



CONFIRMATION

DATE: February 18, 2004

TO: New York Local Government Assistance Corporation  
Telephone No.: 518 474-3686  
Facsimile No. : 518 473-6330  
Attention : Nancy M. Burton

FROM: Goldman Sachs Mitsui Marine Derivative Products, L.P.  
Telephone No.: 212-357-7836  
Facsimile No.: 212-902-5692

SUBJECT: Swap Transaction

REF NO: NUUS402BG0 (090000A00) / (006 416 614)

The purpose of this letter agreement is to confirm the terms and conditions of the Swap Transaction entered into on the Trade Date specified below (the "Transaction") between Goldman Sachs Mitsui Marine Derivative Products, L.P. ("GSMMDP") and New York Local Government Assistance Corporation ("Counterparty"). This communication constitutes a "Confirmation" as referred to in the Agreement defined below.

1. The definitions and provisions contained in the 2000 ISDA Definitions (the "Definitions"), as published by the International Swaps and Derivatives Association, Inc. are incorporated into this Confirmation.
2. This Confirmation supplements, forms part of, and is subject to, the ISDA Master Agreement (Local Currency - Single Jurisdiction) dated as of February 18, 2004 (as amended and supplemented from time to time, the "Agreement") between you and us. All provisions contained in the Agreement govern this Confirmation, except as expressly modified below.
3. The terms of the particular Transaction to which this Confirmation relates are as follows:

Notional Amount: USD 105,225,000 (subject to reduction in accordance with the Amortization Schedule set forth in Exhibit I hereto)

Trade Date: February 18, 2004

Effective Date: February 26, 2004

Termination Date. April 1, 2021, subject to adjustment in accordance with the Following Business Day Convention and, subject to early termination as set forth under "Additional Provisions" below.

Floating Amounts:

Floating Rate Payer: GSMMDP

Floating Rate Payer Payment Dates: Monthly, on the 1st day of each calendar month, commencing on April 1, 2004 and ending on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Floating Rate Option: 1-month USD-LIBOR x 65.0%

Where:

1-month USD-LIBOR = USD-LIBOR-BBA with a Designated Maturity of 1 month; and provided that the words "on the day that is two London Banking Days preceding that Reset Date" contained in the definitions of USD-LIBOR-BBA and USD-LIBOR-Reference Banks in Section 7.1 of the Definitions shall be replaced with "on the first day preceding that Floating Rate Reset Date that is both a London Banking Day and a Business Day".

Floating Rate Reset Dates: The first day of each Calculation Period

Floating Rate Day Count Fraction: Actual/360

Floating Rate Period End Dates: Not adjusted

Fixed Amounts:

Fixed Rate Payer: Counterparty

Fixed Rate Payer Payment Dates: Semiannually, on each October 1 and April 1, commencing on April 1, 2004 and ending on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Rate: 3.194%

Fixed Rate Day Count Fraction: 30/360

Fixed Rate Period End Dates: Not adjusted

Business Days: New York

Calculation Agent: GSMMDP

4. Definitions:

Bonds:

USD 52,600,000 Series 2004A-AV Variable Interest Rate Refunding Bonds (Senior Lien)(CUSIP No 649876 D97) and USD 52,625,000 Series 2004A-BV Variable Interest Rate Refunding Bonds (Senior Lien)(CUSIP No. 649876 E21)

5. Additional Provisions:

**(a) 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 any representations or agreements of the parties contained herein (other than the representation and agreement by Party B in the following sentence) and in the Agreement shall not be deemed to be made until 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, agrees to use its best efforts to issue the Bonds on or before the Effective Date and acknowledges that Party A is entering into this Transaction in reliance upon the foregoing.

**(b) Option to Terminate in Whole or in Part with Cash Settlement by Counterparty:**

Counterparty may, upon at least five (5) Business Days' written notice to GSMMDP, terminate this Transaction, in whole or in part, by designating to GSMMDP the termination date for such Transaction or portion thereof. In the event Counterparty exercises its right of optional termination hereunder, the provisions of Section 6(e)(ii)(1) shall apply as though Counterparty is the sole Affected Party. Counterparty may not optionally terminate any Transaction or portion thereof pursuant to this section unless Counterparty also provides evidence reasonably satisfactory to GSMMDP that Counterparty has or will have on the termination date available funds with which to pay any amount due to GSMMDP as a result of such Optional Termination. Notwithstanding anything herein or in the Agreement to the contrary, the parties will be obligated to pay any accrued and unpaid amounts that would otherwise be due on the date of such Optional Termination.

6. Credit Support Documents: Support Agreement in favor of GSMMDP dated as of October 8, 1993.

7. Account Details:

USD Payments to GSMMDP:

For the Account of: Goldman Sachs Mitsui Marine Derivative Products, L.P.  
Name of Bank: JPMorgan Chase Bank, New York  
Account No: [REDACTED]  
Fed ABA No: [REDACTED]

GSMMDP Inquiries

Swap Operations

Goldman Sachs Mitsui Marine Derivative Products, L.P.

Telephone No.: 212-357-7836

Facsimile No.: 212-902-5692

GSMMDP Reset Inquiries:

Reset Hotline: 212-357-1530

Payments to Counterparty:

In accordance with Counterparty's written instructions as set forth below or otherwise delivered to GSMMDP. GSMMDP shall make no payments without having received (i) such written instructions and (ii) a fully executed facsimile copy of this Confirmation or other written acceptance of the terms hereof.

For the Account of:

Name of Bank: LGACSWAP6-MS  
The Bank of New York  
Account No: [REDACTED]  
Fed ABA No: [REDACTED]  
Attn: S. Vaccarello

8. Offices:

(a) The Office of GSMMDP for this Transaction is 85 Broad Street, New York, New York, 10004.

(b) The Office of Counterparty for this Transaction is 110 State Street 14th Floor, Albany, NY 12236.

9. Counterparty hereby agrees (a) to check this Confirmation (Reference No.: NUUS402BG0 (090000A00)) carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing correctly sets forth the terms of the agreement between GSMMDP and Counterparty with respect to the particular Transaction to which this Confirmation relates, by manually signing this Confirmation and providing the other information requested herein and immediately returning an executed copy to Swap Administration, facsimile No. 212-902-5692.

Very truly yours,

**GOLDMAN SACHS MITSUI MARINE  
DERIVATIVE PRODUCTS, L.P.**

By: GSMMDPGP, Inc.  
General Partner

By:



**Lucy Finnessey  
Vice President**

Agreed and Accepted By:

New York Local Government Assistance Corporation

By:



Name: Nancy M. Burton

Title: Treasurer

Counterparty Reference No.: \_\_\_\_\_

APPROVED

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FOR THE STATE COMPTROLLER

**Exhibit I**

**Amortization Schedule**

**For all Calculation Periods  
from and including:**

**Effective Date**  
**April 1, 2015**  
**April 1, 2016**  
**April 1, 2017**  
**April 1, 2018**  
**April 1, 2019**  
**April 1, 2020**

**To but excluding:**

**April 1, 2015**  
**April 1, 2016**  
**April 1, 2017**  
**April 1, 2018**  
**April 1, 2019**  
**April 1, 2020**  
**Termination Date**

**The applicable USD  
Notional Amount shall be**

**105,225,000**  
**102,350,000**  
**99,225,000**  
**86,975,000**  
**74,275,000**  
**47,650,000**  
**10,050,000**