



Execution Copy

Admin: 1308664

March 27, 2003

CONFIRMATION

AMBAC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Ambac Assurance Corporation. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$17,882,700, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	July 1, 2031

FIXED AMOUNTS:

Fixed Rate Payer: Party B

Fixed Rate Payer Payment Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.36%

Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A

Floating Rate Payer Payment Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: 65% of USD-LIBOR-BBA

Designated Maturity: One month

Floating Rate Day Count Fraction: Actual/360

Floating Rate Reset Dates: The Effective Date and each Friday thereafter. 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 one (1) London Business Day prior to such Reset Date.

Floating Rate Method of Averaging: Weighted

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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Ambac Assurance Corporation and the address for notices or communications to the Insurer is:

Address: Ambac Assurance Corporation

One State Street Plaza, 15th Floor
New York, New York 10004

Attention: Jeffrey Fried
Telephone: (212) 668-0340
Email: jfried@ambac.com

5. *Account Details.*

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308664

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2011	0.00
7/1/2012	0.00
7/1/2013	0.00
7/1/2014	0.00
7/1/2015	0.00
7/1/2016	0.00
7/15/2017	2,149,312.00
7/1/2018	0.00
7/1/2019	0.00
7/15/2020	7,231,430.00
7/1/2021	0.00
7/1/2022	0.00
7/1/2023	0.00
7/1/2024	0.00
7/1/2025	0.00
7/15/2026	1,609,337.00
7/15/2027	4,425,677.00
7/15/2028	1,858,149.00
7/1/2029	0.00
7/15/2030	127,053.00
7/1/2031	481,742.00



Execution Copy

Admin: 1308666

March 27, 2003

CONFIRMATION
AMBAC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Ambac Assurance Corporation. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$17,882,700, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	July 1, 2031

FIXED AMOUNTS:

Fixed Rate Payer:	Party B
Fixed Rate Payer Payment Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Fixed Rate:	3.36%
Fixed Rate Day Count Fraction:	30/360
FLOATING AMOUNTS:	
Floating Rate Payer:	Party A
Floating Rate Payer Payment Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option:	65% of USD-LIBOR-BBA
Designated Maturity:	One month
Floating Rate Day Count Fraction:	Actual/360
Floating Rate Reset Dates:	The Effective Date and each Monday thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging:	Weighted
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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Ambac Assurance Corporation and the address for notices or communications to the Insurer is:

Address: Ambac Assurance Corporation

One State Street Plaza, 15th Floor
New York, New York 10004

Attention: Jeffrey Fried
Telephone: (212) 668-0340
Email: jfried@ambac.com

5. *Account Details.*

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308666

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2011	0.00
7/1/2012	0.00
7/1/2013	0.00
7/1/2014	0.00
7/1/2015	0.00
7/1/2016	0.00
7/15/2017	2,149,312.00
7/1/2018	0.00
7/1/2019	0.00
7/15/2020	7,231,430.00
7/1/2021	0.00
7/1/2022	0.00
7/1/2023	0.00
7/1/2024	0.00
7/1/2025	0.00
7/15/2026	1,609,337.00
7/15/2027	4,425,677.00
7/15/2028	1,858,149.00
7/1/2029	0.00
7/15/2030	127,053.00
7/1/2031	481,742.00



Execution Copy

Admin: 1308669

March 27, 2003

CONFIRMATION

AMBAC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Ambac Assurance Corporation. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$17,776,823, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	January 1, 2031

FIXED AMOUNTS:

Fixed Rate Payer:	Party B
Fixed Rate Payer Payment Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Fixed Rate:	3.36%
Fixed Rate Day Count Fraction:	30/360
FLOATING AMOUNTS:	
Floating Rate Payer:	Party A
Floating Rate Payer Payment Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option:	65% of USD-LIBOR-BBA
Designated Maturity:	One month
Floating Rate Day Count Fraction:	Actual/360
Floating Rate Reset Dates:	The Effective Date and each Tuesday thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging:	Weighted
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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Ambac Assurance Corporation and the address for notices or communications to the Insurer is:

