



Moody's Investors Service

99 Church Street
New York, New York 10007

June 13, 2003

Pennsylvania Intergovernmental Cooperation Authority
1429 Walnut Street, 14th floor
Philadelphia, PA 19102

Attn: Joseph C. Vignola
Executive Director/CEO

**Re: \$165,550,000 Pennsylvania Intergovernmental Cooperation Authority
Special Tax Revenue Refunding Bonds (City of Philadelphia Funding Program)
Series of 2003**

Dear Mr. Vignola:

At your request, Moody's Rating Committee has reviewed the documents submitted to us in connection with the above-referenced issue and has assigned a rating of **Aaa/VMIG 1** to the bonds based upon a bond insurance policy provided by Ambac Assurance Corporation and a standby bond purchase agreement provided by JPMorgan Chase Bank.

The long term rating is based on bond insurance policy #21041BE provided by Ambac and the short term rating is based upon the support of the standby bond purchase agreement provided by JPMorgan Chase Bank. The ratings will be revised whenever the ratings of these entities is changed. The rating was also based on the legal documentation relating to the issue and sale of the bonds.

The rating is subject to reconsideration at Moody's sole discretion. It requires delivery of executed documents in form satisfactory to Moody's within 30 days from closing and also requires notice to Moody's hereafter of certain events as described in the documents.

The **VMIG 1** rating for each series shall terminate automatically upon the earliest of (1) the stated expiration date of the standby bond purchase agreement, June 14, 2004, (2) the mandatory tender date triggered by the expiration of the standby bond purchase agreement, (3) conversion to a rate mode other than daily or weekly, and (4) termination of the standby bond purchase agreement.

If you have any questions regarding this transaction, you may call me directly at 212-553-4667. Thank you for your interest in our services.

Sincerely,

Joseph Staffa, Esq.
Vice-Pres & Senior Credit Officer