

CONFIRMING AGREEMENT

This CONFIRMING AGREEMENT (this "*Agreement*"), dated as of June 1, 2003, is entered into by and between WACHOVIA BANK, NATIONAL ASSOCIATION, as Trustee for the Bonds hereinafter described (the "*Trustee*") and JPMORGAN CHASE BANK (the "*Bank*").

WHEREAS, the Pennsylvania Intergovernmental Cooperation Authority (the "*Authority*") is issuing on the date hereof \$165,550,000 in aggregate principal amount of its Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program) Series of 2003 (the "*Bonds*"), pursuant to (i) the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class, approved June 5, 1991 (P.L. 9, No. 6), 53 P.S. 12720.101 et seq., as amended (the "*Act*") of the Commonwealth of Pennsylvania, (ii) an Amended and Restated Indenture of Trust dated as of December 1, 1994 (the "*Amended and Restated Indenture*"), between the Authority and the Trustee, as amended and supplemented by a First Supplement to the Amended and Restated Indenture of Trust dated as of May 15, 1996 (the "*First Supplement*"), a Second Supplement to the Amended and Restated Indenture of Trust dated as of April 1, 1999 (the "*Second Supplement*") and a Third Supplement to the Amended and Restated Indenture of Trust dated as of June 1, 2003 (the "*Third Supplement*" and as further amended and supplemented from time to time in accordance with the terms thereof and hereof, being referred to herein collectively as the "*Indenture*"), and (iii) Resolution No. 2003-04 adopted by the Authority on March 24, 2003 (the "*Resolution*"); and

WHEREAS, pursuant to the Indenture, the holders of the Bonds have the right to and under certain circumstances are required to tender their Bonds for purchase at a purchase price equal to the principal amount of the tendered Bonds plus interest accrued thereon to the purchase date; and

WHEREAS, the Authority, the Trustee and the Bank are entering into a Standby Bond Purchase Agreement relating to the Bonds, dated as of the date hereof (as the same may be supplemented or amended from time to time the "*Standby Bond Purchase Agreement*"), pursuant to which the Bank agrees to purchase Bonds tendered for purchase upon the terms and conditions of the Standby Bond Purchase Agreement; and

WHEREAS, the Bank and the Trustee desire to enter into this Agreement to acknowledge and confirm that the obligation of the Bank to purchase tendered Bonds that are not remarketed in accordance with the terms and conditions of the Standby Bond Purchase Agreement is for the benefit of the Trustee and is a separate, independent obligation of the Bank to the Trustee;

NOW, THEREFORE, in consideration of the fees payable to the Bank, the covenants of the Authority contained in the Standby Bond Purchase Agreement and the amounts paid by the Bondholders incident to the issuance of the Bonds and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Standby Bond Purchase Agreement.

SECTION 2. Purchase Obligation. The Bank hereby confirms (a) that it is obligated from time to time during the Purchase Period, as the same may be extended under and pursuant to the terms of the Standby Bond Purchase Agreement, to purchase Bonds in accordance with the terms and conditions of the Standby Bond Purchase Agreement, including, without limitation, Section 2.1 thereof, (b) that such purchase obligation, the terms and conditions of which are expressly incorporated herein by this reference, is a direct obligation of the Bank to, and payment thereunder is for the benefit of, the Trustee and is a separate, independent obligation of the Bank to the Trustee, and (c) that such purchase obligation does not constitute a contract to make a loan or extend other debt financing or financial accommodations to or for the benefit of the Authority. To further confirm such purchase obligation, the Bank hereby agrees with the Trustee to purchase Bonds in accordance with the terms and conditions set forth in the Standby Bond Purchase Agreement, including, without limitation, Section 2.01 thereof, just as if such purchase obligation, terms, and conditions were set forth verbatim herein. Neither the failure of the Authority to pay amounts due or to perform other obligations due under the Standby Bond Purchase Agreement nor the bankruptcy or insolvency of the Authority nor any other Event of Default or Default under the Standby Bond Purchase Agreement nor any other event which affects the enforceability of the Standby Bond Purchase Agreement against the Authority shall affect the obligation of the Bank to purchase tendered but unremarketed Bonds, subject only to Section 7.02 of the Standby Bond Purchase Agreement. Without limiting the generality of the foregoing, the Bank hereby further confirms that its obligations to purchase tendered but unremarketed Bonds shall survive, and shall remain in full force and effect enforceable against it by the Trustee, notwithstanding any composition, receivership, conservatorship, insolvency, bankruptcy, reorganization, moratorium, liquidation, readjustment of debt or other similar proceeding commenced by or against the Authority, as debtor, or relating to Authority's assets, or any rejection or nonassumption of the Standby Bond Purchase Agreement in any such proceeding, whether as an executory contract or otherwise. The Bank under this Agreement shall have the remedies provided in the Standby Bond Purchase Agreement with respect to the Defaults and Events of Default specified therein, including under certain circumstances terminating the obligation of the Bank to purchase Bonds as expressly provided in the Standby Bond Purchase Agreement.


SECTION 3. Amendments to Standby Bond Purchase Agreement. The obligations of the Bank hereunder shall be automatically (and without any necessity for a written agreement) amended, modified and supplemented to incorporate any amendments, modifications and supplements to the Standby Bond Purchase Agreement upon the effectiveness of each such amendment, modification or supplement.

SECTION 4. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA.

SECTION 5. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: 
Name: JOANN FAPTINI
Title: Assistant Vice President

JPMORGAN CHASE BANK

By: _____
Name:
Title:

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WACHOVIA BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

JPMORGAN CHASE BANK

By:  _____
Name: **DAVID WEINSTEIN**
Title: **VICE PRESIDENT**