



February 12, 2003

To:	New York Local Government Assistance Corp.	From:	Liliana Gowdie / IRD Dept.
Attn:	Mr. John E. Hull	Tel:	212-278-7145 / 7182
	Co-Executive Director & Treasurer	Fax:	212-278-7660
	Office of the State Comptroller		
	A.E. Smith State Office Building, 6 <sup>th</sup> Floor		
	Albany, NY 12236		
Tel:	518-474-4003		
Fax:	518-473-6330		

Re: SG NY Ref # DFP035414

Dear Sirs:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Swap Transaction entered into between us on the Trade Date specified below (the "Transaction").

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

This Confirmation constitutes a "Confirmation" as referred to in, and supplements, forms part of and is subject to, the ISDA Master Agreement dated as of February 12, 2003, as amended and supplemented from time to time (the "Agreement"), between Societe Generale, New York Branch ("Party A") and New York Local Government Assistance Corporation ("Party B"). All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

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

Notional Amount:	See attached Amortization Schedule
Trade Date:	February 12, 2003
Effective Date:	February 20, 2003
Termination Date:	April 1, 2024, subject to adjustment in accordance with the Modified Following Business Day Convention and the provisions of Section 2 herein.
Fixed Amounts:	
Fixed Rate Payer:	Party B
Fixed Rate Payer Payment Dates:	The 1 <sup>st</sup> of each April and October, commencing April 1, 2003, to and including the Termination Date, subject to adjustment in accordance with the Modified Following Business Day Convention

DFP035414

<b>Fixed Rate Payer Period End Dates:</b>	The 1 <sup>st</sup> of each April and October, commencing April 1, 2003, to and including the Termination Date, subject to No Adjustment
<b>Fixed Rate:</b>	3.25970%
<b>Fixed Rate Day Count Fraction:</b>	30/360
<b>Floating Amounts:</b>	
<b>Floating Rate Payer:</b>	Party A (Societe Generale, New York Branch)
<b>Floating Rate Payer Payment Dates:</b>	The 1 <sup>st</sup> of each month, commencing April 1, 2003, to and including the Termination Date, subject to adjustment in accordance with the Modified Following Business Day Convention
<b>Floating Rate Payer Period End Dates:</b>	The 1 <sup>st</sup> of each April and October, commencing April 1, 2003, to and including the Termination Date, subject to adjustment in accordance with the Modified Following Business Day Convention
<b>Floating Rate:</b>	A per annum rate, expressed as a decimal, equal to 65% of the USD-LIBOR-BBA (with a designated maturity of one month), to be reset one London Business Day preceding the Reset Date.
<b>Floating Rate for Initial Calculation Period:</b>	To be determined
<b>Designated Maturity:</b>	One month
<b>Spread:</b>	None
<b>Floating Rate Day Count Fraction:</b>	Actual/Actual
<b>Method of Averaging:</b>	Weighted
<b>Reset Dates:</b>	The Effective Date and each Wednesday thereafter. Notwithstanding anything contained in the Definitions, the rate for each Reset Date shall be the rate that appears on the Telerate Page 3760 as of 11:00 a.m., London time, on the day that is one London Banking Day preceding that Reset Date.
<b>Compounding:</b>	Inapplicable
<b>Business Days:</b>	New York
<b>Calculation Agent:</b>	Party A

FEB.

2. Additional Provisions:

Party B shall have the option to terminate this Transaction, in whole or in part, by giving Party A Five Business Days prior telephonic notice, provided that no Event of Default or Potential Event of Default has occurred and is then continuing with respect to the party exercising this option. The Cash Settlement Amount in respect of such termination will be determined by the Calculation Agent in good faith and a commercially reasonable manner in accordance with market practice.

3. Account Details

Payments to Party A: Federal Reserve Bank of New York  
[Redacted]  
F/O Societe Generale, NY

Payments to Party B: PLEASE ADVISE

4. Offices:

- (a) The Office of Party A for the Swap Transaction is New York; and
- (b) The Office of Party B for the Swap Transaction is Albany, New York.

5. Non-Reliance:

Each party represents that (i) it is not relying upon any advice (whether written or oral) of the other party to this Swap Transaction, other than the representations expressly set forth in the Agreement or this Confirmation; (ii) it has made its own decisions in entering into this Swap Transaction based upon advice from such professional advisors as it has deemed necessary; and (iii) it understands the terms, conditions and risks of this Swap Transaction and is willing to assume (financially and otherwise) those risks.

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

Yours sincerely,

SOCIETE GENERALE, NEW YORK

[Redacted Signature]

By: [Redacted]  
Name: Milana Gowdie  
Title: Specialist

[Redacted Signature]

By: [Redacted]  
Name: Dan Saushaft  
Title: Managing Director

Confirmed as of the date first written above:

NEW YORK STATE GOVERNMENT ASSISTANCE CORPORATION

[Redacted Signature]

By: [Redacted]  
Name: NANCY M. BURTON  
Title: TREASURER

APPROVED 2-19-03  
[Redacted Signature]  
FOR THE STATE COMPTROLLER

**AMORTIZATION SCHEDULE**

**SG REF # DFP035414**

<b>CALCULATION PERIOD</b>		<b>NOTIONAL AMOUNT</b>
<b>(From and Including)</b>	<b>(To but excluding)</b>	<b>(USD)</b>
2/20/2003	4/1/2017	188,300,000.00
4/1/2017	4/1/2018	178,700,000.00
4/1/2018	4/1/2019	128,530,000.00
4/1/2019	4/1/2020	128,025,000.00
4/1/2020	4/1/2021	100,235,000.00
4/1/2021	4/1/2022	68,750,000.00
4/1/2022	4/1/2023	39,670,000.00
4/1/2023	4/1/2024	12,180,000.00