

# LEHMAN BROTHERS

Execution Copy

[DASNY-PIT]

## CONFIRMATION

February 9, 2005

## TRANSACTION

Dormitory Authority of the State of New York  
515 Broadway  
Albany, New York 12207

Global ID: 2080494

Ladies and Gentlemen:

The purpose of this Confirmation is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date specified below (the "Transaction"). This Confirmation constitutes a "Confirmation" as referred to in the Master Agreement specified below.

The definitions and provisions contained in the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., the "Definitions"), are incorporated into this Confirmation. In the event of any inconsistency between those Definitions and this Confirmation, this Confirmation will govern.

1. This Confirmation supplements, forms part of, and is subject to the ISDA Interest Rate Master Agreement dated as of February 9, 2005, as amended and supplemented from time to time (the "Agreement") between Lehman Brothers Derivative Products Inc. and Dormitory Authority of the State of New York. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Party A:	LEHMAN BROTHERS DERIVATIVE PRODUCTS INC.
Party B:	DORMITORY AUTHORITY OF THE STATE OF NEW YORK
Notional Amount:	USD 58,880,000, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	February 9, 2005
Effective Date:	March 2, 2005
Termination Date:	March 15, 2032

LEHMAN BROTHERS  
745 SEVENTH AVENUE NEW YORK, NY 10019

NYK 947717-11.071370.0011

FIXED AMOUNTS:

Fixed Rate Payer: Party B

Fixed Rate Payer Payment Dates: Semiannually, on each March 15 and September 15, commencing on September 15, 2005 up to and including the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: Semiannually, on each March 15 and September 15, commencing on September 15, 2005 up to and including the Termination Date. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.094%

Fixed Rate Day Count Fraction 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A

Floating Rate Payer Payment Dates: Monthly, on the fifteenth day of each calendar month, commencing on April 15, 2005 up to and including the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: Monthly, on the fifteenth day of each calendar month, commencing on April 15, 2005 up to and including the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: USD-LIBOR-BBA. Notwithstanding the definition of USD-LIBOR-BBA set forth in the Definitions (for this purpose only), the applicable USD-LIBOR-BBA for each Reset Date shall be the rate published on (1) London Banking Day prior to such Reset Date.

Designated Maturity: One month

Floating Amount: The Floating Rate used to calculate the Floating Amount payable by the Floating Rate Payer on each Floating Rate Payer Payment Date will be equal to the rate determined in accordance with the specified Floating Rate Option and Designated Maturity.

Notwithstanding the definition of Floating Amount specified in the Definitions, for the purposes of this Transaction, the Floating Amount payable by the Floating Rate Payer shall be calculated as follows:

Floating Amount = Notional Amount x (Floating Rate x 65%) x Floating Rate Day Count Fraction.

Reset Date: The Effective Date and weekly on each Thursday thereafter, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Day Count Fraction: Actual/Actual

Method of Averaging: Weighted

Compounding: Inapplicable

Business Days: New York

3. **Issuance of Bonds.** Notwithstanding anything contained herein or in the Agreement to the contrary, the parties shall have no rights or obligations with respect to this Transaction, and the representations of the parties contained herein (other than the representation being made in the following sentence) and in the Agreement, including but not limited to Section 4(d) of the Agreement, shall not be deemed to be made until the Dormitory Authority of the State of New York State Personal Income Tax Revenue Bonds (Education), Series 2005C (the "Bonds") have been duly issued by Party B and in the event that the Bonds are not issued on or prior to the Effective Date, this Transaction shall automatically terminate and shall be of no further force or effect and the parties shall have no further obligations hereunder. Party B represents and warrants that it intends and expects to issue the Bonds and acknowledges that Party A is entering into this Transaction in reliance upon such representation.

4. **Netting of Payments.** Subparagraph (ii) of Section 2(c) of this Agreement will not apply to all Transactions entered into between Party A and Party B.

5. **Payment Instructions:**

Payments to Party A:

JP Morgan Chase  
ABA: 021000021  
for the Account of Lehman Brothers Derivative Products Inc.  
Account No. 066-902622

Payments to Party B:

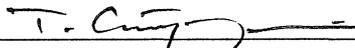
Deutsche Bank Trust Company Americas  
F/K/A Bankers Trust Company  
New York, NY  
ABA #: 021 000 033  
A/C #: 01419647  
Ref: DASNY  
Attn: Pat Jenatsch

6. Please check this Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified. Please confirm that the foregoing correctly sets forth the terms of the agreement between Party A and Party B with respect to the particular Transaction to which this Confirmation relates by signing in the space provided below and immediately returning a copy of the executed Confirmation to Party A.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

Yours sincerely,

LEHMAN BROTHERS DERIVATIVE PRODUCTS  
INC.

By:   
Name: T. Courtney Jenkins  
Title: Vice President

Confirmed as of the  
date first above written

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

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

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

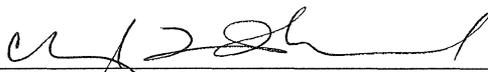
Yours sincerely,

LEHMAN BROTHERS DERIVATIVE PRODUCTS  
INC.

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

Confirmed as of the  
date first above written

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By:   
Name: Cheryl Ishmael  
Title: Managing Director of  
Public Finance

ANNEX I  
to Confirmation, dated February 9, 2005  
between Lehman Brothers Derivative Products Inc.  
and Dormitory Authority of the State of New York

<u>For all Calculation Periods from and including:</u>	<u>To but excluding:</u>	<u>The applicable USD Notional Amount shall be:</u>
Effective Date	3/15/2025	\$58,880,000
3/15/2025	3/15/2026	58,755,000
3/15/2026	3/15/2027	58,030,000
3/15/2027	3/15/2028	57,280,000
3/15/2028	3/15/2029	56,505,000
3/15/2029	3/15/2030	55,700,000
3/15/2030	3/15/2031	52,240,000
3/15/2031	3/15/2032	26,550,000