

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, November 18, 2004

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, November 18, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler, Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 A. Paul Blanco, Acting Chief Financial Officer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Arthur J. Cifelli, Senior Advisor to the Chairman/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Acting Chief of Real Estate/Regional and Economic Development
 Gertrude Gilligan, Employee Communications Representative, Public Affairs
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Andrew Levine, Assistant Director, Audit
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie Mulligan, Treasurer
 Michael F. O'Connor, Chief of Public Safety and Emergency Management

Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
Office of the Secretary
Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Cruz C. Russell, Deputy Chief, Strategic Planning
Edmond F. Schorno, Chief of Staff
Joseph J. Seymour, Special Advisor for the World Trade Center Site
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Tiffany A. Townsend, Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff
David Widawsky, Senior Project Manager, Office of Policy and Planning
Peter J. Zipf, Deputy Chief Engineer

Guest:

Sam Stauton, Authorities Unit, Officer of the Governor of New Jersey

The public session was called to order by Chairman Coscia at 2:30 p.m. and ended at 2:42 p.m. The Board met in executive session prior to the public session. Vice-Chairman Gargano was present for executive session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of October 21, 2004. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on November 18, 2004, which included discussion of contract matters, matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Capital Programs/Port Planning

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed at its meeting on November 18, 2004, which included discussion of an agreement to provide funding for a project to extend the West End Concourse at Penn Station New York, as well as matters discussed in executive session, which included discussion of matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed at its meeting on November 18, 2004, which included discussion of contract matters, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on November 18, 2004, which included a discussion of lease matters, and the report was received.

Staff Report

A presentation was provided by staff on snow-removal preparations for the 2004-2005 winter season at the Port Authority's airports.

Commissioner's Report

Chairman Coscia thanked Joseph Seymour, former Executive Director, for his dedicated service to the Port Authority during the most difficult time in the agency's history. In recognition of his extraordinary leadership and accomplishments, Chairman Coscia presented Joseph Seymour with the Howard S. Cullman Distinguished Service Medal, which is the highest award given by the Port Authority to a Port Authority employee who has performed the most outstanding service.

Commissioner Blakeman also acknowledged Joseph J. Seymour and presented him with a special citation from the State of New York honoring him for his accomplishments and service to the Port Authority and the region.

Former Executive Director Joseph J. Seymour responded that it has been an honor and a pleasure to serve at the Port Authority and commended the men and women of the agency on the manner in which they conducted themselves following the events of September 11, 2001 and on their continued dedicated service to the bi-state region. He also thanked the Chairman and Commissioners for their guidance and leadership in advancing the goals of The Port Authority of New York and New Jersey.

**TRIBUTE TO JOSEPH J. SEYMOUR AND AWARD OF HOWARD S. CULLMAN
DISTINGUISHED SERVICE MEDAL**

The following resolution was unanimously adopted by the Board of Commissioners upon the retirement of Joseph J. Seymour, Executive Director.

WHEREAS, from the time he joined the Port Authority on January 3, 2002 as Executive Director, Joseph J. Seymour has served with great distinction in leading The Port Authority of New York and New Jersey during the most difficult time in the agency's history; and

WHEREAS, Joseph J. Seymour took the helm of a public agency shortly after it had suffered unimaginable loss and has made it a priority to reestablish the agency's headquarters, restore morale and lead its employees forward in the aftermath of the September 11, 2001 terrorist attacks; and

WHEREAS, Joseph J. Seymour has developed an ambitious agenda for the agency, making it clear that the staff of the Port Authority would remain unbowed as the recovery effort progressed; and

WHEREAS, Joseph J. Seymour has placed great emphasis upon safety and security, so that travelers and commerce may be ensured dependable, trustworthy passage throughout the region as the Port Authority has developed a comprehensive investment program that makes the agency a leader in adopting new technologies to reinforce security systems and enhance public safety; and

WHEREAS, Joseph J. Seymour is among the most influential and instrumental figures in the redevelopment of Lower Manhattan, including the restoration of PATH service to Exchange Place and the World Trade Center site, the development of the World Trade Center Master Plan and Site Plan and work on the new Downtown World Trade Center Transportation Hub; and

WHEREAS, as Executive Director, Joseph J. Seymour, has guided staff in the resolution of a number of critical agreements, including extension of the Newark Lease Agreement for Newark Liberty International Airport and Port Newark; extension of the New York City Lease Agreement for John F. Kennedy International and LaGuardia Airports; revised Flight Fee Agreements with the airlines operating at the New York airports; and the World Trade Center Redevelopment Agreement with the City of New York; and

