agency starting in October 2025. As a result, 2026 revenue is projected to reach $56.3 million. Beyond this temporary disruption, growth in Tolls by Mail traffic is expected to remain modest, with annual fee and violation revenues stabilizing between $51.7 million and $52.7 million from 2027 through 2030.

Table 26: Historical 2016-2024 and Forecasted 2025-2030 Violation, Late Fee, and Billing Fee Revenue (in millions)

Year	*E-ZPass* Violations[1]	Tolls by Mail Violations[2]	Tolls by Mail Late Fees	Tolls by Mail Billing Fees	TOTAL
2016	$5.3	$2.2	$0.3		$7.8
2017	7.7	14.6	1.0		23.3
2018[3]	10.6	10.6	0.9		22.1
2019	9.6	14.2	1.4		25.2
2020[4]	8.3	14.3	1.1		23.7
2021[5]	1.9	23.3	2.6	$6.2	34.0
2022[6]	0.5	33.8	3.7	10.0	48.0
2023	0.5	36.4	2.7	8.8	48.4
2024[7]	0.3	40.3	2.6	9.6	52.8
2025[8 9]	0.2	34.8	1.6	6.1	42.6
2026[8 9]	0.2	41.6	2.9	11.6	56.3
2027[7]	0.2	39.0	2.6	9.9	51.7
2028	0.2	39.2	2.6	10.0	52.0
2029	0.2	39.5	2.6	10.1	52.4
2030	0.2	39.7	2.6	10.1	52.7

[1] Includes both E-ZPass and cash customer violations; since the completion of the Controlled System conversion to AETC in late 2020, there have been no cash customers. The E-ZPass violation fee increased from $25 in 2016 to $50 in 2017.
[2] AETC violation fee increased from $25 in 2016 to $50 on January 1, 2017 and to $100 on January 17, 2017 at the Cuomo Bridge. This was reduced back to $50 on May 15, 2018. In 2021, after the Controlled System was converted to AETC, the $50 violation changed from per transaction to per bill.
[3] An amnesty program ran for five weeks, waiving violation fees for customers who paid outstanding tolls. The remaining toll barriers were converted to AETC.
[4] COVID-19 impacts began in March 2020. The Controlled System began operating with AETC in mid-November 2020
[5] Toll modification on January 1, 2021 systemwide; first full year of systemwide AETC
[6] Toll modification on January 1, 2022 on Cuomo Bridge only
[7] Recent and future systemwide toll modifications
[8] Recent and future toll modifications on Cuomo Bridge only
[9] Back-office disruptions and delays in invoice processing are expected to result in reduced fee revenues in 2025, with some of that loss recovered in 2026.

Historical gross total revenues, including both toll revenues and other revenues between 2014 and 2024, are summarized in Table 27. "Other revenues" in the table include the fee and violation revenues from Table 26 and a variety of the non-toll revenues derived from payments received from concessionaires at the Thruway service areas' restaurant and gasoline stations, sales of surplus property, revenues from special hauling permits, fiber optic agreements, interest on various invested funds, and other miscellaneous sources.

Table 27: Summary of 2016 – 2024 Actual Thruway System Gross Total Revenues (millions)

Year	Toll Revenues	Other Revenues[1]	Total Revenues
2016 [2]	$708.3	$41.0	$749.4
2017 [3]	731.5	60.6	792.1
2018 [4]	736.5	62.3	798.8
2019	739.9	72.2	812.1
2020 [5]	615.3	53.2	668.5
2021 [6]	760.3 [7]	66.2	826.5
2022 [8]	820.4 [7]	95.6	916.0
2023	825.5	123.9	949.4
2024 [9]	980.3 [10]	131.8	1,112.1

Note: Totals may not add due to rounding
[1] Comprises actual fines and fees collected from toll customers as presented in Table 26, plus a variety of non-toll revenues such as those received from service area concessionaires, property sales, special hauling permits, fiber optic agreements, and interest earnings.
[2] AETC began at the Cuomo Bridge (formerly Tappan Zee Bridge Barrier)
[3] Removal of discounts for vehicles with out-of-state E-ZPass
[4] AETC began at the remaining toll barriers
[5] COVID-19 impacts began in March 2020. AETC began at all Controlled System toll locations on November 14, 2020.
[6] Toll modification on January 1, 2021 systemwide; first full year of systemwide AETC
[7] The Authority later made adjustments to these published revenue numbers; 2022 toll revenues had included some $6.5 million from 2021. When accounting adjustments were made, the 2021 revenue was adjusted up to $766.8 million and the 2022 revenue was adjusted down to $813.9 million.
[8] Toll modification on January 1, 2022 on Cuomo Bridge only
[9] Systemwide toll modification on January 1, 2024
[10] Toll revenue includes the accounting adjustment of -$52.2 million

Table 28 presents forecasted 2025-2030 total gross revenues. "Other revenues" include both Stantec's forecast of fee revenues from Table 26 and the Authority's forecasts of non-toll revenues from concessionaire agreements, sales of surplus property, special hauling permits, interest on investments, fiber optic agreements, and other sources. The reduction in "other revenues" from 2026 to 2027 represents a combination of a more conservative forecast for interest earnings in the outer years and higher real property sales expected in 2026 that are not in 2027 or beyond.

Table 28: Forecasted 2025-2030 Thruway System Total Gross Revenues (millions)

Year	Toll Revenues	Other Revenues [1]	Total Revenues
2025 [2 3]	$ 1,006.5	$ 108.1	$ 1,114.6
2026 [2 3]	1,048.5	118.7	1,167.2
2027 [4]	1,095.3	104.5	1,199.7
2028	1,101.9	99.3	1,201.2
2029	1,108.6	99.6	1,208.1
2030	1,115.3	99.8	1,215.1

Note: Totals may not add due to rounding.
[1] Includes fines and fees collected from Tolls by Mail customers as presented in Table 26.
[2] Recent and future toll modifications on Cuomo Bridge only
[3] Back-office disruptions and delays in invoice processing are expected to result in reduced toll and fee revenues in 2025, with some of that loss recovered in 2026.
[4] Future systemwide toll modification

8.0 FLOW OF FUNDS

Table 29 includes both historical and projected total revenue and expenses in a format that is consistent with the flow of funds required by the Authority's General Revenue Bond Resolution and the Junior Indebtedness Resolution. In recent years, the Authority was able to maintain fiscal stability and a debt service coverage ratio that warranted its current favorable investment grade credit rating. This was accomplished primarily by the aforementioned operational cost containment efforts, capital program modifications, and implemented toll rate adjustments.

The Authority and its independent financial advisors have determined that the forecasted revenues are sufficient for the Authority to fulfill its system-wide operating, debt service, and capital needs through the forecast period. Future funding needs through 2030 were established by the Authority at amounts necessary to continue its high levels of safety and service, maintain good infrastructure conditions, support Thruway operations, and maintain debt service coverage levels appropriate for its current high credit ratings.

The projected flow of funds included in Table 29 shows the future net revenues and debt service coverage ratios through 2030. The funding for the Capital Plan is also displayed in the table, but not the expected debt service reductions from the 2026A JIOs transaction. In determining future funding needs, it is important to note that the Authority has a management commitment to a future minimum debt service coverage ratio of 1.55x for the Senior Lien, above the Board-adopted guideline of 1.50x. Additionally, the Authority has a management commitment to a minimum debt service coverage ratio for combined Senior Bonds and Junior Indebtedness Obligations of 1.35x, higher than the Junior Indebtedness Resolution requirement of 1.2x coverage for the combined annual Senior Bond debt service and annual Junior Indebtedness Obligation debt service. These coverage ratios are exceeded every year of the forecast through 2030. The Authority has independent authority to adjust toll rates to meet this fiscal management guideline.

The forecasts in this study assume no toll increases or adjustments to fees beyond the programmed toll modifications through 2027. In the unlikely event of a shortfall, the Authority has the power, without approval by the Legislature or the Governor, to increase toll rates to maintain its high level of operating safety and services on the Thruway System, to maintain and rehabilitate the Thruway System, to pay debt service, to meet toll covenants and to maintain the balance of revenues and expenses. It is our opinion that with the essentiality of the Thruway System and its currently low relative toll rates (compared to other toll roads nationally), the Authority has the ability to generate additional revenues if required.

Table 29: Historical and Projected Thruway Flow of Funds and Debt Service Coverage (millions)

	ACTUAL			FORECAST						2025-2030
	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Total Revenues	$ 916.1	$ 949.4	$ 1,112.1	$ 1,114.6	$ 1,167.2	$ 1,199.7	$ 1,201.2	$ 1,208.1	$ 1,215.1	$ 7,105.9
Less:										
Operating Expenses	(361.8)	(378.4)	(414.1)	(443.8)	(460.5)	(469.7)	(479.1)	(488.7)	(498.5)	$ (2,840.3)
Operating Reserves	(16.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(6.0)
Total Operating Costs	(377.8)	(379.4)	(415.1)	(444.8)	(461.5)	(470.7)	(480.1)	(489.7)	(499.5)	(2,846.3)
Net Revenues	538.2	570.0	697.0	669.8	705.7	729.0	721.1	718.4	715.6	4,259.6
Less Gen. Rev. Bonds Debt Service [1]	(240.9)	(241.5)	(221.7)	(272.5)	(292.2)	(311.6)	(310.9)	(330.6)	(369.4)	(1,887.2)
Net Revenues After Gen. Rev. Debt Service	297.3	328.5	475.3	397.3	413.5	417.4	410.2	387.8	346.2	2,372.4
Less Reserve Maintenance Provisions [2]	(177.7)	(119.7)	(306.3)	(222.6)	(194.5)	(193.2)	(169.7)	(148.4)	(153.8)	(1,082.2)
Reserve Maintenance Provision Adjustment	-	-	(13.3)	13.3						
Less Junior Indebtedness Debt Service [1]	(67.6)	(104.7)	(106.0)	(110.8)	(112.6)	(114.3)	(151.1)	(153.6)	(115.1)	(757.5)
Net Revenues After Jun. Ind. Debt Service	52.1	104.1	49.7	77.2	106.4	109.9	89.4	85.8	77.3	546.0
+/- Operating Reserves Adjustment/AETC Lag/Working Capital Provision	22.3	(19.3)	26.5	-	-	-	-	-	-	-
Less: Facil Cap Imp Fund	(7.5)	(18.0)	(20.0)	-	(35.0)	(37.0)	(15.0)	(10.0)	-	(97.0)
Less: General Reserve Fund [3]	(66.3)	(66.8)	(69.5)	(63.9)	(71.4)	(72.8)	(74.3)	(75.8)	(77.3)	(435.5)
Less: Gen Res Fund - Subordinate Debt	(0.6)	-	-	-						-
Balance After Reserve Maintenance Provisions, Other Authority Projects	-	-	(13.3)	13.3	-	-	-	-	-	-
Senior Debt Service Coverage [4]	2.23	2.36	3.14	2.46	2.42	2.34	2.32	2.17	1.94	
Junior & Senior Coverage [4]	1.74	1.65	2.13	1.75	1.74	1.71	1.56	1.48	1.48	
Pay go % ROS Capital	17.8%	62.5%	58.9%	49.1%	48.3%	41.1%	36.1%	31.9%	26.1%	

Notes: Totals may not add due to rounding.

[1] Does not reflect anticipated 2026A JIOs issuance.

[2] Reflects the minimum required deposit to the Reserve Maintenance Fund ($30,000,000) as well as excess revenue intended for pay-as-you-go capital projects.

[3] The General Reserve Fund figures reflect Thruway revenues required to reimburse the State of New York for costs associated with the New York State Police Troop T patrolling of the Thruway system.

[4] The Authority has a management commitment to a future minimum debt service coverage ratio of 1.55x for the General Revenue Bonds, above the Board-adopted guideline of 1.50x. The Authority has a management commitment to a minimum debt service coverage ratio for General Revenue Bonds and Junior Indebtedness Obligations of 1.35x, higher than the Junior Indebtedness Resolution requirement of 1.2x coverage for the combined annual General Revenue Bond debt service and annual Junior Indebtedness Obligation debt service.

9.0 CONCLUSION

The Authority and its independent financial advisors have determined that the forecasted revenues are sufficient to meet the Authority's needs throughout the forecast period. The Authority's Board has the independent statutory authority to set toll rates and has the obligation to adjust rates (as set forth in both the General Revenue Bond Resolution and the Junior Indebtedness Resolution) to the levels required to satisfy covenants pledged to its debt holders. In our opinion, the Thruway Authority has the capacity to generate additional revenues through periodic toll adjustments, and, if needed, these adjustments will result in only small changes to traffic patterns. We believe through the final maturity of the Series 2026A JIOs that the Authority will be able to:

- Fund necessary operations, maintenance and capital expenses;
- Meet the covenants of the General Revenue Bond Resolution and the Junior Indebtedness Resolution;
- Preserve good overall infrastructure conditions of the Thruway System and complete its current 5-Year Capital Plan; and
- Comply with the Authority's Fiscal Management Guidelines by maintaining targeted levels of debt service coverage.

We believe the Authority will continue to be able to provide good service to its customers and will continue to fulfill its critical role in supporting the State's economy through the forecast period.

10.0 LIMITS AND DISCLAIMERS

It is Stantec's opinion that the traffic and toll revenue estimates provided herein represent reasonable and achievable levels of traffic and toll revenues that can be expected to accrue at the Authority's toll facilities over the forecast period and that they have been prepared in accordance with accepted industry-wide practice. However, as should be expected with any forecast, and given the uncertainties within the current economic climate, it is important to note the following assumptions which, in our opinion, are reasonable:

- This limited synopsis presents the highlighted results of Stantec's consideration of the information available as of the date hereof and the application of our experience and professional judgment to that information. It is not a guarantee of any future events or trends.
- The traffic and toll revenue estimates will be subject to future economic and social conditions, demographic developments and regional transportation construction activities that cannot be predicted with certainty.
- The estimates contained in this document, while presented with numeric specificity, are based on a number of estimates and assumptions which, though considered reasonable to us, are inherently subject to economic and competitive uncertainties and contingencies, most of which are beyond the control of the Authority and cannot be predicted with certainty. In many instances, a broad range of alternative assumptions could be considered reasonable with the availability of alternative toll schedules, and any changes in the assumptions used could result in material differences in estimated outcomes.

- The standards of operation and maintenance on all of the Thruway System will be maintained as planned within the business rules and practices.
- The general configuration and location of the Thruway System and its interchanges will remain as discussed in the report.
- Access to and from the Thruway System will remain as discussed in the report.
- No other new competing highway projects are assumed to be constructed or significantly improved in the project corridor during the project period, except those identified within the report.
- Major highway improvements that are currently underway or fully funded will be completed as planned.
- The Thruway System will be well maintained, efficiently operated, and effectively signed to encourage usage.
- No reduced growth initiatives or related controls that would significantly inhibit normal development patterns will be introduced during the forecast period.
- There will be no future serious protracted recession during the forecast period.
- There will be no protracted fuel shortage during the forecast period.
- No future local, regional, or national emergency will arise that will abnormally restrict the use of motor vehicles.

In Stantec's opinion, the assumptions underlying the study provide a reasonable basis for the analysis. However, any financial projection is subject to uncertainties. Inevitably, some assumptions used to develop the projections will not be realized, and unanticipated events and circumstances may occur. There are likely to be differences between the projections and actual results, and those differences may be material. Because of these uncertainties, Stantec makes no guaranty or warranty with respect to the projections in this study.

This document, and the opinions, analysis, evaluations, or recommendations contained herein are for the sole use and benefit of the contracting parties. There are no intended third-party beneficiaries, and Stantec Consulting Services Inc. (and its affiliates) shall have no liability whatsoever to any third parties for any defect, deficiency, error, or omission in any statement contained in or in any way related to this document or the services provided.

Stantec is not, and has not been, a municipal advisor as defined in Federal law (the Dodd Frank Bill) to the Authority and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to the Authority with respect to the information and material contained in this document. Stantec is not recommending and has not recommended any action to the Authority. The Authority should discuss the information and material contained in this document with any and all internal and external advisors that it deems appropriate before acting on this information.

Neither this document nor any information contained therein or otherwise supplied by Stantec Consulting Services Inc. in connection with the study and the services provided to our client shall be used in connection with any financing solicitation, proxy, and proxy statement, proxy soliciting materials, prospectus, Securities Registration Statement or similar document without the express written consent of Stantec Consulting Services Inc.

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We would like to thank the Authority staff for their assistance in the preparation of this report.

Sincerely,

Richard J. Gobeille, P.E.
Senior Principal
Stantec Consulting, Inc.

APPENDIX: HISTORICAL TRAFFIC AND REVENUE BY FACILITY

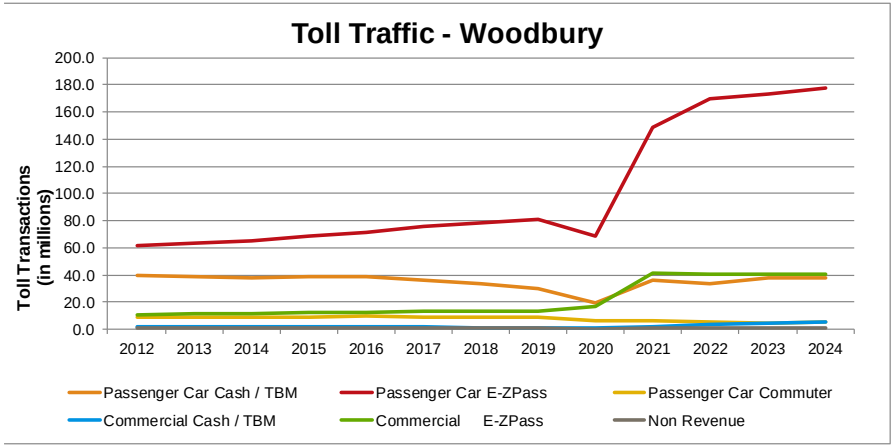
Traffic and Revenue - Woodbury Section

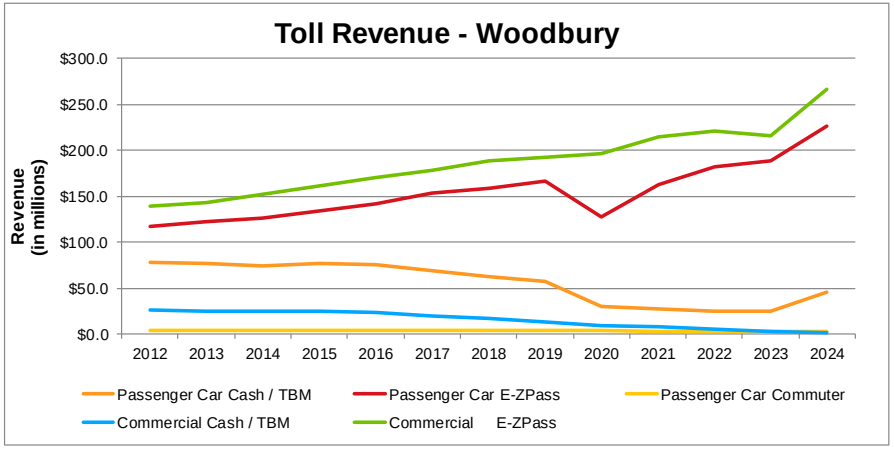
Toll Traffic - Woodbury

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	40.1	61.4	8.6	2.2	10.9	1.0	124.2
2013	38.9	63.4	8.7	2.0	11.2	0.9	125.1
2014	38.1	65.2	8.8	2.0	11.6	1.0	126.7
2015	38.7	68.4	9.1	1.9	12.2	1.0	131.2
2016	38.5	71.5	9.4	1.8	12.6	1.0	134.8
2017	36.3	75.3	9.4	1.6	13.0	1.0	136.5
2018	33.3	78.4	9.1	1.4	13.4	1.0	136.6
2019	30.4	81.1	8.9	1.2	13.6	0.9	136.1
2020	19.4	69.1	6.3	0.9	16.5	0.9	113.1
2021	36.4	148.5	5.9	1.5	41.8	1.3	235.5
2022	33.8	169.6	5.5	4.1	40.8	1.4	255.1
2023	38.4	173.3	4.9	4.8	40.7	1.3	263.4
2024	38.0	177.9	5.1	5.0	40.4	1.4	267.7

Toll Revenue - Woodbury

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$78.4	$116.8	$4.2	$27.0	$139.2	$0.0	$365.7
2013	$77.1	$122.8	$4.3	$25.2	$143.1	$0.0	$372.6
2014	$74.8	$125.8	$4.5	$25.0	$152.5	$0.0	$382.7
2015	$76.5	$134.1	$4.6	$24.8	$161.5	$0.0	$401.5
2016	$75.1	$141.9	$4.9	$23.6	$170.3	$0.0	$415.8
2017	$69.2	$153.6	$4.8	$20.0	$178.5	$0.0	$426.1
2018	$62.6	$159.0	$4.7	$17.6	$188.1	$0.0	$432.0
2019	$57.3	$166.9	$4.6	$14.0	$193.0	$0.0	$435.9
2020	$30.2	$127.1	$4.0	$9.3	$196.3	$0.0	$366.9
2021	$28.1	$162.7	$3.4	$8.1	$214.8	$0.0	$417.0
2022	$25.3	$181.8	$3.5	$5.7	$220.7	$0.0	$437.1
2023	$25.7	$188.6	$3.6	$2.9	$215.1	$0.0	$436.0
2024	$45.5	$225.7	$3.6	$1.8	$266.8	$0.0	$543.4





Note: AETC (cashless tolling) began on the Controlled System on November 14, 2020 with a new tolling configuration, whereby a vehicle may now have multiple transactions per trip on the Woodbury Section. Before AETC there was only one transaction per trip.

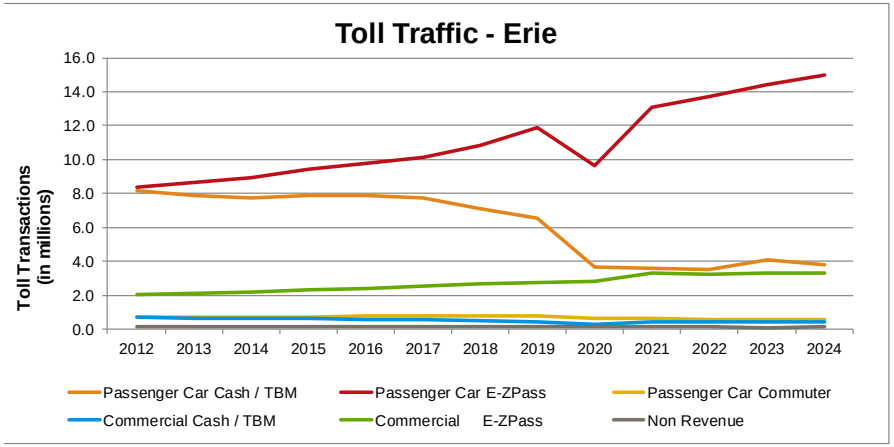
Traffic and Revenue - Erie Section

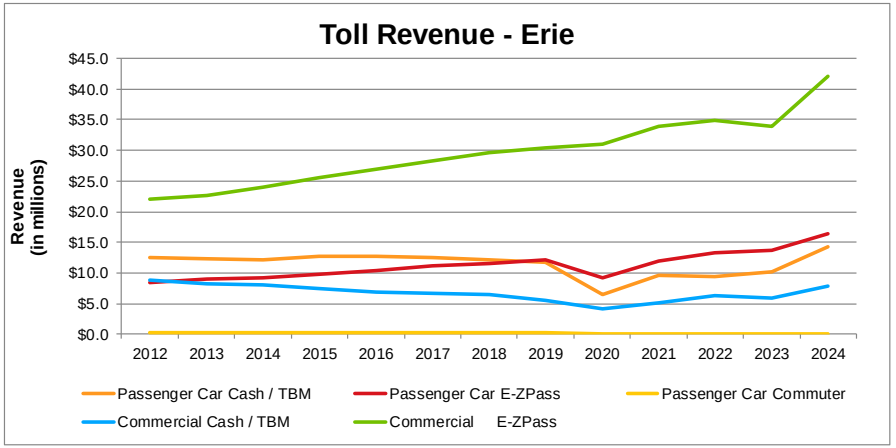
Toll Traffic - Erie

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	8.1	8.4	0.7	0.7	2.1	0.1	20.1
2013	7.9	8.6	0.7	0.7	2.1	0.1	20.1
2014	7.7	8.9	0.7	0.6	2.2	0.1	20.3
2015	7.9	9.4	0.7	0.6	2.3	0.1	21.1
2016	7.9	9.8	0.8	0.6	2.4	0.1	21.6
2017	7.7	10.1	0.8	0.5	2.5	0.1	21.8
2018	7.1	10.8	0.8	0.5	2.7	0.1	22.0
2019	6.5	11.9	0.8	0.4	2.8	0.1	22.5
2020	3.7	9.7	0.6	0.3	2.8	0.1	17.2
2021	3.6	13.1	0.6	0.5	3.3	0.1	21.2
2022	3.5	13.7	0.6	0.4	3.3	0.1	21.7
2023	4.1	14.4	0.6	0.4	3.3	0.1	22.9
2024	3.8	15.0	0.6	0.4	3.3	0.1	23.2

Toll Revenue - Erie

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$12.5	$8.5	$0.2	$8.8	$22.0	$0.0	$51.9
2013	$12.2	$8.9	$0.2	$8.2	$22.6	$0.0	$52.2
2014	$12.1	$9.2	$0.2	$8.0	$24.1	$0.0	$53.5
2015	$12.7	$9.8	$0.2	$7.5	$25.5	$0.0	$55.6
2016	$12.8	$10.3	$0.2	$6.8	$26.9	$0.0	$57.0
2017	$12.5	$11.2	$0.2	$6.7	$28.2	$0.0	$58.7
2018	$12.2	$11.6	$0.2	$6.6	$29.7	$0.0	$60.2
2019	$11.8	$12.1	$0.2	$5.6	$30.5	$0.0	$60.2
2020	$6.6	$9.2	$0.2	$4.1	$31.0	$0.0	$51.1
2021	$9.6	$11.8	$0.1	$5.1	$33.9	$0.0	$60.6
2022	$9.4	$13.2	$0.1	$6.3	$34.8	$0.0	$63.9
2023	$10.3	$13.7	$0.2	$6.0	$34.0	$0.0	$64.1
2024	$14.3	$16.4	$0.1	$7.8	$42.1	$0.0	$80.8





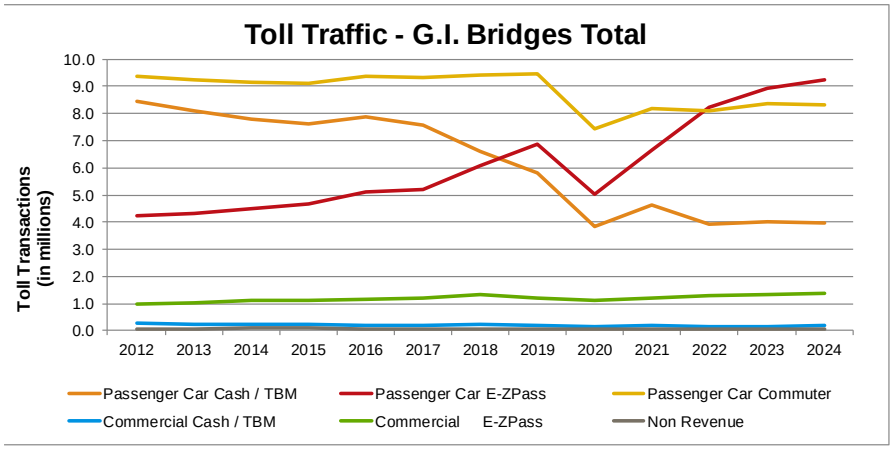
Traffic and Revenue - Grand Island Bridges

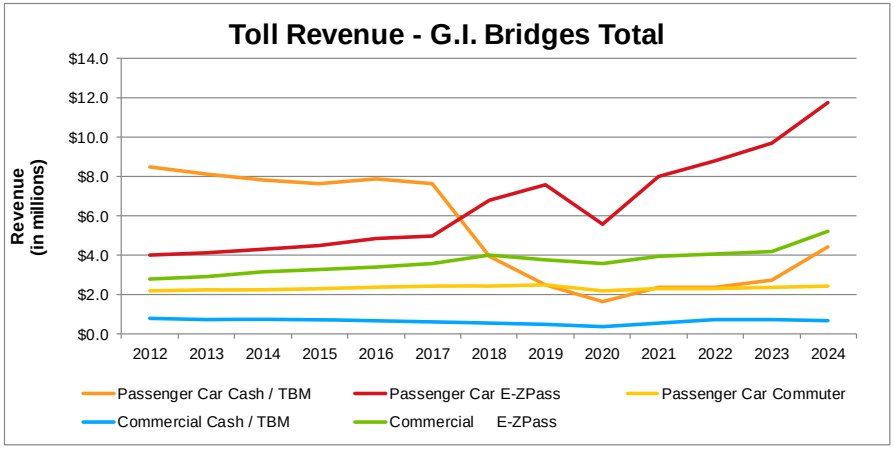
Toll Traffic - G.I. Bridges Total

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	8.5	4.2	9.4	0.3	1.0	0.1	23.4
2013	8.1	4.3	9.2	0.2	1.0	0.1	23.0
2014	7.8	4.5	9.2	0.2	1.1	0.1	22.9
2015	7.6	4.7	9.1	0.2	1.1	0.1	22.9
2016	7.9	5.1	9.4	0.2	1.1	0.1	23.8
2017	7.6	5.2	9.3	0.2	1.2	0.1	23.6
2018	6.6	6.1	9.4	0.2	1.4	0.1	23.8
2019	5.8	6.9	9.5	0.2	1.2	0.1	23.6
2020	3.8	5.0	7.4	0.2	1.1	0.1	17.6
2021	4.6	6.6	8.2	0.2	1.2	0.1	20.9
2022	3.9	8.2	8.1	0.2	1.3	0.1	21.8
2023	4.0	9.0	8.4	0.2	1.3	0.1	22.9
2024	4.0	9.3	8.3	0.2	1.4	0.1	23.2

Toll Revenue - G.I. Bridges Total

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$8.5	$4.0	$2.2	$0.8	$2.8	$0.0	$18.3
2013	$8.1	$4.1	$2.3	$0.8	$2.9	$0.0	$18.2
2014	$7.8	$4.3	$2.3	$0.8	$3.2	$0.0	$18.3
2015	$7.7	$4.5	$2.3	$0.7	$3.3	$0.0	$18.4
2016	$7.9	$4.9	$2.4	$0.7	$3.4	$0.0	$19.2
2017	$7.6	$5.0	$2.4	$0.7	$3.6	$0.0	$19.3
2018	$3.9	$6.8	$2.4	$0.6	$4.0	$0.0	$17.8
2019	$2.5	$7.6	$2.5	$0.5	$3.8	$0.0	$16.9
2020	$1.7	$5.6	$2.2	$0.4	$3.6	$0.0	$13.5
2021	$2.4	$8.0	$2.3	$0.5	$4.0	$0.0	$17.2
2022	$2.4	$8.8	$2.3	$0.7	$4.1	$0.0	$18.3
2023	$2.7	$9.7	$2.4	$0.7	$4.2	$0.0	$19.8
2024	$4.4	$11.7	$2.5	$0.7	$5.2	$0.0	$24.6

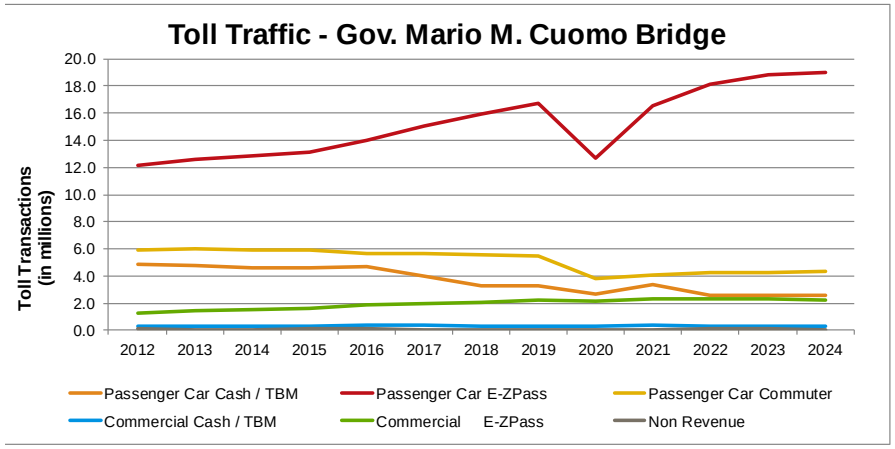


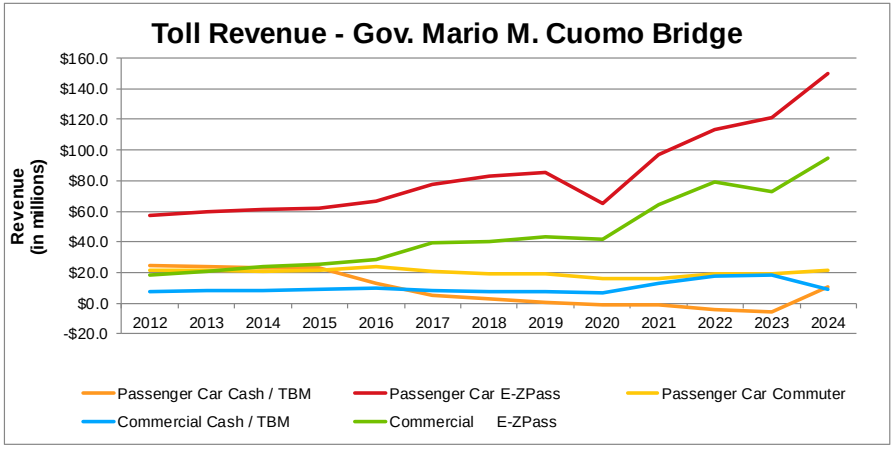


Traffic and Revenue - Governor Mario M. Cuomo Bridge

Toll Traffic - Gov. Mario M. Cuomo Bridge							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	4.9	12.1	5.9	0.3	1.3	0.1	24.5
2013	4.7	12.6	6.0	0.3	1.4	0.1	25.1
2014	4.6	12.8	5.9	0.3	1.6	0.1	25.3
2015	4.6	13.1	5.9	0.3	1.7	0.1	25.6
2016	4.7	14.0	5.7	0.4	1.9	0.1	26.7
2017	4.0	15.0	5.6	0.3	2.0	0.1	27.1
2018	3.3	16.0	5.6	0.3	2.1	0.1	27.2
2019	3.3	16.7	5.5	0.3	2.2	0.1	28.1
2020	2.7	12.7	3.8	0.3	2.1	0.1	21.7
2021	3.4	16.6	4.1	0.4	2.3	0.1	26.8
2022	2.6	18.2	4.2	0.3	2.3	0.1	27.7
2023	2.6	18.8	4.2	0.3	2.3	0.1	28.4
2024	2.6	19.0	4.4	0.3	2.2	0.1	28.5

Toll Revenue - Gov. Mario M. Cuomo Bridge							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$24.7	$57.6	$21.1	$7.6	$18.5	$0.0	$129.6
2013	$23.9	$59.9	$21.3	$8.0	$20.8	$0.0	$133.9
2014	$23.2	$60.9	$20.9	$8.4	$23.8	$0.0	$137.3
2015	$23.0	$62.2	$21.3	$9.0	$25.4	$0.0	$140.9
2016	$13.0	$66.7	$23.8	$9.5	$28.7	$0.0	$141.6
2017	$5.5	$77.2	$20.7	$8.6	$39.2	$0.0	$151.3
2018	$2.5	$82.8	$18.9	$7.5	$40.3	$0.0	$151.9
2019	$0.7	$85.1	$19.3	$7.3	$42.9	$0.0	$155.3
2020	-$0.9	$65.1	$16.3	$6.8	$41.4	$0.0	$128.8
2021	-$0.8	$97.3	$16.3	$13.3	$63.9	$0.0	$190.0
2022	-$4.1	$113.0	$19.2	$17.7	$78.7	$0.0	$224.5
2023	-$5.7	$121.1	$19.4	$18.6	$72.9	$0.0	$226.3
2024	$10.7	$149.6	$21.5	$8.9	$94.5	$0.0	$285.3



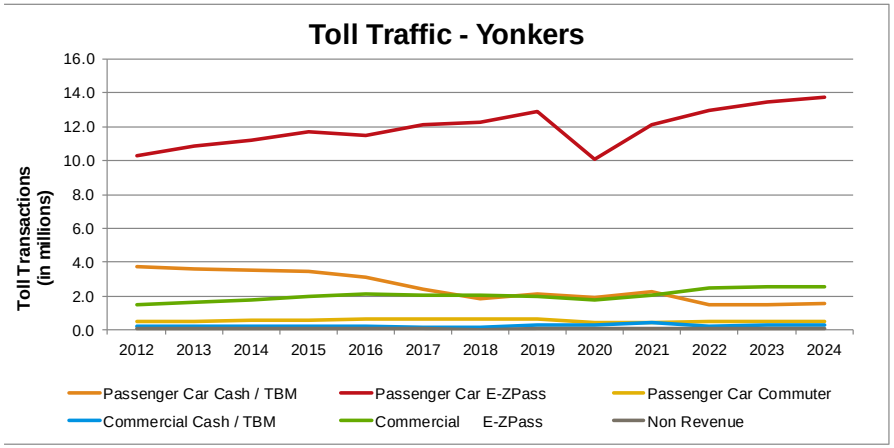


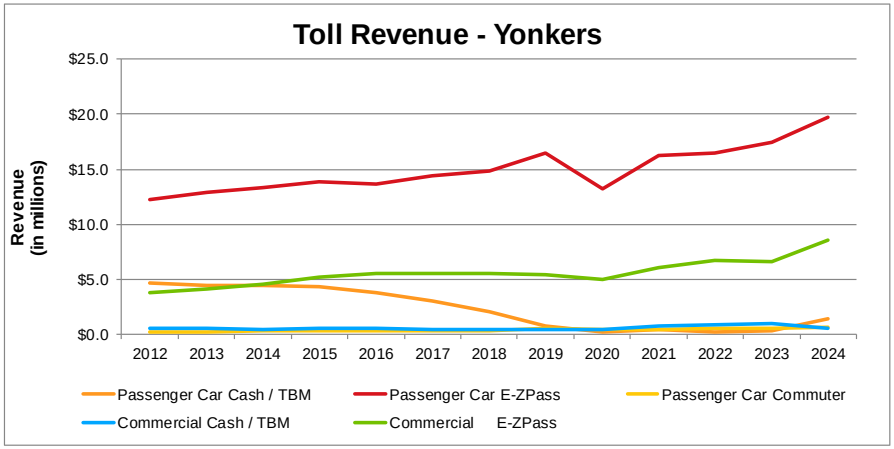
Note: Toll revenues are unadjusted from financial reports. The revenue split among vehicle and payment types was later reconciled and adjusted for forecasting purposes.

