



Date: 01 September 2011  
To: New York Local Government Assistance Corporation ("Counterparty")  
Attn: Patricia Warrington, Treasurer  
Fax No: (518) 473-6330  
From: UBS AG, Stamford Branch ("UBS")  
Subject: Amended and Restated Swap Transaction  
UBS Ref: 7392405

Dear Treasurer Warrington,

The purpose of this communication is to amend and restate the Confirmation originally dated 12 February 2003, (the "Original Confirmation"), effective on the Amendment Effective Date specified below, providing for the terms and conditions of the Transaction entered into between us on the Trade Date specified below. This amended and restated Confirmation (hereinafter referred to as the "Confirmation") constitutes a "Confirmation" as referred to in the Master Agreement or Agreement specified below.

**The Original Confirmation is being amended and restated due to a partial termination by the Counterparty. Such changes and related changes necessitated thereby are in bold-face type. This Confirmation represents an amendment and restatement of any prior written communication between the parties with respect to the Transaction. Upon the Amendment Date specified below, any such prior written communication, including the Original Confirmation, shall no longer have any force and effect except as provided herein.**

The definitions contained in the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between any of the definitions listed above and this Confirmation, this Confirmation will govern.

UBS and the Counterparty have entered into a Master Agreement, dated as of February 12, 2003, which sets forth the general terms and conditions, as well as amendments, applicable to this Transaction (together with any Schedule and any other Confirmation, the "Agreement"). This Confirmation supplements, forms part of and is subject to the Agreement. All provisions contained in, or incorporated by reference to, such Agreement shall govern this Confirmation except as expressly modified below. In the event of any inconsistency between the provisions of the Agreement and this Confirmation, this Confirmation will prevail for purposes of this Transaction.

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

**General Terms**

**Amendment Date:** 31 August 2011  
**Amendment Effective Date:** 31 August 2011  
**Trade Date:** 12 February 2003  
**Original Effective Date:** 20 February 2003

Termination Date: 01 April 2024, subject to adjustment in accordance with the Following Business Day Convention.

Notional Amount: Initially, 188,300,000.00, thereafter amortizing per the Revised Amortization Schedule below

Calculation Agent: Per the Schedule to the Master Agreement

Business Days: New York

**Fixed Amounts**

Fixed Rate Payer: Counterparty

Fixed Rate: 3.2629 per cent per annum

Fixed Rate Day Count Fraction: 30/360

Fixed Rate Payer Payment Dates: 01 April and 01 October, from and including 01 April 2003 up to and including the Termination Date subject to adjustment in accordance with the Business Day Convention specified immediately below and there will be No Adjustment to the Calculation Period.

Business Day Convention: Following

**Floating Amounts**

Floating Rate Payer: UBS

Floating Rate Option: 65 percent of USD-LIBOR-BBA, However section 7.1(ab)(xxii) of the 2006 ISDA Definitions shall be amended such that "...two London Banking Days.." shall be replaced with "...one London Banking Days.."

Designated Maturity: One month

Floating Rate Day Count Fraction: Actual/Actual

Floating Rate Payer Payment Dates: The first Business Day in each month, in each year from and including 01 April 2003 up to and including

the Termination Date subject to adjustment in accordance with the Business Day Convention specified immediately below.

Reset Dates: **Weekly on each Wednesday effective Thursday.**

Business Day Convention: **Following**

Method of Averaging: **Weighted Average**

Compounding: **Inapplicable**

**Revised Amortization Schedule**

<b><u>From and including:</u></b>	<b><u>To but excluding:</u></b>	<b><u>Notional Amount</u></b> <b><u>(USD)</u></b>
<b>20 February 2003</b>	<b>Amendment Effective Date</b>	<b>188,300,000</b>
<b>Amendment Effective Date</b>	<b>01 April 2017</b>	<b>94,140,000</b>
01 April 2017	01 April 2018	94,140,000
01 April 2018	01 April 2019	94,140,000
01 April 2019	01 April 2020	94,140,000
01 April 2020	01 April 2021	68,750,000
01 April 2021	01 April 2022	68,750,000
01 April 2022	01 April 2023	39,670,000
01 April 2023	01 April 2024	12,180,000

**Fee:** **In consideration for entering into this Confirmation and for partially terminating this Transaction, Counterparty will pay UBS the sum of USD 13,689,000 (“Payment Amount”) on 15 September 2011 (“Payment Date”).**

**There is no interest payable on the Payment Amount from the Amendment Date to the Payment Date.**

The Original Confirmation is amended and restated with effect from the Amendment Effective Date subject to the payment of the Payment Amount set forth above; provided however that, if Counterparty does not issue its Series 2011A Subordinate Lien Refunding Bonds, Counterparty may determine that it shall not pay the Payment Amount to UBS and that this Transaction will remain in effect in accordance with the terms set forth in the Original Confirmation and with its current Notional Amount of USD 188,300,000. In such event, (i) UBS and Counterparty shall determine the losses and costs or the gains of UBS resulting from UBS reestablishing any hedge or related trading position with respect to this Transaction and (ii) within two business days of the determination of such amount, UBS shall pay the amount of such gains to Counterparty or Counterparty shall pay to UBS the amount of such losses and costs. In addition, in such event, UBS shall pay to Counterparty on such date the difference between the floating rate payment that would have been paid on September 1 had the Amortization Schedule remained as set forth in the Original Confirmation and the floating rate payment that was made on September 1 based on the amendment to the Amortization Schedule.