Address: Ambac Assurance Corporation

One State Street Plaza, 15th Floor
New York, New York 10004

Attention: Jeffrey Fried
Telephone: (212) 668-0340
Email: jfried@ambac.com

5. *Account Details.*

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308669

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
1/1/2011	0.00
1/1/2012	0.00
1/1/2013	0.00
1/1/2014	0.00
1/1/2015	0.00
1/1/2016	0.00
1/1/2017	0.00
1/15/2018	2,075,198.00
1/15/2019	5,823,260.00
1/15/2020	1,768,153.00
1/1/2021	0.00
1/1/2022	0.00
1/1/2023	0.00
1/1/2024	0.00
1/1/2025	0.00
1/15/2026	7,792,580.00
1/1/2027	0.00
1/1/2028	0.00
1/1/2029	0.00
1/1/2030	0.00
1/1/2031	317,632.00



Execution Copy

Admin: 1308673

March 27, 2003

CONFIRMATION

FGIC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Financial Guaranty Insurance Company. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount: \$21,175,490, reducing on the dates and in the amounts set forth in Annex I hereto.

Trade Date: March 27, 2003

Effective Date: April 10, 2003

Termination Date: January 1, 2025

FIXED AMOUNTS:

Fixed Rate Payer: Party B
Fixed Rate Payer Payment Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Fixed Rate: 3.36%
Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A
Floating Rate Payer Payment Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option: 65% of USD-LIBOR-BBA
Designated Maturity: One month
Floating Rate Day Count Fraction: Actual/360
Floating Rate Reset Dates: The Effective Date and each Wednesday thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging: Weighted
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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Financial Guaranty Insurance Company and the address for notices or communications to the Insurer is:

Address: Financial Guaranty Insurance Company

125 Park Avenue
New York, NY 10017

Attention: Harvey Zachem
Telephone: (212) 312-3393
Email: harvey.zachem@ge.com

5. *Account Details.*

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308673

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
1/1/2011	0.00
1/1/2012	0.00
1/1/2013	0.00
1/15/2014	142,935.00
1/1/2015	0.00
1/1/2016	0.00
1/15/2017	741,142.00
1/15/2018	1,180,534.00
1/15/2019	502,918.00
1/15/2020	545,269.00
1/15/2021	555,857.00
1/15/2022	571,738.00
1/15/2023	2,736,932.00
1/15/2024	7,533,180.00
1/1/2025	6,664,985.00



Execution Copy

Admin: 1308678

March 27, 2003

CONFIRMATION
CIFG INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by CIFG North America, Inc. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount: \$10,582,451, reducing on the dates and in the amounts set forth in Annex I hereto.

Trade Date: March 27, 2003

Effective Date: April 10, 2003

Termination Date: January 1, 2031

FIXED AMOUNTS:

Fixed Rate Payer: Party B

Fixed Rate Payer Payment Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.36%

Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A

Floating Rate Payer Payment Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: Monthly on the fifteenth (15th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: 65% of USD-LIBOR-BBA

Designated Maturity: One month

Floating Rate Day Count Fraction: Actual/360

Floating Rate Reset Dates: The Effective Date and each Thursday thereafter. 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 one (1) London Business Day prior to such Reset Date.

Floating Rate Method of Averaging: Weighted

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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is CIFG North America, Inc. and the address for notices or communications to the Insurer is:

Address: CDC IXIS Financial Guaranty North America, Inc.