Traffic and Revenue - Yonkers Barrier

Toll Traffic - Yonkers							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	3.7	10.3	0.5	0.2	1.5	0.1	16.3
2013	3.6	10.9	0.5	0.2	1.7	0.1	16.9
2014	3.5	11.2	0.6	0.2	1.8	0.1	17.4
2015	3.5	11.7	0.6	0.2	2.0	0.1	18.1
2016	3.1	11.5	0.6	0.2	2.1	0.1	17.6
2017	2.4	12.1	0.6	0.2	2.1	0.1	17.5
2018	1.9	12.3	0.6	0.2	2.1	0.1	17.1
2019	2.1	12.9	0.6	0.3	2.0	0.1	18.0
2020	1.9	10.1	0.4	0.3	1.8	0.1	14.6
2021	2.3	12.1	0.5	0.4	2.1	0.1	17.4
2022	1.5	12.9	0.5	0.3	2.5	0.1	17.8
2023	1.5	13.4	0.5	0.3	2.5	0.1	18.3
2024	1.6	13.7	0.5	0.3	2.5	0.1	18.7

Toll Revenue - Yonkers							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$4.7	$12.2	$0.3	$0.5	$3.8	$0.0	$21.6
2013	$4.5	$12.9	$0.3	$0.5	$4.2	$0.0	$22.4
2014	$4.4	$13.3	$0.3	$0.5	$4.6	$0.0	$23.2
2015	$4.4	$13.9	$0.3	$0.6	$5.2	$0.0	$24.4
2016	$3.9	$13.7	$0.4	$0.6	$5.6	$0.0	$24.1
2017	$3.1	$14.5	$0.4	$0.5	$5.6	$0.0	$24.0
2018	$2.1	$14.8	$0.4	$0.5	$5.5	$0.0	$23.3
2019	$0.8	$16.5	$0.5	$0.5	$5.5	$0.0	$23.8
2020	$0.3	$13.2	$0.5	$0.5	$5.1	$0.0	$19.4
2021	$0.4	$16.3	$0.5	$0.8	$6.1	$0.0	$24.1
2022	$0.3	$16.5	$0.6	$0.9	$6.8	$0.0	$25.0
2023	$0.3	$17.4	$0.6	$1.0	$6.7	$0.0	$26.0
2024	$1.4	$19.7	$0.6	$0.6	$8.5	$0.0	$30.9

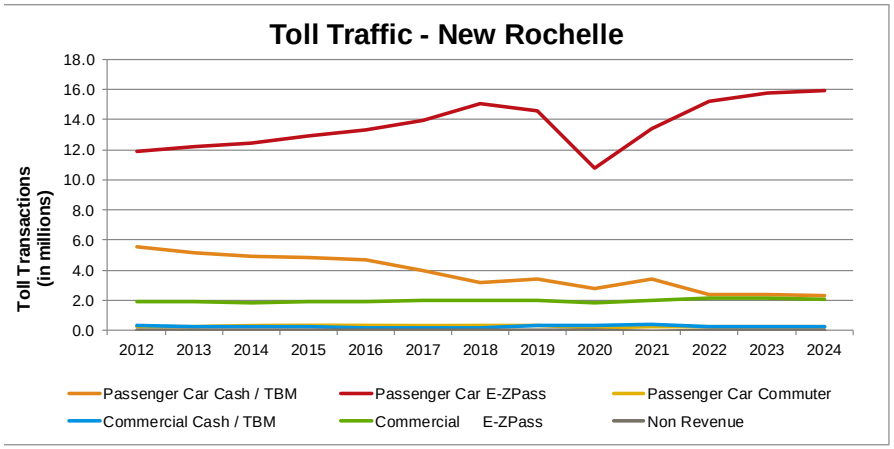


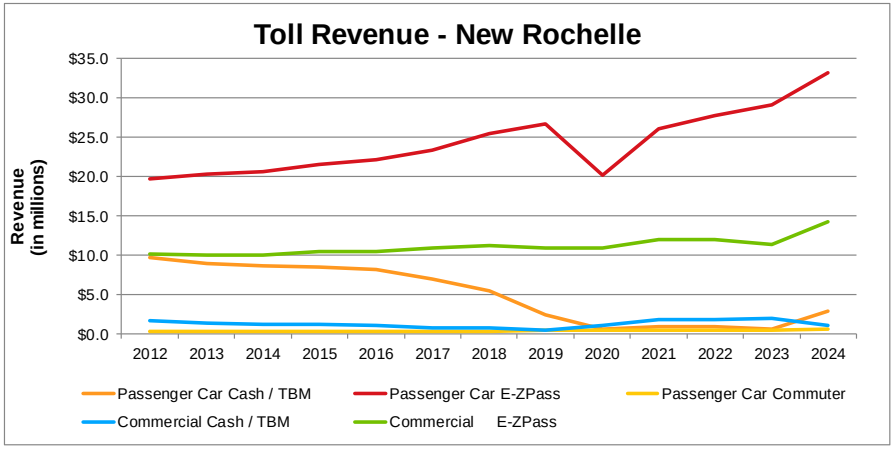


Traffic and Revenue - New Rochelle Barrier

Toll Traffic - New Rochelle							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	5.6	11.9	0.3	0.3	1.9	0.0	20.0
2013	5.1	12.2	0.3	0.3	1.9	0.0	19.8
2014	5.0	12.4	0.3	0.2	1.8	0.0	19.8
2015	4.9	12.9	0.3	0.2	1.9	0.1	20.4
2016	4.7	13.3	0.3	0.2	1.9	0.1	20.6
2017	4.0	14.0	0.3	0.2	2.0	0.0	20.5
2018	3.2	15.1	0.3	0.2	2.0	0.0	20.9
2019	3.4	14.6	0.3	0.3	2.0	0.0	20.7
2020	2.8	10.8	0.2	0.4	1.8	0.0	16.0
2021	3.5	13.4	0.2	0.4	2.0	0.0	19.6
2022	2.4	15.2	0.2	0.3	2.2	0.0	20.3
2023	2.4	15.8	0.3	0.3	2.1	0.0	20.8
2024	2.3	15.9	0.2	0.3	2.1	0.0	20.8

Toll Revenue - New Rochelle							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$9.8	$19.7	$0.3	$1.7	$10.3	$0.0	$41.7
2013	$9.0	$20.3	$0.3	$1.4	$10.1	$0.0	$41.1
2014	$8.7	$20.6	$0.3	$1.2	$10.0	$0.0	$40.9
2015	$8.5	$21.5	$0.4	$1.2	$10.5	$0.0	$42.1
2016	$8.3	$22.2	$0.4	$1.1	$10.5	$0.0	$42.4
2017	$7.0	$23.4	$0.4	$0.9	$10.9	$0.0	$42.6
2018	$5.5	$25.4	$0.4	$0.8	$11.3	$0.0	$43.4
2019	$2.5	$26.7	$0.5	$0.5	$11.0	$0.0	$41.2
2020	$0.7	$20.2	$0.5	$1.1	$11.0	$0.0	$33.4
2021	$1.0	$26.1	$0.5	$1.9	$12.1	$0.0	$41.5
2022	$0.9	$27.7	$0.5	$1.9	$12.0	$0.0	$43.0
2023	$0.7	$29.1	$0.6	$2.0	$11.4	$0.0	$43.9
2024	$2.9	$33.1	$0.6	$1.1	$14.3	$0.0	$52.2

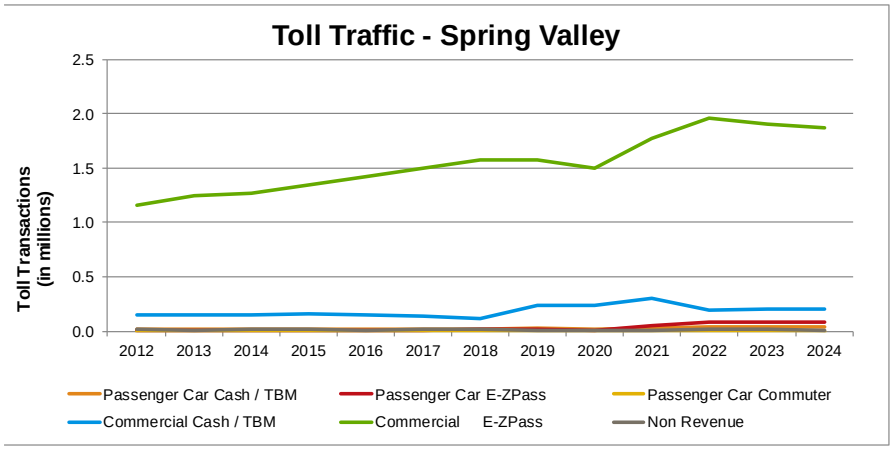


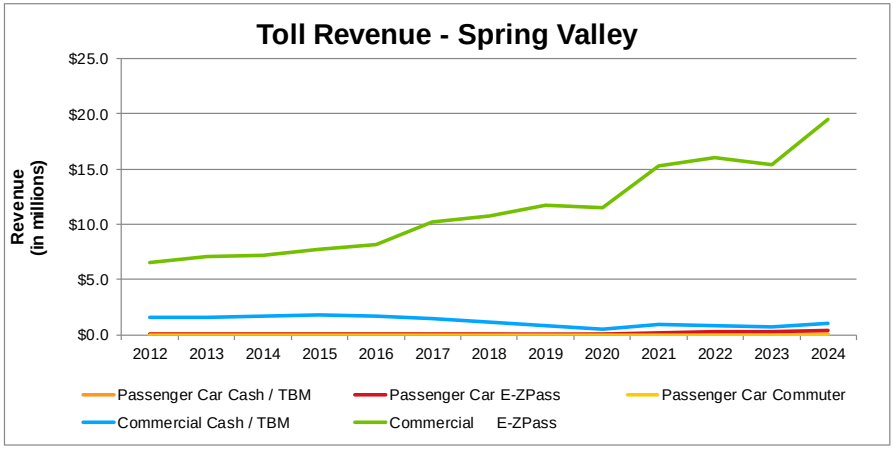


Traffic and Revenue - Spring Valley Barrier

Toll Traffic - Spring Valley							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	0.0	0.0	0.0	0.1	1.2	0.0	1.3
2013	0.0	0.0	0.0	0.1	1.2	0.0	1.4
2014	0.0	0.0	0.0	0.1	1.3	0.0	1.5
2015	0.0	0.0	0.0	0.2	1.3	0.0	1.5
2016	0.0	0.0	0.0	0.2	1.4	0.0	1.6
2017	0.0	0.0	0.0	0.1	1.5	0.0	1.7
2018	0.0	0.0	0.0	0.1	1.6	0.0	1.7
2019	0.0	0.0	0.0	0.2	1.6	0.0	1.9
2020	0.0	0.0	0.0	0.2	1.5	0.0	1.8
2021	0.0	0.0	0.0	0.3	1.8	0.0	2.2
2022	0.0	0.1	0.0	0.2	2.0	0.0	2.3
2023	0.0	0.1	0.0	0.2	1.9	0.0	2.2
2024	0.0	0.1	0.0	0.2	1.9	0.0	2.2

Toll Revenue - Spring Valley							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$0.1	$0.0	$0.0	$1.6	$6.5	$0.0	$8.2
2013	$0.1	$0.0	$0.0	$1.6	$7.1	$0.0	$8.8
2014	$0.1	$0.0	$0.0	$1.6	$7.2	$0.0	$8.9
2015	$0.1	$0.0	$0.0	$1.8	$7.7	$0.0	$9.6
2016	$0.1	$0.0	$0.0	$1.7	$8.2	$0.0	$9.9
2017	$0.1	$0.0	$0.0	$1.5	$10.2	$0.0	$11.8
2018	$0.0	$0.0	$0.0	$1.1	$10.7	$0.0	$12.0
2019	$0.0	$0.0	$0.0	$0.8	$11.7	$0.0	$12.6
2020	$0.0	$0.0	$0.0	$0.5	$11.5	$0.0	$12.0
2021	$0.0	$0.2	$0.0	$0.9	$15.3	$0.0	$16.4
2022	$0.0	$0.3	$0.0	$0.9	$16.0	$0.0	$17.2
2023	$0.0	$0.3	$0.0	$0.8	$15.4	$0.0	$16.5
2024	$0.1	$0.4	$0.0	$1.0	$19.5	$0.0	$21.0

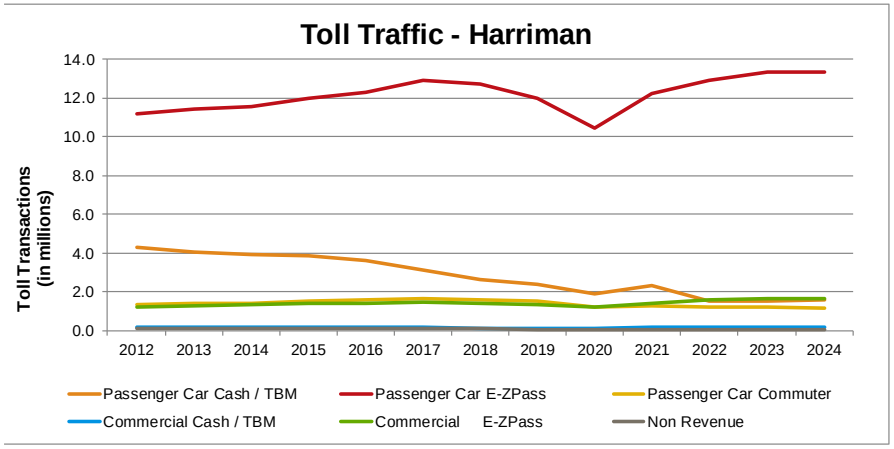


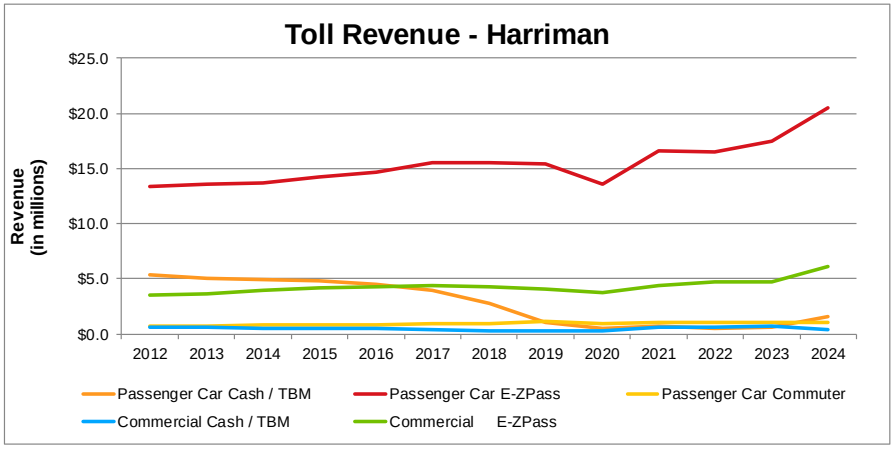


Traffic and Revenue - Harriman Barrier

Toll Traffic - Harriman							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	4.3	11.2	1.3	0.2	1.2	0.1	18.2
2013	4.0	11.4	1.4	0.2	1.2	0.1	18.3
2014	3.9	11.5	1.4	0.2	1.3	0.1	18.4
2015	3.9	12.0	1.5	0.2	1.4	0.1	19.0
2016	3.6	12.3	1.6	0.2	1.4	0.1	19.2
2017	3.1	12.9	1.6	0.1	1.5	0.1	19.3
2018	2.7	12.7	1.6	0.1	1.4	0.1	18.5
2019	2.4	12.0	1.5	0.1	1.4	0.1	17.4
2020	1.9	10.4	1.2	0.1	1.2	0.1	14.9
2021	2.3	12.2	1.3	0.2	1.4	0.1	17.4
2022	1.5	12.9	1.2	0.1	1.6	0.1	17.4
2023	1.5	13.3	1.2	0.2	1.6	0.1	17.9
2024	1.6	13.3	1.2	0.2	1.6	0.1	17.9

Toll Revenue - Harriman							
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$5.3	$13.3	$0.7	$0.6	$3.5	$0.0	$23.5
2013	$5.0	$13.6	$0.8	$0.6	$3.7	$0.0	$23.7
2014	$4.9	$13.7	$0.8	$0.6	$3.9	$0.0	$23.9
2015	$4.9	$14.3	$0.8	$0.5	$4.1	$0.0	$24.6
2016	$4.6	$14.7	$0.9	$0.5	$4.3	$0.0	$24.9
2017	$3.9	$15.5	$0.9	$0.4	$4.4	$0.0	$25.2
2018	$2.8	$15.5	$0.9	$0.3	$4.3	$0.0	$23.9
2019	$1.0	$15.4	$1.1	$0.3	$4.1	$0.0	$22.0
2020	$0.6	$13.5	$1.0	$0.3	$3.8	$0.0	$19.2
2021	$0.8	$16.6	$1.0	$0.6	$4.4	$0.0	$23.3
2022	$0.6	$16.5	$1.0	$0.7	$4.7	$0.0	$23.5
2023	$0.6	$17.4	$1.0	$0.7	$4.7	$0.0	$24.5
2024	$1.6	$20.5	$1.1	$0.4	$6.1	$0.0	$29.6





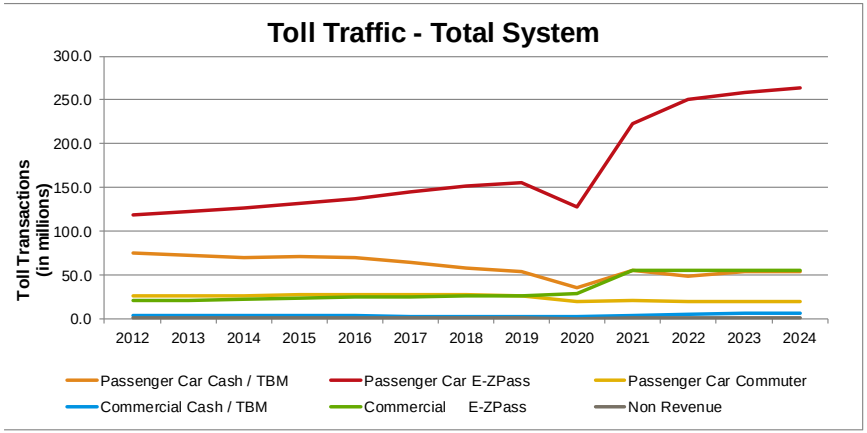
Traffic and Revenue - Total System

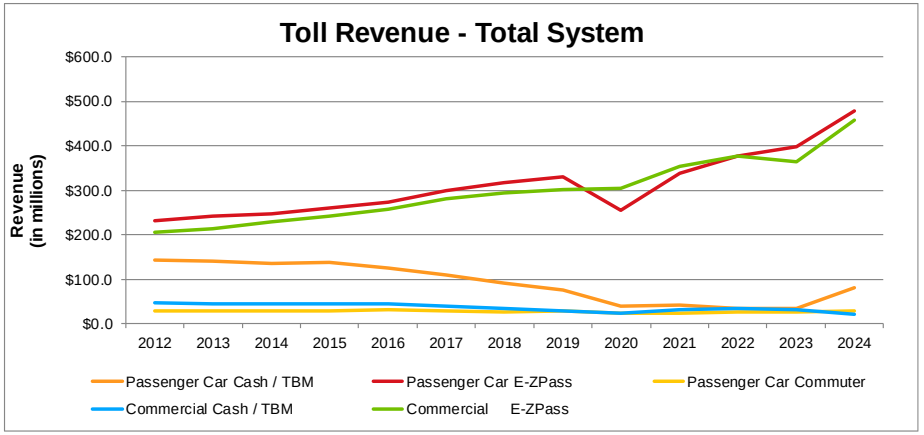
Toll Traffic - Total System

Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	75.1	119.5	26.7	4.3	21.0	1.5	248.1
2013	72.4	123.4	26.8	4.0	21.7	1.4	249.8
2014	70.7	126.5	27.0	3.9	22.7	1.5	252.3
2015	71.0	132.2	27.3	3.9	23.9	1.5	259.7
2016	70.4	137.5	27.8	3.7	24.8	1.5	265.7
2017	65.1	144.7	27.7	3.4	25.7	1.5	268.0
2018	58.0	151.3	27.5	3.0	26.6	1.5	267.9
2019	54.0	156.1	27.2	3.1	26.6	1.4	268.4
2020	36.1	127.8	20.0	2.7	28.8	1.3	216.7
2021	56.1	222.6	20.8	3.9	55.9	1.7	361.0
2022	49.2	250.9	20.4	5.8	55.9	1.9	384.0
2023	54.5	258.2	20.1	6.6	55.8	1.8	396.9
2024	53.8	264.1	20.2	6.9	55.4	1.8	402.2

Toll Revenue - Total System

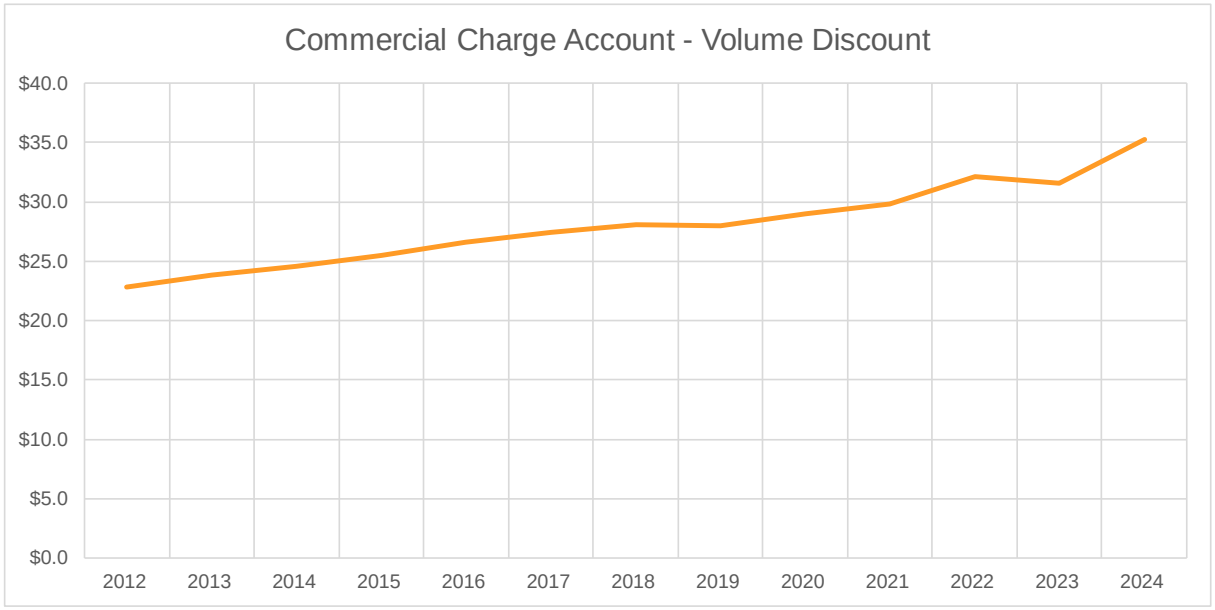
Year	Passenger Car Cash / TBM	Passenger Car E-ZPass	Passenger Car Commuter	Commercial Cash / TBM	Commercial E-ZPass	Non Revenue	Total
2012	$144.0	$232.3	$29.0	$48.6	$206.6	$0.0	$660.5
2013	$140.0	$242.6	$29.4	$46.3	$214.5	$0.0	$672.8
2014	$136.0	$247.9	$29.3	$46.2	$229.3	$0.0	$688.7
2015	$137.6	$260.3	$29.9	$46.2	$243.2	$0.0	$717.2
2016	$125.5	$274.3	$32.9	$44.5	$257.8	$0.0	$734.9
2017	$108.9	$300.4	$29.8	$39.2	$280.6	$0.0	$758.9
2018	$91.7	$316.0	$28.0	$34.9	$293.9	$0.0	$764.5
2019	$76.7	$330.3	$28.8	$29.6	$302.5	$0.0	$767.9
2020	$39.1	$254.0	$24.6	$23.1	$303.6	$0.0	$644.3
2021	$41.5	$338.8	$24.1	$31.3	$354.4	$0.0	$790.1
2022	$34.8	$377.8	$27.3	$34.8	$377.8	$0.0	$852.5
2023	$34.8	$397.4	$27.8	$32.8	$364.3	$0.0	$857.0
2024	$81.0	$477.2	$30.1	$22.3	$457.2	$0.0	$1067.8





Notes: AETC (cashless tolling) began on the Controlled System on November 14, 2020 with a new tolling configuration, whereby a vehicle may now have multiple transactions per trip on the Woodbury Section. Before AETC there was only one transaction per trip.
The Authority later made adjustments to these published revenue numbers; 2022 toll revenues had included some $6.5 million from 2021.
Total revenues shown to not account for commercial volume discounts, or for a non-recurring -$52.2 million adjustment in 2024 attributed to changing the method used to estimate an allowance for uncollectible tolls.

Year	Vol. Discount
2012	$22.8
2013	$23.8
2014	$24.6
2015	$25.5
2016	$26.6
2017	$27.4
2018	$28.0
2019	$28.0
2020	$29.0
2021	$29.9
2022	$32.1
2023	$31.6
2024	$35.2



Note: Discounts available to Thruway Authority Commercial Charge Account customers based on monthly toll spending by account as follows:

- *$1,001 to $2,000 - 10% discount*
- *$2,001 to $3,000 - 15% discount*
- *Over $3,000 - 20% discount*

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APPENDIX A-2

BRING-DOWN LETTER TO TRAFFIC ENGINEER'S REPORT

DATED JUNE 26, 2026

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Stantec Consulting Services Inc.
475 Fifth Avenue 12th Fl., New York, NY 10017-7239

June 26, 2026
File: 193410601

Mr. David Malone, Chief Financial Officer
New York State Thruway Authority
200 Southern Boulevard
P.O. Box 189
Albany, New York 12201-0189

Subject: Bring-Down Letter to Supplement Traffic Engineer's Report

Dear Mr. Malone,

At your request, we have reviewed our projections of traffic and toll revenue in our "Traffic and Revenue Report Including a Review of the Physical Condition of the Thruway System" dated December 17, 2025 ("December 2025 Traffic Engineer's Report") provided to you for your issuance of Series 2026A General Revenue Junior Indebtedness Refunding Obligations by the New York State Thruway Authority ("Authority"). We have been advised that the Authority is issuing General Revenue Bonds, Series R (the "Series R Bonds") in July 2026 and plans to include the December 2025 Traffic Engineer's Report in the Preliminary and final Official Statements related thereto. This Bring-Down Letter (the "Bring-Down Letter") reaffirms the conclusions made in the December 2025 Traffic Engineer's Report and addresses certain additional matters. Potential investors of the Series R Bonds should review both this Bring-Down Letter and the original December 2025 Traffic Engineer's Report in their entirety.

First, we reviewed 2025 actual traffic and revenue versus Stantec's forecasts in the December 2025 Traffic Engineer's Report. As shown in Table 1, passenger car traffic for the year was slightly below the forecasts for 2025 and commercial truck traffic was slightly above the forecasts for 2025; overall traffic was within 0.05 percent of the 2025 forecast. Toll revenue for 2025 was below the forecasted amount, while fee revenue (amounts collected from billing fees, late fees and violations) exceeded the 2025 forecast. Overall, $9.2 million or 0.9 percent less in revenue was collected in 2025 than Stantec had projected.

Table 1: 2025 Actual vs. Forecasted Annual Traffic and Revenue (in millions)

	Actual			Forecast in December 2025 Traffic Engineer's Report			Difference in Total Traffic**	
	Car Traffic	Truck Traffic	Total Traffic**	Car Traffic	Truck Traffic	Total Traffic**	Amount	%
2025 Traffic*	334.6	62.6	**397.2**	335.0	62.4	**397.4**	**-0.2**	**-0.05%**
	Toll Revenue	Fee Revenue	Total Revenue**	Toll Revenue	Fee Revenue	Total Revenue**	Difference**	
							Amount	%
2025 Revenue	$992.0	$48.0	**$1,040.0**	$1,006.5	$42.6	**$1,049.2**	**-$9.2**	**-0.9%**

** Actual and forecasted traffic numbers do not include qualified Non-Revenue vehicles, which are not charged tolls.*
*** Total may not add due to rounding.*

There are several reasons why the Authority's 2025 revenue was below Stantec's forecasts:

- As discussed in the December 2025 Traffic Engineer's Report, in April 2025 the contractor responsible for the Authority's toll collection transitioned to a new back-office system; the transition resulted in delays processing image-based (plate) transactions, which delayed invoices being sent to Tolls by Mail ("TBM") customers. The collection of tolls and fees from TBM customers has been slower than expected. The Authority's new debt collection agency, originally scheduled to begin debt collection in late 2025, did not start collections until March 2026. As anticipated, a growing portion of the previously delayed TBM revenue is now being realized in 2026.

- A full year of Authority revenue data indicates a reduction in average truck size on the Governor Mario M. Cuomo Bridge ("Cuomo Bridge"), which means that the average toll for trucks was lower than anticipated. The average number of axles per truck paying with a non-NY E-ZPass decreased between 2024 and 2025 while NY E-ZPass trucks averaged the same number of axles for both years. The associated revenue impact will carry forward to 2026 and future year revenues.

- In 2025, the Authority removed very low-use customers—those traveling once a month or less—from its barrier-specific commuter plans. These infrequent customers had been charged a discounted monthly minimum covering 20 trips at the New Rochelle, Cuomo Bridge, and Grand Island Bridge barrier locations, or 35 trips at the Harriman and Yonkers barriers, regardless of whether the trips were taken. Beginning in September 2025, nearly 8,300 customers were removed from the commuter plans and are no longer charged for unused trips. The slight revenue reduction resulting from this change will carry forward, affecting revenues in 2026 and future years.

- The total toll revenue discount from customers on a Commercial Charge Account discount plan – who receive progressively greater discounts based on monthly toll charges on an account basis - was greater than forecasted in the December 2025 Traffic Engineer's Report. This higher participation in this discount plan was carried forward to 2026 and future years.

In addition, we made further adjustments to the 2026 and future year forecasts to reflect more recent events and trends:

- Traffic was unusually low in January 2026 and February 2026 due to winter storm events:

    - Winter Storm "Fern" between January 23 and 27 had statewide impacts, with up to 17 inches of snow, particularly affecting the downstate corridor. Widespread travel advisories and emergency declarations were issued across New York.

    - This was followed by the historic "Blizzard of 2026" from February 22-24, which affected much of the Northeast and delivered 1–2 feet of snow across large portions of New York State, with blizzard-force winds. Mandatory travel restrictions were imposed across the NYC area, substantially limiting vehicular travel.

- In the time since the December 2025 Traffic Engineer's Report was prepared, U.S. gas prices have risen sharply due to the recent conflict in the Middle East which began on February 28, 2026. This conflict has disrupted global oil markets and driven crude oil prices higher, particularly because of risks to shipments through the Strait of Hormuz. Additionally, these higher energy prices have contributed to

increased U.S. inflation. To reflect these conditions, Stantec applied a modest reduction to the traffic forecast for the remainder of 2026.

- Traffic volumes are expected to rebound in 2027, as the impacts from severe 2026 weather and higher fuel prices ease.

- As noted on the previous page, an increasing share of previously delayed TBM revenue is now being recognized in 2026. Recent months of Authority revenue data suggest that a larger amount of this delayed revenue from 2025 trips is being collected than was projected in the December 2025 Traffic Engineer's Report. A higher share of revenue from 2025 TBM trips has been shifted to 2026 to reflect this.

- In 2026 the Authority plans to remove the two mainline toll gantries west of Albany between interchanges 25 and 26 and replace them with ramp toll gantries, including them as a part of the tolling segment that extends westward just beyond Exit 34. This has the effect of reducing the number of tolling segments – and therefore the maximum possible number of transactions per trip on the Woodbury-Williamsville Section of the Thruway System - from thirteen tolling segments to eleven. It was originally assumed that this controlled system change would occur in March 2026, but the completion date is now estimated to be June 2026. This means there will be a greater number of transactions than previously estimated on the controlled system, however, because tolls are distance-based there is no associated revenue impact.

Table 2 presents Stantec's updated forecasts of toll transactions. Table 3 compares the updated toll transaction forecast to the one presented in the December 2025 Traffic Engineer's Report. Though reduced traffic is expected for 2026, the delay in the conversion from a thirteen to eleven-segment controlled system will result in overall higher toll transactions for 2026.

Table 2: The Thruway System's Forecasted 2025-2030 Tolled Transactions (millions)

Year	Passenger Cars			Commercial Vehicles			Total	YOY Growth
	Controlled System	Cuomo Br.	Other Barriers	Controlled System	Cuomo Br.	Other Barriers		
2025 [1] [2]	238.6	25.2	70.8	49.5	2.4	10.7	397.2	-0.8%
2026 [2]	226.6 [3]	24.2	69.5	46.1 [3]	2.3	10.6	379.2	-4.5%
2027 [4]	218.9	25.2	71.3	44.3	2.4	10.8	372.7	-1.7%
2028	220.2	25.3	71.7	44.5	2.4	10.8	374.9	0.6%
2029	221.5	25.5	72.1	44.7	2.4	10.9	377.1	0.6%
2030	222.8	25.6	72.6	45.0	2.4	10.9	379.4	0.6%

Notes: Totals may not add due to rounding. Traffic classified as non-revenue is not included.

[1] Actual

[2] Recent and future toll modifications on Cuomo Bridge only

[3] With the change to Controlled System gantry locations at Interchanges 25/25A estimated to occur June 2026, the number of tolling segments on the Woodbury-Williamsville Section will be reduced from 13 to 11, resulting in fewer toll transactions while not impacting revenues.

[4] Future systemwide toll modification

Table 3: Current Forecast of Tolled Transactions Compared to Previous (millions)

Year	Current Forecast				Previous Forecast (December 2025 Traffic Engineer's Report)				Difference Between Current & Previous Forecasted Total Traffic	
	Car Traffic	Truck Traffic	Total Traffic	Annual Growth	Car Traffic	Truck Traffic	Total Traffic	Annual Growth	Amount	%
2025 [1] [2]	334.6	62.6	397.2	-0.8%	335.0	62.4	397.4	-0.8%	**-0.2**	**-0.1%**
2026 [2] [3]	320.3	59.0	379.2	-4.5%	319.2	58.2	377.4	-5.0%	**1.8**	**0.5%**[3]
2027 [4]	315.3	57.4	372.7	-1.7%	315.6	57.3	372.9	-1.2%	**-0.2**	**-0.1%**
2028	317.2	57.7	374.9	0.6%	317.5	57.6	375.1	0.6%	**-0.2**	**-0.1%**
2029	319.1	58.0	377.1	0.6%	319.4	57.9	377.3	0.6%	**-0.2**	**-0.1%**
2030	321.0	58.3	379.4	0.6%	321.4	58.2	379.6	0.6%	**-0.2**	**-0.1%**

Notes: Totals may not add due to rounding. Traffic classified as non-revenue is not included.

[1] Actual transactions shown in current forecast

[2] Recent and future toll modifications on Cuomo Bridge only

[3] With the change to Controlled System gantry locations at Interchanges 25/25A estimated to occur June 2026, the number of tolling segments on the Woodbury-Williamsville Section will be reduced from 13 to 11, resulting in fewer toll transactions while not impacting revenues. In the previous forecast this change was assumed to occur earlier, in March 2026. Note that if there were no change to the gantry locations in either forecast, 2026 transactions under the current forecast would be 1.2 percent lower *than the previous forecast.*

[4] Future systemwide toll modification

Table 4 presents Stantec's updated forecasts of toll revenue. Table 5 compares the updated toll and fee revenue forecast to the one presented in the December 2025 Traffic Engineer's Report. Fee revenues shown are from billing fees, late fees, and violations, and comprise a portion of the "other" revenues forecasted by the Authority.

Table 4: The Thruway System's Forecasted 2025-2030 Toll Revenues (millions)

Year	Passenger Cars			Commercial Vehicles				Total	YOY Growth
	Controlled System	Cuomo Br.	Other Barriers	Controlled System	Cuomo Br.	Other Barriers	CV Disc		
2025 [1 2 3]	$285.7	$182.9	$95.2	$312.5	$98.0	$55.6	$(37.9)	$992.0	1.2%
2026 [2 3]	304.9	192.0	96.8	316.0	103.5	56.5	(38.0)	1,031.6	4.0%
2027 [4]	310.7	210.8	102.2	332.2	111.4	59.8	(40.5)	1,086.6	5.3%
2028	312.5	212.1	102.8	334.0	112.3	60.2	(40.8)	1,093.1	0.6%
2029	314.4	213.4	103.4	335.8	113.2	60.6	(41.0)	1,099.7	0.6%
2030	316.3	214.6	104.0	337.7	114.1	60.9	(41.2)	1,106.4	0.6%

Notes: Totals may not add due to rounding.

[1] Actual

[2] Recent and future toll modifications on Cuomo Bridge only

[3] Back-office disruptions and delays in invoice processing resulted in reduced TBM revenues in 2025, with some of that loss expected to be recovered in 2026.

[4] Future systemwide toll modifications

Table 5: Current Forecast of Toll and Fee Revenue Compared to Previous (millions)

Year	Current Forecast				Previous Forecast (December 2025 Traffic Engineer's Report)				Difference Between Current & Previous Forecast of Total Toll and Fee Revenue	
	Toll Revenue	Fee Revenue	Toll plus Fee Revenue	Annual Growth	Toll Revenue	Fee Revenue	Toll plus Fee Revenue	Annual Growth	Amount	%
2025 [1 2 3]	$992.0	$48.1	$1,040.1	0.7%	$1,006.5	$42.6	$1,049.2	1.6%	**$(9.1)**	**-0.9%**
2026 [2 3]	1,031.6	52.9	1,084.5	4.3%	1,048.5	56.3	1,104.8	5.3%	**(20.3)**	**-1.8%**
2027 [4]	1,086.6	51.7	1,138.3	5.0%	1,095.3	51.7	1,147.0	3.8%	**(8.7)**	**-0.8%**
2028	1,093.1	52.0	1,145.2	0.6%	1,101.9	52.0	1,153.9	0.6%	**(8.8)**	**-0.8%**
2029	1,099.7	52.4	1,152.1	0.6%	1,108.6	52.4	1,160.9	0.6%	**(8.8)**	**-0.8%**
2030	1,106.4	52.7	1,159.0	0.6%	1,115.3	52.7	1,167.9	0.6%	**(8.9)**	**-0.8%**

Notes: Totals may not add due to rounding.

[1] Actual revenues shown in current forecast

[2] Recent and future toll modifications on Cuomo Bridge only

[3] Back-office disruptions and delays in invoice processing resulted in reduced TBM revenues in 2025, with some of that loss expected to be recovered in 2026.

[4] Future systemwide toll modifications

Table 6 is a revised version of the flow of funds table from the December 2025 Traffic Engineer's Report (Table 29). The table includes both historical and projected total revenue and expenses in a format that is consistent with the flow of funds required by the Authority's General Revenue Bond Resolution and the Junior Indebtedness Resolution. In recent years, the Authority was able to maintain fiscal stability and a debt service coverage ratio that warranted its current favorable investment grade credit rating. This was accomplished primarily by operational cost containment efforts, capital program modifications, and implemented toll rate adjustments.

The Authority and its independent financial advisors have determined that the revised forecasted revenues are sufficient for the Authority to fulfill its system-wide operating, debt service, and capital needs through the forecast period. Future funding needs through 2030 were established by the Authority at amounts necessary to continue its high levels of safety and service, maintain good infrastructure conditions, support Thruway operations, and maintain debt service coverage levels appropriate for its current high credit ratings.

The projected flow of funds included in Table 6 shows the future net revenues and debt service coverage ratios through 2030. The Authority has a management commitment to a future minimum debt service coverage ratio of 1.55x for the Senior Lien, above the Board-adopted guideline of 1.50x. Additionally, the Authority has a management commitment to a minimum debt service coverage ratio for combined Senior Bonds and Junior Indebtedness Obligations of 1.35x, higher than the Junior Indebtedness Resolution requirement of 1.2x coverage for the combined annual Senior Bond debt service and annual Junior Indebtedness Obligation debt service. These coverage ratios are exceeded every year of the forecast through 2030. The Authority has independent authority to adjust toll rates to meet this fiscal management guideline.

The forecasts in this Bring-Down Letter assume no toll increases or adjustments to fees beyond the programmed toll modifications through 2027. In the unlikely event of a shortfall, the Authority has the power, without approval by the Legislature or the Governor, to increase toll rates to maintain its high level of operating safety and services on the Thruway System, to maintain and rehabilitate the Thruway System, to pay debt service, to meet toll covenants and to maintain the balance of revenues and expenses. It is our opinion that with the essentiality of the Thruway System and its currently low relative toll rates (compared to other toll roads nationally), the Authority has the ability to generate additional revenues if required.