UBS and Counterparty acknowledge and agree that any amounts payable by Counterparty pursuant to clause (ii) of the previous paragraph, specifically any losses payable by Counterparty if this Transaction will remain in effect in accordance with the terms set forth in the Original Confirmation, shall not constitute obligations subject to the Swap Insurance Policy (as defined in the Agreement) issued by Financial Guaranty Insurance Company, and that UBS shall not submit any claim for any such losses under the Swap Insurance Policy.

#### **Relationship between Parties**

Each party represented to the other party on the date on which it entered into this Transaction and represents to the other party on the Amendment Date that the representation and warranties made by it in the Agreement are true and correct on such date and that (in the absence of a written Agreement between the parties which expressly imposes affirmative obligations to the contrary for this Transaction):-

(a) Non-Reliance. Each party is acting for its own account, and has made its own independent decisions to enter into this Transaction and this such Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. Each party is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction; it being understood that information and explanation relating to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction.

(b) Assessment and Understanding. Each party is capable of assessing the merits of and understands (on its own behalf or through independent professional advice), and accepts, the terms, conditions and risks of this Transaction. Each party is also capable of assuming and assumes the risks of this Transaction.

(c) Status of the Parties. Neither party is acting as a fiduciary for or as an adviser to the other in respect of this Transaction.

(d) **Eligible Contract Participant:** Each party is an "eligible contract participant" under, and as defined in, Section 1a (12) of the Commodity Exchange Act, as amended (7 U.S.C. Section 1a(12)).

References in this clause to "a party" shall, in the case of UBS AG and where the context so allows, include references to any affiliate of UBS AG.

**Waiver of Notices:**

Each of the parties hereby (i) waives its right to any prior notice required under the Agreement or the Original Confirmation in connection with the amendment/termination being effected hereby, and (ii) agrees that the conditions set forth in Section 6(g) regarding optional termination of the Agreement shall be deemed to have been satisfied by Party B.

**Documents to be delivered:**

Each party shall deliver to the other, at or prior to the time of its execution of this Confirmation, evidence of the specimen signature and incumbency of each person who is executing the Confirmation on the party's behalf. The Counterparty shall deliver a copy of the resolution or resolutions (or the equivalent thereof) of the governing body of Counterparty, certified by an appropriate official of Counterparty, pursuant to which Counterparty is authorized to enter into this partial termination of swap transaction.

**UBS Account Details**

Account for payments in USD:

Bank: UBS AG, Stamford  
ABA/Bank No.: [REDACTED]  
Account No.: [REDACTED]

**Counterparty Account Details**

Fed Wire Instructions:  
Bank of New York  
ABA#: [REDACTED]  
GLA#: [REDACTED]  
Account Number: [REDACTED]  
Account Name: LGACSWAP3-UBS  
Attention: Steve Vaccarello

**Offices**

- (a) The office of UBS for the Swap Transaction is Stamford, CT; and
- (b) The office of the Counterparty for the Swap Transaction is Albany, NY.

**Contact Names at UBS**

Settlements: Hotline: (203) 719 0929  
Documentation Queries: Legal Department (203) 719-4854  
Swift: [REDACTED]  
Fax: (203) 719-0680  
Address: UBS AG  
677 Washington Boulevard  
Stamford, CT 06901

Please confirm that the foregoing correctly sets forth the terms and conditions of our agreement by executing a copy of this Confirmation and returning it to us by facsimile to (203) 719-0680 for attention Pamela Tasik.

Yours Faithfully  
For and on Behalf of  
UBS AG, Stamford Branch

By:

[REDACTED]

Name: Lisa Woo  
Title: Associate Director

By:

[REDACTED]

Name: Tracy Johnson  
Title: Director

Acknowledged and agreed by **New York Local Government Assistance Corporation**, as of the **Amendment Date** specified above:

By:

[REDACTED]

Name: *Patricia Warrington*  
Title: *Treasurer*

Acknowledged and consented by **Financial Guaranty Insurance Company**, as of the **Amendment Date** specified above:

By:

Name :  
Title :

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[REDACTED]

[REDACTED]

Name: Lisa Woo  
Title: Associate Director

Name: Tracy Johnson  
Title: Director

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By:

Name :  
Title :

Acknowledged and consented by **Financial Guaranty Insurance Company**, as of the **Amendment Date** specified above:

By:

[REDACTED]

Name : *Kenneth L. Olson*  
Title : *SV Managing Director*