825 Third Avenue, 6th Floor
New York, NY 10022

Attention: Steve Klein
Telephone: (212) 909-3927
Email: s.klein@cifg.com

5. *Account Details.*

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308678

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
1/1/2011	0.00
1/1/2012	0.00
1/1/2013	0.00
1/1/2014	0.00
1/1/2015	0.00
1/1/2016	0.00
1/1/2017	0.00
1/1/2018	0.00
1/1/2019	0.00
1/1/2020	0.00
1/1/2021	0.00
1/1/2022	0.00
1/1/2023	0.00
1/1/2024	0.00
1/1/2025	0.00
1/1/2026	0.00
1/1/2027	0.00
1/1/2028	0.00
1/15/2029	4,028,637.00
1/15/2030	4,865,069.00
1/1/2031	1,688,745.00

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:



Execution Copy

Admin: 1308663

March 27, 2003

CONFIRMATION
FSA INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Financial Security Assurance Inc. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$20,598,457, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	July 1, 2028
FIXED AMOUNTS:	

Fixed Rate Payer:	Party B
Fixed Rate Payer Payment Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates:	Semiannually on each January 15 and July 15, commencing on July 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Fixed Rate:	3.36%
Fixed Rate Day Count Fraction:	30/360

FLOATING AMOUNTS:

Floating Rate Payer:	Party A
Floating Rate Payer Payment Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates:	Monthly on the fifteenth (15 th) of each calendar month, commencing on May 15, 2003 and terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option:	65% of USD-LIBOR-BBA
Designated Maturity:	One month
Floating Rate Day Count Fraction:	Actual/360
Floating Rate Reset Dates:	The Effective Date and each Thursday thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging:	Weighted
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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Financial Security Assurance Inc., or any successor thereto, and the address for notices or communications to the Insurer is:

Address: Financial Security Assurance Inc.

350 Park Avenue
New York, NY 10022

Attention: Managing Director - Surveillance
Telephone: (212) 826-0100
Telecopier: (212) 339-3556

5. ***Account Details.***

Payments to Party A: Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B: The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308663

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2011	0.00
7/1/2012	0.00
7/1/2013	0.00
7/15/2014	296,457.00
7/15/2015	1,651,688.00
7/15/2016	4,436,265.00
7/15/2017	1,905,794.00
7/15/2018	3,398,666.00
7/1/2019	0.00
7/1/2020	0.00
7/15/2021	524,093.00
7/15/2022	5,865,611.00
7/15/2023	0.00
7/1/2024	0.00
7/15/2025	132,347.00
7/15/2026	1,662,276.00
7/15/2027	269,987.00
7/15/2028	455,273.00



Execution Copy

Admin: 1308701

March 27, 2003

CONFIRMATION

FSA INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Financial Security Assurance Inc. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$20,640,809, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	July 1, 2028
FIXED AMOUNTS:	

Fixed Rate Payer: Party B

Fixed Rate Payer Payment Dates: On the dates set forth in Annex I hereto, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: On the dates set forth in Annex I hereto. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.36%

Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A

Floating Rate Payer Payment Dates: May 23, 2003 and every 35th day thereafter, terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: May 23, 2003 and every 35th day thereafter, terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: 65% of USD-LIBOR-BBA

Designated Maturity: One month

Floating Rate Day Count Fraction: Actual/360

Floating Rate Reset Dates: The Effective Date and each Floating Rate Payer Period End Date thereafter. 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 one (1) London Business Day prior to such Reset Date.

Floating Rate Method of Averaging: 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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Financial Security Assurance Inc., or any successor thereto, and the address for notices or communications to the Insurer is:

Address: Financial Security Assurance Inc.
350 Park Avenue
New York, NY 10022

Attention: Managing Director - Surveillance
Telephone: (212) 826-0100
Telecopier: (212) 339-3556

5. *Account Details.*

Payments to Party A:

Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B:

The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:



Execution Copy

Admin: 1308686

March 27, 2003

CONFIRMATION

FSA INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Financial Security Assurance Inc. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$20,598,457, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	July 1, 2028

FIXED AMOUNTS:

Fixed Rate Payer: Party B
Fixed Rate Payer Payment Dates: On the dates set forth in Annex I hereto, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates: On the dates set forth in Annex I hereto. No Adjustment shall apply to Period End Dates.
Fixed Rate: 3.36%
Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A
Floating Rate Payer Payment Dates: May 9, 2003 and every 35th day thereafter, terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates: May 9, 2003 and every 35th day thereafter, terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option: 65% of USD-LIBOR-BBA
Designated Maturity: One month
Floating Rate Day Count Fraction: Actual/360
Floating Rate Reset Dates: The Effective Date and each Floating Rate Payer Period End Date thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging: 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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Financial Security Assurance Inc., or any successor thereto, and the address for notices or communications to the Insurer is:

Address: Financial Security Assurance Inc.
350 Park Avenue
New York, NY 10022
Attention: Managing Director - Surveillance
Telephone: (212) 826-0100
Telecopier: (212) 339-3556

5. *Account Details.*

Payments to Party A:

Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B:

The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308686

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>	<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2003	0.00	1/1/2016	0.00
1/1/2004	0.00	7/29/2016	4,436,265.00
7/1/2004	0.00	1/1/2017	0.00
1/1/2005	0.00	7/14/2017	1,905,794.00
7/1/2005	0.00	1/1/2018	0.00
1/1/2006	0.00	8/3/2018	3,398,666.00
7/1/2006	0.00	1/1/2019	0.00
1/1/2007	0.00	7/1/2019	0.00
7/1/2007	0.00	1/1/2020	0.00
1/1/2008	0.00	7/1/2020	0.00
7/1/2008	0.00	1/1/2021	0.00
1/1/2009	0.00	7/23/2021	524,093.00
7/1/2009	0.00	1/1/2022	0.00
1/1/2010	0.00	7/8/2022	5,865,611.00
7/1/2010	0.00	1/1/2023	0.00
1/1/2011	0.00	7/1/2023	0.00
7/1/2011	0.00	1/1/2024	0.00
1/1/2012	0.00	7/1/2024	0.00
7/1/2012	0.00	1/1/2025	0.00
1/1/2013	0.00	8/1/2025	132,347.00
7/1/2013	0.00	7/17/2026	1,662,276.00
1/1/2014	0.00	1/1/2027	0.00
7/25/2014	296,457.00	7/2/2027	269,987.00
1/1/2015	0.00	1/1/2028	0.00
7/10/2015	1,651,688.00	7/1/2028	455,273.00



Execution Copy

Admin: 1308704

March 27, 2003

CONFIRMATION

AMBAC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Ambac Assurance Corporation. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount: \$17,919,758, reducing on the dates and in the amounts set forth in Annex I hereto.

Trade Date: March 27, 2003

Effective Date: April 10, 2003

Termination Date: July 1, 2031

FIXED AMOUNTS:

Fixed Rate Payer: Party B
Fixed Rate Payer Payment Dates: On the dates set forth in Annex I hereto, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates: On the dates set forth in Annex I hereto. No Adjustment shall apply to Period End Dates.
Fixed Rate: 3.36%
Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A
Floating Rate Payer Payment Dates: May 16, 2003 and every 35th day thereafter, terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates: May 16, 2003 and every 35th day thereafter, terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option: 65% of USD-LIBOR-BBA
Designated Maturity: One month
Floating Rate Day Count Fraction: Actual/360
Floating Rate Reset Dates: The Effective Date and each Floating Rate Payer Period End Date thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging: 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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Ambac Assurance Corporation and the address for notices or communications to the Insurer is:

Address: Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004
Attention: Jeffrey Fried
Telephone: (212) 668-0340
Email: jfried@ambac.com

5. *Account Details.*

Payments to Party A:

Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B:

The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recpt AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308704