Table 6: Historical and Projected Thruway Flow of Funds and Debt Service Coverage (millions)

	ACTUAL			FORECAST					2026-2030
	2023	2024	2025	2026	2027	2028	2029	2030	Total
Total Revenues	$949.4	$1,112.1	$1,120.5	$1,146.9	$1,191.0	$1,192.4	$1,199.3	$1,206.2	$5,935.9
Less:									
Operating Expenses	(378.4)	(414.1)	(409.4)	(460.5)	(469.7)	(479.1)	(488.7)	(498.5)	(2,396.5)
Operating Reserves	(1.0)	(1.0)	(6.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(5.0)
Total Operating Costs	(379.4)	(415.1)	(415.4)	(461.5)	(470.7)	(480.1)	(489.7)	(499.5)	(2,401.5)
Net Revenues	570.0	697.0	705.1	685.4	720.3	712.3	709.6	706.7	3,534.4
Less Gen. Rev. Bonds Debt Service [1]	(241.5)	(221.7)	(260.0)	(266.6)	(268.8)	(294.3)	(313.0)	(350.5)	(1,493.2)
Net Revenues After Gen. Rev. Debt Service	328.5	475.3	445.1	418.7	451.6	418.1	396.7	356.1	2,041.2
Less Reserve Maintenance Provisions [2]	(119.7)	(306.3)	(225.8)	(174.1)	(191.8)	(182.3)	(163.5)	(171.3)	(883.0)
Reserve Maintenance Provision Adjustment	-	(13.3)	13.3						
Less Junior Indebtedness Debt Service	(104.7)	(106.0)	(110.4)	(138.2)	(149.9)	(146.4)	(147.4)	(107.5)	(689.4)
Net Revenues After Jun. Ind. Debt Service	104.1	49.7	122.2	106.4	109.9	89.4	85.8	77.3	591.0
+/- Operating Reserves Adjustment/AETC Lag/Working Capital Provision	(19.3)	26.5	(43.4)	-	-	-	-	-	-
Less: Facil Cap Imp Fund	(18.0)	(20.0)	-	(35.0)	(37.0)	(15.0)	(10.0)	-	(97.0)
Less: General Reserve Fund [3]	(66.8)	(69.5)	(65.5)	(71.4)	(72.8)	(74.3)	(75.8)	(77.3)	(371.6)
Less: Gen Res Fund - Subordinate Debt	-	-	-	-	-	-	-	-	-
Balance After Reserve Maintenance Provisions, Other Authority Projects	-	(13.3)	13.3	-	-	-	-	-	-
Senior Debt Service Coverage [4]	2.36	3.14	2.71	2.57	2.68	2.42	2.27	2.02	
Junior & Senior Coverage [4]	1.65	2.13	1.90	1.69	1.72	1.62	1.54	1.54	

Notes: Totals may not add due to rounding.

[1] Reflects anticipated Series R Bonds issuance.

[2] Reflects the minimum required deposit to the Reserve Maintenance Fund ($30,000,000) as well as excess revenue intended for pay-as-you-go capital projects.

[3] The General Reserve Fund figures reflect Thruway revenues required to reimburse the State of New York for costs associated with the New York State Police Troop T patrolling of the Thruway system.

[4] The Authority has a management commitment to a future minimum debt service coverage ratio of 1.55x for the General Revenue Bonds, above the Board-adopted guideline of 1.50x. The Authority has a management commitment to a minimum debt service coverage ratio for General Revenue Bonds and Junior Indebtedness Obligations of 1.35x, higher than the Junior Indebtedness Resolution requirement of 1.2x coverage for the combined annual General Revenue Bond debt service and annual Junior Indebtedness Obligation debt service.

Stantec has produced updated toll rate comparisons graphs showing the latest toll rate information for each facility through April 1, 2026. Rates for passenger cars are compared to other E-ZPass facilities in Figure 1 and Figure 2 for the Thruway Controlled System and the Cuomo Bridge, respectively. The rates for the Thruway facilities are reasonable when compared to other toll roads and major toll crossings on the interstate highway system. The current toll rates for 5-axle trucks on the Thruway toll facilities are also comparable to those on other regional facilities.

Figure 1: Peak Toll Rates Per-Mile on Toll Roads in the Northeastern Quadrant of U.S., Passenger Cars

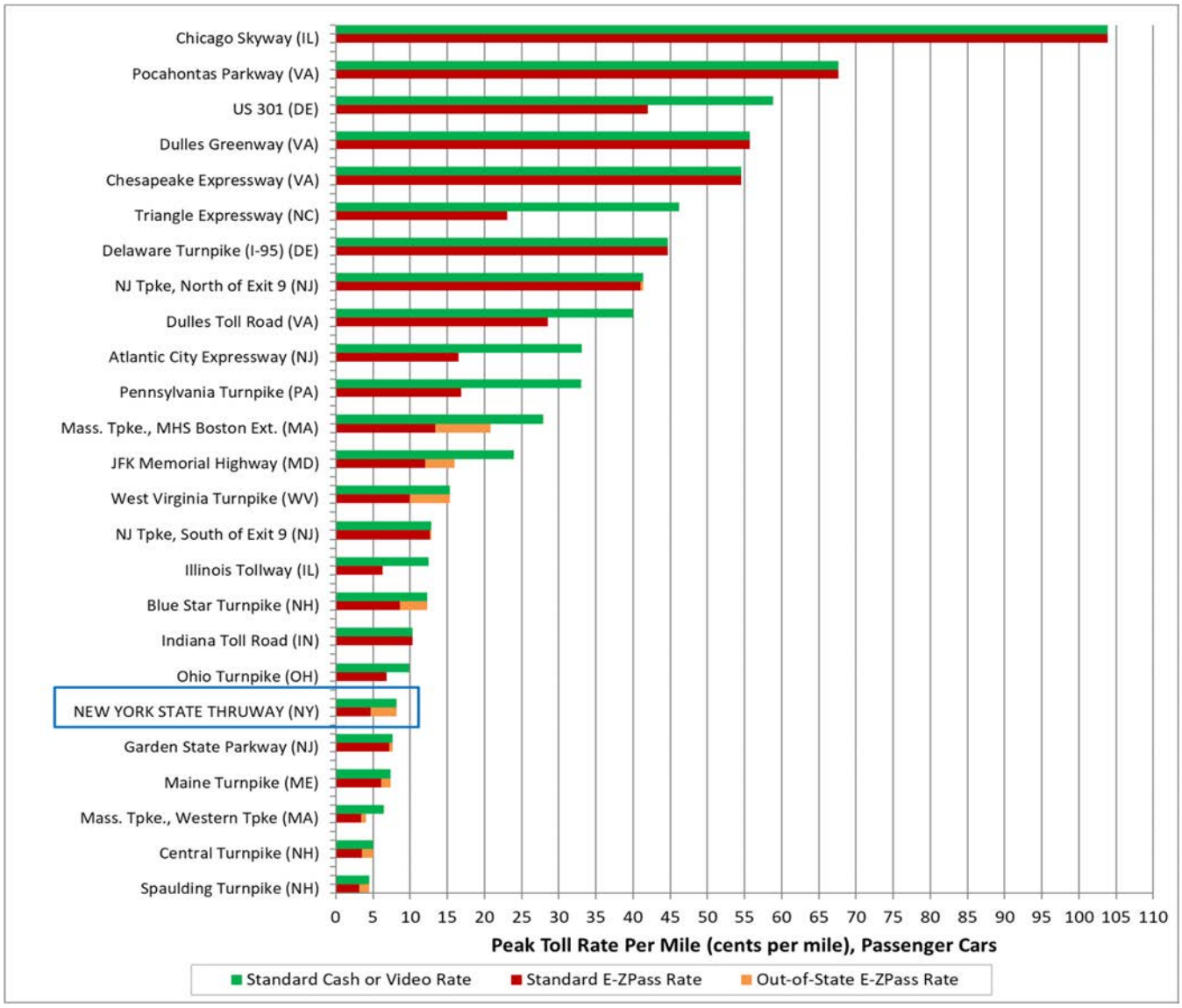
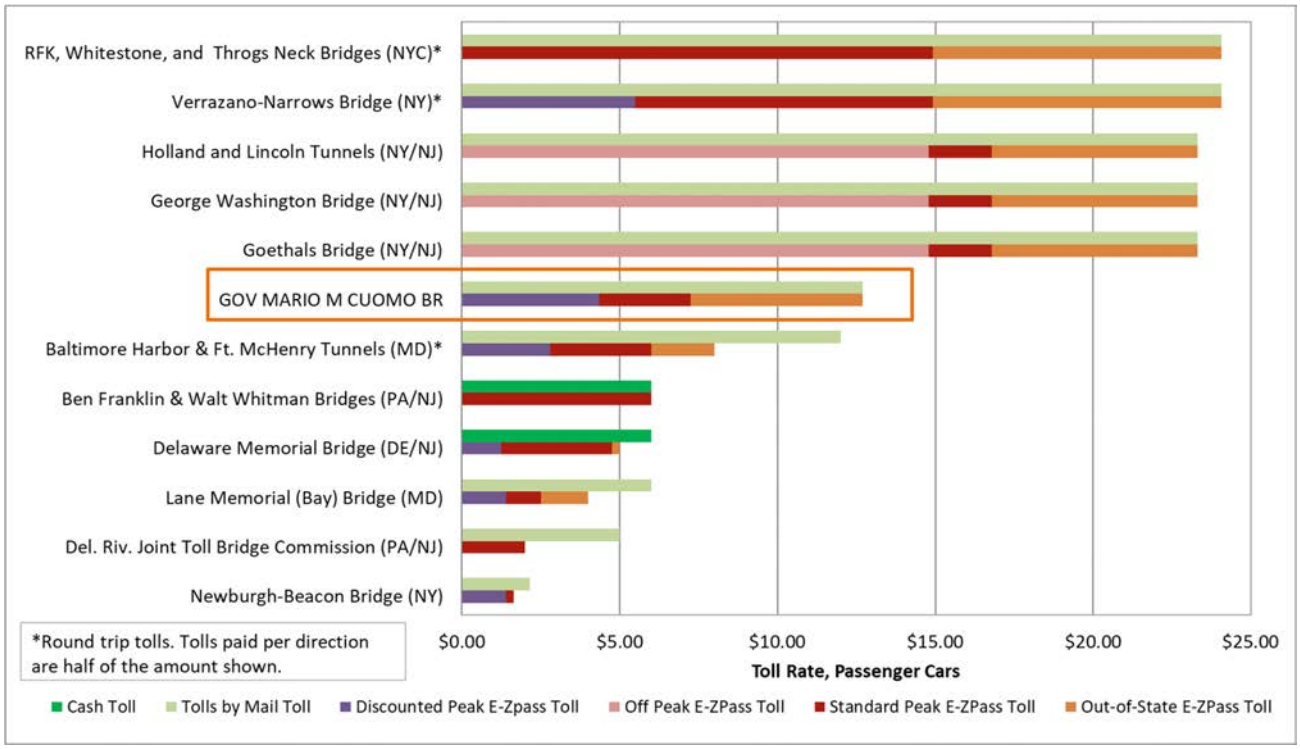


Figure 2: Round Trip Toll Rates on Major Toll Crossings in the Northeast, Passenger Cars



Note: The Cuomo Bridge peak 5-axle truck rate is also comparable to that of other regional facilities. The majority of Cuomo Bridge commercial vehicles with a New York E-ZPass travel during off-peak periods, paying a reduced rate as low as half of the standard rate. In addition to the lower off-peak rates, many vehicles further reduce the average toll rate paid through participation in the volume discount program. These reductions in the effective rate make the Cuomo Bridge commercial toll rate significantly below that of other metro New York tolled crossings.

It should also be noted that to comply with Section 619 of the General Revenue Bond Resolution, a physical inspection by the Traffic Engineer is required at least once every three years. Stantec, with assistance from Popli Design Group, had performed a "drive-through" physical inspection of the entire Thruway system during the period of June 23 through 27, 2025 and also conducted interviews in the summer of 2025 with the leadership of each of the Thruway's four Divisions: New York Division, Albany Division, Syracuse Division, and Buffalo Division. A summary of this physical inspection is contained in the December 2025 Traffic Engineer's Report, which is included as Appendix A-1 to the Preliminary and final Official Statements for the Series R Bonds.

This letter reaffirms the conclusions made in the December 2025 Traffic Engineer's Report. We believe the Authority has the ability to continue to meet its financial obligations, provide good service to its customers, and fulfill its critical role in supporting the State's economy. The Thruway System also has the capacity to generate additional revenues, if required. Thank you for the opportunity to provide this letter and please feel free to contact us should you have any questions or comments.

Regards,

STANTEC CONSULTING SERVICES INC.

Rick Gobeille, PE, Senior Principal
Phone: (212) 366-5625
rick.gobeille@stantec.com

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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(A Component Unit of the State of New York)

Financial Statements

December 31, 2025 and 2024

New York State Thruway Authority

(A Component Unit of the State of New York)

Financial Statements
December 31, 2025 and 2024

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Independent Auditor's Report

Members of the Board
New York State Thruway Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the New York State Thruway Authority (the Authority), a component unit of the State of New York, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2025 and 2024, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedule of other postemployment benefits liability, the schedule of the proportionate share of the net pension liability/asset and the schedule of pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated April 16, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

BST + Co. CPAs, LLP

Latham, New York
April 16, 2026

New York State Thruway Authority

(A Component Unit of the State of New York)

Management's Discussion and Analysis
December 31, 2025 and 2024

The following discussion and analysis of the New York State Thruway Authority's (Authority) financial performance provides an overview of the Authority's activities for the years ended December 31, 2025 and 2024. Please read it in conjunction with the Authority's financial statements that follow this section. This discussion and analysis are intended to serve as an introduction to the Authority's financial statements, which comprise the basic financial statements and the notes to the financial statements.

2025 Financial Highlights

- Total operating revenue was $1.09 billion, an increase of $13.5 million or 1.3% compared to 2024. Tolls and related revenues for the year were $1.05 billion, an increase of $8.0 million or 0.8% compared to 2024.
- Total operating expenses, excluding depreciation and amortization, were $439.8 million, a decrease of $49.1 million or 10.0% compared to 2024.
- Net position as of December 31, 2025 was $648.6 million, an increase of $149.8 million or 30.0% compared to 2024.
- Total capital assets (net of depreciation) as of December 31, 2025 were $7.7 billion, an increase of $66.8 million or 0.9% compared to 2024.

2024 Financial Highlights

- Total operating revenue was $1.08 billion, an increase of $165.0 million or 18.1% compared to 2023. Tolls and related revenues for the year were $1.05 billion, an increase of $159.4 million or 18.0% compared to 2023.
- Total operating expenses, excluding depreciation and amortization, were $488.9 million, an increase of $40.1 million or 8.9% compared to 2023.
- Net position as of December 31, 2024 was $498.8 million, an increase of $83.4 million or 20.1% compared to 2023.
- Total capital assets (net of depreciation) as of December 31, 2024 were $7.7 billion, an increase of $120.0 million or 1.6% compared to December 31, 2023.
- During the year ended December 31, 2024, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, and GASB Statement No. 101, *Compensated Absences*.

Overview of the Financial Statements

This report consists of three parts: management's discussion and analysis, the basic financial statements, and the notes to the financial statements.

The financial statements provide summary information about the Authority's overall financial condition, including the Authority's net position and related changes. The notes provide explanation and additional disclosures about the financial statements.

The Authority is considered a special-purpose government engaged in business-type activities and follows financial reporting for enterprise funds. The Authority's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Revenues are recognized in the period they are earned, and expenses are recognized in the period they are incurred.

Financial Analysis of the Authority

Net Position

The Authority's net position at December 31, 2025 was approximately $648.6 million, a 30.0% increase compared to December 31, 2024 (see Table A-1). In 2025, total assets increased 2.3% to $9.64 billion, and total liabilities increased 2.7% to $8.48 billion. The Authority's net position at December 31, 2024 was approximately $498.8 million, a 20.1% increase compared to December 31, 2023. In 2024, total assets increased 3.7% to $9.42 billion, and total liabilities increased 0.6% to $8.26 billion.

Table A-1
Net Position
December 31, 2025, 2024, and 2023
(in millions of dollars)

	2025	2024	2023	Percentage Change 2025-2024
Unrestricted current assets	$ 857.5	$ 652.0	$ 659.9	31.5
Unrestricted non-current assets	71.5	72.0	113.0	(0.7)
Restricted assets	965.3	1,017.8	756.9	(5.2)
Capital assets	7,747.3	7,680.5	7,560.5	0.9
Total assets	9,641.6	9,422.3	9,090.3	2.3
Deferred outflows of resources	199.5	110.8	182.1	80.1
Current liabilities	973.7	749.9	692.2	29.8
Noncurrent liabilities	7,510.2	7,507.7	7,514.6	0.0
Total liabilities	8,483.9	8,257.6	8,206.8	2.7
Deferred inflows of resources	708.6	776.7	650.2	(8.8)
Total net position	$ 648.6	$ 498.8	$ 415.4	30.0

Unrestricted current assets increased $205.5 million or 31.5%. This increase is primarily due to a delay in settlements with other tolling agencies because of the 2025 toll system transition, resulting in an increase in both cash and accounts receivable. Additional information regarding the Authority's 2025 toll system transition can be found in the *Other Significant Matters* section of Management's Discussion and Analysis.

Restricted assets decreased $52.5 million or 5.2% compared to 2024. This decrease is primarily due to the use of General Revenues Bonds, Series P proceeds to fund the Authority's annual capital program. The decrease was partially offset by amounts due from the operator of the Authority's service areas for future improvements. Additional information regarding restricted assets, General Revenue Bonds, Series P, and the service area project is presented in Note 4, Note 5, and Note 10, respectively.

Financial Analysis of the Authority - Continued

Net Position - Continued

Deferred outflows of resources increased $88.7 million or 80.1% compared to 2024. This increase is primarily due to a change in the Authority's estimate of other postemployment benefit obligations. Additional information regarding postemployment benefits other than pensions is presented in Note 9 to the financial statements.

Current liabilities increased $223.8 million, or 29.8% compared to 2024. This increase is primarily due to a delay in settlements with other tolling agencies because of the 2025 toll system transition, resulting in an increase in accounts payable. Additional information regarding the Authority's 2025 toll system transition can be found in the *Other Significant Matters* section of Management's Discussion and Analysis.

Deferred inflows of resources decreased $68.1 million or 8.8% compared to 2024. This decrease is primarily due to a change in the Authority's estimate of other postemployment benefit obligations. Additional information regarding postemployment benefits other than pensions is presented in Note 9 to the financial statements. This decrease is partially offset by an increase in the private investment in the Authority's service areas under the terms of a public-private partnership agreement. Additional information regarding the service areas is presented in Note 10 to the financial statements.

Changes in Net Position

Net position increased by $149.8 million in 2025 (see Table A-2). The Authority's total operating revenues for 2025 were $1.09 billion, an increase of $13.5 million or 1.3% compared to 2024. Total operating expenses for 2025 were $823.4 million, a decrease of $41.2 million or 4.8% compared to 2024. Net position increased by $83.4 million in 2024 (see Table A-2). The Authority's total operating revenues for 2024 were $1.08 billion, an increase of $165.0 million or 18.1% compared to 2023. Total operating expenses for 2024 were $864.6 million, an increase of $53.4 million or 6.6% compared to 2023.

Table A-2
Changes in Net Position
Years ended December 31, 2025, 2024, and 2023
(in millions of dollars)

	2025	2024	2023	Percentage Change 2025-2024
OPERATING REVENUE				
Tolls and related revenues	$ 1,054.5	$ 1,046.5	$ 887.1	0.8
Lease revenues	21.2	18.3	15.2	15.8
Other	13.1	10.5	8.0	24.8
Total operating revenue	1,088.8	1,075.3	910.3	1.3

Financial Analysis of the Authority - Continued

Changes in Net Position - Continued

	2025	2024	2023	Percentage Change 2025-2024
OPERATING EXPENSES				
Salaries	148.1	135.6	134.2	9.2
Postemployment obligations	(3.5)	39.7	27.8	(108.8)
Employee benefits	63.1	72.9	72.8	(13.4)
State Police - Troop T services	60.7	65.1	62.8	(6.8)
Professional and other services	85.7	97.5	86.6	(12.1)
Supplies, materials and rentals	26.9	22.6	19.6	19.0
Maintenance and repairs	28.1	41.7	29.9	(32.6)
Utilities	7.4	6.6	7.0	12.1
Insurance and claims	21.6	5.4	6.3	300.0
Equipment	1.7	1.8	1.8	(5.6)
Depreciation and amortization	383.6	375.7	362.4	2.1
Total operating expenses	823.4	864.6	811.2	(4.8)
Operating income	265.4	210.7	99.1	26.0
NON-OPERATING REVENUES AND EXPENSES				
Investment income	64.4	77.1	63.9	(16.5)
Interest expense	(194.5)	(203.4)	(202.6)	(4.4)
Debt issuance expense	(0.1)	(7.4)	(0.1)	(98.6)
Federal, state and other aid	2.4	2.9	1.5	(17.2)
Loss on disposal of assets	(4.9)	(0.1)	(2.6)	4800.0
Net non-operating items	(132.7)	(130.9)	(139.9)	1.4
Income (loss) before capital contributions	132.7	79.8	(40.8)	66.3
Capital contributions	17.1	3.6	0.5	375.0
CHANGE IN NET POSITION	**149.8**	**83.4**	**(40.3)**	**79.6**
NET POSITION, *beginning of year*	498.8	415.4	455.7	20.1
NET POSITION, *end of year*	**$ 648.6**	**$ 498.8**	**$ 415.4**	**30.0**

Tolls and related revenues increased $8.0 million or 0.8% compared to 2024 primarily due to toll adjustments on the Governor Mario M. Cuomo Bridge that went into effect on January 1, 2025. This increase was partially offset by a decrease in commercial traffic at the Governor Mario M. Cuomo Bridge, and a delay in the collection of tolls receivable from the implementation of a new third party back-office system. Additional information regarding the Authority's 2025 Toll System Transition and 2024-2027 toll plan can be found in the *Other Significant Matters* section of Management's Discussion and Analysis.

Passenger traffic decreased 1.1% and commercial traffic increased 0.5% compared to 2024. Passenger toll revenue increased $6.9 million or 1.2%, and commercial revenue increased $4.8 million or 1.1%. Fees related to toll collection decreased $3.7 million or 5.6% compared to 2024.

Financial Analysis of the Authority - Continued

Changes in Net Position - Continued

Lease revenues increased $2.9 million, or 15.8% compared to 2024. The increase in lease revenues is primarily due to the reopening of the remaining three service areas in 2025. Additional information regarding the Authority's service area projects can be found in the *Other Significant Matters* section of Management's Discussion and Analysis.

Salaries expense increased $12.5 million, or 9.2% compared to 2024, primarily due to salary actions taken to improve recruitment and retention of employees, annual contractual salary increases, and an increase in overtime costs as a result of winter storms.

Postemployment benefit obligations expenses decreased $43.2 million, or 108.8% compared to 2024. Postemployment benefit obligations consist primarily of retiree health insurance benefits. The decrease in expense is primarily due to changes in the assumptions used to estimate the obligations and the full amortization of prior year losses. Additional information regarding postemployment benefits other than pensions is presented in Note 9 to the financial statements.

Employee benefits expense decreased $9.8 million, or 13.4% compared to 2024. This decrease is primarily due to a decrease in the Authority's long-term pension obligation. Additional information regarding retirement benefits is presented in Note 7 to the financial statements.

State Police – Troop T services decreased $4.4 million, or 6.8% compared to 2024, primarily due to a decrease in personal service expenses.

Professional and other services decreased $11.8 million, or 12.1% compared to 2024, primarily due to lower cashless tolling costs and reduced marketing fees associated with the Authority's fiber optic system.

Supplies, materials, and rental costs increased $4.3 million, or 19.0% compared to 2024, primarily due to increased costs for snow and ice control.

Maintenance and repair costs decreased $13.6 million, or 32.6% compared to 2024. This decrease is due to a reduction in maintenance costs and emergency maintenance work.

Insurance and claims costs increased $16.2 million, or 300.0% compared to 2024. This increase is primarily due to higher costs for pending claims. An increase in insurance premiums related to insurance coverage of the Governor Mario M. Cuomo Bridge and cyber liability risks also contributed to the increase. Additional information regarding claims and litigation and additional information related to insurance policies held by the Authority is presented in Note 12d and 12e to the financial statements, respectively.

Investment income decreased $12.7 million, or 16.5% compared to 2024. This decrease is primarily due to a decrease in interest rates in 2025 and more cash that was invested during 2024.

Debt issuance expense decreased $7.3 million, or 98.6% compared to 2024. This decrease is due to the Authority not issuing any debt in 2025. Additional information about bond issuances is presented in Note 5 to the financial statements.

Capital contributions increased $13.5 million compared to 2024. The increase is primarily due to a federal grant used to partially fund the Authority's improvements to the Castleton on the Hudson Bridge.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2025, the Authority had invested approximately $14.8 billion in capital assets, including roads, bridges, buildings, land, and equipment. Net of accumulated depreciation, the Authority's capital assets totaled approximately $7.7 billion (see Table A-3), representing a net increase (including additions, disposals, and depreciation) of approximately $66.8 million or 0.9% compared to December 31, 2024.

As of December 31, 2024, the Authority had invested approximately $14.4 billion in capital assets, including roads, bridges, buildings, land, and equipment. Net of accumulated depreciation, the Authority's capital assets totaled approximately $7.7 billion, representing a net increase (including additions, disposals, and depreciation) of approximately $120.0 million or 1.6% compared to December 31, 2023.

Table A-3

Capital Assets
December 31, 2025, 2024, and 2023
(in millions of dollars)

	2025	2024	2023	Percentage Change 2025-2024
Land and land improvements	$ 825.4	$ 822.5	$ 822.4	0.4
Construction in progress	342.8	361.5	196.3	(5.2)
Thruway System	13,313.6	12,911.1	12,715.2	3.1
Leased assets	19.8	12.4	13.3	59.7
Equipment	316.3	310.7	284.7	1.8
Less accumulated depreciation	(7,070.6)	(6,737.7)	(6,471.4)	4.9
Total net capital assets	$ 7,747.3	$ 7,680.5	$ 7,560.5	0.9

In 2025, construction work in progress decreased $18.7 million or 5.2%. This decrease is primarily due to substantially all work being completed on the North Avenue Bridge during 2025, as well as highway resurfacing projects throughout the system.

Net additions to the Thruway System during 2025 were $402.5 million or 3.1%. This increase was primarily due to the replacement of the North Avenue Bridge, the completion of the remaining three newly reconstructed service area restaurants and the completion of various highway resurfacing projects in the New York Division.

Leased assets increased $7.4 million or 59.7% in 2025. This increase is primarily due to the growth of subscription-based technology arrangements during 2025.

In 2025, equipment increased $5.6 million or 1.8%. This increase is primarily due to the purchase of highway vehicles and equipment.

Capital Assets and Debt Administration - Continued

Capital Assets - Continued

In 2024, construction work in progress increased $165.2 million or 84.2%. This increase is primarily due to continued work on the Grand Island Bridges and North Avenue Bridge, as well as highway resurfacing projects throughout the system.

Net additions to the Thruway System during 2024 were $195.9 million or 1.5%. This increase was primarily due to the completion of 11 newly reconstructed service area restaurants and the completion of various highway resurfacing projects in the New York Division.

Leased assets decreased $1.1 million or 12.6% in 2024. This decrease is primarily due to a lease being terminated for office space prior to the expiration of the lease agreement.

In 2024, equipment increased $26.0 million or 9.1%. This increase is primarily due to the purchase of highway equipment and E-ZPass tags.

Debt Administration

Bond and note sales must be approved by the Authority's Board, members of which are appointed by the Governor with the advice and consent of the New York State Senate. These sales must comply with rules and regulations of the United States Treasury Department and the United States Securities and Exchange Commission. Authority bond and note sales may be negotiated or sold competitively. The terms and conditions of Authority-negotiated bond and note sales must also be approved by the New York State Office of the State Comptroller.

General revenue bonds are issued pursuant to the Authority's General Revenue Bond Resolution adopted on August 3, 1992, as amended on January 5, 2007, and as amended and restated on September 16, 2025. General revenue bonds may be issued for the purposes described in the General Revenue Bond Resolution, as amended, including funding the Authority's Multi-Year Capital Plan. Junior indebtedness obligations are issued pursuant to the Authority's Resolution Authorizing General Revenue Junior Indebtedness Obligations adopted on November 7, 2013 and amended on August 6, 2014. Junior indebtedness obligations are subordinate to the senior general revenue bonds and are special obligations of the Authority secured by a pledge of certain funds and accounts established in the Junior Indebtedness Fund. Proceeds from junior indebtedness obligations issued were used solely to fund New NY Bridge project costs incurred through project completion.

Long-term debt includes general revenue bonds and junior indebtedness obligations of varying rates and maturities issued primarily to fund a portion of the Authority's Multi-Year Capital Plan and New NY Bridge Project costs for construction of the Governor Mario M. Cuomo Bridge. As of December 31, 2025, the Authority had approximately $6.37 billion in general revenue bonds and junior indebtedness obligations outstanding, a decrease of $155.9 million or approximately 2.4% compared to the amount of general revenue bonds and junior indebtedness obligations outstanding as of December 31, 2024 (see Table A-4).

None of the $3.6 billion in general revenue bonds outstanding carry bond insurance. The Authority's general revenue bonds are rated Aa3 by Moody's and A+ by Standard and Poor's (S&P). Of the $2.8 billion in junior indebtedness obligations outstanding, approximately $362.2 million are insured by Assured Guaranty Municipal Corp. and are rated A1 by Moody's and AA by S&P. The remaining junior indebtedness obligations are rated A1 by Moody's and A by S&P.

Capital Assets and Debt Administration - Continued

Debt Administration - Continued

Table A-4

Outstanding Debt
Years ended December 31, 2025 and 2024
(in millions of dollars)

	Year Ended December 31, 2025			
	Beginning Balance	Additions	Reductions	Ending Balance
General revenue bonds	$ 3,759.9	$ -	$ (141.0)	$ 3,618.9
Junior indebtedness obligations and notes	2,770.2	-	(14.9)	2,755.3
	$ 6,530.1	$ -	$ (155.9)	$ 6,374.2

	Year Ended December 31, 2024			
	Beginning Balance	Additions	Reductions	Ending Balance
General revenue bonds	$ 3,699.7	$ 1,723.9	$ (1,663.7)	$ 3,759.9
Junior indebtedness obligations and notes	2,783.3	-	(13.1)	2,770.2
	$ 6,483.0	$ 1,723.9	$ (1,676.8)	$ 6,530.1

More detailed information regarding the Authority's debt is presented in Note 5 and Note 6 to the financial statements.

Other Significant Matters

2025 Toll System Transition

In April 2025, a contractor responsible for the Authority's toll collection transitioned to a new back-office system. The transition resulted in delays processing image-based (plate) transactions, which delayed invoices being sent to Tolls by Mail customers until November 2025. As a result of these delays, the collection of tolls and fees from Tolls by Mail customers has lagged behind 2024 levels.

Toll Plan

In September 2023, the Authority approved a toll plan for fiscal years 2024 through 2027. Systemwide, excluding the Governor Mario M. Cuomo Bridge, the approved toll plan included a 5% increase to base NY E-ZPass rates that went into effect on January 1, 2024, with another 5% increase to base NY E-ZPass rates scheduled for January 1, 2027. Out-of-state E-ZPass and Tolls by Mail tolls were increased from 15% and 30% differentials above the NY E-ZPass rate, respectively, to 75% above the NY E-ZPass rate on January 1, 2024.

Other Significant Matters - Continued

Toll Plan - Continued

In addition, at the Governor Mario M. Cuomo Bridge, the base NY E-ZPass passenger car toll was increased by 50 cents in January 2024 and January 2025 and will be increased by an additional 50 cents each January through 2027. Passenger cars on the Westchester and Rockland Resident Plan saw their discount change from the prior 17% to 20% on January 1, 2024, and the 40% commuter discount program has been maintained through 2027. Commercial rates for the bridge increased proportionately to the passenger car toll in January 2024 and January 2025, and proportional increases will be similarly applied annually in January through 2027.

Service Area Project

In 2021, the Authority entered into a 33-year agreement with Empire State Thruway Partners, LLC (Empire) for the design, construction, finance, operation, and maintenance of the Authority's 27 service areas. Empire has rebuilt 23 of the 27 service area restaurant buildings and performed significant renovations to the remaining four. Empire's initial investment to rebuild and renovate the service areas was $300 million. Additionally, over the life of the agreement, Empire will invest another $99 million into future maintenance and improvements at the service areas.

Under the terms of the agreement, the Authority is financially responsible for Regulated Site Condition costs. These costs primarily consist of soil remediation and asbestos mitigation associated with the demolition of the existing service area restaurants. Additional information regarding environmental remediation liabilities is presented in Note 12g to the financial statements.

Commencing with the reopening of each new restaurant building, Empire is required to pay rent calculated as a percentage of gross sales, subject to a guaranteed annual minimum per location. In addition, the agreement has ancillary rent provisions tied to the operation of commercial vehicle fueling stations at five of the service areas and advertising opportunities at all service areas. As of December 31, 2025, three of these service areas had commercial vehicle fueling stations available. Sales generated by Empire during the operation of a restaurant prior to reconstruction (interim operations) were not subject to rent provisions. Over the life of the agreement, base rent calculated as a percentage of sales is forecasted to be $85 million, of which $51 million is guaranteed.

The Authority's agreement with Empire is subject to the provisions of GASB Statement No. 94. Additional information regarding GASB Statement No. 94 and the agreement with Empire is presented in Note 1t and Note 10 to the financial statements.

Governor Mario M. Cuomo Bridge and Tappan Zee Constructors, LLC

In 2013, the Authority entered into a design-build agreement with Tappan Zee Constructors, LLC to construct the Governor Mario M. Cuomo Bridge (then known as the New NY Bridge) to replace the existing Tappan Zee Bridge. The Governor Mario M. Cuomo Bridge, a twin-span structure crossing the Hudson River between Rockland and Westchester Counties, was fully in service as of 2018. As part of the project, a shared-use path on the bridge and new maintenance and state police buildings adjacent to the bridge were completed in 2020. Since 2013, the Authority has invested $3.77 billion in the project. Additional investments in the project include capitalized interest costs of $168.4 million, as well as planning costs of $152.8 million incurred prior to 2013.

In August 2024, the Authority filed a lawsuit against Tappan Zee Constructors, LLC, its affiliated entities, and its sureties in New York State Supreme Court, Albany County to recover damages for non-conforming work, including main span anchor pipes, that require remediation. Remedial work commenced in June 2025 and is ongoing. Preliminary cost estimates for the remedial work range from $45 million to $80 million.

Other Significant Matters - Continued

Governor Mario M. Cuomo Bridge and Tappan Zee Constructors, LLC - Continued

In October 2024, Tappan Zee Constructors, LLC filed a lawsuit in the New York State of Claims claiming that it is owed $920.0 million, plus interest, in excess of the approved contract value and anticipated change orders. The claims relate to issues of time, extra work, and oversight of the project. The Authority disputes these claims.

Additional information regarding Tappan Zee Constructors, LLC's claims is presented in Note 12a to the financial statements.

Additional information regarding the Governor Mario M. Cuomo Bridge is available at https://mariomcuomobridge.ny.gov.

Litigation Regarding Land Claims

Both the Seneca Nation of Indians and the Cayuga Nation of Indians have commenced litigation against the Authority alleging unlawful use of land for the Thruway system. Both claims are filed in the United States District Court for the Western District of New York. The Authority filed a motion for summary judgment in the Seneca claim and a motion to dismiss in the Cayuga claim. The motions are pending. Additional information regarding these claims is presented in Notes 12b and 12c, respectively.

Work Zone Safety

To ensure the safety of Thruway employees and motorists, the Authority, in a joint initiative with the New York State Department of Transportation, implemented an Automated Work Zone Speed Enforcement program in October 2022. The program's objective is to have motorists reduce their speed in work zones to make highways safer. As of December 31, 2025, the program generated $10.9 million in fines paid by motorists speeding in work zones.

After accounting for costs of operating the program, 60% of the remaining funds are required to be invested in worker safety initiatives, including the purchase of work zone equipment and traffic control safety supplies.

Contacting the New York State Thruway Authority's Financial Management

This financial report is designed to provide the Authority's bondholders, customers, and other interested parties with a general overview of the Authority's finances and to demonstrate its accountability for the money it receives. If you have questions about this report or need additional information, please contact:

New York State Thruway Authority
Department of Finance and Accounts
P.O. Box 189
Albany, New York 12201-0189
www.thruway.ny.gov

New York State Thruway Authority

(A Component Unit of the State of New York)

Statements of Net Position
(in thousands of dollars)

	December 31, 2025	December 31, 2024
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and cash equivalents	$ 642,217	$ 490,107
Investments	4,148	3,850
Receivables, net	172,840	117,764
Material and other supplies	24,961	26,406
Prepaid items	13,352	13,862
Restricted assets	267,209	275,508
Total current assets	1,124,727	927,497
NON-CURRENT ASSETS		
Unrestricted assets	71,471	72,024
Restricted assets	698,097	742,307
Capital assets, not being depreciated	1,168,212	1,184,047
Capital assets, net of accumulated depreciation	6,579,099	6,496,414
Total non-current assets	8,516,879	8,494,792
Total assets	9,641,606	9,422,289
DEFERRED OUTFLOWS OF RESOURCES	199,452	110,837
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	445,693	277,210
Unearned revenue	162,659	155,452
Accrued interest payable	126,288	120,832
Bonds payable, due within one year	196,927	155,900
Other current liabilities	42,149	40,515
Total current liabilities	973,716	749,909
NON-CURRENT LIABILITIES		
Bonds payable	6,177,232	6,374,159
Other long-term liabilities	1,332,997	1,133,493
Total non-current liabilities	7,510,229	7,507,652
Total liabilities	8,483,945	8,257,561
DEFERRED INFLOWS OF RESOURCES	708,562	776,715
NET POSITION		
Net investment in capital assets	1,301,279	1,391,540
Restricted for		
Debt service	153,376	90,088
Capital	265,759	176,271
Unrestricted (deficit)	(1,071,863)	(1,159,049)
Total net position	**$ 648,551**	**$ 498,850**

See Accompanying Notes to Financial Statements

New York State Thruway Authority

(A Component Unit of the State of New York)

Statements of Revenues, Expenses, and Changes in Net Position
(in thousands of dollars)

	Years Ended December 31,	
	2025	**2024**
OPERATING REVENUES		
Tolls and related revenues	$ 1,054,529	$ 1,046,536
Lease revenues	21,177	18,320
Other	13,074	10,450
Total operating revenues	1,088,780	1,075,306
OPERATING EXPENSES		
Salaries	148,112	135,662
Postemployment (benefit) expense	(3,549)	39,697
Employee benefits	63,079	72,859
State Police - Troop T services	60,660	65,110
Professional and other services	85,707	97,486
Supplies, materials and rentals	26,888	22,563
Maintenance and repairs	28,132	41,661
Utilities	7,439	6,551
Insurance and claims	21,632	5,406
Equipment and other	1,706	1,859
Depreciation and amortization	383,600	375,752
Total operating expenses	823,406	864,606
Operating income	**265,374**	**210,700**
NON-OPERATING REVENUES AND EXPENSES		
Investment income	64,446	77,119
Interest expense	(194,534)	(203,428)
Debt issuance cost	(146)	(7,396)
Federal, state and other aid	2,422	2,886
Other	(4,961)	(100)
Net non-operating revenues and expenses	(132,773)	(130,919)
Income before capital contributions	**132,601**	**79,781**
CAPITAL CONTRIBUTIONS	17,100	3,665
CHANGE IN NET POSITION	**149,701**	**83,446**
NET POSITION, *beginning of year*	498,850	415,404
NET POSITION, *end of year*	**$ 648,551**	**$ 498,850**

See Accompanying Notes to Financial Statements

New York State Thruway Authority

(A Component Unit of the State of New York)

Statements of Cash Flows
(in thousands of dollars)

	Years Ended December 31,	
	2025	**2024**
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Cash received from collection of tolls and related revenues	$ 1,161,843	$ 1,112,975
Cash received from leasing activities	6,337	12,701
Other operating cash receipts	10,358	8,059
Personal service payments	(153,755)	(146,510)
Employee benefits payments	(109,479)	(110,049)
E-ZPass and Tolls by Mail account management payments	(53,374)	(72,683)
Payments to New York State for Troop T services	(65,062)	(66,525)
Cash payments to vendors and contractors	(82,183)	(114,858)
	714,685	**623,110**
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES		
Federal, state and other aid	**4,499**	**718**
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from issuance of debt	-	1,723,870
Federal, state and other capital contributions	18,354	413
Acquisition/construction of capital assets	(423,069)	(357,805)
Principal paid on debt	(110,370)	(1,573,050)
Interest and issuance costs paid on debt	(247,146)	(234,028)
Proceeds from sale of capital assets	159	1,741
	(762,072)	**(438,859)**
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Purchase of investments	(724,141)	(1,011,050)
Proceeds from sales and maturities of investments	1,130,436	911,284
Interest and dividends on investments	60,953	76,493
	467,248	**(23,273)**
Net increase in cash and cash equivalents	**424,360**	**161,696**
CASH AND CASH EQUIVALENTS, *beginning of year*	1,090,866	929,170
CASH AND CASH EQUIVALENTS, *end of year*	**$ 1,515,226**	**$ 1,090,866**

See Accompanying Notes to Financial Statements

New York State Thruway Authority

(A Component Unit of the State of New York)

Statements of Cash Flows - Continued
(in thousands of dollars)

	Years Ended December 31,	
	2025	**2024**
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	$ 265,374	$ 210,700
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization	383,600	375,752
Net changes in assets, liabilities, deferred outflows of resources and deferred inflows of resources		
Receivables	(56,600)	63,492
Material and other supplies	1,443	729
Other assets	254	(8,971)
Accounts payable and accrued expenses	381,406	(44,321)
Deferred outflows of resources	(89,015)	65,841
Deferred inflows of resources	(178,984)	(78,341)
Unearned revenue	7,207	38,229
	$ 714,685	**$ 623,110**
RECONCILIATION TO STATEMENTS OF NET POSITION		
Cash and cash equivalents	$ 642,217	$ 490,107
Restricted cash and cash equivalents	873,009	600,759
	$ 1,515,226	**$ 1,090,866**

See Accompanying Notes to Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. An overview of the more significant accounting policies is described below:

a. Financial Reporting Entity

The New York State Thruway Authority (Authority) is a Public Benefit Corporation created by the New York State Legislature in 1950 to build, operate, and maintain the Thruway System. The Board of the Authority consists of seven members, appointed by the Governor, with the consent of the New York State Senate.

