

## IDENTIFICATION OF ANTICIPATORY HEDGE FOR TAX-EXEMPT BOND ISSUE

The following Floating to Fixed (Synthetic Fixed) Forward Starting Interest Rate Swaption Agreement (the "Contract") is hereby identified on the records of the issuer of the Hedged Bonds:

1. The parties reasonably expect that the Hedged Bonds will be variable rate bonds as follows:

Bond Issuer: Pennsylvania Intergovernmental Cooperation Authority

Purpose of the issue: Current refunding of Bond Issuer's special tax revenue bonds, series of 1993A

Issue price: \$163,185,000

Maturity: June 15, 2022 (approx)

Date of issuance: June 15, 2003 (approx)

Manner in which interest is expected to be computed: remarketing rate for tender option bonds at weekly or other short-term tender periods.

Applicable section of the regulations: § 1.148-4(h)(5)(iii) (anticipatory hedge contracts not expected to be terminated substantially contemporaneously with the issue date of hedged bond).

2. The Contract will grant the Hedge Provider an option which, if exercised, will modify the Bond Issuer's risk with respect to the variable interest rate on the Hedged Bonds, by providing for the Bond Issuer to make fixed rate payments to the Hedge Provider in exchange for variable rate payments by the Hedge Provider that will closely correspond to (and offset the Bond Issuer's risk on) the interest rate payments on the variable rate Hedged Bonds. Payments under the Contract, if the option is exercised, will begin on the date of issuance of the Hedged Bonds and will continue until the maturity of the Hedged Bonds.
3. The parties to the Contract are unrelated and are the Bond Issuer and the following Hedge Provider: JP Morgan Chase Bank.
4. The source of the payments by the Bond Issuer will be special tax revenues, similarly to the payments of debt service on the Hedged Bonds.
5. The parties are entering the Contract today.
6. This identification will be maintained in the permanent records for the Hedged Bonds. The existence of the Contract will be noted on Form 8038-G relating to the Hedged Bonds.

PENNSYLVANIA INTERGOVERNMENTAL  
COOPERATION AUTHORITY

Date: December 6, 2001

By: \_\_\_\_\_