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>	<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2003	0.00	1/1/2018	0.00
1/1/2004	0.00	7/1/2018	0.00
7/1/2004	0.00	1/1/2019	0.00
1/1/2005	0.00	7/1/2019	0.00
7/1/2005	0.00	1/1/2020	0.00
1/1/2006	0.00	7/10/2020	7,231,430.00
7/1/2006	0.00	1/1/2021	0.00
1/1/2007	0.00	7/1/2021	0.00
7/1/2007	0.00	1/1/2022	0.00
1/1/2008	0.00	7/1/2022	0.00
7/1/2008	0.00	1/1/2023	0.00
1/1/2009	0.00	7/1/2023	0.00
7/1/2009	0.00	1/1/2024	0.00
1/1/2010	0.00	7/1/2024	0.00
7/1/2010	0.00	1/1/2025	0.00
1/1/2011	0.00	7/1/2025	0.00
7/1/2011	0.00	1/1/2026	0.00
1/1/2012	0.00	7/24/2026	1,619,925.00
7/1/2012	0.00	1/1/2027	0.00
1/1/2013	0.00	7/9/2027	4,436,265.00
7/1/2013	0.00	1/1/2028	0.00
1/1/2014	0.00	7/28/2028	1,863,443.00
7/1/2014	0.00	1/1/2029	0.00
1/1/2015	0.00	7/1/2029	0.00
7/1/2015	0.00	1/1/2030	0.00
1/1/2016	0.00	8/2/2030	127,053.00
7/1/2016	0.00	1/1/2031	0.00
1/1/2017	0.00	7/1/2031	481,742.00
7/21/2017	2,159,900.00		



Execution Copy

Admin: 1308705

March 27, 2003

CONFIRMATION

FGIC INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by Financial Guaranty Insurance Company. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount:	\$21,201,957, reducing on the dates and in the amounts set forth in Annex I hereto.
Trade Date:	March 27, 2003
Effective Date:	April 10, 2003
Termination Date:	January 1, 2025

FIXED AMOUNTS:

Fixed Rate Payer: Party B

Fixed Rate Payer Payment Dates: On the dates set forth in Annex I hereto, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate Payer Period End Dates: On the dates set forth in Annex I hereto. No Adjustment shall apply to Period End Dates.

Fixed Rate: 3.36%

Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A

Floating Rate Payer Payment Dates: June 6, 2003 and every 35th day thereafter, terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Payer Period End Dates: June 6, 2003 and every 35th day thereafter, terminating on the Termination Date. No Adjustment shall apply to Period End Dates.

Floating Rate Option: 65% of USD-LIBOR-BBA

Designated Maturity: One month

Floating Rate Day Count Fraction: Actual/360

Floating Rate Reset Dates: The Effective Date and each Floating Rate Payer Period End Date thereafter. 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 one (1) London Business Day prior to such Reset Date.

Floating Rate Method of Averaging: 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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is Financial Guaranty Insurance Company and the address for notices or communications to the Insurer is:

Address: Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017

Attention: Harvey Zachem
Telephone: (212) 312-3393
Email: harvey.zachem@ge.com

5. *Account Details.*

Payments to Party A:

Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B:

The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recept AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308705

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2003	0.00
1/1/2004	0.00
7/1/2004	0.00
1/1/2005	0.00
7/1/2005	0.00
1/1/2006	0.00
7/1/2006	0.00
1/1/2007	0.00
7/1/2007	0.00
1/1/2008	0.00
7/1/2008	0.00
1/1/2009	0.00
7/1/2009	0.00
1/1/2010	0.00
7/1/2010	0.00
1/1/2011	0.00
7/1/2011	0.00
1/1/2012	0.00
7/1/2012	0.00
1/1/2013	0.00
7/1/2013	0.00
1/24/2014	148,228.00
7/1/2014	0.00
1/1/2015	0.00
7/1/2015	0.00
1/1/2016	0.00
7/1/2016	0.00
1/13/2017	746,436.00
7/1/2018	0.00
2/2/2018	1,185,827.00
7/1/2018	0.00
1/18/2019	502,918.00
7/1/2020	0.00
1/3/2020	545,269.00
7/1/2021	0.00
1/22/2021	561,150.00
7/1/2022	0.00
1/7/2022	571,738.00
7/1/2023	0.00
1/27/2023	2,736,932.00
7/1/2024	0.00
1/12/2024	7,533,180.00
7/1/2025	0.00
1/1/2025	6,670,279.00



Execution Copy

Admin: 1308709

March 27, 2003

CONFIRMATION

XL CAPITAL INSURED TRANSACTION

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

Attn: Chief Financial Officer
Tel: 518-257-3000
Fax: 518-257-3100

Ladies and Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between Merrill Lynch Capital Services, Inc. ("Party A") and Dormitory Authority of the State of New York ("Party B") on the Trade Date referred to below. This Transaction constitutes an "Insured Transaction" as defined in the Master Agreement specified below and it is therefore subject to the special provisions of the Master Agreement which apply to Insured Transactions.