The Authority is responsible for a 570-mile system of highways crossing New York State (State), the longest toll highway system in the United States. The Authority's 426-mile Thruway mainline connects New York City and Buffalo, the State's two largest cities. Other Thruway sections provide for connections with Connecticut, Massachusetts, Pennsylvania and New Jersey, and to highways that lead to the Midwest and Canada. In accordance with legislation passed by the New York State Legislature, the Cross-Westchester Expressway (CWE) was added to the Thruway in 1991, and the Authority is prohibited from imposing any tolls or other charges for the use of the CWE. The Authority also owns a fiber optic network that resides within and/or on the Authority's right-of-way.

The Authority is a legally and fiscally separate and distinct organization solely responsible for its finances, and the credit of the State is not pledged to the operation of the Authority. The Authority is empowered to issue revenue bonds backed solely from Authority revenues.

The State may, from time to time, also authorize the Authority by statute to undertake additional financing activities to finance primarily non-Authority transportation projects in the State. The Authority is responsible for administering these special bond programs as discussed in Note 6.

b. Basis of Accounting

The Authority's activities are accounted for like those often found in the private sector using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, deferred outflows of resources, deferred inflows of resources, net position, revenues, and expenses are accounted for through a single enterprise fund, with revenue recorded when earned and expenses recorded at the time liabilities are incurred.

The principal revenue of the Authority is toll revenue received from customers. The Authority also recognizes operating revenue as toll-related fees, special hauling fees charged to overweight or oversized vehicles, and certain revenue collected from the lease of property. Operating expenses include all costs required to operate, maintain, and administer the Thruway. All revenue and expenses not meeting this definition are reported as non-operating items.

The Authority's bond resolution requires that certain funds and accounts be established and maintained. The Authority consolidates these funds and accounts for the purpose of providing its basic financial statements in accordance with U.S. GAAP.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

c. Cash, Cash Equivalents, and Investments

Cash includes amounts in demand deposits. Cash equivalents include all highly liquid investments with original maturities of three months or less when purchased. All cash deposits and repurchase agreements are fully collateralized or covered by federal deposit insurance.

Investments include financial instruments with original maturities of more than three months and are recorded at amortized cost, which approximates fair value. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Investments with original maturities of more than three months are not included in cash and cash equivalents in the statements of cash flows.

d. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources and deferred inflows of resources; the disclosure of contingent assets and liabilities at the date of the financial statements; and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

e. Receivables

Receivables consist primarily of amounts attributable to leases, cashless tolling, and federal and State governments under various grant programs. Receivables attributable to commercial transportation companies with post-paid accounts are guaranteed by surety bonds and/or cash deposits. Receivables are reported net of an allowance for uncollectible amounts. Management has determined that lease and grant receivables are fully collectible. Tolls receivable is reported net of an allowance based on collection rates. The allowance for doubtful receivables amounted to $293,856,000 and $220,506,000 as of December 31, 2025 and 2024, respectively.

f. Materials and Other Supplies

Materials and other supplies are principally valued at weighted-average cost. The cost of such items is recognized as an expense when used.

g. Unearned Revenue

Unearned revenue consists of prepaid deposits made by private and commercial customers into E-ZPass accounts held by the Authority, annual permit revenues collected in advance and amounts collected from users of the Authority's fiber optic system that apply to future periods. E-ZPass customer accounts with negative balances (amounts due to the Authority) are reported as an offset to unearned revenue. At December 31, 2025 and 2024, E-ZPass accounts with negative balances, net of allowances for doubtful accounts, amount to $337,000 and $1,378,000, respectively.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

h. Restricted Assets

Certain proceeds of Thruway revenue bonds, as well as certain Thruway revenues, are restricted by applicable bond covenants for construction or set aside as reserves to ensure the repayment of the Authority's bonds. Certain other assets are accumulated and restricted in accordance with the bond resolutions for the purpose of paying interest and principal that are due on a semiannual and annual basis, respectively, and for the purpose of maintaining reserve funds at required levels.

i. Toll Revenues

Toll revenues are stated net of volume and other discounts of $37,922,000 and $35,236,000 for the years ended December 31, 2025 and 2024, respectively.

j. Pensions

The Authority is a participating employer in the New York State and Local Employees' Retirement System (ERS). Employees in permanent positions are required to enroll in ERS, and employees in part-time or seasonal positions have the option of enrolling in ERS. ERS is a cost-sharing, multiple-employer public employee defined benefit retirement system. The impact on the Authority's financial position and results of operations due to its participation in ERS is more fully disclosed in Note 7.

k. Other Postemployment Benefits (OPEB)

The Authority recognizes in its financial statements the financial impact of OPEB, principally employer-funded retiree health care costs. The impact on the Authority's financial position and results of operations is more fully disclosed in Note 9.

l. Compensated Absences

Permanent employees of the Authority accrue vacation leave as part of their benefit package. Unused vacation days up to a maximum of 30 days are considered vested and paid upon retirement or termination. The liability for vested vacation leave approximates $10,942,000 and $10,118,000 as of December 31, 2025 and 2024, respectively, and is recorded as a long-term liability. Additional information is presented in Note 5.

Permanent employees of the Authority also accrue sick leave as part of their benefit package. Upon retirement, unused sick days up to a maximum of 200 days are converted to a monthly credit that is used to offset the employee's share of OPEB costs. The Authority's liability for OPEB is discussed further in Note 9.

m. Bond and Note Premiums

Bond and note premiums are presented as components of bonds payable. The premiums are amortized over the life of the bonds and notes on a basis that approximates the effective interest method. Net amortization related to bond and note premiums were approximately $45,530,000 and $43,324,000 for 2025 and 2024, respectively, and are included as an offset to interest expense.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

n. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until that time. Deferred outflows include amounts related to pensions (see Note 7), OPEB obligations (see Note 9), losses related to bond refundings (see Note 5) and obligations associated with the retirement of certain assets (see Note 12h).

The following schedule summarizes the Authority's deferred outflows of resources (in thousands):

	December 31,	
	2025	2024
Net pension liability	$ 57,780	$ 65,113
OPEB obligation	140,472	44,124
Asset retirement obligations	1,200	1,600
Totals	$ 199,452	$ 110,837

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and, therefore, will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows include amounts related to pensions (see Note 7), OPEB obligations (see Note 9), gains related to bond refundings (see Note 5) and leases (see Note 10).

The following schedule summarizes the Authority's deferred inflows of resources (in thousands):

	December 31,	
	2025	2024
Net pension liability	$ 3,281	$ 33,942
OPEB obligation	144,775	274,122
Gain on bond refundings	81,494	94,416
Leases	479,012	374,235
Totals	$ 708,562	$ 776,715

o. Net Position

Net position is classified as follows:

- Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, reduced by the net outstanding debt balances attributable to the acquisition of capital assets.

- Restricted Net Position has externally placed constraints on use.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

o. Net Position - Continued

- Unrestricted Net Position consists of assets, liabilities, deferred outflows, and deferred inflows that do not meet the definition of "net investment in capital assets" or "restricted net position."

p. Capital Contributions

Capital contributions consist primarily of funds provided by the Federal Highway Administration.

q. Arbitrage

The Tax Reform Act of 1986 (Act) imposed additional restrictive regulations, reporting requirements, and an arbitrage rebate liability on issuers of tax-exempt debt. This Act requires the remittance to the Internal Revenue Service of 90% of the cumulative relatable arbitrage within 60 days of the end of each five-year reporting period following the issuance of governmental bonds. The Authority's policy is to annually record a liability representing the estimated amount owed. The Authority actively manages its invested bond proceeds to minimize any arbitrage liability. The Authority had no cumulative arbitrage rebate liability for the years ended December 31, 2025 or 2024.

r. Income Taxes

The Authority is a public benefit corporation of the State. As such, income earned in the exercise of its essential government functions is exempt from State and federal income taxes.

s. Non-Exchange Transactions

The Authority's non-exchange transactions include fees charged to customers as violation fees, late fees, and administrative fees. The distinguishing characteristic of these non-exchange fees is that they are assessed against customers who have failed to pay their toll and/or follow the terms of their E-ZPass account agreement or regulations governing the Tolls by Mail program. The Authority's policy for recognizing revenue associated with non-exchange fees is to record the revenue at the time the fee is collected.

Tolls and related revenues include fees of $62,489,000 and $66,187,000 for the years ended December 31, 2025 and 2024, respectively.

Other non-exchange transactions of the Authority include federal and State grants.

t. Leases and Public-Private Partnerships

The Authority is a lessor for various noncancellable leases related to fiber optic systems, the operation of fueling stations and public-private partnerships to operate the Thruway's service areas. For leases with a maximum possible term of 12 months or less, the Authority recognizes revenue based on the provisions of the agreement. For leases with a term greater than 12 months, the Authority recognizes a lease receivable at the present value of lease payments expected to be received during the lease term and a deferred inflow of resources at the amount of the initial measurement of the lease receivable, adjusted for any lease payments received prior to the commencement of the lease term.

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

t. Leases and Public-Private Partnerships - Continued

The Authority is a lessee for various noncancellable leases. For leases with a maximum possible term of 12 months or less, the Authority recognizes an expense based on the provisions of the agreement. For leases with a term greater than 12 months, the Authority recognizes a lease liability and an intangible right-to-use asset at the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service.

The Authority discounts leases using the Authority's approximated cost of borrowing. The table below reflects the period and discount rate used:

Time Period	Discount Rate
On or before March 31, 2022	2.78%
April 1, 2022 through on or before December 31, 2023	4.50%
On and after January 1, 2024	4.21%

Additional information regarding leases and public-private partnership is presented in Note 10.

u. Subscription-Based Information Technology Arrangements (SBITA)

The Authority recognizes a subscription-based liability and a subscription-based asset for agreements that have a maximum possible term, including options, greater than 12 months. For agreements with a maximum possible term of 12 months or less, the Authority recognizes an expense based on the provisions of the agreement.

Additional information regarding SBITAs is presented in Note 11.

v. Subsequent Events

The Authority has evaluated subsequent events for potential recognition or disclosure through April 16, 2026, the date the financial statements were available to be issued.

Note 2 - Cash and Investments

The carrying values of the Authority's cash and investments were as follows (in thousands):

	December 31, 2025	December 31, 2024
Unrestricted		
Cash		
Demand deposits	$ 71,602	$ 107,257
Cash equivalents		
U.S. government agency notes	105,709	85,745
U.S. Treasury securities	245,763	184,117
Commercial paper	219,143	112,989
Total unrestricted cash equivalents	570,615	382,850
Total unrestricted cash and cash equivalents	$ 642,217	$ 490,107
Restricted		
Cash		
Demand deposits	$ 109,558	$ 45,832
Other deposits	1,917	1,951
Total restricted cash	111,475	47,783
Cash equivalents		
U.S. government agency notes	54,864	124,489
U.S. Treasury securities	622,932	214,971
Commercial paper	83,737	213,516
Total restricted cash equivalents	761,534	552,976
Total restricted cash and cash equivalents	$ 873,009	$ 600,759
Investments		
Unrestricted		
Government agency notes	$ 3,959	$ -
Commercial paper	-	3,630
Time deposits	189	221
Total unrestricted investments	$ 4,148	$ 3,850
Restricted		
U.S. government agency notes	$ -	$ 14,837
U.S. Treasury securities	7,461	395,259
Total restricted investments	$ 7,461	$ 410,095

Note 2 - Cash and Investments - Continued

At December 31, 2025 and 2024, the fair value of the Authority's cash and investments approximated the carrying value (amortized cost).

The Authority requires collateral, in the form of federal government obligations or agency instruments guaranteed by the federal government, for all investments in repurchase agreements. The Authority also requires delivery to its trustee/custodian of all securities purchased and collateral for repurchase agreements, regardless of the seller institution. All Authority investment securities are classified as securities acquired by a financial institution for the Authority and held by the Authority's trustee/custodian in the Authority's name. Bank balances, which comprise demand and other deposits, are fully insured or collateralized as of December 31, 2025 and 2024. Amounts are collateralized with securities transferred to, and held by, the Authority's trustee/custodian in the Authority's name.

The Authority manages its investments pursuant to the respective bond resolutions, Public Authorities Law, and the Authority's Investment Policy approved annually by the Authority's Board. Permitted investments are defined as obligations in which the State Comptroller may invest pursuant to Section 98(a) of the State Finance Law, including obligations of the United States and its federal agencies, collateralized time deposits, commercial paper, bankers' acceptances, and repurchase agreements.

The Authority's investment policy has established criteria that mitigate certain credit and interest rate risks. The policy has established investment concentration limits for each of the Authority's investment portfolios. The policy also requires that deposits and investments be held by a third-party custodian that may not otherwise be counterparty to the transactions, and that securities are held in the name of the Authority.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned. The Authority's policy to address this risk requires the custodian or depository bank to provide collateral in an amount equal to, or greater than, the amount on deposit with a third-party custodian in the Authority's name.

Interest rate risk is also addressed in the Authority's policy, which requires the purchase of securities with the intention of holding them to maturity and does not limit the term of any investment. It is the Authority's practice to invest funds to the date of the anticipated need of the funds. The Authority has no investments at December 31, 2025 with a remaining maturity of more than one year.

Note 2 - Cash and Investments - Continued

As of December 31, 2025, the Authority had the following concentrations of cash equivalents and investments:

	Credit Exposure Security	% of Total (Rating)
Certificate of Deposit		0.04%
Commercial Paper		
Koch Industries, Inc	A-1+/P-1/na	5.48%
MetLife Short-Term Funding	A-1+/P-1/F1+	1.27%
Microsoft Corporation	A-1+/P-1/WD	9.96%
U.S. Government Securities		
Treasury Bills	A-1+/WR/F1+	75.64%
Federal Home Loan Bank	A-1+/P-1/na	7.61%

Note 3 - Capital Assets

The Authority's capital assets principally include the Thruway System, equipment, leased assets and SBITAs. The Thruway System includes infrastructure assets consisting of bridges, highways, buildings, toll equipment, intelligent transportation systems and a fiber optic system. Equipment includes vehicles, machinery, software systems, and E-ZPass tags. Leased assets consist of office space and communication tower leases, as well as SBITAs.

Note 3 - Capital Assets - Continued

All capital assets are stated at cost. Capital assets are defined as assets with initial, individual costs exceeding capitalization thresholds of $5,000 to $100,000. Depreciation and amortization is computed on the straight-line method over the following estimated useful lives:

Category	Useful Life	Capitalization Threshold
Bridges	45-100 years	$ 100,000
Bridge improvements	15 years	100,000
Highways	30 years	100,000
Highway improvements	8-10 years	100,000
Buildings	30 years	100,000
Toll collection system	15-45 years	100,000
Fiber optic system	17 years	100,000
Equipment	2-12 years	5,000 - 50,000
SBITA	1-5 years	100,000

The following schedules summarize the capital assets of the Authority and related changes for the years ended December 31, 2025 and 2024 (in thousands):

	December 31, 2024	Additions	Reductions	December 31, 2025
Capital assets not being depreciated				
Land and land improvements	$ 822,529	$ 3,076	$ (214)	$ 825,391
Construction in progress	361,518	418,375	(437,072)	342,821
Total capital assets not being depreciated	1,184,047	421,451	(437,286)	1,168,212
Capital assets being depreciated				
Thruway System	12,911,130	409,315	(6,838)	13,313,607
Equipment	310,668	36,933	(31,283)	316,318
Leased assets	12,351	10,639	(3,167)	19,823
Total capital assets being depreciated	13,234,149	456,887	(41,288)	13,649,748
Less accumulated depreciation and amortization for				
Thruway System	(6,546,847)	(342,785)	3,785	(6,885,847)
Equipment	(185,662)	(22,918)	29,789	(178,791)
Leased assets	(5,226)	(3,637)	2,852	(6,011)
Total accumulated depreciation	(6,737,735)	(369,340)	36,426	(7,070,649)
Net value of capital assets being depreciated	6,496,414	87,547	(4,862)	6,579,099
Capital assets, net	$ 7,680,461	$ 508,998	$ (442,148)	$ 7,747,311

Note 3 - Capital Assets - Continued

	December 31, 2023	Additions	Reductions	December 31, 2024
Capital assets not being depreciated				
Land and land improvements	$ 822,416	$ 113	$ -	$ 822,529
Construction in progress	196,338	473,973	(308,793)	361,518
Total capital assets not being depreciated	1,018,754	474,086	(308,793)	1,184,047
Capital assets being depreciated				
Thruway System	12,715,150	296,642	(100,662)	12,911,130
Equipment	284,727	28,242	(2,301)	310,668
Leased assets	13,295	1,466	(2,410)	12,351
Total capital assets being depreciated	13,013,172	326,350	(105,373)	13,234,149
Less accumulated depreciation and amortization for				
Thruway System	(6,300,306)	(351,753)	105,212	(6,546,847)
Equipment	(167,198)	(20,672)	2,208	(185,662)
Leased assets	(3,902)	(2,994)	1,670	(5,226)
Total accumulated depreciation	(6,471,406)	(375,419)	109,090	(6,737,735)
Net value of capital assets being depreciated	6,541,766	(49,069)	3,717	6,496,414
Capital assets, net	$ 7,560,520	$ 425,017	$ (305,076)	$ 7,680,461

Depreciation and amortization expense related to capital assets was $369,340,000 and $375,419,000 for the years ended December 31, 2025 and 2024, respectively. The Authority periodically reviews and, when deemed necessary, adjusts the estimated useful lives of its capital assets.

The Authority monitors events and circumstances that cause significant and unexpected declines to the useful life of capital assets. When required, a loss is recognized to reduce the carrying value of an impaired capital asset. Impairment loss is reflected as a component of depreciation expense.

Note 4 - Restricted Assets

Restricted assets are established pursuant to bond resolutions and other agreements and are classified as current or non-current based upon the underlying restrictions. Restricted assets comprise the following (in thousands):

	December 31, 2025	December 31, 2024
Restricted current		
Cash and cash equivalents	$ 266,608	$ 182,815
Investments	1	92,693
Receivables	600	-
Total	267,209	275,508
Restricted non-current		
Cash and cash equivalents	606,401	417,944
Investments	7,460	317,402
Receivables	82,117	4,757
Prepaid items	2,119	2,204
Total	698,097	742,307
Total restricted assets	$ 965,306	$ 1,017,815

Senior Debt Service Fund: Established to receive funds from Authority revenues to make periodic payments of interest and principal. Amounts held in this restricted fund at December 31, 2025 and 2024 were $161,125,000 and $126,667,000, respectively.

Senior Debt Service Reserve Fund: Established to retain funds equal to the maximum amount of aggregate debt service for any 12-month period on all outstanding General Revenue Bonds secured by the Senior Debt Service Reserve Fund. Amounts held in this restricted fund at December 31, 2025 and 2024 were $270,809,000 and $261,616,000, respectively.

Construction Fund: Established to hold monies paid into it from the sale of bonds and notes to pay for costs of the “Facilities” and “Other Authority Projects” as defined in the bond resolutions. Amounts remaining upon the completion or abandonment of such projects are required to be transferred to other funds in accordance with the terms outlined in the bond resolutions. Amounts held in this restricted fund at December 31, 2025 and 2024 were $47,173,000 and $209,773,000, respectively.

Reserve Maintenance Fund: Established to hold funds required to be deposited each year into the Reserve Maintenance Fund. Funds held in the Reserve Maintenance Fund can be disbursed for specific costs relating to the “Facilities,” as defined in the bond resolution, and certain highway and railroad grade crossings. Amounts held in this restricted fund at December 31, 2025 and 2024 were $347,802,000 and $270,249,000, respectively.

Note 4 - Restricted Assets - Continued

Junior Indebtedness Fund: Established to hold monies received from the sale of Junior Indebtedness Obligations and Authority revenues received for debt service purposes. Amounts in the Junior Indebtedness Fund are used to: (1) fund the Facilities Capital Improvement Fund for a portion of the cost of the Authority's New NY Bridge Project as defined in the Junior Indebtedness Bond Resolution; (2) fund certain debt service payments on the Series 2016A and Series 2019B Junior Indebtedness Obligations; and (3) satisfy the Junior Indebtedness Debt Service Reserve requirements on the Series 2016A and Series 2019B Junior Indebtedness Obligations. Amounts held in this restricted fund at December 31, 2025 and 2024 were $121,720,000 and $120,352,000, respectively.

Facilities Capital Improvement Fund: Established to hold funds determined to be necessary or appropriate by the Authority Board to fund project costs of facilities or to set up reserves to fund such costs. The Authority has elected to use this fund to hold certain revenues, debt proceeds, and other monies dedicated to the Governor Mario M. Cuomo Bridge. Amounts held in this restricted fund at December 31, 2025 and 2024 were $14,760,000 and $27,208,000, respectively.

Commercial Charge Surety Account: Established to receive cash surety deposits from Commercial Charge Account customers, which are to be used only if the customer does not meet their obligations under the Commercial Charge Account Credit Agreement. Amounts held in the account at December 31, 2025 and 2024 were $1,917,000 and $1,950,000, respectively.

Note 5 - Long-Term Liabilities

The Authority's bond indebtedness and other long-term liabilities at December 31, 2025 and 2024 comprise the following obligations (in thousands):

	Date of Issuance	December 31, 2024 Balance	Additions	Reductions	December 31, 2025 Balance	Due Within One Year
General revenue bonds						
2018 Series L	3/18	$ 366,285	$ -	$ (37,450)	$ 328,835	$ 20,810
2019 Series M	10/19	511,130	-	(14,295)	496,835	26,955
2020 Series N	3/20	450,000	-	-	450,000	-
2021 Series O	10/21	540,090	-	-	540,090	-
2024 Series P	02/24	1,024,320	-	(55,365)	968,955	77,120
2024 Series Q	10/24	520,145	-	-	520,145	22,755
Unamortized bond premiums		347,938	-	(33,866)	314,072	32,325
General revenue bonds and unamortized premiums		3,759,908	-	(140,976)	3,618,932	179,965
Junior indebtedness obligations and notes						
Series 2016 A	5/16	849,000	-	(2,000)	847,000	4,000
Series 2019 B	10/19	1,689,235	-	(1,260)	1,687,975	1,325
Unamortized bond premiums		231,916	-	(11,664)	220,252	11,637
Junior indebtedness obligations and unamortized premiums		2,770,151	-	(14,924)	2,755,227	16,962
Total bonds and unamortized premiums		$ 6,530,059	$ -	$ (155,900)	$ 6,374,159	$ 196,927
Other long-term liabilities						
Postemployment benefit obligation		$ 1,094,648	$ 222,145	$ (40,514)	$ 1,276,279	$ 42,149
Net pension liability		57,628	15,558	-	73,186	-
Compensated absences		10,118	824	-	10,942	-
Lease liability		5,421	-	(781)	4,640	688
Subscription-based information technology arrangements		1,493	10,639	(4,425)	7,707	2,937
Environmental remediation		4,504	-	(1,343)	3,161	1,144
Asset retirement obligations		4,000	-	-	4,000	-
Total other long-term liabilities		$ 1,177,812	$ 249,166	$ (47,063)	$ 1,379,915	$ 46,918

Note 5 - Long-Term Liabilities - Continued

	Date of Issuance	December 31, 2023 Balance	Additions	Reductions	December 31, 2024 Balance	Due Within One Year
General revenue bonds						
2014 Series J	2/14	$ 560,055	$ -	$ (560,055)	$ -	$ -
2014 Series K	12/14	629,375	-	(629,375)	-	-
2018 Series L	3/18	401,960	-	(35,675)	366,285	37,450
2019 Series M	10/19	857,625	-	(346,495)	511,130	14,295
2020 Series N	3/20	450,000	-	-	450,000	-
2021 Series O	10/21	540,090	-	-	540,090	-
2024 Series P	02/24	-	1,024,320	-	1,024,320	55,365
2024 Series Q	10/24	-	520,145	-	520,145	-
Unamortized bond premiums		260,622	179,405	(92,089)	347,938	33,866
General revenue bonds and unamortized premiums		3,699,727	1,723,870	(1,663,689)	3,759,908	140,976
Junior indebtedness obligations and notes						
Series 2016 A	5/16	849,250	-	(250)	849,000	2,000
Series 2019 B	10/19	1,690,435	-	(1,200)	1,689,235	1,260
Unamortized bond premiums		243,596	-	(11,680)	231,916	11,664
Junior indebtedness obligations and unamortized premiums		2,783,281	-	(13,130)	2,770,151	14,924
Total bonds and unamortized premiums		$ 6,483,008	$ 1,723,870	$ (1,676,819)	$ 6,530,059	$ 155,900
Other long-term liabilities						
Postemployment benefit obligation		$ 1,081,793	$ 65,798	$ (52,943)	$ 1,094,648	$ 40,515
Net pension liability		88,630	-	(31,002)	57,628	-
Compensated absences		9,979	139	-	10,118	-
Lease liability		6,307	-	(886)	5,421	781
Subscription-based information technology arrangements		2,937	1,466	(2,910)	1,493	934
Environmental remediation		11,672	-	(7,168)	4,504	2,089
Asset retirement obligations		4,000	-	-	4,000	-
Total other long-term liabilities		$ 1,205,318	$ 67,403	$ (94,909)	$ 1,177,812	$ 44,319

No other long-term liabilities were due within one year as of December 31, 2025.

For both years ended December 31, 2025 and 2024, compensated absences are shown as a net increase.

The debt service requirements for the Authority's senior bonds as of December 31, 2025 are as follows (in thousands):

Due	Principal	Interest	Total
2026	$ 147,640	$ 142,194	$ 289,834
2027	149,065	135,371	284,436
2028	156,025	128,360	284,385
2029	142,895	121,323	264,218
2030	149,920	114,067	263,987
2031-2035	882,785	447,348	1,330,133
2036-2040	681,480	272,710	954,190
2041-2045	509,220	141,957	651,177
2046-2050	378,970	60,737	439,707
2051-2055	106,860	8,579	115,439
Unamortized premiums	314,072	-	314,072
	$ 3,618,932	$ 1,572,647	$ 5,191,579

Note 5 - Long-Term Liabilities - Continued

The debt service requirements for the Authority's junior indebtedness obligations as of December 31, 2025 are as follows (in thousands):

Due	Principal	Interest	Total
2026	$ 5,325	$ 106,908	$ 112,233
2027	7,390	106,590	113,980
2028	9,460	106,169	115,629
2029	46,765	104,763	151,528
2030	51,605	102,304	153,909
2031-2035	102,095	493,039	595,134
2036-2040	474,825	433,690	908,515
2041-2045	562,990	324,946	887,936
2046-2050	690,705	198,575	889,280
2051-2055	524,470	59,850	584,320
2056	59,345	1,433	60,778
Unamortized premiums	220,252	-	220,252
	$ 2,755,227	$ 2,038,265	$ 4,793,492

General Revenue Refunding Bonds, Series L (Series L Bonds): During March 2018, the Authority issued $596,220,000 of Series L Bonds to: (1) refund the Authority's outstanding General Revenue Bonds, Series H (for a net present value savings of $83,145,000); and (2) pay bond issuance costs.

The Series L Bonds comprise Serial Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	3.00% to 5.00%	2026 - 2037	$ 328,835

Principal payments under the Series L Bonds began in 2019. Series L Bonds maturing on or after January 1, 2029 are callable at the option of the Authority, in whole or in part, beginning on January 1, 2028, at par plus accrued interest.

General Revenue Bonds, Series M - Federally Taxable (Series M Bonds): During October 2019, the Authority issued $857,625,000 of Series M Bonds to: (1) provide funds to refund certain amounts of the Authority's outstanding Series I Bonds (for a net present value savings of $92,477,000); and (2) pay bond issuance costs.

Note 5 - Long-Term Liabilities - Continued

The Series M Bonds comprise Serial Bonds and Term Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	2.41% to 2.55%	2026 - 2028	$ 76,855
Term Bonds	2.90%	2035	180,405
Term Bonds	3.50%	2042	239,575
			$ 496,835

Principal payments under the Series M Bonds began in 2024. Series M Term Bonds require sinking fund installments in 2031 through 2042, in amounts ranging from $42,800,000 to $102,235,000 annually. Series M Bonds maturing on or prior to January 1, 2035 are callable at the option of the Authority, in whole or in part, subject to make whole redemption provisions. Series M Bonds maturing on January 1, 2042 are: (i) callable at the option of the Authority, in whole or in part, prior to January 1, 2030, subject to make whole redemption provisions; and (ii) callable at the option of the Authority, in whole or in part, on or after January 1, 2030, at par plus accrued interest.

The Series M Bonds were partially defeased through a tender offer in February 2024 using the proceeds of the General Revenue Bonds, Series P.

In January 2026, an additional portion of the Series M Bonds were partially defeased through a tender offer and an advanced refunding using the proceeds of the General Revenue Junior Indebtedness Refunding Obligations, Series 2026A. Additional information is presented in Note 13.

General Revenue Bonds, Series N (Series N Bonds): During March 2020, the Authority issued $450,000,000 of Series N Bonds to: (1) fund a portion of the Authority's Multi-Year Capital Program; (2) make a deposit to the Senior Debt Service Reserve Fund; (3) fund capitalized interest on the Series N Bonds; and (4) pay bond issuance costs.

The Series N Bonds comprise Serial Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	3.00% to 5.00%	2033 - 2050	$ 450,000

Principal payments under the Series N Bonds begin in 2033. Series N Bonds maturing on or after January 1, 2033 are callable at the option of the Authority, in whole or in part, beginning on January 1, 2030, at par plus accrued interest.

Note 5 - Long-Term Liabilities - Continued

General Revenue Bonds, Series O (Series O Bonds): During October 2021, the Authority issued $549,480,000 of Series O Bonds to: (1) fund a portion of the Authority's Multi-Year Capital Program; (2) make a deposit to the Senior Debt Service Reserve Fund; (3) fund capitalized interest on the Series O Bonds; (4) refund certain amounts of the Authority's outstanding Series I Bonds (for a net present value savings of $20,386,000); and (5) pay bond issuance costs.

The Series O Bonds comprise Serial Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	3.00% to 5.00%	2033 - 2051	$ 540,090

Principal payments under the Series O Bonds began in 2023. Series O Bonds maturing on or after January 1, 2033 are callable at the option of the Authority, in whole or in part, beginning on July 1, 2031, at par plus accrued interest.

General Revenue Bonds, Series P (Series P Bonds): During February 2024, the Authority issued $1,024,320,000 in Series P Bonds, which provided funds to: (1) fund a portion of the Authority's Multi-Year Capital Plan; (2) refund the Authority's General Revenue Bonds, Series J (for a net present value savings of $45,539,000); (3) purchase, through a voluntary tender process, a portion of the Authority's General Revenue Bonds, Series M (for a net present value savings of $37,451,000); (4) fund capitalized interest on the Series P Bonds; (5) make a deposit to the Senior Debt Service Reserve Fund; and (6) pay bond issuance costs.

The Series P Bonds comprise Serial Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	4.00% to 5.00%	2026 - 2045	$ 819,630
Term Bonds	5.00%	2049	58,190
Term Bonds	5.25%	2054	91,135
			$ 968,955

Principal payments under the Series P Bonds began in 2025. Series P Bonds maturing on or after January 1, 2035 are callable at the option of the Authority, in whole or in part, beginning on July 1, 2034, at par plus accrued interest.

Note 5 - Long-Term Liabilities - Continued

General Revenue Refunding Bonds, Series Q (Series Q Bonds): During October 2024, the Authority issued $520,145,000 in Series Q Bonds, which provided funds to: (1) refund the Authority's General Revenue Bonds, Series K (for a net present value savings of $59,537,000); and (2) pay bond issuance costs.

The Series Q Bonds comprise Serial Bonds with varying maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	5.00%	2026 - 2032	$ 520,145

Principal payments under the Series Q Bonds begin in 2026.

General Revenue Senior Bonds - Revenue Pledge and Security: The General Revenue Bonds (Series L through Q) are all direct obligations of the Authority and secured by a pledge of tolls and other revenue as established under the bond resolution. In accordance with the bond resolution, a Senior Debt Service Reserve Fund was established to be funded with cash and/or surety in an amount equal to the maximum aggregate debt service for any 12-month period. At both December 31, 2025 and 2024, the Senior Debt Service Reserve Fund, which may be used should amounts in the Senior Debt Service Fund be insufficient to pay debt service payments, was fully funded.

General Revenue Junior Indebtedness Obligations (JIO) - Series 2016A: During May 2016, the Authority issued $850,000,000 of Series 2016A JIOs to: (1) fund a portion of the cost of the Authority's New NY Bridge Project; (2) pay capitalized interest on the Series 2016A JIOs; (3) make a deposit to the Series 2016A Subaccount of the Junior Indebtedness Debt Service Reserve Account; and (4) pay the costs of issuance.

The Series 2016A JIOs comprise Serial Bonds and Term Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	4.00% to 5.00%	2026 - 2038	$ 187,665
Term Bonds	5.00%	2041	71,830
Term Bonds	5.00%	2046	145,745
Term Bonds	4.00% to 5.00%	2051	184,960
Term Bonds	4.00% to 5.25%	2056	256,800
			$ 847,000

Note 5 - Long-Term Liabilities - Continued

Series 2016A JIO Term Bonds require sinking fund installments in 2041 through 2056, in amounts ranging from $10,000,000 to $39,345,000 annually. Series 2016A JIOs maturing on or after January 1, 2027 are callable at the option of the Authority, in whole or in part, beginning on January 1, 2026, at par plus accrued interest.

The Series 2016A JIOs were partially defeased in January 2026 using the proceeds of General Revenue Junior Indebtedness Refunding Obligations, Series 2026A. Additional information is presented in Note 13.

General Revenue JIO - Series 2019B: During October 2019, the Authority issued $1,693,245,000 of Series 2019B JIOs to: (1) refund the outstanding General Revenue JIOs, Series 2013B (TIFIA Loan); (2) fund or reimburse approximately $75,000,000 of costs related to the Authority's New NY Bridge Project; (3) fund capitalized interest on the Series 2019B JIOs; (4) purchase a Reserve Credit Facility for the Series 2019B Subaccount of the Junior Indebtedness Debt Service Reserve Account; and (5) pay bond issuance costs incurred in connection with the issuance of the Series 2019B JIOs, including the premium on an insurance policy for certain maturities of the Series 2019B JIOs.

The Series 2019B JIOs comprise Serial Bonds and Term Bonds with varying rates and maturities. The amounts outstanding at December 31, 2025 are as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	3.00% to 5.00%	2026 - 2046	$ 433,075
Term Bonds	4.00%	2041	75,855
Term Bonds	4.00%	2045	330,685
Term Bonds	3.00%	2046	96,505
Term Bonds	4.00%	2050	410,945
Term Bonds	3.00% to 4.00%	2053	340,910
			$ 1,687,975

Series 2019B JIO Term Bonds require sinking fund installments in 2040 through 2053, in amounts ranging from $10,000,000 to $109,045,000 annually. Series 2019B JIOs maturing on or after January 1, 2031 are callable at the option of the Authority, in whole or in part, beginning on January 1, 2030, at par plus accrued interest.

The Authority's General Revenue JIOs are subordinate to the Authority's General Revenue Bonds.

Note 6 - Special Bond Programs

The Authority's special bond programs, and the related projects and activities, are entirely separate from the Authority's financing, operation, and maintenance of the Thruway System. As such, these special bond programs are not reflected in the accompanying financial statements. The special bond programs require varying debt service payments, which are funded under contractual agreements with the State. The obligation of the State to make such payments is subject to, and dependent upon, annual appropriations by the New York State Legislature. However, these bond programs result in no cost to the Authority and provide for no lien on Authority revenues or assets. The Authority is an authorized issuer of the following special bond programs: Local Highway and Bridge Service Contract Bonds, Highway and Bridge Trust Fund Bonds, State Personal Income Tax Revenue Bonds and State Sales Tax Revenue Bonds. The Authority has yet to issue State Sales Tax Revenue Bonds.

The following describes the Authority's outstanding debt under the special bond programs:

Highway and Bridge Trust Fund Bond Program: The New York State Legislature empowered the Authority to issue Highway and Bridge Trust Fund Bonds to reimburse the State for expenditures made by the State's Department of Transportation in connection with the State's Multi-Year Highway and Bridge Capital Program. The Authority did not issue Highway and Bridge Trust Fund Bonds in 2025 or 2024. The Authority receives funds from the State for debt service on these bonds and related administrative costs. The remaining $33,915,000 of bonds outstanding on December 31, 2024 were paid off on April 1, 2025. There were no Highway and Bridge Trust Fund Bonds outstanding at December 31, 2025.

State Personal Income Tax Revenue Bonds: The New York State Legislature empowered the Authority to issue Personal Income Tax (PIT) Revenue Bonds to provide funds to municipalities and other project sponsors throughout the State for qualifying local highway, bridge, and multi-modal capital project expenditures under established State programs. In July 2025, the Authority issued $1,664,265,000 of State Personal Income Tax Revenue Bonds, Series 2025A. The State Personal Income Tax Revenue Bonds, Series 2025A were issued to: (1) finance, refinance or reimburse all or a portion of the costs of certain programs and projects within the State, including but not limited to capital projects administered by the Department of Transportation, including the Dedicated Highway Bridge Trust Program, the Consolidated Local Street and Highway Improvement Program (CHIPS), and the NY Works Transportation Program, and (2) pay certain costs relating to the issuance of the Series 2025A Bonds. Additionally, in July 2025, the Authority issued $782,185,000 of State Personal Income Tax Revenue Green Bonds, Series 2025B. The State Personal Income Tax Revenue Green Bonds, Series 2025B were issued to: (1) finance or reimburse all or a portion of the costs of certain programs and projects within the State, including but not limited to (i) transportation projects for the MTA, and (2) pay certain costs relating to the issuance of the Series 2025B Bonds. The Authority receives funds from the State for debt service on these bonds and related administrative costs. Bonds outstanding under this program were $6,974,175,000 and $4,527,725,000 on December 31, 2025 and 2024, respectively.

Note 7 - Retirement Benefits

a. Plan Description and Benefits Provided

The Authority participates in ERS, which is a cost-sharing, multiple-employer public employee retirement system. ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from ERS at www.osc.state.ny.us/retire.

Note 7 - Retirement Benefits - Continued

a. Plan Description and Benefits Provided - Continued

ERS provides retirement, disability, and death benefits for eligible members, including an automatic cost-of-living adjustment. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

b. Contributions

Employees in ERS Tiers I through IV are noncontributory, except for employees with less than 10 years of service who contribute 3% of their salary, Tier V employees who contribute 3% of their salary, and Tier VI employees who contribute between 3% and 6% of their salary. The Comptroller annually certifies the rates, expressed as proportions of payroll of members, which are used in computing the contributions required to be made by employers. The Authority's contributions for the preceding 10 years can be found in the schedule of pension contributions on page 55.

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Authority reported liabilities of $73,186,000 and $57,628,000 at December 31, 2025 and 2024, respectively. The net pension liability was measured as of March 31, 2025 and 2024, respectively, and the total pension liability was determined by actuarial valuations as of April 1, 2024 and 2023, respectively. The proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contribution for the fiscal year ended on the measurement dates. The Authority's proportionate share was 0.43% and 0.39% as of March 31, 2025 and 2024, respectively.

The Authority recognized pension expense of $16,760,000 and $24,570,000 for the years ended December 31, 2025 and 2024, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources as follows (in thousands):

	December 31,			
	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,165	$ 857	$ 18,562	$ 1,571
Changes in assumptions	3,069	-	21,788	-
Net differences between projected and actual investment earnings on pension plan investments	5,742	-	-	28,151
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,273	2,424	3,065	4,220
Authority contributions subsequent to the measurement date	24,531	-	21,698	-
Totals	$ 57,780	$ 3,281	$ 65,113	$ 33,942

Note 7 - Retirement Benefits - Continued

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Authority contributions subsequent to the measurement date are recognized as an adjustment of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year ending December 31,	
2026	$ 13,566
2027	19,636
2028	(5,103)
2029	1,869
Total	$ 29,968

d. Actuarial Assumptions

The pension liabilities at March 31, 2025 and 2024 were determined using actuarial valuations as of April 1, 2024 and 2023, respectively, with updated procedures used to roll forward the total pension liability to March 31, 2025 and 2024. The actuarial valuation used the actuarial experience study for the period April 2015 - March 2020 and the following actuarial assumptions, which were consistent from year to year, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Inflation rate	2.9%
Salary scale	4.3%, indexed by service
Investment rate of return, including inflation	5.9% compounded annually, net of expenses
Cost-of-living adjustment	1.5%
Decrement	Based on FY 2016 - 2020 experience
Mortality improvement	Society of Actuaries' Scale MP-2021

The long-term expected rate of return on ERS's pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

Note 7 - Retirement Benefits - Continued

e. Investment Asset Allocation

Best estimates of arithmetic real rates of return for each major asset class and ERS's target asset allocation as of the applicable valuation dates are summarized as follows:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	25.0%	3.5%
International equity	14.0%	6.6%
Private equity	15.0%	7.3%
Real estate	12.0%	5.0%
Fixed income	22.0%	2.0%
Other	12.0%	0.3% - 5.6%
	100.0%	

f. Discount Rate

The discount rate projection of cash flows assumed that contributions from members will be made at the current member contribution rates and contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, ERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

g. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension liability, calculated using the discount rate of 5.90%, and the impact of using a discount rate that is 1% higher or lower than the current rate (in thousands):

	1% Decrease 4.9%	Current Discount 5.9%	1% Increase 6.9%
Authority's proportionate share of the net pension liability (asset)	$ 211,808	$ 73,186	$ (42,564)

Note 7 - Retirement Benefits - Continued

h. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of ERS were as follows (amounts in thousands):

	March 31, 2025	March 31, 2024
Employers' total pension liability	$ 247,600,239	$ 240,696,851
Plan net position	(230,454,512)	(225,972,801)
Employers' net pension liability	$ 17,145,727	$ 14,724,050
Ratio of plan net position to the employers' total pension liability	93.1%	93.9%

Note 8 - Deferred Compensation Plan

The Authority participates in the New York State Deferred Compensation Plan (Plan). The Plan is a 457(b) retirement plan administered by the State. The Authority does not have any authority to amend or abolish the Plan provisions, and the Authority does not make contributions to the Plan.

Note 9 - Other Postemployment Benefits

The Authority reports in its financial statements the financial impact of OPEB, principally employer-funded health care and death benefits that the Authority provides for retired employees. Substantially all employees may become eligible for these benefits if they reach the normal retirement age while working for the Authority.

A summary of participants used to value the Authority's OPEB liability is as follows:

Actives	1,706
Vestees	1
Retirees (includes surviving spouse and disabled)	2,503
Total	4,210

Plan Description and Benefits Provided

The Authority participates, pursuant to the provisions of Section 163(4) of the New York State Civil Service Law, in the New York State Health Insurance Program (NYSHIP), an Agent Multiple-Employer Plan. NYSHIP is administered through the Department of Civil Service, and the Authority pays the cost of administration.

Note 9 - Other Postemployment Benefits - Continued

NYSHIP does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan. Certain retiree costs, described below, are first applied against the value of the retiree's existing sick leave bank balance. A plan summary follows:

a. Plan Types

Medical: NYSHIP includes participation in various insurance plans and HMOs, and also includes drug coverage. Details may be found in the Summary Program Description of the New York State Health Insurance Program Booklet.

Medicare Part B Reimbursement: The Authority reimburses the retiree and his/her Medicare-eligible spouse for the Medicare Part B premium.

b. Eligibility

To be eligible, an employee must: (1) retire as a member of ERS or be at least 55 years old at the time of termination; (2) be enrolled in NYSHIP on the date of retirement; and (3) complete at least five years of service for the retiree and dependent to have coverage while the employee is living. Ten years of service are needed for continued dependent coverage upon the death of the employee.

c. Benefit/Cost Sharing

The Authority pays 94% (100% for those employees retired prior to April 1, 1991) of the premium for coverage of the retired employee and 75% of the additional premium for the dependent coverage. The premium paid by the Authority is based on the Empire Plan, one of the options available to retirees under NYSHIP. If a retiree elects another plan offered under NYSHIP, the retiree is responsible for costs that exceed the amount of the Empire Plan premium.

d. Survivor's Benefit

The survivor's benefit comprises $3,000 payable to the retiree's designated beneficiary.

e. Funding Policy

The Authority contributes to the plan to satisfy obligations on a pay-as-you-go basis. For the years ended December 31, 2025 and 2024, the Authority paid $40,514,000 and $36,318,000, respectively, on behalf of retirees.

Net OPEB Liability

The Authority's total OPEB liability for the years ended December 31, 2025 and 2024 was measured as of December 31, 2024 and 2023, respectively, using an actuarial valuation date of August 1, 2025 and 2024, respectively, adjusted to the measurement date.

Note 9 - Other Postemployment Benefits - Continued

e. Funding Policy - Continued

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	
December 31, 2024 measurement date	4.08%
December 31, 2023 measurement date	3.77%
Annual payroll growth rate	2.50%
Health care cost trend rates	2024 Society of Actuaries Getzen Long-Term Health Care Cost Trend Model
Mortality rates	New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations, June 2024 report

Actuarial valuations involve estimates and assumptions about the probability of events far into the future and are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. These calculations are designed to reduce short-term volatility in actuarial accrued liabilities. Projected benefits are based on the types of benefits provided at the time of each valuation and on the cost-sharing provisions then in effect.

Changes in the Net OPEB Liability (in thousands)

	Years Ended December 31,	
	2025	2024
Balance, beginning of year	$ 1,094,648	$ 1,081,793
Changes for the year		
Service cost	23,516	21,836
Interest	41,391	43,962
Benefit payments	(40,514)	(36,318)
Change in assumptions and other inputs	157,238	(16,625)
Net changes	181,631	12,855
Balance, end of year	$ 1,276,279	$ 1,094,648

Note 9 - Other Postemployment Benefits - Continued

e. Funding Policy - Continued

Sensitivity of the OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate (in thousands):

	1% Decrease 3.1%	Current Discount 4.1%	1% Increase 5.1%
OPEB obligation	$ 1,487,951	$ 1,276,279	$ 1,107,093

Sensitivity of the OPEB liability to changes in the health care cost trend rates: The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rate (in thousands):

	1% Decrease	Current Medical Trend Rate	1% Increase
OPEB obligation	$ 1,113,103	$ 1,276,279	$ 1,481,017

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Authority recognized OPEB (benefit) expense of ($3,549,000) and $39,697,000 for the years ended December 31, 2025 and 2024, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows (in thousands):

	December 31,			
	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,945	$ 53,445	$ -	$ 91,462
Changes in assumptions	137,527	91,330	44,124	182,660
Totals	$ 140,472	$ 144,775	$ 44,124	$ 274,122

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized as expense as follows (in thousands):

Year ending December 31,	
2026	$ (78,766)
2027	35,153
2028	39,310
Total	$ (4,303)

Note 10 - Leases

Lessor Agreements

In 2021, the Authority entered into a 33-year public-private partnership agreement with Empire State Thruway Partners, LLC (Empire) for the design, construction, finance, operation, and maintenance of the Authority's 27 service areas. Under the terms of the agreement, Empire invested approximately $300 million to rebuild 23 of the 27 service area restaurant buildings and perform significant renovations to the remaining four.

Over the life of the agreement, Empire will invest another $99.4 million into future improvements to the service areas. At December 31, 2025, the Authority has estimated that of the $99.4 million, approximately $80.3 million will be used for capital improvements.

Commencing with the re-opening of each new restaurant building, Empire is required to pay rent calculated as a percentage of gross sales within the service areas, subject to a guaranteed annual minimum per location. Guaranteed rent over the term of the agreement is approximately $51 million.

Additionally, the agreement provides Empire the option to install commercial vehicle fueling stations at five service areas. As of December 31, 2025, Empire has constructed commercial fielding stations at three service areas. They are required to pay rent calculated as a percentage of gross sales of the gallons of fuel sold, subject to a guaranteed annual minimum per location. As of December 31, 2025, the guaranteed rent over the term of the agreement is $2.8 million.

As of December 31, 2025, the Authority has 16 irrevocable agreements for the use of its fiber optic system, with remaining terms ranging from one to 29 years, and two active leases for the operation of fueling stations, with remaining terms of approximately one year.

For the years ended December 31, 2025 and 2024, the Authority recognized $21.2 million and $18.3 million, respectively, in lease revenue and $2.8 million and $3.0 million, respectively, in lease interest revenues. For the years ended December 31, 2025 and 2024, variable leases revenues of $1.5 million and $1.4 million, respectively, were reported as a component of lease revenue. Future minimum payments due to the Authority are as follows (in thousands):

	Revenue	Interest	Total
Year ending December 31,			
2026	$ 10,665	$ 2,657	$ 13,322
2027	7,891	2,472	10,363
2028	6,840	2,347	9,187
2029	6,840	2,233	9,073
2030	6,732	2,111	8,843
2031-2035	28,083	8,855	36,938
2036-2040	25,572	6,024	31,596
2041-2045	11,999	3,202	15,201
2046-2050	6,992	1,975	8,967
2051-2055	4,870	505	5,375
Total	$ 116,484	$ 32,381	$ 148,865

Note 10 - Leases - Continued

Lessee Agreements

The Authority leases office space and space on communication towers for radio equipment. As of December 31, 2025, these leases have remaining terms of five to seven years. As of December 31, 2025 and 2024, the Authority's lease liability is $4.6 million and $5.4 million, respectively. Future rent obligations of the Authority are as follows (in thousands):

	Principal	Interest	Total
Year ending December 31,			
2026	$ 688	$ 150	$ 838
2027	736	127	863
2028	781	101	882
2029	815	74	889
2030	842	47	889
2031-2035	778	24	802
Total	$ 4,640	$ 523	$ 5,163

Note 11 - Subscription-Based Information Technology Arrangements

The Authority has multiple SBITAs, primarily for the use of software. As the lessee, the Authority recognizes a liability and a related intangible-asset over the remaining term of each agreement. As of December 31, 2025, these agreements have remaining terms that vary from one to five years. As of December 31, 2025 and 2024, the Authority's SBITA liability is $7.7 million and $1.5 million, respectively. Future obligations of the Authority are as follows (in thousands):

	Principal	Interest	Total
Year ending December 31,			
2026	$ 2,937	$ 253	$ 3,190
2027	2,666	131	2,797
2028	1,074	71	1,145
2029	1,030	28	1,058
Total	$ 7,707	$ 483	$ 8,190

Note 12 - Contingencies, Commitments and Uncertainties

a. Governor Mario M. Cuomo Bridge Claims

In 2013, the Authority entered a $3.14 billion design-build contract with Tappan Zee Constructors, LLC ("TZC") to replace the Tappan Zee Bridge. Both spans of the new Governor Mario M. Cuomo Bridge, the replacement of the Tappan Zee Bridge, are in service. Through December 31, 2025, contract change orders totaling $344.2 million have been approved, increasing the value of TZC's contract to $3.49 billion.

Note 12 - Contingencies, Commitments and Uncertainties - Continued

a. Governor Mario M. Cuomo Bridge Claims - Continued

In 2018, TZC began submitting claims to the Authority for payment in excess of their approved contract value and anticipated contract change orders and has supplemented these claims at various times since then. The claims submitted by TZC ("Dispute") relate to issues of time and extra work. Pursuant to the design-build contract, TZC's Dispute was subject to a non-binding contractual dispute resolution procedure consisting of a multi-tiered administrative review process.

In July 2021, the first level of the administrative review process was completed when the Project Director for the New NY Bridge Project issued a determination rejecting the Dispute with the exception of granting limited time extensions. TZC appealed this determination to the next tier of administrative review, and it was upheld. Following such denials, TZC submitted the Dispute to the Authority's Executive Director for review and determination. Pursuant to the contract with TZC, in making a determination, the Executive Director sought the advice of an advisory committee to provide a written non-binding recommendation.

In December 2023, the advisory committee, which is independent and partially composed of members chosen by both TZC and the Authority, recommended that the Authority pay TZC $101.5 million, exclusive of interest, for the claims in the Dispute.

In March 2024, the Executive Director determined that TZC is entitled to $15.6 million for the claims in the Dispute. However, the determination further concludes that TZC owes the Authority a minimum of $111.4 million for liquidated damages and remedial work. After accounting for a contract balance of $33.1 million, the determination concludes TZC owes the Authority a minimum of $62.7 million.

In January 2025, the Authority's Chief Engineer and General Counsel issued the final determination of the Authority upholding the determination of the Executive Director that TZC owes the Authority a minimum of $62.7 million. This amount depends on the amount of remediation work that the Authority is entitled to recover and an additional amount yet to be determined for liquidated damages for TZC's failure to timely achieve Final Acceptance. In October 2024, TZC filed a lawsuit against the Authority in the New York State Court of Claims alleging that it is owed approximately $920 million, plus interest, in excess of the approved contract value and anticipated change orders.

In August 2024, the Authority commenced litigation against TZC, its affiliated entities, and its sureties in New York State Supreme Court, Albany County to recover damages for non-conforming work installed by TZC, including main span anchor pipes, that requires remediation. The Governor Mario M. Cuomo Bridge has been declared safe by multiple independent engineers, and the planned corrective work is not expected to have a material adverse effect on either the operation of the Governor Mario M. Cuomo Bridge or Authority revenue collections therefrom. Preliminary cost estimates for the remedial work range from $45 million to $80 million. In the event that the Authority is unsuccessful in recovering funds from TZC, the Authority has sufficient funds in the bridge budget to complete the identified remediation work.

Note 12 - Contingencies, Commitments and Uncertainties - Continued

b. Seneca Nation Claim

The Seneca Nation of Indians filed an action in April 2018, in United States District Court for the Western District of New York (the "Western District" or the "District Court"), alleging that the October 1954 permanent easement for a portion of Thruway going through the Seneca Nation's Cattaraugus Reservation was never legally valid or effective because the easement did not comply with federal law requiring approval of the Secretary of the Interior. *Seneca Nation v. Andrew Cuomo, Eric T. Schneiderman, Paul A. Karas, Thomas P. DiNapoli, The New York State Thruway Authority*. The Seneca Nation is seeking an injunction requiring a valid easement, an injunction requiring that the Comptroller of the State of New York segregate and hold in escrow all future toll moneys collected on the Thruway System that are fairly attributable to the portion of the easement, and compensation pro rata for future use of its land or to prohibit the collection of tolls on the portion of land through the territory without a valid easement. A motion to dismiss the lawsuit was filed in June 2018. In September 2020, the Western District denied the Authority/State motion to dismiss in September 2020. In January 2023, the United States Court of Appeals for the Second Circuit (the "Second Circuit") affirmed the District Court's denial of the Authority/State motion to dismiss and remanded the case to the Western District. The Authority/State and the Seneca Nation filed motions for summary judgment in February 2025. In its motion for summary judgment, the Seneca Nation seeks an order that "a valid easement be negotiated based on an annual payment of $21.19 million." In September 2025, the U.S. Magistrate Judge for the Western District of New York issued a Report and Recommendation. In the Report and Recommendation, which is non-binding, the Magistrate recommended granting the Seneca Nation summary judgment on its claim for declaratory relief (concluding that the easement violated the Nonintercourse Act and is therefore invalid). However, the Magistrate did not recommend granting the Nation summary judgment on its claim for a mandatory injunction or order the payment of $21 million annually to the Seneca Nation. The Magistrate "recommends that the District Court order that the parties return to mediation in order to negotiate the terms of a new easement." In November 2025, the State/Authority issued objections to the Report. At this time, we cannot predict the outcome nor the impact of an unfavorable outcome.

c. Cayuga Nation Claim

The Cayuga Nation of Indians filed an action in December 2023 in the Western District alleging that continued operation of the Thruway through the Cayuga Nation's Reservation without a valid right-of-way approved by federal officials violates the Cayuga Nation's sovereign right to its reservation, as established by the Treaty of Canandaigua in 1794. The Cayuga Nation is seeking an injunction requiring a valid right-of-way, an injunction requiring that the Comptroller of the State of New York segregate and hold in escrow all future toll moneys collected on the Thruway System that are fairly attributable to the portion of the easement, and compensation pro rata for future use of its land or to prohibit the collection of tolls on the portion of land through the territory without a valid right-of-way. The Authority has submitted a motion to dismiss the complaint. The Authority is unable at this time to predict the outcome of such litigation or the impact of an unfavorable decision on the Authority. In 2005, the Second Circuit for the United States Court of Appeals dismissed a similar lawsuit brought by the Cayuga Nation against the State of New York.

Note 12 - Contingencies, Commitments and Uncertainties - Continued

d. Other Claims and Litigation

The Authority is a party to various legal proceedings, including negligence suits, some of which involve death or serious injury. Many of these actions arise in the normal course of the Authority's operations. The Authority records accruals for claims liability to the extent that management concludes that their occurrence is probable and the related damages are estimable. If the range of the liability is probable and estimable, the Authority accrues the amount most likely to be paid. If no single amount in the estimated range is more likely to be paid, the Authority accrues the lowest amount in the range.

The Authority's claims liability approximates $15.7 million and $2.5 million at December 31, 2025 and 2024, respectively.

In addition, there are claims where liability is not probable but is possible and estimable. The estimated loss on these claims is approximately $50.0 million at December 31, 2025, none of which has been accrued.

Certain other claims cannot be estimated as they involve complex issues. Often, these issues are subject to substantial uncertainties, and therefore, the probability of loss or an estimation of damages cannot be determined.

e. Insurance

Loss of revenues is insured through a use and occupancy policy that covers any interruption in excess of 15 days. Property damage to bridges is insured through various policies from major insurance companies equal to the maximum probable loss from a single occurrence (with deductibles ranging from $5.0 million to $15.0 million). In addition, the Authority purchases insurance for workers' compensation benefits and various liability exposures.

The Authority is self-insured for property damage to substantially all buildings and vehicles. The Authority is also self-insured for third-party liability, including automobile liability. There are two funded reserves for these exposures: a $2.5 million insurance fund available to fund certain deductibles and a reserve for public liability claims, which holds totals $17.5 million as of March 2026.

Insurance for the Authority's service area facilities is provided by the concessionaires. The liability related to construction projects, tandem trailer operations, authorized garage operations, and similar risk is transferred through contractual indemnification and compliance with Authority insurance requirements.

The Authority is insured through a cyber insurance policy that covers business interruption, including loss of business income, resulting from a cybersecurity event. Coverage is capped at a maximum loss established in the policy. Beginning in January 2025, the Authority is insured for cyber insurance policies.

Note 12 - Contingencies, Commitments and Uncertainties - Continued

f. Construction Commitments

At December 31, 2025, the amounts of remaining unexpended commitments for projects undertaken and the detail by type of contract are as follows:

Project	Commitments (in thousands)
Highway, bridge and facility, construction, and design	$ 464,500
Personal service and miscellaneous	560,200
Total	$ 1,024,700

g. Environmental Remediation

The Authority records in its financial statements a cost estimate for environmental remediation at numerous sites on Authority property that have been identified by the New York State Department of Environmental Conservation as locations where operational uses have contributed to various forms of environmental pollution. The estimated costs are developed by Authority engineers and remediation contractors based on the nature of remediation needed and the review of comparable clean-up costs at similar sites. The estimates are updated annually to reflect payments made and changes to estimated future costs.

Estimating environmental remediation obligations requires that several assumptions be made. Project cost changes due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, and other factors can result in revisions to these estimates.

In 2021, the Authority entered into a 33-year agreement with Empire for the design, construction, finance, operation, and maintenance of the Authority's 27 service areas. Over the course of approximately five years beginning in 2021, Empire rebuilt 23 of the 27 service area restaurant buildings and performed significant renovations to the remaining four. Under the terms of the agreement, the Authority was financially responsible for Regulated Site Condition costs consisting primarily of asbestos mitigation and soil remediation associated with the demolition of the existing service area restaurants. The estimated cost for these activities were included in the Authority's environmental remediation obligations.

The Authority has estimated its environmental remediation liabilities, net of expected recoveries from other responsible parties, to be $3,200,000 and $4,500,000 as of December 31, 2025 and 2024, respectively, and are included in other long-term liabilities, net of the current portion within these financial statements.

The Authority has a funded reserve consisting of $15,532,000 and $16,639,000 as of December 31, 2025 and 2024, respectively, to pay for these obligations.

Note 12 - Contingencies, Commitments and Uncertainties - Continued

h. Asset Retirement Obligations

The Authority records in its financial statements legally enforceable liabilities associated with the retirement of tangible capital assets. The Authority currently owns and operates 17 wastewater treatment facilities. The retirement of these facilities is subject to rules and regulations established by the New York State Department of Environmental Conservation.

The Authority has measured the estimated cost to comply with these rules and regulations using historical costs for similar work. The Authority retires wastewater treatment facilities when the opportunity arises to tie into municipal sewer systems. The estimated remaining life of the Authority's wastewater treatment facilities is five years. The Authority's liability for asset retirement obligations approximates $4,000,000 at both December 31, 2025 and 2024.

Note 13 - Subsequent Events

Toll Rate Increase - Governor Mario M. Cuomo Bridge

Effective January 1, 2026, the base New York E-ZPass passenger vehicle toll for the Governor Mario M. Cuomo Bridge was increased 50 cents. Commercial rates were increased proportionately to the passenger vehicle rate. Out-of-state E-ZPass and Tolls by Mail tolls were increased proportionately to maintain the 75% differential to the New York E-ZPass rate.

General Revenue Junior Indebtedness Refunding Obligations, Series 2026A

During January 2026, the Authority issued $833.7 million in General Revenue Junior indebtedness Refunding Obligations, Series 2026A to: (1) purchase certain tendered bonds of the Authority's Series M bonds; (2) refund certain amounts of the Authority's Series M Bonds and Series 2016A obligations (3); make a deposit to the Series 2026A Debt Service Reserve Fund; and (4) to pay issuance costs.

Of the $833.7 million, $620.6 million is for the refunding of the Series 2016A obligations, and $213.1 million is for the refunding and tender of the Series M bonds.

The Series 2026A JIOs comprise Serial Bonds and Term Bonds with varying rates and maturities as follows:

Type	Rates	Maturity	Amount (in thousands)
Serial Bonds	5.00%	2027 - 2048	$ 604,325
Term Bonds	5.00%	2051	81,730
Term Bonds	5.25%	2056	73,830
Term Bonds	5.00%	2056	73,830
			$ 833,715

Note 13 - Subsequent Events - Continued

General Revenue Junior Indebtedness Refunding Obligations, Series 2026A - Continued

The Series 2026A JIO 2051 Term Bonds require sinking fund installments in 2049 through 2051 in amounts ranging from $25,540,000 to $28,975,000 annually, the Series 2026A JIO 2056 Term Bond (5.25%) requires sinking fund installments in 2052 through 2056 in amounts ranging from $10,415,000 to $18,625,000 annually, and the Series 2026A JIO 2056 Term Bond (5.00%) requires sinking fund installments in 2052 through 2056 in amounts ranging from $10,410,000 to $18,625,000 annually. Series 2026A JIOs maturing on or after January 1, 2037 are callable at the option of the Authority, in whole or in part, beginning on January 1, 2036, at par plus accrued interest.

General Revenue Bonds - Series R

During March 2026, the Authority's Board of Directors approved a supplemental resolution authorizing the issuance of an amount not to exceed $800.0 million in General Revenue Bonds, Series R to: (1) finance a portion of its ongoing capital programs; (2) pay capitalized interest on any Series R Bonds; (3) refund all or a portion of one or more series of outstanding General Revenue Bonds; (4) pay cost of issuance of the Series R Bonds; and (5) fund a required deposit to the Senior Debt Service Reserve Fund or to a Senior Series Debt Service Reserve Fund, or in lieu thereof, purchase one or more Reserve Credit Facilities.

Note 14 - Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 103, *Financial Reporting Model Improvements*: This statement improves key components of the financial reporting model, including a reiteration of the Management's Discussion and Analysis requirements, description and presentation requirements for unusual or infrequent items, definitions of non-operating revenues and expenses, major component unit presentation requirements, and the requirement that budgetary comparison information be presented as required supplementary information versus as a statement. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*: This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. It also establishes disclosure requirements for capital assets held for sale, including disclosures relating to debt for which the capital assets held for sale are pledged as collateral. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 105, *Subsequent Events*: This Statement defines subsequent events as events occurring after the financial statement date but before the statements are available for issuance. It specifies that financial statements are considered available for issuance when they are complete in accordance with generally accepted accounting principles and all required approvals have been obtained. The Statement also requires disclosure of the date through which subsequent events have been evaluated, clarifies the distinction between recognized and nonrecognized subsequent events, and establishes disclosure requirements for nonrecognized events. The provisions are effective for fiscal years beginning after June 15, 2026, and for all reporting periods thereafter.

Management has not estimated the extent of the potential impact, if any, of these statements on the Authority's financial statements.

New York State Thruway Authority

(A Component Unit of the State of New York)

Required Supplementary Information
Schedule of Other Postemployment Benefits Liability
(in thousands of dollars)

	2025	2024	2023	2022	2021	2020	2019	2018
Beginning of the year	$ 1,094,648	$ 1,081,793	$ 1,497,951	$ 1,418,155	$ 1,181,202	$ 983,462	$ 1,083,760	$ 959,969
Changes for the year								
Service cost	23,516	21,836	51,002	46,835	41,110	30,884	35,341	29,485
Interest	41,391	43,962	27,255	28,000	32,037	35,921	35,398	35,993
Changes in assumptions and other inputs	157,238	(16,625)	(455,677)	41,240	197,524	161,417	(142,401)	88,866
Benefit payments	(40,514)	(36,318)	(38,738)	(36,279)	(33,718)	(30,482)	(28,636)	(30,553)
Net changes	181,631	12,855	(416,158)	79,796	236,953	197,740	(100,298)	123,791
End of year	$ 1,276,279	$ 1,094,648	$ 1,081,793	$ 1,497,951	$ 1,418,155	$ 1,181,202	$ 983,462	$ 1,083,760
Covered payroll	$ 145,615	$ 124,898	$ 139,655	$ 127,500	$ 128,800	$ 138,700	$ 140,500	$ 146,100
OPEB liability as a percentage of covered payroll	876%	876%	775%	1175%	1101%	852%	700%	742%
Summary of Changes of Assumptions:								
Discount rate	4.08%	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Salary increases	2.50%	2.50%	2.50%	2.20%	2.20%	2.20%	2.20%	2.50%
Healthcare cost trend rates:								
2025:	2024 Society of Actuaries Getzen Long-Term Health Care Cost Trend Model							
2024, 2023:	2022 Society of Actuaries Getzen Long-Term Health Care Cost Trend Model							
2022, 2021:	2021 Society of Actuaries Long Term Medical Trend Model							
2020, 2019:	2018 Society of Actuaries Long Term Medical Trend Model							
2018:	2014 Society of Actuaries Long Term Medical Trend Model							
Mortality rates:								
2025:	2024 New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations							
2024, 2023:	2022 New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations							
2022, 2021:	2020 New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations							
2020, 2019:	2019 New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations							
2018:	2012 New York State Development of Recommended Actuarial Assumptions for Other Post-Employment Benefit Plan Actuarial Valuations							

Schedule is intended to display 10 years of information. Additional years will be displayed as they become available.

See Independent Auditor's Report

New York State Thruway Authority

(A Component Unit of the State of New York)

Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability/Asset
(in thousands of dollars)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.426844%	0.391383%	0.413306%	0.452157%	0.469449%	0.497338%	0.525726%	0.483932%	0.492207%	0.617656%
Proportionate share of the net pension liability (asset)	$ 73,186	$ 57,628	$ 88,630	$ (36,962)	$ 467	$ 131,698	$ 37,249	$ 15,619	$ 46,249	$ 99,135
Covered-employee payroll	$ 158,909	$ 144,793	$ 130,405	$ 128,050	$ 142,482	$ 149,775	$ 155,806	$ 148,206	$ 141,550	$ 164,506
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	46.06%	39.80%	67.97%	(28.87)%	0.33%	87.93%	23.91%	10.54%	32.67%	60.26%
Plan fiduciary net position as a percentage of total pension liability	93.1%	93.9%	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%
Summary of Changes of Assumptions:										
Inflation	2.9%	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.3%	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%
Cost of living adjustments	1.5%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Society of Actuaries mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014

The amounts presented for each fiscal year were determined as of March 31. Years prior to 2017 include the New York State Canal Corporation.

See Independent Auditor's Report

New York State Thruway Authority

(A Component Unit of the State of New York)

Required Supplementary Information
Schedule of Pension Contributions
Years Ended December 31
(in thousands of dollars)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 24,531	$ 21,698	$ 16,490	$ 14,915	$ 22,855	$ 21,249	$ 21,547	$ 22,454	$ 21,026	$ 24,795
Contributions in relation to the contractually required contribution	$ 24,531	$ 21,698	$ 16,490	$ 14,915	$ 22,855	$ 21,249	$ 21,547	$ 22,454	$ 21,026	$ 24,795
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 161,148	$ 158,163	$ 140,336	$ 127,094	$ 128,368	$ 147,187	$ 150,638	$ 157,528	$ 145,099	$ 163,041
Contributions as a percentage of covered-employee payroll	15.2%	13.7%	11.8%	11.7%	17.8%	14.4%	14.0%	14.0%	14.0%	15.2%

Years prior to 2017 include the New York State Canal Corporation.

See Independent Auditor's Report

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

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SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

The following is a general summary of certain provisions of the Bond Resolution*. This summary is not to be considered a full statement of the terms of the Bond Resolution and, accordingly, is qualified by reference thereto and is subject to the full text thereof. Copies of the Bond Resolution are available at the office of the Authority.

Definitions

The following are definitions in summary form of certain terms contained in the Bond Resolution and used in this Official Statement:

"Accrued Debt Service" means, as of any date of calculation, the amount of Debt Service that has accrued with respect to any Series of Bonds, calculating the Debt Service that has accrued with respect to each Series of Bonds as an amount equal to the sum of (1) the interest on the Bonds of such Series that has accrued and is unpaid and that will have accrued by the end of the then current calendar month, including, to the extent not otherwise provided in a Supplemental Resolution, all net amounts due and payable by the Authority and all net amounts to accrue to the end of the then current calendar month pursuant to a Qualified Swap, Qualified Reverse Swap or Parity Reimbursement Obligation; and (2) that portion of the Principal Installments for such Series next due which would be accrued (if deemed to accrue in the manner set forth in the definition of "Debt Service") to the end of such calendar month; provided that the definition of Accrued Debt Service for any Series of Variable Interest Rate Bonds shall be set forth in the applicable Supplemental Resolution.

"Act" means the New York State Thruway Authority Act, Title 9 of Article 2 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as it may be amended from time to time.

"Additional Bonds" means additional Series of Bonds authenticated and delivered on original issuance pursuant to the Bond Resolution.

"Additional Project" shall mean any Other Authority Project designated as an Additional Project by the Authority and in respect of which there has been submitted to the Trustee the documents required by the Bond Resolution and any New Interchange or New Extension; and once designated as an Additional Project, any subsequent Facility Capital Improvements related thereto. See "Additional Projects" hereinafter.

"Additional Project Revenues" means Revenues derived from Additional Projects. "Additional Project Revenues" shall not include the proceeds of any gifts, grants or other income to the Authority from the government of the United States or the State, any public instrumentality of the State or any other individual or entity, to the extent the Authority is precluded by law, the grant or other operative contract or instrument from applying such amounts to the general corporate purposes of the Authority.

"Aggregate Debt Service" means, for any period and as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds then Outstanding, as such calculation shall be modified to take into account Assumed Balloon Maturity Debt Services and Estimated Aggregate Debt Service on Variable Interest Rate Bonds.

"Assumed Balloon Maturity Debt Service" means if all or any portion of an Outstanding Series of Bonds constitute Balloon Maturities, then, for purposes of determining debt service, each maturity that

* Omitted from this summary is mention of most of the provisions of the Bond Resolution respecting the Authority's "Guaranteed Bonds" (the last maturity of which was paid in 1995), "Prior General Revenue Bonds" (the outstanding balance of which was refunded in 1992 by the first issue of Bonds under the Bond Resolution) and the Restaurant Concession Bonds (the final maturity of which was January 1, 2006 and which are no longer Outstanding).

constitutes a Balloon Maturity shall, unless otherwise provided in a Supplemental Resolution or a related Certificate of Determination, be treated as if it were to be amortized over a term of not more than 30 ears from the date of issuance and with substantially level annual debt service funding payments commencing not later than the year following the maturity of the Balloon Maturity. The interest rate used for such computation shall be based on the actual interest rate or the Estimated Average Interest Rate of the Balloon Maturity.

"Authority Engineer's Certificate" means, in the sole discretion of the Authority, (i) an Independent Consultant's Certificate (delivered by an Independent Consultant that is a licensed professional engineer) or (ii) a certificate or an opinion signed by a licensed professional engineer employed by the Authority, having knowledge and expertise with respect to the subject matter of such certificate or opinion, and selected by the Authority to deliver such certificate or opinion.

"Authorized Newspaper" means The Bond Buyer or any newspaper customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language and of general circulation in the Borough of Manhattan, City and State of New York, designated by the Authority.

"Authorized Officer" means any member of the Authority Board, its Treasurer, any Assistant Treasurer, its Secretary, any Assistant Secretary, its Executive Director, its Director of Thruway Finance and any other person authorized by a resolution or the by-laws of the Authority to perform the act or execute the document in question.

"Balloon Maturities" means, with respect to any Series of Bonds so designated by the Authority in a Certificate of Determination as Balloon Indebtedness, 50% or more of the principal which matures on the same date or within a 12-month period which is no more than 10 years from its date of issuance, that portion (and only that portion) of such Series of Bonds that matures on such date or within such 12-month period. For purposes of determining whether all or any portion of any Series of Bonds constitutes Balloon Maturities, the principal amount maturing on any date shall be reduced by the amount of such Bonds scheduled to be amortized by prepayment or redemption prior to their stated maturity date. Bond Anticipation Notes shall not constitute Balloon Maturities.

"Bond" or "Bonds" means any bond or bonds payable from amounts in the Senior Debt Service Fund or, to the extent provided in a Supplemental Resolution, any other indebtedness of the Authority payable from amounts in the Senior Debt Service Fund, which indebtedness may include, but is not limited to, any additional payment obligations in connection with a Qualified Swap, a Qualified Reverse Swap, a Parity Reimbursement Obligation or a capital lease undertaken in connection with the issuance of certificates of participation; provided, however, that such terms shall not include any Bond Anticipation Notes, Junior Indebtedness or Subordinated Indebtedness.

"Bondholder", "Holder" or "Holder of Bonds", or any similar term, means (1) any person who shall be the registered owner of any Outstanding Bond or Bonds; and (2) solely with respect to Deemed Consents under the Bond Resolution, and with respect to Bonds issued after the date of the Bond Resolution, the initial purchaser of such Bonds (prior to their registration in the book-entry form), even if such purchase is for the sole purpose of resale.

"Business Day" means a day of the year which is not a Saturday, Sunday or legal holiday in the State and not a day on which the Authority, State offices, the Trustee, Paying Agent or provider of a Credit Facility or Reserve Credit Facility are authorized or obligated to close.

"Certificate of Determination" means a certificate of an Authorized Officer of the Authority fixing terms, conditions and other details of Bonds in accordance with the delegation of power to do so under a Supplemental Resolution.

"Code" means the Internal Revenue Code of 1986, as amended or any successor statute duly adopted by the United States Congress. Each reference to a section of the Code shall be deemed to include the Regulations, including temporary and proposed Regulations, relating to such section which are applicable to the Bond Resolution, including the Bonds or the use of Bond proceeds.

"Cost or Costs of Issuance" means the items of expense incurred in connection with the authorization, sale and issuance of a Series of Bonds or Bond Anticipation Notes, which items of expense may include, but are not limited to, Authority expenses, State bond issuance charges, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee, legal fees and charges, professional consultants' fees, underwriting fees, fees and charges for execution, transportation and safekeeping of Bonds, premiums, fees and charges for Credit Facilities, Reserve Credit Facilities, Qualified Swaps, Qualified Reverse Swaps and other similar financial arrangements, costs and expenses of refunding such Bonds and other costs, charges and fees, including those of the Authority, in connection with the foregoing.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the practice of law relating to municipal, state and public agency financing selected by the Authority.

"Credit Facility" means any letter of credit, line of credit, policy of bond insurance, surety bond, guarantee or similar instrument which is issued by a financial, insurance or other institution and which provides security or liquidity in respect of the Bonds of any Series (and with respect to a policy of bond insurance, guarantees the payment of principal of and interest on the Bonds), not including any Reserve Credit Facility.