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 provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation shall supplement, form a part of, and be subject to, the Master Agreement, dated as of March 27, 2003 (including the Schedule thereto, the "Agreement"), between Party A and Party B and insured by XL Capital Assurance Inc. All provisions contained in such Agreement will govern this Confirmation except as expressly modified below.

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

Notional Amount: \$16,940,392, reducing on the dates and in the amounts set forth in Annex I hereto.

Trade Date: March 27, 2003

Effective Date: April 10, 2003

Termination Date: July 1, 2014

FIXED AMOUNTS:

Fixed Rate Payer: Party B
Fixed Rate Payer Payment Dates: On the dates set forth in Annex I hereto, subject to adjustment in accordance with the Following Business Day Convention.
Fixed Rate Payer Period End Dates: On the dates set forth in Annex I hereto. No Adjustment shall apply to Period End Dates.
Fixed Rate: 3.36%
Fixed Rate Day Count Fraction: 30/360

FLOATING AMOUNTS:

Floating Rate Payer: Party A
Floating Rate Payer Payment Dates: May 30, 2003 and every 35th day thereafter, terminating on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Period End Dates: May 30, 2003 and every 35th day thereafter, terminating on the Termination Date. No Adjustment shall apply to Period End Dates.
Floating Rate Option: 65% of USD-LIBOR-BBA
Designated Maturity: One month
Floating Rate Day Count Fraction: Actual/360
Floating Rate Reset Dates: The Effective Date and each Floating Rate Payer Period End Date thereafter. 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 one (1) London Business Day prior to such Reset Date.
Floating Rate Method of Averaging: 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 shall not be deemed to be made until the \$959,600,000 Dormitory Authority of the State of New York – City University System Consolidated Revenue Bonds, Series 2003 (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. The Insurer for the Transaction described in this Confirmation is XL Capital Assurance Inc. and the address for notices or communications to the Insurer is:

Address: XL Capital Assurance Inc.
1221 Avenue of the Americas, 31st Floor
New York, NY 10020

Attention: Scott Beinhacker
Telephone: (212) 478- 3434

Email: sbeinhacker@xlca.com

5. *Account Details.*

Payments to Party A:

Bankers Trust Company
New York, NY
ABA: 021-001-033
A/C #: 00-811-874
Ref: Merrill Lynch Capital Services, Inc.
Attn: Muni Swaps

Payments to Party B:

The Bank of New York
ABA # 021 000 018
GLA # 111-565
AC # 101065
AC Name: DASNY CUNY SWAP Recept AC
ATTN: S. Vaccarello

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 or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Yours sincerely,

MERRILL LYNCH CAPITAL SERVICES, INC.

By: _____
Name:
Title:

Accepted and confirmed as of the
Trade Date:

DORMITORY AUTHORITY OF THE STATE OF NEW YORK

By: _____
Name:
Title:

ANNEX I
to Confirmation, dated March 27, 2003,
between Merrill Lynch Capital Services, Inc.
and Dormitory Authority of the State of New York
Admin: 1308709

<u>Reduction Date</u>	<u>Notional Reduction Amount (\$)</u>
7/1/2003	0.00
1/1/2004	0.00
7/1/2004	0.00
1/1/2005	0.00
7/1/2005	0.00
1/1/2006	0.00
7/1/2006	0.00
1/1/2007	0.00
7/1/2007	0.00
1/1/2008	0.00
7/1/2008	0.00
1/1/2009	0.00
7/1/2009	0.00
1/1/2010	0.00
7/1/2010	0.00
1/1/2011	0.00
7/1/2011	0.00
1/1/2012	0.00
7/1/2012	0.00
1/1/2013	0.00
7/1/2013	0.00
1/1/2014	0.00
7/1/2014	16,940,392.00