"Date of Completion" means (i) in the case of the construction of any vehicular bridge or road, the date on which such bridge or road is opened to vehicular traffic (as evidenced by an Authority Engineer's Certificate), and (ii) in any other case, the date on which the acquisition, construction, improvement, reconstruction or rehabilitation of a Facility is completed (as evidenced by an Authority Engineer's Certificate).

"Debt Service" for any period means, as of any date of calculation and with respect to any Series, an amount equal to the sum of (i) interest accruing during such period on the Bonds of such Series, including, to the extent not otherwise provided in a Supplemental Resolution, all net amounts due and payable by the Authority and all net amounts to accrue to the end of such period pursuant to a Qualified Swap, Qualified Reverse Swap or Parity Reimbursement Obligation, and (ii) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment payment date for such Series (or, if there shall be no such preceding Principal Installment payment date, from a date one year prior to the due date of the first Principal Installment of the Bonds of such Series); provided, however, that in calculating Aggregate Debt Service for purposes of the calculation of "Net Revenue Requirement" in connection with the test for the issuance of Additional Bonds and Refunding Bonds, the rate covenant and the test for an Other Authority Project to become an Authority Project, (a) Debt Service on Outstanding Bonds for which the Authority has entered into a Qualified Swap shall be calculated assuming that the interest rate on such Bonds shall equal the stated fixed rate on the Qualified Swap, and (b) a Balloon Maturity shall be calculated on the basis of Assumed Balloon Maturity Debt Service. Such interest and Principal Installments shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof, provided, however, that there shall be excluded from "Debt Service" (1) interest on Bonds to the extent that Escrowed Interest is available to pay such interest, (2) Principal Installments on Bonds to the extent that Escrowed Principal is available to pay such Principal Installments, and (3) interest funded from Bond proceeds to the extent that such amounts are held by the Trustee in the Senior Debt Service Fund for such purpose. See "Additional Bonds", "Tolls, Fees and Charges" and "Additional Projects".

"Defeased Municipal Obligations" means pre-refunded municipal obligations rated the highest Rating Category of a Rating Agency and meeting the following requirements:

(a) the municipal obligations are (i) not subject to redemption prior to maturity or (ii) the Authority, the Trustee or the Paying Agent has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions; and

(b) the municipal obligations are fully secured by cash or Government Obligations which may be applied only to payment of the principal of and interest and premium, if any, on such municipal obligations.

"Deemed Consent" means for purposes of the Bond Resolution, consents obtained by the Authority to the provisions of any previously adopted Supplemental Resolution in connection with the sale of any Bonds of a Series sold after the adoption of such Supplemental Resolution, where the official statement or other disclosure document used by the Authority in connection with the offering and sale of such Bonds of a Series clearly conditions the purchase of such Bonds of a Series by the Holders thereof on the pre-consenting of such Holders to the provisions of such Supplemental Resolution.

"Estimated Aggregate Debt Service" means, for any period and as of any particular date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series of Bonds then Outstanding; provided, however, that in computing such Estimated Aggregate Debt Service, any particular Variable Interest Rate Bonds shall be deemed to bear at all times, to the maturity date thereof, the Estimated Average Interest Rate applicable thereto.

"Estimated Average Interest Rate" means as to any Variable Interest Rate Bonds the interest rate that would have been borne by such Bonds if such Bonds had been sold as fixed interest rate Bonds of the Authority (i) without the benefit of any credit enhancement and (ii) with the same final maturity or maturities (without giving effect to puts or tenders) as the Variable Interest Rate Bonds actually sold, as estimated by the Authority on the date of sale of such Bonds.

"Facilities" means the Original Project and any Additional Project (but not including an Other Authority Project that does not constitute an Additional Project).

"Facility Capital Improvements" means, as applicable to the Original Project or any Additional Project, as may be determined by the Authority Board to be necessary or appropriate, any construction, reconstruction, rehabilitation, widening (including construction of any parallel spans or thoroughfares to any existing Facility bridge or tunnel) or relocation thereof, any extraordinary repairs, modifications or improvements thereto or with respect to any portion thereof, or any incidental expansion thereof or incidental extension thereto, or with respect to any portion thereof, including:

(i) incidental connecting tunnels, bridges, overpasses and underpasses, as well as existing interchanges, new interchanges determined by the Authority Board to be necessary or appropriate for the proper operation of the applicable Facility in order to relieve congestion, to promote the efficient operation thereof, or to enhance the safe operation thereof; and

(ii) administration, storage and other buildings, toll facilities and equipment, entrance plazas, service areas and stations, barriers, machinery, equipment and other facilities relating to the construction, reconstruction, operation or maintenance of any Facility, acquisition of rights-of-way or other interests in real property necessary or appropriate for any of the activities described above in this definition.

"Fitch" shall mean Fitch Ratings and its successors and assigns, and an entity that has been designated by the U.S. Securities and Exchange Commission as a "nationally recognized statistical rating organization."

"Fund" means any one of the funds created and established pursuant to the Bond Resolution.

"Government Obligations" means (a) direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America and entitled to the full faith and credit thereof; (b) certificates, depositary receipts or other instruments which evidence a direct ownership interest in obligations described in clause (a) above or in any specific interest or principal payments due in respect thereof; provided, however, that the custodian of such obligations or specific interest or principal payments shall be a bank or trust company organized under the laws of the United States of America or of any state or territory thereof or of the District of Columbia, with a combined capital stock, surplus and undivided profits of at least $50,000,000 or the custodian is appointed by or on behalf of the United States of America; and provided, further, that except as may be otherwise required by law, such custodian shall be obligated to pay to the holders of such certificates, depositary receipts or other instruments the full amount received by such custodian in respect of such obligations or specific payments and shall not be permitted to make any deduction therefrom; and (c) Defeased Municipal Obligations.

"Independent Consultant" means an independent licensed professional engineer or firm of independent licensed professional engineers of recognized national standing (who may be an engineer or firm of engineers retained by the Authority for other purposes) selected by the Authority; provided, however, that in connection with an Additional Project, the Authority may, in a Supplemental Resolution, if it determines that the field of engineering is not the most appropriate professional discipline (in terms of knowledge and expertise in connection with such Additional Project) to deliver any Independent Consultant's Certificates required by the terms of the Bond Resolution, select members of another professional discipline, including but not limited to accounting, as appropriate, as an Independent Consultant in connection with such Additional Project; provided, further, that any members of such discipline thereafter selected by the Authority shall be independent and shall be of recognized national standing in such discipline.

"Independent Consultant's Certificate" means a certificate or an opinion signed and delivered by an Independent Consultant pursuant to the terms of the Bond Resolution.

"Interest Payment Date" means, with respect to a Series of Bonds, each date on which interest, if any, is payable pursuant to the Supplemental Resolution authorizing such Bonds.

"Investment Obligations" means, to the extent the same are at the time legal for investment of funds of the Authority under the Act or under other applicable law:

(a) (i) Government Obligations and (ii) bonds, debentures, notes or other obligations issued or guaranteed by any of the following: Federal National Mortgage Association, the Federal Financing Bank, the Federal Home Loan Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the Government National Mortgage Association, or any other agency controlled by or supervised by and acting as an instrumentality of the United States government,

(b) certificates of deposit issued by, and time deposits in, and bankers' acceptances of, any bank (including any Paying Agent or Trustee), any branch of any bank, national banking association or federally chartered savings and loan association; provided that, with respect to any of the foregoing institutions, whose long-term unsecured indebtedness is rated less than the "A" Rating Category by a Rating Agency, such certificates of deposit or time deposits are (i) insured by the Federal Deposit Insurance Corporation for the full face amount thereof or (ii) to the extent not so insured, collateralized by direct obligations of the United States of America having a market value of not less than the face amount of such certificates and deposits,

(c) evidences of ownership of a proportionate interest in specified direct obligations of the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian, or when "stripped" by the United States Treasury, then by the custodian designated by the United States Treasury,

(d) obligations of state or local government municipal bond issuers which are rated in one of the two highest Rating Categories by a Rating Agency,

(e) obligations of state or local government municipal bond issuers, the principal of and interest on which, when due and payable, have been insured by an insurance policy or guaranteed by a letter of credit and which are rated in one of the two highest Rating Categories by a Rating Agency,

(f) interests in a money market mutual fund registered under the Investment Company Act of 1940, 15 U.S.C. §§ 80-1, et seq., as from time to time amended, the portfolio of which is limited to obligations described in clause (a), (d), or (e) above and repurchase agreements fully collateralized thereby, provided that, such fund has total assets of at least $100,000,000 and is rated in the highest Rating Category by a Rating Agency,

(g) evidences of ownership of a proportionate interest in specified Defeased Municipal Obligations which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian,

(h) any repurchase agreement for Government Obligations by the Authority or any Trustee that is with a bank, trust company (including any Trustee) or securities dealer which is a member of the Securities Investors Protective Corporation, each of which is a primary reporting dealer in government securities as determined by the Federal Reserve Bank, or if "primary reporting dealers" cease to be determined by the Federal Reserve Bank, such other comparable standard as the Authority shall implement pursuant to a Supplemental Resolution; provided, however, that the Government Obligations must be transferred to the Authority or any Trustee or a third party agent by physical delivery or by an entry made on the records of the issuer or registrar of such obligations, and the collateral security must continually have a market value at least equal to the amount so invested and the collateral must be free of third party claims. Any investment in a repurchase agreement shall be considered to mature on the date the bank, trust company or recognized securities dealer providing the repurchase agreement is obligated to repurchase the Government Obligations,

(i) commercial paper rated in the highest Rating Category by a Rating Agency, and

(j) any other obligations from time to time permitted pursuant to the Act or other applicable law, provided, however, that if the funds invested in any such obligation are pledged for the payment of Bonds hereunder and the Bonds are then rated by a Rating Agency, such obligation shall be rated in one of the two highest Rating Categories of a Rating Agency or, if such obligation is not then rated by a Rating Agency, an obligation of comparable credit quality of the same issuer is rated in one of the two highest Rating Categories of such Rating Agency.

Any investment in obligations described in above may be made in the form of a book entry made on the records of the issuer of the particular obligation.

"Junior Indebtedness" means any evidence of indebtedness of the Authority payable out of the Junior Indebtedness Fund.

"KBRA" shall mean Kroll Bond Rating Agency and its successors and assigns, and an entity that has been designated by the U.S. Securities and Exchange Commission as a "nationally recognized statistical rating organization."

"Maximum Annual Debt Service" means, as of any date of calculation, an amount equal to the greatest amount of Aggregate Debt Service for the current or any future 12-month period. For purposes of this definition, interest with respect to any Variable Interest Rate Bonds shall be calculated using the Maximum Interest Rate with respect to such Bonds.

"Maximum Interest Rate" means, with respect to any particular Variable Interest Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution authorizing such Bonds, that shall be the maximum rate of interest such Bonds may at any time bear; provided, however, that (a) should the Authority obtain insurance or other coverage which provides that any increase in the variable interest rate on any Variable Interest Rate Bonds above a threshold rate will be reimbursed or paid by the insurer or provider of such other coverage, such threshold rate will be deemed to be the Maximum Interest Rate and (b) with respect to fixed interest rate Bonds deemed to be Variable Interest Rate Bonds because of a Qualified Reverse Swap entered in connection therewith, the Maximum Interest Rate shall be (i) the fixed interest rate of such Bonds for so long as the aggregate Outstanding principal amount of all such fixed interest rate Bonds deemed to be Variable Interest Rate Bonds is less than or equal to 5% of the aggregate principal amount of all Bonds Outstanding, and (ii) otherwise shall be the maximum interest rate of such Qualified Reverse Swap. With respect to the immediately preceding clause (a), the insurer or provider of such other coverage providing such insurance policy or other coverage shall be an insurer or bank whose insurance policies or other coverage are rated in the highest Rating Category by a Rating Agency.

"Moody's" means Moody's Ratings, a division of Moody's Corporation, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and an entity that has been designated by the U.S. Securities and Exchange Commission as a "nationally recognized statistical rating organization.".

"Net Revenue Requirement" means, with respect to any period of time, an amount equal to the greater of (i) the sum of (A) Aggregate Debt Service, (B) amounts required to make deposits to the Senior Debt Service Reserve Fund, if any, (C) amounts required to make Reserve Maintenance Payments, and (D) amounts required to be deposited in the Junior Indebtedness Fund pursuant to the Supplemental Resolution or other Bond Resolution or agreement authorizing outstanding Junior Indebtedness or (ii) 1.20 times the sum of the Aggregate Debt Service for such period; provided, however, that "Aggregate Debt Service" for purposes of calculating the Net Revenue Requirement may be reduced by an amount equal to investment income on the Senior Debt Service Fund and on the Senior Debt Service Reserve Fund to the extent such investment income is required to be retained in or transferred to the Senior Debt Service Fund, as appropriate, pursuant to a Supplemental Resolution, such amount to be calculated at the rate per annum equal to the lesser of (A) the then current yield on five year obligations of the United States Treasury and (B) the actual income to be earned as estimated by an Authorized Officer.

"Net Revenues" for any period means the amount of the excess of the Revenues over the Operating Expenses during such period; provided, however, that in calculating such amount there shall be excluded from "Revenues" any amounts that (i) are subject to appropriation by the Congress of the United States, the Legislature of the State or any other legislative body of a governmental entity or (ii) are not reasonably expected by the Authority to recur annually in predictable amounts until the scheduled retirement at maturity or pursuant to Sinking Fund Installments of all Bonds Outstanding or then proposed to be Outstanding.

"New Extension" means an additional tolled roadway or an extension to or expansion of any Facility constituting a tolled roadway (including in either case tunnels and bridges), in each case which fully satisfies the requirements of the Bond Resolution and upon such satisfaction is designated by the Authority as an Additional Project; provided that such Additional Project shall be (i) within the jurisdiction and control of the Authority and (ii) undertaken for transportation or transportation-related purposes (including related necessary or appropriate economic development activities). See "Proposed New Interchanges and New Extensions".

"New Interchange" means an interchange on any Facility constituting a tolled roadway which fully satisfies the requirements of the Bond Resolution and upon such satisfaction is designated by the Authority as an Additional Project; provided that, such Additional Project shall be (i) within the jurisdiction and control of the Authority and (ii) undertaken for transportation or transportation-related purposes (including related necessary or appropriate economic development activities). See "Proposed New Interchanges and New Extensions".

"Operating Expenses" means the expenses incurred for operation, maintenance and repair, ordinary replacement and ordinary reconstruction of any Facility or any part thereof and shall include, without limiting the generality of the foregoing, administrative expenses, premiums and reserves for insurance and self-insurance, fees or premiums for a Credit Facility, Reserve Credit Facility, Qualified Swap or Qualified Reverse Swap, legal and engineering expenses, payments into pension, retirement, health and hospitalization funds, and any other expenses associated with the rehabilitation and reconstruction of a municipal highway, under which passes any portion of the Original Project, and required to be paid by the Authority by Subdivision 4 of Section 359 of the Act, as in effect on August 25, 1992, all to the extent properly and directly attributable to the operation of the Original Project, and rental payments in connection with operating leases entered in the ordinary course of business, all to the extent properly and directly attributable to any Facility, and the expenses and compensation of the Fiduciaries required to be paid under the Bond Resolution; but does not include (i) any costs or expenses for new construction or for major reconstruction or (ii) any provision for interest, depreciation, amortization or similar charges.

"Original Project" means all New York State Thruway sections and connections constituting roads or bridges, authorized by the Act as in effect on, and open to traffic on the original date of adoption of the Bond Resolution, except the portion of I-84 in the State, together with any Facility Capital Improvements related thereto.

"Other Authority Project" means one or more facilities and other real and personal property, or any interest therein, which the Authority may now or hereafter be authorized to acquire, design, construct, maintain, operate, finance, improve, reconstruct, rehabilitate or otherwise undertake for transportation or transportation-related purposes (including related necessary or appropriate economic development activities). Each Other Authority Project shall be within the jurisdiction and control of the Authority and shall be designated as an Other Authority Project by a Supplemental Resolution adopted pursuant to the Bond Resolution, and if not so designated shall not become an Other Authority Project. Notwithstanding the foregoing, the following projects, to the extent authorized by law, shall in any event be deemed Other Authority Projects regardless of whether the Authority has jurisdiction and control of such projects and whether designated by a Supplemental Resolution: (1) the Inner Harbor project and the Intermodal Transportation Center in Syracuse; (2) the Horizons Waterfront project in Buffalo; (3) the Stewart International Airport Access project in Orange County and intended to provide direct access to Stewart International Airport from Interstate Route 84 in the vicinity of the airport; (4) the New York State Canal system; (5) the Thruway Exit 26 project in Schenectady County; and (6) The Governor Mario M. Cuomo Bridge Ferry Service project between Rockland County and Manhattan.

"Other Authority Project Cost" shall have the meaning set forth for such term in the definition of "Project Cost".

"Outstanding" when used with reference to Bonds, means, as of any date, all Bonds theretofore or thereupon being authenticated and delivered under the Bond Resolution except:

(i) Any Bond cancelled or delivered for cancellation at or prior to such date;

(ii) Any Bond (or portion of a Bond) deemed to have been paid in accordance with the Bond Resolution; or

(iii) Any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Bond Resolution.

provided, however, that, unless required pursuant to a Supplemental Resolution, a Qualified Swap, Qualified Reverse Swap or Parity Reimbursement Obligation shall not, by itself, increase the Outstanding principal amount of Bonds.

"Principal" or "principal" means (1) with respect to any capital appreciation bond, the accreted amount thereof (the difference between the stated amount to be paid at maturity and the accreted amount

being deemed unearned interest), provided, however, when used in connection with (a) the authorization and issuance of Bonds and (b) the order of priority of payments of Bonds after an Event of Default, "Principal" or "principal" means the original principal amount of a capital appreciation bond (the difference between the accreted amount and the original principal amount being deemed interest), and provided further, however, that when used in connection with determining whether the Bondholders of the requisite principal amount of Outstanding Bonds have given any required consent, notice, waiver, request, demand, authorization, direction or notice, "Principal" or "principal" means the accreted amount, (2) with respect to any capital appreciation and current interest bond, the appreciated value thereof, and (3) with respect to any current interest bond, the principal amount of such bond payable at maturity.

"Principal Installment" means, as of any date of calculation and with respect to any Series, (a) the Principal amount of Outstanding Bonds of such Series, due on the dates and in the amounts, in each case as specified in the Supplemental Resolution authorizing such Series, reduced by the Principal amount of such Bonds which would be retired by reason of the payment when due and application in accordance with the Bond Resolution of Sinking Fund Installments payable before such future date, plus the unsatisfied balance of any Sinking Fund Installment due on such certain future date, together with the aggregate amount of the premiums, if any, applicable on such future date upon the redemption of such Bonds by application of such Sinking Fund Installments in a principal amount equal to such unsatisfied balance, and (b) with respect to any amounts due under any Parity Reimbursement Obligation, the Principal amount of such amounts due under any Parity Reimbursement Obligation.

"Project Cost" with respect to any Facility, shall mean (i) the costs incurred or to be incurred by the Authority in connection with or incidental to the acquisition, design, construction, improvement, reconstruction or rehabilitation of such Facility, including legal, administrative, engineering, planning, design, studies, insurance costs and financing costs of such Facility (except to the extent such costs are funded from the proceeds of any indebtedness of the Authority, the payment of which is included as a Project Cost under clause (iii) below), (ii) amounts, if any, required by the Bond Resolution to be paid into any Fund or account upon the issuance of any Series, (iii) payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on Bond Anticipation Notes, (iv) costs of equipment and supplies and initial working capital and reserves required by the Authority for the commencement of operation of such Facility, (v) costs of acquisition by the Authority of real or personal property or any interest therein, including land required for relocation and relocation costs and land required for environmental mitigation, (vi) any other costs properly attributable to the acquisition, design, construction, improvement, reconstruction or rehabilitation of such Facility, including costs of any Facility Capital Improvements, and (vii) interest on Bonds during the estimated period of construction and for a reasonable period thereafter. As distinguished from Project Costs, any such costs incurred in connection with an Other Authority Project that has not been designated an Additional Project are referred to as "Other Authority Project Costs".

"Qualified Reverse Swap" means, to the extent from time to time permitted by law, with respect to Bonds, any financial arrangement (i) that is entered into by the Authority in connection with Bonds bearing interest at a fixed rate of interest in the expectation of lowering the Authority's costs of incurring such indebtedness, (ii) that is entered into by the Authority for a term of more than five years, (iii) the net effect of which, together with the interest rate borne by such Bonds, is a variable rate of interest to the Authority during the term of such arrangement, and (iv) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Reverse Swap with respect to such Bonds.

"Qualified Swap" means, to the extent from time to time permitted pursuant to law, with respect to Bonds, any financial arrangement (i) that is entered into by the Authority with an entity that is a Qualified Swap Provider at the time the arrangement is entered into; (ii) which provides that the Authority shall pay to such entity an amount based on the interest accruing at a fixed rate on an amount equal either to the principal amount of such Bonds of such Series or a notional principal amount relating to such Series, and that such entity shall pay to the Authority an amount based on the interest accruing on such actual or notional principal amount at a variable rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by such Bonds) or that one

shall pay to the other any net amount due under such arrangement or such other similar arrangement, the net effect of such arrangement and the interest rate borne by such Bonds is at all times a fixed interest rate to the Authority; (iii) which provides for a commencement date and a termination date identical to the term or remaining term of such Bonds, taking into account any conversion of Bonds from a variable interest rate to a fixed interest rate as a termination date; and (iv) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Swap with respect to such Bonds.

"Qualified Swap Provider" means, with respect to a Series of Bonds, an entity whose senior long term obligations, other senior long term obligations or claims paying ability or whose payment obligations under a Qualified Swap are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations or claims paying ability are rated either (i) at least as high as the "A" Rating Category of a Rating Agency, for so long as such Rating Agency is then maintaining a rating on the Bonds Outstanding, but in no event lower than any Rating Category designated by each such Rating Agency for the Bonds Outstanding subject to such Qualified Swap, or (ii) any such lower Rating Categories which a Rating Agency then maintaining a rating on the Bonds Outstanding indicates in writing to the Authority and the Trustee will not, by itself, result in a reduction or withdrawal of its rating on the Bonds Outstanding subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap.

"Rating Agency" shall mean Fitch, KBRA, Moody's or S&P and such other designated "nationally recognized statistical rating organization" as shall have awarded a rating to the Bonds at the request of the Agency.

"Rating Categories" means one of the generic rating categories of a Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier.

"Rebate Amount" means, with respect to each Series of Bonds, the amount equal to the rebatable arbitrage and any income attributable to the rebatable arbitrage as required by the Code.

"Rebate Fund" means the Fund designated as the Rebate Fund established in the Bond Resolution.

"Record Date" means with respect to any Interest Payment Date, unless the applicable Supplemental Resolution authorizing a particular Series of Bonds or a Certificate of Determination relating thereto provides otherwise with respect to Bonds of such Series, the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date.

"Redemption Date" means the date upon which Bonds are to be called for redemption pursuant to the Bond Resolution.

"Redemption Price" means, with respect to any Bonds, the Principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof.

"Refunding Bonds" means all Bonds, whether issued in one or more Series of Bonds, authenticated and delivered pursuant to the Bond Resolution, on original issuance to refund Bonds or Junior Indebtedness or any Subordinated Indebtedness that was issued to finance or refinance Project Costs or Other Authority Project Costs, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Bond Resolution.

"Regulations" means the Income Tax Regulations promulgated by the Department of the Treasury from time to time.

"Reserve Credit Facility" means (a) any irrevocable, unconditional letter of credit issued by a bank or savings and loan association whose long-term uncollateralized debt obligations are rated at the time such letter of credit is issued in one of the two highest Rating Categories by any Rating Agency then rating any Series of Bonds, or if no Series of Bonds is then rated, by any Rating Agency, and (b) any insurance policy providing substantially equivalent liquidity as an irrevocable, unconditional letter of credit, and which is

issued by a municipal bond or other insurance company, obligations insured by which are rated at the time such insurance policy is issued in one of the two highest Rating Categories by any Rating Agency then rating any Series of Bonds, or if no Series of Bonds is then rated, by any Rating Agency, and which is used, to the extent permitted under applicable law, including the Act, to fund all or a portion of the Senior Debt Service Reserve Fund Requirement.[1] Notwithstanding the foregoing, "Reserve Credit Facility" means, solely with respect to a Reserve Credit Facility deposited to the credit of any Senior Series DSRF with respect to a Series of Bonds, which Series of Bonds is to be separately secured by such related Senior Series DSRF rather than the Senior Debt Service Reserve Fund, (a) any irrevocable, unconditional letter of credit issued by a bank or savings and loan association and (b) any insurance policy providing substantially, equivalent liquidity as an irrevocable, unconditional letter of credit, and which is issued by a municipal bond or other insurance company; in each case as determined and authorized by a Supplemental Resolution or Certificate of Determination for such Series of Bonds.

"Reserve Maintenance Payments" means an amount described as such for a particular Authority fiscal year in the Authority Budget, which for each fiscal year of the Authority shall be an amount no less than the greater of (i) $30,000,000 or (ii) the amount specified in an Independent Consultant's Certificate for such Authority fiscal year (the amount so specified in each Authority Budget being the "Minimum Amount"); provided further, that Reserve Maintenance Payments may not exceed an amount or amounts from time to time established by the Authority pursuant to a Supplemental Resolution (the "Maximum Amount"); provided further that any such Maximum Amount shall not be less than the Minimum Amount. For purposes of the tests set forth in the Bond Resolution for an Other Authority Project or for a New Interchange or a New Extension to become an Authority Project, for any period beyond the term of an Authority Budget, "Reserve Maintenance Payments" shall be based upon estimates provided in an Independent Consultant's Certificate. See "Additional Projects" and "Proposed New Interchanges and New Extensions".

"Revenues" means (i) all tolls, revenues, fees, charges, rent and other income and receipts derived from the operation, jurisdiction and control of the Facilities, (ii) the proceeds of any use and occupancy insurance relating to the Facilities and of any other insurance which insures against loss of Revenues, and (iii) investment income received on any moneys or securities held under the Bond Resolution other than investment income on amounts held in the Rebate Fund, Junior Indebtedness Fund or any other Fund to the extent the investment income from such Fund or any account thereof is not transferred to the Revenue Fund pursuant to the Bond Resolution. "Revenues" shall not include the proceeds of any gifts, grants or other income to the Authority from the government of the United States or the State, any public instrumentality of the State or any other individual or entity, to the extent the Authority is precluded by law, the grant or other operative contract or instrument from applying such amounts to Operating Expenses and Debt Service.

"S&P" means S&P Global Ratings, a division of S&P Global, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and an entity that has been designated by the U.S. Securities and Exchange Commission as a "nationally recognized statistical rating organization".

"Senior Debt Service Reserve Fund Requirement" means, as of any date of calculation, an amount equal to the maximum amount of Aggregate Debt Service for any 12-month period (exclusive of accrued interest, if any) on all Outstanding Bonds secured by the Senior Debt Service Reserve Fund but excluding all Series of Bonds, if any, that the Authority has determined, in accordance with the Bond Resolution, to not be secured by the Senior Debt Service Reserve Fund; provided that (i) with respect to Variable Interest Rate Bonds, interest on such Bonds shall be calculated at the Estimated Average Interest Rate until conversion to a fixed rate of interest at which time such requirement shall be recalculated in accordance with actual Debt Service thereafter due and payable for any ensuing 12-month period with respect to such

[1] For so long as Series L-Q Bonds are outstanding, a qualifying Reserve Credit Facility that is deposited to the credit of the Senior Debt Service Reserve Fund must be rated at the time it is issued in one of the two highest Rating Categories by each Rating Agency then rating any Series L-Q Bonds.

Bonds and (ii) for the purposes of determining the amount required to be on deposit and thereafter maintained in the Senior Debt Service Reserve Fund with respect to any Series of Bonds the interest on which is excludable from gross income for federal income tax purposes, to the extent required to maintain the federal tax status of interest on such Bonds, the Senior Debt Service Reserve Fund Requirement shall at no time exceed the sum of the Senior Debt Service Reserve Fund Requirement immediately prior to the issuance of such Series and an amount equal to ten per centum (10%) of the proceeds (as such term is used in Section 148(d) of the Code) from the sale of such Series.

"Senior Series DSRF" means the separate debt service reserve fund designated as a Senior Series DSRF established in accordance with the Bond Resolution and a Supplemental Resolution authorizing the issuance of a Series of Bonds or a related Certificate of Determination.

"Senior Series DSRF Requirement" means, as of an date of calculation, an amount set forth in the Supplemental Resolution or Certificate of Determination for a Series of Bonds, which Series of Bonds is to be separately secured by the related Senior Series DSRF rather than the Senior Debt Service Reserve Fund; provided that for the purposes of determining the amount required to be on deposit and thereafter maintained in such Senior Series DSRF, the interest on which is excludable from gross income for federal income tax purposes, to the extent required to maintain the federal tax status of interest on such Series of Bonds, the Senior Series DSRF Requirement for such Series of Bonds shall at no time exceed an amount that is the least of (i) one hundred percent (100%) of the maximum annual debt service on such Bonds (calculated in the case of Variable Interest Rate Bonds, at the Estimated Average Interest Rate until conversion to a fixed rate of interest at which time such requirement shall be recalculated in accordance with actual Debt Service thereafter due and payable for any ensuing 12-month period with respect to such Bonds in fixed rate mode), (ii) ten percent (10%) of the issue price of such Series of Bonds (net of pre-issuance accrued interest, if any) and (iii) one hundred twenty-five percent (125%) of the average annual debt service on such Series of Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and denominated as part of the same series, and thereafter delivered in lieu of or in substitution of such Bonds upon transfer of registration or exchange, partial redemption and amendment of the Bond Resolution regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

"Sinking Fund Installment" means, with respect to any Series of Bonds, as of any date of calculation and with respect to any Bonds of such Series, the amount of money required by the applicable Supplemental Resolution pursuant to which such Bonds were issued, to be paid in all events by the Authority on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason only of the maturity of such Bond.

"State" means the State of New York.

"Subordinated Indebtedness" means any evidence of indebtedness of the Authority payable out of amounts available in the General Reserve Fund.

"Supplemental Resolution" shall mean any Bond Resolution supplemental to or amendatory of the Bond Resolution, adopted by the Authority and becoming effective in accordance with the Bond Resolution.

"Term Bonds" means with respect to Bonds of a Series, the Bonds so designated in an applicable Supplemental Resolution or the applicable Certificate of Determination and payable from Sinking Fund Installments.

"Test Period" means a period of time consisting of the greater of (i) the next succeeding five Authority fiscal years and (ii) the period extending from the next succeeding Authority fiscal year through

the second Authority fiscal year following the estimated Date of Completion of any Facility not then completed.

"Trustee" means a trustee appointed by the Authority pursuant to the Bond Resolution, its successor and assigns, and any other corporation or association which may at any time be substituted in its place as provided in the Bond Resolution.

"Variable Interest Rate Bonds" means Bonds which bear a variable interest rate but does not include any Bond which, during the remainder of the term thereof to maturity, bears interest at a fixed rate; provided, however, that Bonds bearing a variable rate of interest shall not be deemed Variable Interest Rate Bonds if (a) the Authority has entered into a Qualified Swap with respect to such Bonds (but only for so long as such Qualified Swap meets all requirements of a "Qualified Swap") or (b) each of the following conditions is met: (i) such Bonds are issued concurrently in equal principal amounts with other Bonds bearing a variable rate of interest, (ii) such Bonds and such other Bonds are required to remain Outstanding in equal principal amounts at all times, and (iii) the net effect of such equal principal amounts and variable interest rates is at all times a fixed interest rate to the Authority; provided further that, except for purposes of establishing the amount of the Senior Debt Service Reserve Fund Requirement, (1) Bonds bearing a fixed rate of interest shall be deemed Variable Interest Rate Bonds to the extent that the Authority has entered into a Qualified Reverse Swap and (2) the derivative rate of such arrangement shall be deemed to be the variable interest rate of such Bonds.

Bond Resolution to Constitute Contract

In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued under the Bond Resolution by those who shall hold the same from time to time, the Bond Resolution shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time of the Bonds; and the pledge made in the Bond Resolution and the covenants and agreements therein set forth to be performed on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by the Bond Resolution.

The Pledge Effected by the Bond Resolution

The Bonds shall be direct and general obligations of the Authority, and the full faith and credit of the Authority are pledged for the payment of such principal, Redemption Price, interest, and Sinking Fund Installments.

There are pledged for the payment of the principal and Redemption Price of, interest on, and Sinking Fund Installments for, the Bonds, in accordance with their terms and the provisions of the Bond Resolution, subject only to the provisions of the Bond Resolution permitting the application thereof (and to the subordination provisions set forth in the Bond Resolution) for the purposes and on the terms and conditions set forth in the Bond Resolution, (i) the proceeds of the sale of the Bonds, (ii) the Revenues and (iii) all Funds and accounts established by the Bond Resolution (except the Rebate Fund, the Junior Indebtedness Fund and, with respect to any Series of Bonds not secured by the Senior Debt Service Reserve Fund, the Senior Debt Service Reserve Fund), including the investments, if any, thereof. The pledge and lien created by the Bond Resolution for the Bonds is superior in all respects to any pledge or lien created for Junior Indebtedness or Subordinated Indebtedness.

General Provisions for Issuance of Bonds

The Bonds of each Series shall be executed by the Authority, authenticated by the Trustee and delivered to or upon the order of the Authority upon receipt by the Trustee, among other things, of a Counsel's Opinion to the effect that (i) the Authority has the right and power under the Act to adopt the Bond Resolution, and the Bond Resolution has been duly and lawfully adopted by the Authority, is in full

force and effect and is valid and binding upon the Authority and enforceable in accordance with its terms, and no other authorization for the Bond Resolution is required, (ii) the Bond Resolution creates the valid pledge to the payment of the Bonds of the proceeds of sale of Bonds, the Revenues, the Funds and accounts established by the Bond Resolution (other than the Rebate Fund, the Junior Indebtedness Fund and, to the extent any Series of Bonds is not secured by the Senior Debt Service Reserve Fund, the Senior Debt Service Reserve Fund), and investment income on pledged Funds and accounts, subject to the provisions of the Bond Resolution permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Bond Resolution, and (iii) upon the execution and delivery thereof and upon authentication by the Trustee, the Bonds of such Series will be valid, binding, direct and general obligations of the Authority payable as provided in, and enforceable in accordance with their terms and the terms of, the Bond Resolution and entitled to the benefits of the Act and the Bond Resolution, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act, as amended to the date of such Counsel's Opinion, and in accordance with the Bond Resolution; provided, however, that such Counsel's Opinion may be qualified to the extent that the enforceability thereof may be limited by bankruptcy, insolvency and similar laws affecting rights and remedies of creditors.

Additional Bonds

One or more Series of Additional Bonds may be authorized and delivered upon original issuance for the purpose of (i) paying the Project Costs (other than Project Costs provided for in clause (iii)), (ii) paying Other Authority Project Costs, to the extent permitted by subparagraph (B) below, and (iii) paying or providing for the payment of Project Costs of improvement, reconstruction or rehabilitation of one or more Facilities for the purpose of preventing a loss of Net Revenues derived from such Facilities, provided that, such loss of Net Revenues would be the result of an emergency or some unusual or extraordinary occurrence and that proceeds of Additional Bonds would not be used for such purpose to the extent that insurance proceeds relating to such occurrence were then available.

(A) The Bonds of any such Series issued for purposes specified in the foregoing clauses (i) and (ii) above shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the other documents and moneys required by the Bond Resolution) of:

1. A certificate of an Authorized Officer setting forth (i) the Net Revenues for any period of 12 consecutive calendar months out of the 18 calendar months next preceding the authentication and delivery of the Bonds of such Series, provided that, if any adjustment of rates shall have been placed in effect during such 12-month period, such Net Revenues shall reflect the Revenues which an Independent Consultant's Certificate estimates in the certificate delivered pursuant to paragraph 3 below would have resulted had such rate adjustment been in effect for the entire 12-month period, and (ii) the Net Revenue Requirement for such 12 calendar months, which certificate shall demonstrate that such Net Revenues equal or exceed such Net Revenue Requirement;

2. A certificate of an Authorized Officer familiar with such matters and an Independent Consultant's Certificate, in each case stating whether, to the best of such party's knowledge, any federal, State or other agency is then projecting or planning the construction, improvement or acquisition of any highway or other facility which, in the opinion of such person or firm, may be materially competitive with any part of the Facilities, and the estimated date of completion of such highway or other facility;

3. An Independent Consultant's Certificate setting forth, for the then current Authority fiscal year and each of the Authority fiscal years in the Test Period, estimates of Revenues giving effect to (i) the placing in service of any Facility not yet placed in service and on the assumption that any competitive highway or other facility referred to in its certificate delivered pursuant to paragraph 2 above will be completed on the date therein estimated and will thereafter be in operation during the period covered by such estimates, (ii) any adjustment of rates which shall have been placed in effect subsequent to the beginning of the current Authority fiscal year, as if such toll, fee or charge adjustment had been in effect from the beginning of such Authority fiscal year until the effective date of any subsequent adjustment presumed necessary, and (iii) any adjustment of rates which, in the opinion of the Independent Consultant,

would be practicable and necessary to comply with the provisions of the toll, fee and charge covenant in the Bond Resolution, as if such adjustment were to be in effect from its effective date to the effective date of any other such adjustment;

4. An Independent Consultant's Certificate setting forth (i) for the years and taking into account the assumptions specified for the Independent Consultant's Certificate pursuant to paragraph 3 above, estimates of the Operating Expenses giving effect to the placing in service of any Facility taken into account in paragraph 3 above, (ii) the estimated total Project Cost, and (iii) the estimated date of placing in service of any Facility taken into account in such paragraph 3; and

5. A certificate of an Authorized Officer setting forth (i) the estimated Net Revenues (based on the certificates delivered pursuant to paragraphs 3 and 4 above) for the current Authority fiscal year and each of the years in the Test Period giving effect to the placing in service of any Facility not yet placed in service and (ii) the opinion that such estimated Net Revenues for the current Authority fiscal year and each of the Authority fiscal years in the Test Period equal or exceed the estimated Net Revenue Requirement (based on the certificate delivered pursuant to paragraph 1 above and assuming the Maximum Interest Rate on any Variable Interest Rate Bonds) for each such year and that estimated Net Revenues in the last full Authority fiscal year of the Test Period equal or exceed Maximum Annual Debt Service on all Bonds Outstanding immediately after the authentication and delivery of the Bonds being issued.

(B) Any Series of Additional Bonds to be issued for the purpose of financing or refinancing Other Authority Project Costs shall be issued only if, in addition to satisfying the conditions of subparagraph (A) above, the Maximum Annual Debt Service on all Outstanding Bonds issued for the purpose of financing or refinancing Other Authority Project Costs (after the issuance of such Series of Additional Bonds) shall be less than 20% of the amount of Net Revenues calculated pursuant to clause (A)(1)(i) above; provided that, there shall not be counted in the calculation of such Maximum Annual Debt Service any Bonds initially issued to finance or refinance an Other Authority Project (1) if such Bonds are no longer Outstanding, (2) if such Other Authority Project has since been designated an "Additional Project" in accordance with provisions of the Bond Resolution, or (3) to the extent that the proceeds of such Bonds were used to finance Project Costs rather than Other Authority Project Costs, in accordance with the terms of the Bond Resolution.

(C) Any Series of Additional Bonds to be issued for the purpose described in clause (iii) of the first paragraph under this heading, shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the other documents and moneys required by the Bond Resolution) of an Independent Consultant's Certificate setting forth (i) in reasonable detail the improvement, reconstruction or rehabilitation for which such payment is to be made, (ii) the estimated Project Cost of such improvement, reconstruction or rehabilitation, (iii) the amounts reasonably expected to be available therefor from insurance proceeds, and (iv) that such improvement, reconstruction or rehabilitation is necessary to prevent a loss of Net Revenues derived therefrom, that such loss would result from an emergency or some unusual or extraordinary occurrence that has occurred and that insurance proceeds relating to such occurrence are not then available in amounts sufficient to improve, reconstruct or rehabilitate such Facility or Facilities to prevent such loss of Net Revenues.

Refunding Bonds

One or more Series of Refunding Bonds may be authenticated and delivered to refund all Outstanding Bonds of one or more Series of Bonds, a portion of a Series of Outstanding Bonds, a portion of a maturity of a Series of Outstanding Bonds or any Junior Indebtedness or Subordinated Indebtedness that was issued to finance or refinance Project Costs or Other Authority Project Costs. The Authority Board by resolution of its members may issue Refunding Bonds of a Series in an aggregate principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits required by the Bond Resolution and of the Supplemental Resolution authorizing such Series of Refunding Bonds. Refunding Bonds of any Series issued to refund Outstanding Bonds shall be authenticated by the Trustee only upon satisfaction of the requirements of subparagraph (A) set forth under

the heading "Additional Bonds" above or upon the receipt by the Trustee of, among other items, a certificate of an Authorized Officer (a) setting forth the Aggregate Debt Service (assuming with respect to any Variable Interest Rate Bonds a Maximum Interest Rate) for the then current and each future Authority fiscal year to and including the Authority fiscal year in which the latest maturity of any Bonds of any Series then Outstanding matures (i) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (ii) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (b) demonstrating that the Aggregate Debt Service (assuming with respect to any Variable Interest Rate Bonds a Maximum Interest Rate) set forth for each Authority fiscal year pursuant to (ii) above is no greater than that set forth for such Authority fiscal year pursuant to (i) above.

Provisions Regarding Bonds Secured by a Credit Facility

The Authority may include such provisions in a Supplemental Resolution or related Certificate of Determination authorizing the issuance of a Series of Bonds secured by a Credit Facility as the Authority deems appropriate.

In addition, such Supplemental Resolution or applicable Certificate of Determination may establish such provisions as are necessary (i) to comply with the provisions of each such Credit Facility, (ii) to provide relevant information to the issuer of the Credit Facility, (iii) to provide a mechanism for paying Principal Installments and interest on such Series of Bonds under the Credit Facility, and (iv) to make provision for any events of default or for additional or improved security required by the issuer of a Credit Facility.

In connection therewith the Authority may enter into such agreements with the issuer of such Credit Facility providing for, inter alia: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility; (ii) the terms and conditions of such Credit Facility and the Series of Bonds affected thereby; and (iii) the security, if any, to be provided for the issuance of such Credit Facility.

The Authority may secure such Credit Facility by an agreement providing for the purchase of the Series of Bonds secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Authority in the applicable Supplemental Resolution. The Authority may also in an agreement with the issuer of such Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Credit Facility, together with interest thereon (the "Reimbursement Obligation"); provided, however, that no Reimbursement Obligation shall be created, for purposes of the Bond Resolution, until amounts are paid under such Credit Facility. Any such Reimbursement Obligation (a "Parity Reimbursement Obligation") may be secured by a pledge of, and a lien on, Revenues on a parity with the lien created by the Bond Resolution. Any such Parity Reimbursement Obligation shall be deemed to be a part of the Series of Bonds to which the Credit Facility which gave rise to such Parity Reimbursement Obligation relates.

Bond Anticipation Notes

Whenever the Authority shall have, by Supplemental Resolution, authorized the issuance of a Series of Bonds, the Authority Board may by resolution authorize the issuance of Bond Anticipation Notes in anticipation of the issuance of such authorized Series of Bonds, in a principal amount not exceeding the principal amount of the Bonds of such Series so authorized. The principal of and premium, if any, and interest on such Bond Anticipation Notes and any renewals of such Bond Anticipation Notes shall be payable only (i) from the proceeds of any renewals of such Bond Anticipation Notes issued to repay such Bond Anticipation Notes, (ii) from the proceeds of the sale of the Series of Bonds in anticipation of which such Bond Anticipation Notes are issued, (iii) from any amounts provided by the State and/or the federal government expressly for payment of such Bond Anticipation Notes, or (iv) from the proceeds of such Bond Anticipation Notes deposited in any Fund or account under the Bond Resolution. Such proceeds and other amounts set forth in clauses (i), (ii), (iii) and (iv) may be pledged for the payment of the principal of and premium, if any, and interest on such Bond Anticipation Notes and any such pledge shall have priority

over any other pledge created by the Bond Resolution. In any case, such Bond Anticipation Notes shall be retired or provision shall be made for their retirement not later than the date of authentication and delivery of the Series of Bonds in anticipation of which they are issued.

Redemption of Bonds

In the case of any redemption of Bonds of a Series at the election of the Authority, or on a mandatory basis, such Bonds may be redeemed at the option of the Authority, or on a mandatory basis, as provided in the Supplemental Resolution authorizing such Bonds or the Certificate of Determination. In addition, pursuant to the Act, the State may, upon furnishing sufficient funds therefor, require the Authority to redeem, prior to maturity, as a whole, any Series of Bonds on any interest payment date not less than fifteen years after the date of issuance of such Bonds at one hundred four per centum of their face value and accrued interest or at such lower redemption price as may be provided in the Bonds in case of the redemption thereof as a whole on the redemption date.

Funds and Revenues

The Bond Resolution establishes the following Funds, to be held as set forth below:

1. Revenue Fund, to be held by the Authority;
2. Operating Fund, to be held by the Authority;
3. Senior Debt Service Fund, to be held by the Trustee;
4. Senior Debt Service Reserve Fund and any Senior Series DSRF, to be held by the Trustee;
5. Reserve Maintenance Fund, to be held by the Authority;
6. Junior Indebtedness Fund, to be held as determined in the applicable Supplemental Resolution, indenture or other agreement;
7. Facilities Capital Improvement Fund, to be held by the Authority;
8. Other Authority Projects Operating Fund, to be held by the Authority;
9. General Reserve Fund, to be held by the Authority;
10. Rebate Fund, to be held by the Authority; and
11. Construction Fund, to be held by the Authority.

Revenue Fund

The Authority shall pay into the Revenue Fund all Revenues as received, and on or before the last Business Day of each month, the Authority shall, out of the moneys in the Revenue Fund, pay into the Operating Fund all amounts required for reasonable and necessary Operating Expenses and reserves for Operating Expenses and working capital. The Authority shall, out of the moneys remaining in the Revenue Fund after the deposit to the Operating Fund on or before the last Business Day of each month allocate, transfer and apply the balance in the Revenue Fund as of the last day of the preceding month, to the extent sufficient therefor, as follows, but as to each transfer mentioned, only within the limitation indicated below and only after maximum payment within such limitation to the purposes and into the Funds in the following tabulation:

1. To the Trustee for deposit in the Senior Debt Service, if and to the extent required so that the balance in the Senior Debt Service Fund shall be at least equal to Accrued Debt Service for all Bonds Outstanding as of the last day of such month, after taking into account any other amounts available for payment of Debt Service, including any amounts representing investment earnings retained in the Senior Debt Service Fund or transferred from the Senior Debt Service Reserve Fund or a Senior Series DSRF, as applicable;

2. To the Trustee for deposit in the Senior Debt Service Reserve Fund and any Senior Series DSRF on a pro rata basis, as applicable, if and to the extent required so that (A) the balance in the Senior Debt Service Reserve Fund shall equal the Senior Debt Service Reserve Requirement for all Bonds secured by such Senior Debt Service Reserve Fund and Outstanding on said date, and (B) the balance in each Senior Series DSRF shall equal the Senior Series DSRF Requirement for the Bonds of a Series secured by such Senior Series DSRF and Outstanding on said date;

3. To the Reserve Maintenance Fund, amounts such that (a) on or before the first day of the seventh month of the Authority's fiscal year there shall have been deposited an amount equal to or greater than one-half of the amount, and (b) on or before the last day of the Authority's fiscal year there shall have been deposited an amount equal to or greater than the full amount, in each case provided in the Authority Budget for the applicable fiscal year for Reserve Maintenance Payments, plus accrued deficits, if any, with respect to prior required allocations to such Fund;

4. To the Junior Indebtedness Fund, if and to the extent required so that the balance in said Fund shall equal the amounts required to be deposited therein by the Supplemental Resolution or other indenture or agreement authorizing the issuance of Junior Indebtedness outstanding on said date;

5. To the Facilities Capital Improvement Fund, in the amounts and at the times determined to be necessary or appropriate by the Authority Board, to fund Project Costs or to set up reserves to fund such costs;

6. To the Other Authority Projects Operating Fund, in the amounts and at the times determined to be necessary or appropriate by the Authority Board, to fund operating expenses relating to Other Authority Projects or to set up reserves to fund such expenses; and

7. To the General Reserve Fund, to the extent of any remaining balance of such moneys withdrawn from the Revenue Fund.

Operating Fund

Amounts in the Operating Fund shall be paid out from time to time by the Authority for reasonable and necessary Operating Expenses, free and clear of the lien and pledge created by the Bond Resolution.

The Authority shall at all times retain in the Operating Fund reasonable and necessary amounts for working capital and reserves for Operating Expenses including expenses which do not recur annually; provided that, the total amount of such working capital and reserves set aside during any year shall not exceed 25% of the amount shown for Operating Expenses for such year in the applicable Authority Budget.

Whenever the Operating Fund exceeds the amount reasonable and necessary for Operating Expenses including reserves and working capital, the Authority shall apply the excess to the purposes and in the Funds established under the Bond Resolution in the same manner as payments from the Revenue Fund.

Investment income on amounts in the Operating Fund shall be deposited into the Revenue Fund.

Senior Debt Service Fund

The Trustee shall on or before each Interest Payment Date or Redemption Date, as the case may be, withdraw from the Senior Debt Service Fund and pay:

(A) The interest due on all Outstanding Bonds on such Interest Payment Date;

(B) The Principal Installments due on all Outstanding Bonds on such Interest Payment Date;

(C) The Sinking Fund Installments, if any, due on all Outstanding Bonds on such Interest Payment Date; and

(D) The Redemption Price due on all Outstanding Bonds on any Redemption Date in accordance with the Bond Resolution.

The amounts paid out shall be irrevocably pledged to and applied to such payments.

In the event that on any Interest Payment Date, the amount in the Senior Debt Service Fund shall be less than the amounts, respectively, required for payment of interest on the Outstanding Bonds, for the payment of the principal of Outstanding Bonds or for the payment of Sinking Fund Installments of the Outstanding Bonds of any Series due and payable on such Interest Payment Date, the Authority, in the following order of priority, shall withdraw from the unencumbered moneys in the General Reserve Fund, the unencumbered moneys in the Other Authority Projects Operating Fund, the unencumbered moneys in the Facilities Capital Improvement Fund, the unencumbered moneys in the Reserve Maintenance Fund, and, solely to the extent necessary to make any payments with respect to Bonds secured by the Senior Debt Service Reserve Fund, amounts in the Senior Debt Service Reserve Fund (or to the extent that a Series of Bonds is separately and solely secured by a Senior Series DSRF, amounts in such Senior Series DSRF), and deposit to the Senior Debt Service Fund such amounts as will increase the amount in the Senior Debt Service Fund to an amount sufficient to make payment of interest on, and principal and Sinking Fund Installments of the Outstanding Bonds of such Series; provided, however, that with respect to any Series of Bonds not secured by amounts in the Senior Debt Service Reserve Fund pursuant to the related Supplemental Resolution but either (A) separately and solely secured by a Senior Series DSRF, or (B) not secured by any Senior Series DSRF, payments relating to any such Bonds shall be made pro rata with all other Bonds from amounts available from unencumbered moneys in the General Reserve Fund, the Other Authority Projects Operating Fund, the Facilities Capital Improvement Fund and the Reserve Maintenance Fund, but shall not be funded from any amounts in the Senior Debt Service Reserve Fund.

In the event of the refunding of any Bonds, the Trustee shall, upon the direction of the Authority, withdraw from the Senior Debt Service Fund all or any portion of the amounts accumulated therein with respect to Debt Service on the Bonds being refunded and deposit such amounts with itself as Trustee to be held for the payment of the principal or Redemption Price, if applicable, of and interest on the Bonds being refunded; provided that, such withdrawal shall not be made unless (i) upon such refunding, the Bonds being refunded shall be deemed to have been paid within the meaning and with the effect provided in the Resolution, and (ii) the amount remaining in the Senior Debt Service Fund shall be not less than the amount needed to pay the Debt Service on all Outstanding Bonds accrued through such date and provided, further, that at the time of such withdrawal from the Senior Debt Service Fund, either (A) no moneys so withdrawn were derived from moneys transferred from the Senior Debt Service Reserve Fund or the related Senior Series DSRF, if any, or (B) if any portion of such moneys so withdrawn were derived from moneys transferred from the Senior Debt Service Reserve Fund or from the related Senior Series DSRF, there shall then exist no deficiency in the Senior Debt Service Reserve Fund or such related Senior Series DSRF.

Investment income on amounts in the Senior Debt Service Fund, to the extent permitted in a Supplemental Resolution, shall be retained in such Fund or, upon the direction of an Authorized Officer, shall be transferred to the Rebate Fund, the Construction Fund or the Revenue Fund.

Senior Debt Service Reserve Fund; Senior Series DSRF

In addition to the moneys allocated from the Revenue Fund, the Trustee shall deposit into the Senior Debt Service Reserve Fund such portion of the proceeds of the sale of Bonds of any Series, if any, that are intended to be further secured by the Senior Debt Service Reserve Fund as shall be prescribed in the Supplemental Resolution or the Certificate of Determination for such Series, and any other moneys and investments which may be made available to the Trustee for the purposes of the Senior Debt Service Reserve Fund from any other source or sources in order to increase the amounts on deposit in the Senior Debt Service Reserve Fund to the Senior Debt Service Reserve Fund Requirement.

If necessary, moneys and Investment Obligations held for the credit of (A) the Senior Debt Service Reserve Fund shall be withdrawn by the Trustee, deposited to the credit of the Senior Debt Service Fund and applied to the payment of interest, Principal Installments and Sinking Fund Installments of Bonds secured by the Senior Debt Service Reserve Fund, or (B) a Senior Series DSRF shall be withdrawn by the Trustee, deposited to the credit of the Senior Debt Service Fund and applied to the payment of interest, Principal Installments and Sinking Fund Installments of Bonds secured by such Senior Series DSRF, in either case at the times and in the amounts required to permit the Trustee to make timely payment of debt service due and payable on the Bonds.

Except as otherwise provided under this heading, investment income on amounts in the Senior Debt Service Reserve Fund or a Senior Series DSRF shall be retained therein. If at any time moneys and Investment Obligations on deposit to the credit of (A) the Senior Debt Service Reserve Fund exceed the Senior Debt Service Reserve Fund Requirement, or (B) a Senior Series DSRF exceed the Senior Series DSRF Requirement, the Trustee shall, to the extent permitted in a Supplemental Resolution, upon the direction of an Authorized Officer, withdraw therefrom and deposit such excess amount into the Senior Debt Service Fund, the Revenue Fund, the Rebate Fund or the Construction Fund.

In lieu of moneys or Investment Obligations, the Authority may, to the extent permitted by law, deposit or cause to be deposited to or substituted for deposit to the Senior Debt Service Reserve Fund or any Senior Series DSRF a Reserve Credit Facility for the benefit of the Holders of the Bonds secured thereby for all or any part of the Senior Debt Service Reserve Fund Requirement or the Senior Series DSRF Requirement, as applicable. Each Reserve Credit Facility deposited to the Senior Debt Service Reserve Fund or any Senior Series DSRF shall be payable (upon the giving of such notice as may be required thereby) on any date on which moneys are required to be withdrawn from the Senior Debt Service Reserve Fund or the Senior Series DSRF, as applicable, and such withdrawal cannot be made without drawing upon such Reserve Credit Facility. In computing the amount on deposit in the Senior Debt Service Reserve Fund or any Senior Series DSRF, a Reserve Credit Facility shall be valued at the amount available to be drawn or payable thereunder on the date of computation.

In the event of the refunding of any Bonds, the Authority may withdraw from the Senior Debt Service Reserve Fund or a Senior Series DSRF, as applicable, all or any portion of the amounts accumulated therein with respect to the related Bonds being refunded and deposit such amounts with the Trustee to be held for the payment of the principal or Redemption Price, if applicable, and interest on such related Bonds being refunded; provided that, such withdrawal shall not be made unless (i) upon such refunding, the Bonds being refunded shall be deemed to have been paid within the meaning and with the effect provided in the Bond Resolution, and (ii) the amount remaining in the Senior Debt Service Reserve Fund or the related Senior Series DSRF, after giving effect to any Reserve Credit Facility deposited therein pursuant to the Bond Resolution, shall not be less than the Senior Debt Service Reserve Fund Requirement or the Senior Series DSRF Requirement, as applicable, and provided, further, that, at the time of such withdrawal, there shall exist no deficiency in the Senior Debt Service Fund.

The Authority may determine by Supplemental Resolution that a Series of Bonds shall not be secured by the Senior Debt Service Reserve Fund, in which case no amounts shall be required from the proceeds of such Series of Bonds for deposit in the Senior Debt Service Reserve Fund and no amounts shall be payable from the Senior Debt Service Reserve Fund to pay amounts due or payable with respect to such

Bonds. Notwithstanding the foregoing, the Authority may determine by Supplemental Resolution to either (A) separately secure a Series of Bonds with a Senior Series DSRF benefitting only such Series of Bonds, in which case amounts shall be required from the proceeds of such Series of Bonds for deposit in such Senior Series DSRF in an amount equal to the Senior Series DSRF Requirement established in such Supplemental Resolution, and amounts contained therein shall be payable therefrom to pay amounts due or payable with respect to such Series of Bonds, or (B) to not establish any Senior Series DSRF for such Series of Bonds.

Reserve Maintenance Fund

Moneys held for the credit of the Reserve Maintenance Fund shall be disbursed only for the purpose of paying a cost relating to a Facility of:

(a) maintenance or repairs not recurring annually, and renewals and replacements,

(b) repairs or replacements resulting from an emergency or caused by some unusual or extraordinary occurrence, to the extent that the moneys in other available Funds, together with insurance proceeds, if any, available therefor are insufficient to meet such emergency,

(c) items of equipment, and

(d) engineering expenses incurred under the provisions of the Bond Resolution.

The Authority shall from time to time transfer any moneys from the Reserve Maintenance Fund to the credit of the Revenue Fund upon the receipt of a certificate of an Authorized Officer directing such transfer and certifying that the amount so to be transferred is no longer required for the purposes of the Reserve Maintenance Fund.

In connection with the establishment of Authority Budgets for each fiscal year of the Authority, the Authority shall cause the Independent Consultant, at least once every three Authority fiscal years, to make an estimate or to evaluate the Authority's estimate of Reserve Maintenance Payments and to deliver a certificate or certificates setting forth the amount or amounts it has approved as an estimate of Reserve Maintenance Payments for each fiscal year of the Authority covered by such certificate. Any Independent Consultant's Certificate delivered in connection with the establishment of Reserve Maintenance Payments shall take into account any other moneys available for such purposes in determining the amount of such Reserve Maintenance Payments.

Investment income on amounts in the Reserve Maintenance Fund shall be deposited into the Revenue Fund.

Junior Indebtedness Fund

The Authority may, at any time or from time to time, issue evidences of indebtedness payable out of, and which may be secured by a pledge of, such amounts in the Junior Indebtedness Fund as may from time to time be available for the purpose of payment thereof and of Revenues; provided, however, that any pledge of Revenues shall be, and shall be expressed to be, subordinate in all respects to the pledge created by the Bond Resolution with respect to the Bonds.

Subject to the terms of any pledge securing Junior Indebtedness, amounts in the Junior Indebtedness Fund may be applied to payment of the principal or redemption price of and interest on any Junior Indebtedness. Junior Indebtedness may be issued by the Authority to provide for any Facilities or Other Authority Projects constituting a lawful transportation or transportation-related (including related necessary or appropriate economic development activities) corporate purpose of the Authority.

The Authority shall have the right to covenant with the holders from time to time of Junior Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued; provided, however, that the Supplemental Resolution or indenture or other agreement providing for the issuance of such Junior Indebtedness shall not permit the holders of such obligations to declare the same or instruct such holders' trustee to declare the same to be immediately due and payable notwithstanding the occurrence of an event that would give rise to such a declaration unless all Outstanding Bonds shall have been declared immediately due and payable in accordance with the Bond Resolution.

Facilities Capital Improvement Fund

The Authority may, from time to time, disburse or transfer amounts in the Facilities Capital Improvement Fund for the purposes of providing for transfers to the Construction Fund, for Project Costs or, upon the determination of the Authority Board and after satisfying any deficiencies in the Senior Debt Service Fund, the Senior Debt Service Reserve Fund and any Senior Series DSRF, the Reserve Maintenance Fund or the Junior Indebtedness Fund, transfer such amounts to any other Fund or account held under the Bond Resolution.

Other Authority Projects Operating Fund

The Authority may, from time to time, disburse or transfer amounts in the Other Authority Projects Operating Fund, free and clear of the lien and pledge created by the Bond Resolution, for the purpose of providing for operating costs of Other Authority Projects, or, upon the determination of the Authority Board, transfer such amounts to the General Reserve Fund.

General Reserve Fund

Amounts in the General Reserve Fund are to be transferred, in the following order, first, to the Senior Debt Service Fund, second, to the Senior Debt Service Reserve Fund and any Senior Series DSRF on a pro rata basis, third, to the Reserve Maintenance Fund, fourth, to the Junior Indebtedness Fund, fifth, to the Facilities Capital Improvement Fund, and sixth, to the Other Authority Projects Operating Fund to make up deficiencies in or to set aside reserves for such Funds.

Subject to any lien or pledge securing Subordinated Indebtedness that has been determined by the Authority Board to be superior to such purposes, amounts in the General Reserve Fund not immediately required for the purposes specified in the preceding paragraph shall, pursuant to resolution of the Authority Board, be applied in the following order: (i) to the purchase, redemption or payment at maturity of Bonds or Junior Indebtedness, (ii) to pay the capital costs of Other Authority Projects or (iii) paid to the Authority, free and clear of the lien and pledge created by the Bond Resolution, for any lawful corporate purpose of the Authority, including but not limited to payment of amounts due with respect to Subordinated Indebtedness.

Upon any purchase or redemption, with moneys in the General Reserve Fund, of Bonds of any Series and maturity for which Sinking Fund Installments have been established, there shall be credited toward each such Sinking Fund Installment thereafter to become due (other than that next due), unless otherwise directed by the Authority, an amount bearing the same ratio to such Sinking Fund Installment as the total principal amount of such Bonds so purchased or redeemed bears to the total amount of all remaining Sinking Fund Installments for the Bonds of the same Series and maturity to be credited.

Subordinated Indebtedness

Subordinated Indebtedness may be issued to finance any lawful corporate purpose of the Authority. Subordinated Indebtedness may be secured by a pledge of such amounts in the Subordinated Indebtedness Fund as may from time to time be available for the payment thereof and of Revenues; provided, however, that any pledge of Revenues shall be, and shall be expressed to be, subordinate in all respects to the pledge

created by the Bond Resolution with respect to the Bonds and any pledge of Revenues with respect to Junior Indebtedness.

The Authority shall have the right to covenant with the holders from time to time of Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds or Junior Indebtedness may be issued; provided, however, that the Supplemental Resolution or indenture or other agreement providing for the issuance of such Subordinated Indebtedness shall not permit the holders of such obligations to declare the same or instruct such holders' trustee to declare the same to be immediately due and give rise to such a declaration unless all Outstanding Bonds and Junior Indebtedness shall have been declared immediately due and payable in accordance with the Bond Resolution.

Rebate Fund

Moneys on deposit in the Rebate Fund shall be applied by the Authority to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Authority shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America in accordance with the provisions of the Arbitrage and Use of Proceeds Certificate, if any, delivered in connection with each Series of Bonds. Moneys which the Authority determines to be in excess of the amount required to be so rebated shall be deposited to the Revenue Fund.

Construction Fund

There shall be paid into the Construction Fund the amounts (if any) required to be so paid by the provisions of the Bond Resolution, and there may be paid into the Construction Fund, at the option of the Authority, any moneys received by the Authority for or in connection with any Facility or Other Authority Project, as appropriate, from any other source, unless required to be otherwise applied as provided by the Bond Resolution.

Amounts deposited in the Construction Fund (i) from proceeds of Bonds shall be applied by the Authority to Project Costs or Costs of Issuance, as appropriate; provided, however, that proceeds from Bonds issued to finance Other Authority Project Costs shall be applied by the Authority to finance such Other Authority Project Costs or, to the extent permitted by a Supplemental Resolution, Project Costs, and (ii) other amounts deposited in the Construction Fund shall be applied to the purpose or purposes specified in the Supplemental Resolutions authorizing Bonds to finance a Facility, or if no Bonds are so issued, to the purpose or purposes specified in a resolution of the Authority, a copy of which, certified by an Authorized Officer, shall be filed with the Trustee. Notwithstanding the foregoing, amounts in the Construction Fund may be applied to the payment of Principal Installments and interest on the applicable Series of Bonds when due (including payments when due under a Qualified Swap or Qualified Reverse Swap), and to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of Principal Installments and interest on the Bonds when due (including payments when due under a Qualified Swap or Qualified Reverse Swap).

Investment income on amounts in the Construction Fund from proceeds of a Series of Bonds, to the extent permitted in a Supplemental Resolution, may be retained by the Authority in such Fund or transferred to the Revenue Fund, the Senior Debt Service Fund or the Rebate Fund.

Application of Moneys in the Senior Debt Service Fund For Redemption of Bonds and Satisfaction of Sinking Fund Installments

Moneys in the Senior Debt Service Fund to be used for redemption of Bonds of a Series shall be applied by the Authority to the purchase of Outstanding Bonds of such Series at purchase prices not exceeding the Redemption Price applicable on the next Interest Payment Date on which such Bonds are redeemable, plus accrued interest to such date, at such times, at such purchase prices and in such manner as the Authority shall direct.

In satisfaction, in whole or in part, of any Sinking Fund Installment, the Authority may deliver to the Trustee at least 45 days prior to the date of such Sinking Fund Installment, for cancellation, Bonds acquired by purchase or redemption (except Bonds acquired by purchase or redemption pursuant to the preceding paragraph), of the maturity and interest rate entitled to such Sinking Fund Installment. All Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Installment shall reduce the amount thereof by the amount of the aggregate principal amount of such Bonds.

Extension of Payment of Bonds

The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and, in case the maturity of any of the Bonds or the time for payment of any claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under the Bond Resolution to the benefit of the Bond Resolution or to any payment out of any assets of the Authority or the Funds and accounts (except Funds and accounts held in trust for the payment of particular Bonds or claims for interest pursuant to the Bond Resolution) held by the Trustee, except subject to the prior payment of the principal of all Bonds issued and Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such claims for interest. Nothing in the Bond Resolution shall be deemed to limit the right of the Authority to issue Refunding Bonds as permitted thereby and by the Act and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds refunded.

Particular Covenants of the Authority

The Authority shall duly and punctually pay or cause to be paid the principal, Sinking Fund Installments, if any, Redemption Price of, and interest on every Bond, at the dates and places and in the manner set forth in the Bonds according to the true intent and meaning thereof.

The Authority has and shall have good right and lawful authority to take jurisdiction over, construct, reconstruct, improve, maintain and operate the Original Project and any Additional Project or Other Authority Project and to fix and collect tolls, fees, rentals and other charges, if any, as provided in the Bond Resolution or applicable Supplemental Resolution.

The Authority shall not hereafter issue any bonds or other evidences of indebtedness, other than the Bonds, secured by an equal or prior pledge of all or any part of the Revenues or other moneys, securities or funds held or set aside by the Authority or by the Fiduciaries under the Bond Resolution, and shall not create or cause to be created any equal or prior lien or charge on the Revenues, or such moneys, securities or funds except as provided in the Bond Resolution; provided, however, that nothing contained in the Bond Resolution shall prevent the Authority from issuing (i) evidences of indebtedness payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge of the Revenues provided in the Bond Resolution shall be discharged and satisfied as provided under "Defeasance", or (ii) Junior Indebtedness or Subordinated Indebtedness.

No part of the Facilities shall be sold, mortgaged, leased or otherwise disposed of or encumbered, provided that the Authority (i) may sell or exchange at any time and from time to time any property or facilities constituting part of the Facilities and not useful, in its opinion, in the operation thereof, but any proceeds of any such sale or exchange, not used to replace such property so sold or exchanged, shall, subject to the rights of other parties, including the State, be deposited to the Revenue Fund to be applied in the manner provided in the Bond Resolution or (ii) at any time or from time to time, in any manner deemed appropriate by the Authority Board, may dispose of any portion of the Facilities with respect to which it is forbidden by law to impose tolls or other charges and which, in its opinion, is not useful in the operation of the Facilities, but any proceeds of any such disposition, shall, subject to the rights of other parties, including the State, be deposited to the Revenue Fund to be applied in the manner provided in the Bond Resolution.

Notwithstanding the provisions of the preceding paragraph, the Authority may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Facilities, provided that, any such lease, contract, license, easement or right does not, in the opinion of the Authority, impede or restrict the operation or maintenance by the Authority of the Facilities.

Operation and Maintenance of the Facilities

The Authority shall at all times operate or cause to be operated the Facilities properly and in a sound and economical manner and shall maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved, reconstructed and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation of the Facilities may be properly and advantageously conducted.

Tolls, Fees and Charges

The Authority covenants that:

(a) it shall at all times, fix, charge and collect such tolls, fees and charges for the use of the Facilities as are required in order that, in each Authority fiscal year, Net Revenues shall at least equal the Net Revenue Requirement for such year.

(b) On or before the sixtieth day preceding the first day of each Authority fiscal year, the Authority shall review its financial condition in order to estimate and determine whether Net Revenues for such Authority fiscal year and for the following Authority fiscal year will be sufficient to comply with the revenue covenant described above; provided that, for purposes of determining the portion of the Net Revenue Requirement relating to Variable Interest Rate Bonds for any prospective period of time, such amounts shall be calculated for each Series or subseries of Bonds bearing interest at the same rate by multiplying the principal amount of such Variable Interest Rate Bonds to be Outstanding during such prospective period by the product of the average rate of interest borne by such Variable Interest Rate Bonds during the immediately preceding 12-month period by 1.25%; provided further that for any partial year such amounts shall be prorated by multiplying the foregoing product by the actual number of days of interest accrual to be determined, and by dividing that product by 365 or 366 days, as appropriate for the particular year. If the Authority determines that Net Revenues may be inadequate, it shall cause a study to be made by an Independent Consultant that shall recommend a schedule of tolls, fees and charges which will provide sufficient Net Revenues in the following Authority fiscal year to comply with the revenue covenant described above and which will provide additional Net Revenues to eliminate any deficiency in Funds and accounts held under the Bond Resolution at the earliest practicable time, and the Authority will place in effect as soon as practicable either (i) the recommended schedule of tolls, fees and charges, or, (ii) a different schedule of tolls, fees and charges developed by the Authority which will provide sufficient Net Revenues in the following Authority fiscal year to comply with the revenue covenant described above and which will provide additional Net Revenues in such following Authority fiscal year to eliminate any deficiency at the earliest practicable time, which conclusion is concurred in by an Independent Consultant's Certificate delivered to the Authority and the Trustee.

The tolls, fees and charges to be established pursuant to paragraph (a) under this heading on the Original Project or on any Additional Project constituting a tolled road, bridge or tunnel, in the sole discretion of the Authority, shall be based on any reasonable vehicle classification, use or occupancy, and further, may consist either alone or in combination of (i) point-to-point tolls based on mileage rates, (ii) fixed or single-trip tolls or commutation rates for passage through a barrier station or bridge, including each Grand Island Bridge and a bridge for crossing the Hudson River via the Hudson section, (iii) a surcharge for crossing the Hudson River via the Berkshire section or, if determined to be necessary or appropriate by the Authority Board, a surcharge for any other location, (iv) congestion pricing, and (v) an annual, seasonal or periodic fee for a permit for the limited use of or access to all or any part of the Original Project or an Additional Project constituting a tolled road, bridge or tunnel.

The Authority covenants that tolls, fees or charges for the use of a Facility constituting a tolled road or bridge will be classified in a reasonable way to cover all traffic within any class regardless of the status or character of any person, firm or corporation participating in the traffic, and that no reduced rate of toll, fee or charge will be allowed within any such class except that provision may be made for the use of commutation or other tickets or privileges based upon frequency, volume, occupancy, congestion pricing or to facilitate implementation of electronic or other new toll collection technologies, or relating to incentives for use of newly tolled facilities which incentives last no longer than three years from the date of introduction of such incentives. The Authority further covenants that no free vehicular passage will be permitted over any portion of the Original Project that was subject to tolls on August 3, 1992 when the Bond Resolution was adopted or any portion of an Additional Project constituting a tolled road or bridge except, to the extent determined necessary and appropriate from time to time in the sole discretion of the Authority, (i) to members, officers and employees of the Authority and the New York State Police, in each case to the extent assigned to any Facility actually in the performance of their duties or in the course of traveling to or from the place of the performance of such duties or as contractually provided, (ii) by means of passes or otherwise, to such vehicles owned by individuals, corporations or partnerships with which the Authority has entered into leases, concession contracts or service and maintenance contracts, as in its discretion may be deemed necessary for the operation of concessions and facilities upon the Facilities, for the maintenance of such concessions or facilities and for the prompt and economical furnishing of emergency services to patrons of the Facilities or any concession or facility thereof, (iii) in a manner and in amounts such that as a result thereof, based upon projections furnished in a report to the Authority and the Trustee by an Independent Consultant, the Authority projects that there will be no material decrease in Revenues, except to the extent offset by a corresponding decrease in Operating Expenses and/or the operating expenses of any Other Authority Projects; provided that, for purposes of its report, the Independent Consultant shall take into account implemented or approved toll adjustments and other contemporaneous or prospective changes in the operations of the Original Project and any portion of any Additional Project constituting a tolled road or bridge that shall have been approved by the Authority or any Other Authority Projects, and (iv) otherwise in de minimis amounts.

Insurance

The Authority covenants that it shall maintain with responsible insurers all insurance required and reasonably obtainable, in the judgment of the Authority, to provide against loss of or damage to the Facilities and loss of revenues, to the extent necessary to protect the interests of the Authority and the Bondholders.

Accounts and Reports

The Authority shall keep or cause to be kept proper books of record and account in which complete and correct entries shall be made of all its transactions relating to all Funds established by the Bond Resolution which shall at all reasonable times be subject to the inspection of the Holders of an aggregate of not less than five per cent (5%) in the principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

The Authority shall annually, within 120 days after the close of each calendar year, file with the Trustee a copy of an annual report for such year, accompanied by a certificate of an Authorized Officer, including statements in reasonable detail of: financial condition as of the end of such year and income and expenses for such year, all to the extent relating to the Facilities; a statement of all classifications of income for such year; and a summary of statement with respect to each Fund and account established under the Bond Resolution.

Tax Covenants

The Authority shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall be not included in the gross income of the owners thereof for purposes of federal income taxation.

The Authority shall not permit at any time any of the proceeds of the Bonds or any other funds of the Authority to be used directly or indirectly to acquire any investment property, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Code.

The Authority shall not permit at any time any proceeds of any Bonds or any other funds of the Authority to be used, directly or indirectly, in a manner which would result in the classification of any Bond as a "private activity bond" within the meaning of Section 141 of the Code.

Notwithstanding the foregoing, the Authority reserves the right to elect to issue obligations the interest on which is not exempt from federal income taxation, if such election is made prior to the issuance of such obligations, and the covenants contained under this heading shall not apply to such obligations.

Notice as to Event of Default

The Authority shall notify each issuer of a Credit Facility and the Trustee in writing that an "Event of Default" has occurred and is continuing, which notice shall be given within five (5) days after the Authority has obtained actual knowledge thereof; provided, however, that the Authority shall provide the issuer of a Credit Facility with immediate notice of any payment default after the Authority has obtained actual knowledge thereof. See "Events of Default" hereinafter.

Covenants with Credit Facility Providers

The Authority may make such covenants as it may in its sole discretion determine to be appropriate with any provider of a Credit Facility or Reserve Credit Facility that shall agree to provide a Credit Facility or Reserve Credit Facility for Bonds of any one or more Series that shall enhance the security or the value of such Bonds and thereby reduce the principal and interest requirements on such Bonds. Such covenants may be set forth in or provided for by the applicable Supplemental Resolution and shall be binding on the Authority, the Trustee, the Paying Agents, and all the owners of Bonds the same as if such covenants were set forth in full in the Bond Resolution.

Additional Projects

The Authority may designate an Other Authority Project to be an Additional Project if and only if there has been submitted to the Trustee with respect to such Other Authority Project at or prior to the date of such designation:

1. A certificate of an Authorized Officer to the effect that the Other Authority Project has been in operation (whether or not by the Authority) for a period of at least twelve (12) months prior to the date of such designation, and that for the 12-month period ending on the last day of a month no more than 90 days preceding the date of designation as an Additional Project the revenues derived from the operation of such Project exceeded the operating expenses for such Other Authority Project;

2. A Counsel's Opinion to the effect that the Authority has good right and lawful authority to acquire, design, construct, maintain, operate, finance, improve, reconstruct, rehabilitate or otherwise undertake such Other Authority Project and to establish, levy, maintain and collect, during the term of the Bonds, tolls, rentals, rates, fees or other charges in connection therewith, which establishment, levy, maintenance or collection shall not then require or be subject to (a) in the case of any Additional Project constituting a tolled road, bridge or tunnel, any governmental approval not applicable to the Original Project, or (b) in the case of any Additional Project not constituting a tolled road, bridge or tunnel, any direct governmental approval;

3. A Counsel's Opinion stating whether or not the Authority is required by law to have a license, order or other authority from any federal, State or other governmental agency or regulatory body having lawful jurisdiction in connection with such Facility and, if so required, that such license, order or other authority has been obtained;

4. A certificate of an Authorized Officer setting forth (A) the Revenues and Operating Expenses of the Authority for the 12-month period set forth in subparagraph (1) above, including revenues and operating expenses relating to the Other Authority Project being designated an Additional Project; provided that, if (a) any previously designated Additional Project had not been an Additional Project for any part of the 12-month period, such Additional Project Revenues and Operating Expenses shall be respectively increased by the revenues and operating expenses of such Additional Project for such 12-month period calculated as if the respective definitions of Additional Project Revenues and Operating Expenses had been applicable thereto for the entire 12-month period, and (b) if on the date of such designation by the Authority the amount of the tolls, fees or charges for any Facility shall be less than it was during any part of the period covered by such certificate, the Revenues for such part of such period shall be decreased as if such tolls, fees or charges had been in effect for all of such period, and (B) that for such 12-month period the Net Revenues as calculated pursuant to clause (A) of this subparagraph (4), are at least equal to the Net Revenue Requirement;

5. An Independent Consultant's Certificate setting forth (A) the estimated Net Revenues for all Facilities, together with estimated Reserve Maintenance Payments, excluding the proposed Additional Project, for each of the Authority fiscal years in the Test Period, and (B) the estimated Net Revenues for all Facilities, together with estimated Reserve Maintenance Payments, including the proposed Additional Project, for each of the Authority fiscal years in the Test Period;

6. A certificate of an Authorized Officer to the effect that the amount of the estimated Net Revenues less Reserve Maintenance Payments determined pursuant to subsection (5)(B) above in each of the Authority fiscal years in the Test Period is not less than 100% of the estimated Net Revenues less estimated Reserve Maintenance Payments for each of the same years in subsection (5)(A) above; and

7. A copy of the Supplemental Resolution designating such Other Authority Project as an Additional Project certified by an Authorized Officer.

Additional Project Revenues

The Authority shall not designate a project as an Additional Project, unless the Authority has jurisdiction and control of such project and the Supplemental Resolution designating the same provides that all tolls, rentals and other charges and other earned income or receipts, if any, derived by the Authority from such Project are and shall be deemed to be Additional Project Revenues.

Authority Budgets

The Authority shall prepare an Authority Budget on an annual basis, or on such other periodic basis as the Authority Board shall determine, but in no event on a less frequent basis than biennially, which shall include amounts for all anticipated Operating Expenses and reserves therefor, Reserve Maintenance Payments and provision for anticipated deposits into each Fund under the Bond Resolution for the period of such budget. Such Authority Budget may set forth such additional material as the Authority may determine. On or before the first day of each fiscal year or for such applicable period for the Authority Budget as aforesaid, the Authority shall finally adopt the Authority Budget for such period and shall mail such Authority Budget to the Trustee. The Authority may at any time adopt an amended Authority Budget for the remainder of the then current fiscal year or other applicable period.

Inspection of Facilities; Duties of Independent Consultants

The Authority shall make, or cause the Independent Consultant to make, an inspection of the Facilities at least once every three Authority fiscal years, and, on or before the first day of the first Authority fiscal year in such period to report as to proper maintenance, repair and operation together with an estimate of the moneys necessary for such purposes during each such Authority fiscal year. In any event, the Authority shall cause an Independent Consultant to deliver an Independent Consultant's Certificate either concurring in and approving or making such determinations, as appropriate.

Proposed New Interchanges and New Extensions

The Authority may construct, acquire or accept any additional tolled roadway or any extension to or expansion of any Facility constituting a tolled roadway or any interchange on any Facility constituting a tolled roadway if and only if there has been submitted to the Trustee with respect to such proposed New Interchange or such proposed New Extension at or prior to the date of undertaking the construction, acquisition or acceptance thereof the following:

1. A Counsel's Opinion stating whether or not the Authority is required by law to have a license, order or other authority from any federal, State or other governmental agency or regulatory body having lawful jurisdiction in connection with such New Interchange or New Extension, as applicable, and, if so required, that such license, order or other authority has been obtained;

2. A Counsel's Opinion to the effect that the Authority has good right and lawful authority to acquire, design, construct, maintain, operate, finance, improve, reconstruct, rehabilitate or otherwise undertake such New Interchange or New Extension, and to establish, levy, maintain, collect and adjust, during the term of the Bonds, tolls, rentals, rates, fees or other charges in connection therewith, which establishment, levy, maintenance, collection or adjustment shall not then require or be subject to any governmental approval not applicable to the Original Project;

3. An Independent Consultant's Certificate setting forth (A) the estimated Net Revenues for all Facilities, together with estimated Reserve Maintenance Payments, excluding the proposed New Interchange or New Extension, for each of the successive five complete Authority fiscal years following the later of (i) two complete Authority fiscal years following its estimated Date of Completion and (ii) the date of its acquisition or acceptance by the Authority, and (B) the estimated Net Revenues for all Facilities, together with estimated Reserve Maintenance Payments, including the proposed New Interchange or New Extension for each of the same five complete Authority fiscal years;

4. A certificate of an Authorized Officer to the effect that the amount of the estimated Net Revenues less estimated Reserve Maintenance Payments determined pursuant to subparagraph 3(B) above in each of the five Authority fiscal years is not less than 100% of the estimated Net Revenues less estimated Reserve Maintenance Payments for each of the same five years determined pursuant to subparagraph 3(A) above;

5. Solely with respect to New Interchanges, the Independent Consultant shall include in its estimate of Net Revenues for each year calculated for purposes of subsection 3(B) above, the amount of any payments to be received in cash upon undertaking such New Interchange together with any payment obligations that have or would have a long-term rating of "A" or better (if so determined by the Authority, such cash payments to be allocated pro rata for each of the years of the test period, whether such payments are in fact applied for capital or operating expenses of such New Interchange); provided, however, that if the Authority Board determines that a period longer than five years will be necessary for the New Interchange to meet the test in paragraph 4 without the benefit of such cash payments or payment obligations, the test period shall be expanded accordingly; provided further, that no such cash payments or payment obligations may be included for purposes of Subsection 3(B) above in estimating Net Revenues for a New Extension; and

6. A copy of the Supplemental Resolution designating such project to be an Additional Project certified by an Authorized Officer.

The foregoing requirements do not apply to an interchange or an extension that meets the requirements under the Bond Resolution for a "Facility Capital Improvement" (See the definition hereinabove) or an "Additional Project" (see "Additional Projects" hereinabove).

Limitation on Certain Acquisitions

Except for amounts released from the lien of the Bond Resolution pursuant to the provisions relating to the General Reserve Fund, the Authority covenants that no Revenues, Bond proceeds, or proceeds of Junior Indebtedness shall be applied to the purchase or acquisition of any existing facility not, in the opinion of the Authority Board, necessary for the proper operation of an existing Facility or an existing Other Authority Project, except to the extent necessary to pay, in due course or through refunding, any outstanding bonds, notes or other evidences of indebtedness of a public corporation transferring such facility.

Investment of Funds

Amounts in the Funds and accounts established by the Bond Resolution may be invested only in Investment Obligations. Investment Obligations on deposit in the Funds and accounts held under the Bond Resolution shall have maturity dates, or shall be subject to redemption or tender at the option of the Authority or the Trustee on the respective dates specified by an Authorized Officer, as appropriate, which dates shall be on or prior to the respective dates on which the moneys invested therein are payable for the purposes of such Funds and accounts; provided that, in no event shall the remaining term to maturity or redemption upon the demand of the holder thereof of any Investment Obligation credited to the Senior Debt Service Reserve Fund or a Senior Series DSRF be greater than seven (7) years from the date such Investment Obligation is credited to such Fund. The Authority, or the Trustee, upon the instructions of an Authorized Officer, shall sell any Investment Obligations held in any Fund or account to the extent required for payments from such Fund or account. The proceeds of such sales, and of all payments at maturity or upon redemption of such investments, shall be held in the applicable Fund or account to the extent required to meet the requirements of such Fund or account. Losses, if any, realized on Investment Obligations held in any Fund or account shall be debited to such Fund or account. In computing the amount of such Funds and accounts, investments shall be valued at par, or if purchased at other than par, shall be valued at Amortized Value. Accrued interest received upon the sale of any Investment Obligation to the extent such amount exceeds any accrued interest paid on the purchase of such Investment Obligation shall be treated as interest earned on such Investment Obligation.

Trustee

The Trustee may at any time resign and be discharged of its duties and obligations under the Bond Resolution by giving not less than ninety (90) days' written notice to the Authority, specifying the date when such resignation shall take effect; provided, however, that any resignation or removal of the Trustee shall in no event take effect until a successor shall have been appointed and accepted the duties of Trustee.

The Authority may at any time remove the Trustee initially appointed or any successor thereto by written notice of such removal mailed by first class mail to the Trustee except that the Trustee may not be removed during the pendency of an Event of Default; provided, however, that any resignation or removal of the Trustee shall in no event take effect until a successor shall have been appointed and accepted the duties of Trustee.

Any Trustee appointed in succession to the original Trustee shall be a bank or trust company organized under the laws of the State of New York or a national banking association and having Capital Funds of at least $100,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Bond Resolution.

Supplemental Resolutions

The Authority may adopt, for, among other things, any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution which, upon adoption thereof and filing with the Trustee shall be fully effective in accordance with its terms:

1. To modify any of the provisions of the Bond Resolution in any respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered on original issuance after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof;

2. To insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

3. To authorize Bonds of a Series;

4. To designate or confirm the designation of any project as an Other Authority Project or to designate an Other Authority Project, New Interchange or New Extension as an Additional Project under the Bond Resolution;

5. To modify, amend, insert or delete such provisions of the Bond Resolution as, in Counsel's Opinion, shall be necessary or desirable to ensure the continued federal tax exemption of the interest on any Series of Bonds Outstanding under the Bond Resolution, so long as the Authority determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Holders of Outstanding Bonds;

6. To modify, amend or supplement the Bond Resolution in any manner in order to provide for a Credit Facility or a Reserve Credit Facility for any Series of Bonds, under the Bond Resolution, so long as the Authority determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Holders of Outstanding Bonds;

7. To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Bond Resolution, under the Bond Resolution, so long as the Authority determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Holders of Outstanding Bonds;

8. To provide for the application of the proceeds of any sale, exchange, lease or other disposition of any Facility permitted by the Bond Resolution;

9. To provide for additional investments that may be delivered in lieu of Government Obligations in order to cause Bonds of a Series then or thereafter being initially issued and delivered to be deemed paid by the Bond Resolution;

10. To the extent authorized by law and to the extent the Authority shall have received a Counsel's Opinion that it will not adversely affect the exclusion of interest from the income of holders of Bonds for federal income tax purposes for any Bonds issued on a tax-exempt basis, to provide for the delivery of Bonds that are not in registered form;

11. To the extent authorized by law and to the extent that it will not adversely affect the exclusion of interest from the income of holders of Bonds for federal income tax purposes for any Bonds issued on a tax-exempt basis, to provide for the delivery of a Series of Bonds or a portion of a Series of Bonds incorporating detachable call options.

In addition, the Authority may adopt a Supplemental Resolution amending any provision of the Bond Resolution, effective upon filing with the Authority of a written determination of the Trustee and a Counsel's Opinion that such amendment will not materially adversely affect the rights of any Holder of Bonds.

Powers of Amendment

Any modification or amendment of the Bond Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds thereunder, in any particular, may be made by a Supplemental Resolution (A) without the written consent and/or Deemed Consent of the Holders of the Bonds in accordance with the Bond Resolution, and (B) with the written consent and/or Deemed Consent of the Holders of the Bonds given, and not revoked, as provided in the Bond Resolution, (i) by the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given and/or Deemed Consent is obtained, and (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, by the Holders of at least a majority in principal amount of the Bonds so affected and Outstanding at the time such written consent is given and/or Deemed Consent is obtained; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this heading, and provided, further, that (X) certain amendments to the Bond Resolution set forth therein (relating to the following new definitions "Assumed Balloon Maturity Debt Service", "Balloon Maturities", and changes to the following existing definitions "Aggregate Debt Service", "Debt Service", "Estimated Aggregate Debt Service" and "Maximum Interest Rate"), shall not become effective for so long as any Bonds of Series L-Q shall remain Outstanding, and (Y). certain amendments set forth in the Bond Resolution (i) relating to the requirement that sufficient monies be deposited with the Trustee before the mailing/publication of a redemption notice, (ii) relating to conditional redemption notices, and (iii) relating to the elimination of the publication notice to bondholders of unclaimed defeasance moneys held by the Trustee being returned to the Authority, shall not become effective with respect to any Series L-Q Bonds for so long as any Series L-Q Bonds shall remain Outstanding and shall be subject to the requirements set forth in any related footnote in the Bond Resolution.

No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holders of such Bonds, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. A Series shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same materially adversely affects or diminishes the right, security and interest of the Holders of Bonds of such Series. The Authority, may in its discretion, determine whether or not in accordance with the foregoing, Bonds of any particular Series or maturity would be affected by any modification or amendment of the Bond Resolution and any such determination shall be binding and conclusive on all Holders of Bonds. The Authority shall, prior to making any such determination, receive a Counsel's Opinion as conclusive evidence as to whether the Bonds of a Series or maturity would be so affected by any such modification or amendment thereof.

Events of Default

The occurrence of one or more of the following events shall constitute an "Event of Default":

(a) payment of principal, Sinking Fund Installments, interest or premium on any Bond shall not be made when the same shall have become due, whether at maturity or upon call for redemption or otherwise, which default shall continue for a period of five (5) days; or

(b) failure by the Authority to observe any of the covenants, agreements or conditions on its part contained in the Bond Resolution or in the Bonds contained, and failure to remedy the same for a period of thirty (30) days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the Authority by the Trustee or to the Authority and the Trustee by the Holders of not less than a majority in aggregate principal amount of Bonds at the time Outstanding; provided that, if such default cannot be corrected within such thirty (30)-day period, it shall not constitute

an Event of Default if corrective action is instituted by the Authority within such period and is diligently pursued until the default is corrected; or

(c) if the Authority (i) admits in writing its inability to pay its debts generally as they become due, (ii) commences voluntary proceedings in bankruptcy or seeking a composition of indebtedness, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a receiver of the whole or any substantial part of the Facilities, or (v) consents to the assumption by any court of competent jurisdiction under any law for the relief of debtors of custody or control of the Authority or of the whole or any substantial part of the Facilities.

Remedies

Upon the occurrence and continuance of any Event of Default, the Trustee may, and upon written request of the Holders of not less than a majority in aggregate principal amount of such Bonds then Outstanding, shall:

(a) by mandamus or other suit, action or proceeding at law or in equity enforce all rights of the Holders of Bonds under the Bond Resolution;

(b) bring suit upon such Bonds;

(c) by action or suit in equity, require the Authority to account as if it were the trustee of an express trust for the Holders of such Bonds;

(d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of such Bonds;

(e) declare all such Bonds due and payable, and if all defaults shall be made good then with the consent of the Holders of not less than a majority in aggregate principal amount of such Bonds then outstanding, annul such declaration and its consequences.

The Supreme Court of the State shall have jurisdiction of any suit, action or proceeding by the Trustee on behalf of the Holders of Bonds, and venue of any such suit, action or proceeding shall be laid in the County of Albany.

No remedy by the terms of the Bond Resolution conferred upon or reserved to the Trustee or the Holders of the Bonds is intended to be exclusive of any other remedy but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Bond Resolution or existing at law or in equity or by statute on or after the date of adoption of the Bond Resolution, except that the Bondholders shall not have the statutory rights afforded by Section 368 of the Act as in effect on August 3, 1992 respecting the appointment of a trustee subsequent to a payment default on the Bonds.

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any trust under the Bond Resolution, or any other remedy thereunder or under the Bonds, unless such Holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Bond Resolution and unless also the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee so to do, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted under the Bond Resolution, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of the Bond Resolution, or to enforce any right thereunder or under the Bonds, except in the manner

therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner therein provided and for the equal benefit of all Holders of Outstanding Bonds, subject, however, to the provisions of the Bond Resolution regarding the extension of payment for the Bonds. Nothing in the Bond Resolution or in the Bonds contained shall affect or impair the right of action, which is also absolute and unconditional, of any Holder of any Bond to enforce payment of the principal of and premium, if any, and interest on such Bond at the respective dates of maturity of each of the foregoing and at the places therein expressed.

All rights of action under the Bond Resolution or under any of the Bonds which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof on the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name, as trustee, for the equal and ratable benefit of the Holders of the Bonds, subject to the provisions of the Bond Resolution.

No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by the Bond Resolution to the Trustee and to the Holders of the Bonds, respectively, may be exercised from time to time as often as may be deemed expedient.

No Cross-Default

Except as provided in the Bond Resolution, a Supplemental Resolution or a Certificate of Determination, no default under the Act or any resolution, agreement, or other instrument shall constitute or give rise to a default under the Bond Resolution.

Priority of Payments After Default

In the event that the funds held by the Authority, the Trustee or by the Paying Agents shall be insufficient for the payment of principal, Sinking Fund Installments, if any, or Redemption Price and interest then due on the Bonds, such funds (other than funds held for the payment of particular Bonds which have theretofore become due at maturity or by call for redemption and funds which at the time of their deposit into any Fund or account under the Bond Resolution have been designated to be applied solely to the payment of the principal of and premium, if any, and interest on any series of Bond Anticipation Notes and subject to the provisions governing the application of (A) any separate account in the Senior Debt Service Reserve Fund for a particular Series of Bonds, or (B) any Senior Series DSRF, as applicable, established in the Supplemental Resolution authorizing such Series of Bonds) and any other moneys received or collected by the Trustee or any Paying Agents, or a trustee appointed pursuant to the terms of the Bond Resolution and in accordance with the Act, after making provision for the payment of any expenses necessary in the opinion of the Authority to preserve the continuity of the Revenues, or otherwise protect the interests of the Holders of the Bonds, and after making provision for the payment of the reasonable charges and expenses and liabilities incurred and advances made by the Trustee or any Paying Agents in the performance of their duties under the Bond Resolution, shall be applied as follows:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of the installments of such interest.

SECOND: To the payment to the persons entitled thereto of the unpaid principal, Sinking Fund Installments or Redemption Price of any Bonds which shall have become due whether at maturity or by call for redemption.

If the principal of all of the Bonds shall have become or have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority.

Defeasance

Any Bonds of any Series shall prior to the maturity or Redemption Date thereof be deemed to have been paid within the meaning and with the effect expressed in the Bond Resolution if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have provided or caused to be provided notice of such defeasance and of the redemption of such Bonds[1], (b) there shall have been deposited with the Authority either moneys in an amount which shall be sufficient, or Government Obligations or other investments authorized for such purpose ("Other Authorized Investments") the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Authority at the same time, shall be sufficient, to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date as the case may be, and (c) in the event such Bonds are not by their terms subject to redemption within the next succeeding ninety (90) days[2], the Authority shall direct the Trustee to mail by registered or certified mail, postage prepaid, a notice to the Holders of such Bonds, a notice to the Holders of such Bonds, that the deposit required by (b) above has been made and that said Bonds are deemed to have been paid in accordance with the Bond Resolution and stating such maturity date or Redemption Date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, on said Bonds. The Authority shall select which Bonds of a Series and which maturity thereof shall be paid in accordance with the Bond Resolution.

Notice of defeasance and redemption shall also be given to EMMA. Upon giving such notice, the Trustee shall promptly certify to the Authority that it has mailed or caused to be mailed, or in the case of book-entry Bonds, electronically provided to the Securities Depository, such notice to the registered holders of the defeased Bonds to be redeemed in accordance with the Bond Resolution. Such certificate shall be conclusive evidence that such notice of defeasance and redemption was given in the manner required under the Bond Resolution. The failure of any Holder of a defeased Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the defeasance and redemption of such Bonds.

Neither Government Obligations, Other Authorized Investments or moneys deposited pursuant to this heading nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest on said Bonds; provided that, any moneys received from such principal or interest payments on such Government Obligations or Other Authorized Investments so deposited, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations or Other Authorized Investments maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such Redemption Date, payment date or maturity date thereof, as the case may be. Any income or interest earned by, or increment to, the investment of any such moneys so deposited shall, to the extent in excess of the amounts required in the Bond Resolution to pay principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be applied as follows: first to the Rebate Fund, the amount, if any, required to be deposited therein; and, then the balance thereof to the Authority, and any such moneys so paid shall be released of any trust, pledge, lien, encumbrance or security interest created by the Bond Resolution.

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[1] For the defeasance and redemption of any Series L-Q Bonds, notice of defeasance and redemption shall be provided by publication in accordance with the provisions of the Bond Resolution.

[2] In the event Series L-Q Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall (i) publish, as soon as practicable, at least twice, at an interval of not less than seven (7) days between publications, in an Authorized Newspaper, a notice conforming to the requirements of the Bond Resolution to the Holders of such Bonds, and (ii) mail a copy of such notice to the Holders of such Bonds.

Payments due on Saturdays, Sundays and Holidays

In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be on a day that is not a Business Day, then payment of interest or principal and premium, if any, need not be made on such date but may be made (without additional interest) on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, as the case may be.

No Additional Restaurant Concession Bonds

The Authority covenants that it shall not further amend or supplement the Restaurant Concession Bonds resolution, or take any other action, to allow the authentication and delivery of additional indebtedness under such resolution

Reserve Credit Facilities in the Senior Debt Service Reserve Fund

Pursuant to Supplemental Resolutions adopted in 1995 and 2004, the Authority Board authorized the deposit or substitution of Reserve Credit Facilities for cash and Investment Obligations that would otherwise have been required to be on deposit to the credit of the Senior Debt Service Reserve Fund. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS — Senior Debt Service Reserve Fund" in the forepart of this Official Statement. The Authority has entered into agreements with the municipal bond insurance companies (collectively, the "Providers") providing such Reserve Credit Facilities ("Reserve Fund Policies") that, together with such Supplemental Resolutions (collectively, the "SDSRF Contracts"), provide in effect that in the event that the Trustee shall be required to draw on the Senior Debt Service Reserve Fund to pay principal or interest due and payable on any Bonds, the Trustee shall first exhaust any cash and Investment Obligations to the credit of such Fund and then to the extent necessary and subject to the respective maximum amounts of the Reserve Fund Policies, after giving the required notice, demand payment on such Policies pro rata. The SDSRF Contracts obligate the Authority to reimburse the Providers the amounts of such payments, with interest, within 12 months of such payments. Reimbursement of the Providers in accordance with the SDSRF Contracts will reinstate the amounts that can be drawn on the Reserve Fund Policies. Under the SDSRF Contracts and the Bond Resolution, the obligation of the Authority to reimburse the Providers with interest for any payments on the Reserve Fund Policies ranks on a parity with the Authority's obligation to maintain the Senior Debt Service Reserve Fund at the Senior Debt Service Reserve Fund Requirement.

APPENDIX D

BOOK-ENTRY ONLY SYSTEM

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Book-Entry Only System

The Depository Trust Company ("DTC"), Brooklyn, New York, will act as securities depository for the Series R Bonds. The Series R Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series R Bond certificate will be issued for each stated maturity of the Series R Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES R BONDS, AS PARTNERSHIP NOMINEE FOR DTC, REFERENCES HEREIN TO BONDHOLDERS OR OWNERS OF THE SERIES R BONDS (OTHER THAN UNDER THE CAPTIONS "TAX MATTERS" AND "CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES R BONDS.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series R Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series R Bonds on DTC's records. The ownership interest of each actual purchaser of each Series R Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series R Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series R Bonds, except in the event that use of the book-entry system for the Series R Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series R Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series R Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series R Bonds may wish to ascertain that the nominee holding the Series R Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

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

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

Principal of, redemption premium, if any, and interest payments on the Series R Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series R Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series R Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event Series R Bond certificates will be printed and delivered to DTC.

NEITHER THE AUTHORITY NOR THE INITIAL PURCHASER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT OR INDIRECT PARTICIPANT; (ii) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON, THE SERIES R BONDS; (iii) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO SERIES R BONDHOLDERS; (iv) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS A SERIES R BONDHOLDER; OR (v) THE SELECTION BY DTC OR ANY

PARTICIPANT OR INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES R BONDS.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC or other sources that the Authority believes to be reliable, but neither the Authority nor the Initial Purchaser take any responsibility for the accuracy thereof.

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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NEW YORK STATE THRUWAY AUTHORITY
GENERAL REVENUE REFUNDING BONDS, SERIES R

CONTINUING DISCLOSURE AGREEMENT

THIS AGREEMENT, dated July 23, 2026 is made by and between the Issuer and the Trustee, each as defined below in Section 1.

In order to permit the Underwriters to comply with the provisions of Rule 15c2-12, as defined below in Section 1, in connection with the public offering of the Bonds, the parties hereto, in consideration of the mutual covenants herein contained and other good and lawful consideration, hereby agree, for the sole and exclusive benefit of the Holders and, for the purposes of Section 5, beneficial owners of Bonds, as follows:

Section 1. Definitions; Rules of Construction. Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Authorizing Document.

"*Annual Information*" shall mean the information specified in Section 3.

"*Authorizing Document*" shall mean the Issuer's General Revenue Bond Resolution, as amended and supplemented through the date of this Agreement.

"*Bonds*" shall mean the Issuer's General Revenue Bonds, Series R that from time to time remain outstanding within the meaning of the Authorizing Document.

"*EMMA"* shall mean the Electronic Municipal Market Access system described in Securities Exchange Act Release No. 34-59062 (or any successor electronic information system) and maintained by the MSRB as the sole repository for the central filing of electronic disclosure pursuant to Rule 15c2-12.

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

"*GAAP*" shall mean generally accepted accounting principles as prescribed from time to time for governmental units in the United States by the Governmental Accounting Standards Board.

"*GAAS*" shall mean generally accepted auditing standards as in effect from time to time in the United States.

"*Holder*" or "*Bondholder*" shall mean a registered owner of any Bond or Bonds.

"*Issuer*" shall mean the New York State Thruway Authority, a public benefit corporation of the State of New York and the issuer of the Bonds, and any successor thereto.

"*MSRB*" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"*Official Statement*" shall mean the final official statement of the Authority, dated July 8, 2026, relating to the Bonds.

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

"SEC" means the United States Securities and Exchange Commission.

"*Trustee*" shall mean The Bank of New York Mellon.

"*Underwriters*" shall mean the underwriter or underwriters that have contracted to purchase the Bonds from the Issuer upon initial issuance.

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

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

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

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

(d) References to any law or regulation shall be construed as including all statutory and regulatory provisions amending, replacing, supplementing or interpreting such law or regulation, and any corresponding provisions of successor laws or regulations.

(e) "Herein," "hereof", "hereunder" and words of similar effect shall refer to the entirety of this Agreement.

(f) The language of all provisions of this Agreement shall be construed according to its fair meaning and not strictly against any party.

Section 2. Obligations to Provide Continuing Disclosure.

(i) Obligations of the Issuer. The Issuer hereby undertakes, for the benefit of Holders of the Bonds, to provide or cause to be provided the following:

(a) to the MSRB, no later than 120 days after the end of each fiscal year, commencing with the fiscal year ending December 31, 2026, the Issuer Annual Information (as more fully described in Section 3 below), relating to such fiscal year;

(b) if not submitted as part of the Issuer Annual Information, to the MSRB, not later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2026, audited financial statements of the Issuer for such fiscal year when and if they become available and, if such audited financial statements are not available on the date which is 120 days after the end of a fiscal year,

the unaudited financial statements of the Issuer for such fiscal year; and

(c) to the MSRB, in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following sixteen events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of security holders, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

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

(d) to the MSRB, in a timely manner, notice of a failure to provide any Issuer Annual Information required by Section 2(i)(a) or (b).

(e) The Issuer may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Issuer under this Agreement, and revoke or modify any such designation.

(ii) Obligations of the Trustee. The Trustee shall notify the Issuer upon the occurrence of any of the sixteen events listed in Section 2(i)(c) as soon as practicable upon becoming aware of the occurrence of any such event. The Trustee shall not be deemed to have become aware of the occurrence of any such event unless an officer in its corporate trust department has actual knowledge of the occurrence of any such event.

(iii) (a) Other Information. Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer should disseminate any such additional information, the Issuer shall not have any obligation hereunder to update such information or to include it in any future materials disseminated hereunder.

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

(iv) Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer and that, under some circumstances, compliance with this Agreement without additional disclosures or other action may not fully discharge all duties and obligations of the Issuer under such laws.

Section 3. Annual Information.

(i) Specified Information. The Annual Information shall consist of the following:

(a) financial information and operating data of the type included in the final Official Statement for the Bonds, under the headings "RESULTS OF OPERATIONS – 2021-2025 Financial Results of Operations" (including the table entitled "RESULTS OF OPERATIONS FOR THE CALENDAR YEARS 2021-2025"), "MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS—Discussion of Results of Operations: 2021 through 2025" and "—Traffic and Revenue", and "BUDGET AND CAPITAL PLAN; TRAFFIC ENGINEER'S REPORT – 2026 Budget", "—2026-2030 Capital Plan", "—Funding of the 2026-2030 Capital Plan"; and "—The New NY Bridge Project" which shall include information relating to the following:

(1) current toll rates for all classes of vehicles;

(2) statements of Revenues, Operating Expenses and Net Revenues for the most recent fiscal year;

(3) statements of traffic and operating revenues for the most recent fiscal year;

(4) summary of the most recent inspection of any of the Facilities by the Issuer, its Independent Consultant or other professional engineer or engineers retained for the purpose of such inspection;

(5) status of the Issuer's capital planning process; and

(6) status of the Issuer's debt service coverage for the most recent fiscal year.

(b) such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data and in judging the financial condition of the Issuer.

(ii) Transmission of Information and Notices.

(a) Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's EMMA system, the current Internet Web address of which is www.emma.msrb.org.

(b) Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(iii) Cross Reference. All or any portion of the Annual Information may be incorporated in the Annual Information by specific cross reference to any other documents which are (i) available to the public on the MSRB Internet web site, or (ii) filed with the SEC. However, the provisions of this Section 3(iii) shall not apply to notice of the sixteen events listed in Section 2(i)(c).

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

Section 4. Financial Statements.

The Issuer's annual financial statements for each fiscal year shall be prepared in accordance with GAAP (unless applicable accounting principles are otherwise disclosed) and audited by an independent accounting firm in accordance with GAAS (but only if audited financial statements are otherwise available for such fiscal year).

Section 5. Remedies.

If any party hereto should fail to comply with any provision of this Agreement, then each of the other parties and, as a direct or third-party beneficiary, as the case may be, any Holder of Bonds may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Agreement against such party and any of its officers, agents and employees, and may compel such party or any such officers, agents or employees to perform and carry out their duties under this Agreement; provided, however, that the sole and exclusive remedy for breach of this Agreement shall be an action to compel specific performance of the obligations of such party hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances; and provided further, that the rights of any Holder to challenge the adequacy of the information provided in accordance with Section 2 hereunder are conditioned upon the provisions of the Authorizing Document with respect to the enforcement of remedies of Holders upon the occurrence of an Event of Default described in Section 1101(i) of the Authorizing Document as though such provisions applied hereunder. Each of the Issuer and the Trustee reserves the right, but shall not be obligated, to enforce the obligations of the others. Failure by any party to perform its obligations hereunder shall not constitute an Event of Default under the Authorizing Document or any other agreement executed and delivered in connection with the issuance of the Bonds. In consideration of the third-party beneficiary status of beneficial owners of Bonds pursuant to Section 6, beneficial owners shall be deemed to be Holders of Bonds for purposes of this Section 5.

Section 6. Parties in Interest.

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

Section 7. Amendments.

(i) Without the consent of any Holders (except to the extent required under clause (c)(II) of this sentence) or provider of any Credit Facility, the Issuer and the Trustee at any time and from time to time may enter into amendments or changes to this Agreement for any purpose, if (a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer or any type of business or affairs conducted by either; (b) the undertakings set forth herein, as amended, would have complied with the requirements of Rule 15c2-12 at the time of the primary offering of the Bonds, after taking into account any amendments to, or interpretation by the staff of the Securities and Exchange Commission of, Rule 15c2-12, as well as any change in circumstances; and (c) either (I) the amendment does not materially impair the interests of the Holders, as determined either by the Trustee or by nationally recognized bond counsel or (II) the Holders consent to the amendment to this Agreement pursuant to the same procedures as are required for amendments to the Authorizing Document with the consent of Holders pursuant to Section 1002 of the Authorizing Document. In determining whether there is such a material impairment, the Trustee may rely upon an opinion of nationally recognized bond counsel. The interests of Holders shall be deemed not to have been materially impaired by an amendment (1) to add a dissemination agent for the information to be provided hereunder and to make any necessary or desirable provisions with respect thereto, (2) to evidence the succession of another entity to the Issuer or the Trustee and the assumption by any such successor to the obligations of such party hereunder, or (3) to add to the obligations of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer; provided, however that amendments of any other nature shall not be automatically deemed a material impairment.

(ii) Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such

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

Section 8. Termination.

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

Section 9. The Trustee.

(i) Except as specifically provided herein, this Agreement shall not create any obligation or duty on the part of the Trustee and the Trustee shall not be subject to any liability hereunder for acting or failing to act as the case may be.

(ii) The Trustee shall be indemnified and held harmless in connection with this Agreement, to the same extent provided in the Authorizing Document for matters arising thereunder.

Section 10. Governing Law.

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

Section 11. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all shall together constitute one and the same instrument.

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

THE BANK OF NEW YORK MELLON,
as Trustee for the benefit of Bondholders

By:_____
Authorized Officer

NEW YORK STATE THRUWAY AUTHORITY, Issuer of the Bonds

By:_____
Name: David Malone
Title: Chief Financial Officer and Treasurer

APPENDIX F

FORM OF APPROVING OPINION OF BOND COUNSEL

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APPENDIX F

Upon delivery of the Series R Bonds in definitive form,
Harris Beach Murtha Cullina PLLC, Bond Counsel to the Authority,
proposes to render its Approving Opinion in substantially the following form:

[Date of Delivery]

New York State Thruway Authority
200 Southern Boulevard
Albany, New York 12209

Ladies and Gentlemen:

As Bond Counsel to New York State Thruway Authority (herein called the "Authority"), we have examined a record of proceedings relating to the issuance of $565,350,000 aggregate principal amount of General Revenue Bonds, Series R (herein called the "Series R Bonds"), by the Authority, a body corporate and politic constituting a public corporation of the State of New York (herein sometimes called the "State"). We have also examined such certificates, documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions set forth below.

Capitalized terms used herein and not otherwise defined have the meanings set forth in the Resolutions (hereinafter defined).

The Series R Bonds are to be issued under and pursuant to the New York State Thruway Authority Act, Title 9 of Article 2 of the Public Authorities Law, Chapter 43 A of the Consolidated Laws of the State, as amended (herein called the "Act"), and the General Revenue Bond Resolution of the Authority, adopted by the Authority on August 3, 1992, as amended January 5, 2007, and as amended and restated on September 16, 2025 (herein called the "Bond Resolution"), as supplemented, including as supplemented by the Twentieth-Fourth Supplemental Revenue Bond Resolution Authorizing General Revenue Bonds, Series R adopted by the Authority on March 25, 2025 (the "Series R Resolution"), and a Certificate of Determination of the Authority, dated the date hereof, relating to the Series R Bonds. The Bond Resolution, as so supplemented and amended is referred to herein as the "Resolutions". The Series R Bonds are being issued for the purposes set forth in the Series R Resolution.

The Authority reserves the right to issue additional Bonds under the Bond Resolution on the terms and conditions, and for the purposes, stated in the Bond Resolution. Under the Bond Resolution, all such Bonds will rank equally as to security and payment with the Series R Bonds, except as otherwise provided for a Series of Bonds in a Supplemental Resolution with respect to the Senior Debt Service Reserve Fund or any Senior Series DSRF with respect to a Series of Bonds, which Series of Bonds is to be separately secured by such related Senior Series DSRF rather than the Senior Debt Service Reserve Fund.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at the time of, and subsequent to, the issuance and delivery of the Series R Bonds in order that interest on the Series R Bonds be and remain excluded from gross income for federal income tax purposes. Included among these continuing requirements are certain restrictions and prohibitions on the use of proceeds of Series R Bonds, restrictions on the investment of proceeds of Series R Bonds and other moneys or properties, and the rebate to the United States of certain earnings in respect of investments. Noncompliance with such continuing requirements may cause the interest on the Series R Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series R Bonds irrespective of the date on which such noncompliance occurs. The Resolutions and the Arbitrage and Use of Proceeds Certificate dated the date hereof of the Authority (the "Arbitrage Certificate"), contain certain factual certifications, covenants, representations and warranties as to compliance with the

requirements of the Code. In rendering the opinions set forth in paragraph 5 herein, we have assumed the accuracy of such factual certifications of, and continuing compliance by the Authority, with such covenants, representations, warranties, provisions and procedures set forth in the Resolutions and the Arbitrage Certificate.

Based on the foregoing, and subject to the further qualifications and limitations noted below, we are of the opinion that:

1. The Authority is duly created and validly existing under the provisions of the Act.

2. The Authority has the right and power under the Act to adopt the Resolutions and issue the Series R Bonds thereunder, and the Resolutions have been duly and lawfully adopted by the Authority, are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms, and no other authorization for the Resolutions is required.

3. The Resolutions create the valid pledge which they purport to create of the proceeds of sale of the Series R Bonds, the Revenues, and the Funds and accounts established by the Bond Resolution (other than the Rebate Fund, the Junior Indebtedness Fund and, to the extent any Series of Bonds is not secured by the Senior Debt Service Reserve Fund, the Senior Debt Service Reserve Fund) and certain investment income referred to therein subject to the application thereof to the purposes and on the terms and conditions permitted by the Resolution.

4. The Series R Bonds are valid and binding direct and general obligations of the Authority payable as provided in the Bond Resolution and the full faith and credit of the Authority are pledged to the payment thereof. The Series R Bonds are enforceable against the Authority in accordance with their terms and the terms of the Resolutions and entitled to the benefits of the Act and of the Resolutions, and such Series R Bonds have been duly and validly authorized and issued in accordance with the Constitution and statutes of the State, including the Act, and in accordance with the Resolutions.

5. Under existing statutes, regulations, administrative rulings and court decisions, interest on the Series R Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, interest on the Series R Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

6. Under existing statutes, including the Act, interest on the Series R Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof.

We have examined a fully executed Series R Bond and, in our opinion, the form of said Series R Bond and its execution are regular and proper.

Except as stated in paragraphs 5 and 6 above, we express no opinion as to the federal, state and local tax consequences of the ownership or disposition of, or the accrual or receipt of interest on, the Series R Bonds. Furthermore, we express no opinion as to any federal, state or local tax consequences with respect to the Series R Bonds, or the interest thereon, if any change occurs or action is taken or omitted under the Resolutions, the Arbitrage Certificate or any other relevant documents, upon the advice or approval of any bond counsel other than Harris Beach Murtha PLLC. In addition, we have not undertaken to determine, or to inform any person, whether any actions taken, or not taken, or events occurring, or not occurring, after the date of issuance of the Series R Bonds may affect the tax status of interest on the Series R Bonds. Further, although interest on the Series R Bonds is not included in gross income for purposes of federal income taxation, receipt or accrual of the interest may otherwise affect the tax liability of a holder of a Series R Bond depending upon the tax status of such holder and such holder's other items of income and deduction.

The foregoing opinions are qualified only to the extent that the enforceability of the Resolutions and the Series R Bonds may be limited by bankruptcy, moratorium, insolvency, reorganization or other laws affecting creditors' rights or remedies heretofore or hereafter enacted and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We express no opinion as to the accuracy, adequacy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series R Bonds.

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

Respectfully submitted,

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APPENDIX G

THE REFUNDED BONDS

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THE REFUNDED BONDS

The Authority will apply a portion of the proceeds of the Series R Bonds, together with other available funds of the Authority to refund and defease certain Bonds previously issued.

New York State Thruway Authority General Revenue Bonds, Series M (Federally Taxable)

Maturity Date (January 1)	Interest Rate	Principal Amount Outstanding	Principal Amount Defeased	Redemption Price	Redemption Date	CUSIP Number (650009)†
2042	3.50%	$207,765,000	$100,125,000	n/a	Maturity[(a)]	S61

The principal amount refunded of the General Revenue Bonds, Series M (Federally Taxable) 2042 Term Bond will be credited against the following sinking fund installments:

New York State Thruway Authority
General Revenue Bonds, Series M (Federally Taxable)

2042 Term Bond

Date (January 1)	Amount
2039	$48,885,000
2040	51,240,000
2041	0
2042	0

† CUSIP® is a registered trademark of the American Bankers Association ("ABA"). The CUSIP numbers listed above have been assigned by CUSIP Global Services, which is managed on behalf of the ABA by FactSet Research Systems, Inc. and are being provided solely for the convenience of the Refunded Bonds. The Authority is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP numbers have been and are subject to change after the original issuance of the Refunded Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of one or more maturities of the Refunded Bonds or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of one or more maturities of the Refunded Bonds. Upon defeasance of the refunded Series M Bonds, it is expected that a new CUSIP number will be assigned to the unrefunded portion of the maturity of the Series M Bonds and to the refunded portion of the maturity of the Series M Bonds. The CUSIP number for the unrefunded portion of each maturity of the Series M Bonds is also subject to being changed as a result of various subsequent action including, but not limited to, a refunding in whole or in part of such maturity or as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series M Bonds.

(a) Callable bonds escrowed to maturity or sinking fund installment payment date, which the Authority has retained its right to redeem prior to maturity.

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NEW YORK STATE | Thruway Authority

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