WHEREAS, Joseph J. Seymour has overseen the advancement of several new airport terminal development projects and the opening of AirTrain JFK; maritime port dredging and expansion of intermodal rail service and other efforts relating to relieving congestion on roadways within the Port District; a series of ambitious projects to maintain the agency's tunnel and bridge crossings in a state of good repair, as well as planning for the implementation of Highway Speed E-ZPass at the Port Authority's bridge facilities; and comprehensive security enhancements at the agency's facilities;

AND, in addition,

WHEREAS, by resolution adopted by the Board on March 14, 1957, the Howard S. Cullman Distinguished Service Medal was established, which award is the highest award for service given by the Port Authority to a Port Authority employee who has performed the most outstanding service; and

WHEREAS, in the case of Joseph J. Seymour, it is recommended that the Howard S. Cullman Distinguished Service Medal be awarded to Joseph J. Seymour for his leadership and accomplishments during the most trying and challenging period in the agency's history and for his dedication to public service to this agency and to the region it serves.

NOW, therefore, be it

RESOLVED, that the Commissioners of The Port Authority of New York and New Jersey hereby express to Joseph J. Seymour their sincere appreciation for his service and leadership to the agency and the region it serves; and it is further

RESOLVED, that the Howard S. Cullman Distinguished Service Medal be awarded to Joseph J. Seymour for the performance of outstanding service; and it is further

RESOLVED, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to Joseph J. Seymour as a token of the high esteem in which he is held by the Board and staff alike.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – BUILDING 261 – K.L.M. ROYAL DUTCH AIRLINES – LEASE AGREEMENT AYD-480

It was recommended that the Board authorize the Executive Director to enter into an agreement of lease with K.L.M. Royal Dutch Airlines (KLM) providing for the operation and management of Building 261 at John F. Kennedy International Airport (JFK). The ten-year term of the proposed lease would commence on or about January 1, 2005.

The lease would provide for full ground rental to the Port Authority and a minimum annual guarantee (MAG) in lieu of the traditional building rental. In addition, the Port Authority would receive additional payment in the form of cargo throughput rental and other building rentals for third-party use. Also, KLM would be responsible for all operating and maintenance expenses for the entire building. Over the ten-year period, KLM would pay the Port Authority a minimum of \$18.4 million, although it is anticipated that through additional cargo throughput rentals and other building rentals the total aggregate rental over the ten-year period would be in the range of \$37.1 million to \$46.2 million.

KLM would have the right to terminate the letting upon six months' prior notice to the Port Authority. In that event, KLM would pay the Port Authority an additional one-year ground rent and MAG, payable in one lump-sum payment.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a ten-year lease with K.L.M. Royal Dutch Airlines for the operation and maintenance of Building 261 at John F. Kennedy International Airport, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

RED HOOK CONTAINER TERMINAL – AMERICAN STEVEDORING, INC. – LEASE EXTENSION

It was recommended that the Board authorize the Executive Director to enter into an agreement with American Stevedoring, Inc. (ASI) to extend the term of its lease covering the Red Hook Container Terminal (RHCT) in Brooklyn, New York, from May 1, 2004 through March 31, 2007. This extension would apply to three of the four piers comprising the RHCT, with one of the piers, Pier 11, to be extended on a short-term basis through no later than December 15, 2004.

The lease, which expired on April 30, 2004, would be extended on its existing terms and conditions with four exceptions. First, the letting of Pier 11 would be extended no further than December 15, 2004. Second, the usage rental would be reduced at higher throughput levels on cargo containers that are neither stuffed nor stripped at the premises. Third, the agreement would provide for liquidated damages under specified circumstances at the rate of \$65,000 per day for each day that ASI remains in possession of Pier 11 beyond December 15, 2004, or remains in possession of the remaining three piers beyond the expiration of their letting on March 31, 2007. Fourth, the agreement would provide that the Lessee will not handle municipal or commercial solid waste at the premises without the prior written consent of the Port Authority. Prior to execution of the agreement by the Port Authority, the adequacy of the tenant's security would be reviewed with the Chairman and the Executive Director.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement, with American Stevedoring, Inc. to extend the term of its lease covering the Red Hook Container Terminal in Brooklyn, New York, from May 1, 2004 through March 31, 2007, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

RED HOOK CONTAINER TERMINAL – AUTHORIZATION FOR THE BARGE PROGRAM

It was recommended that the Board authorize, subject to certain conditions: (1) the provision of up to \$8 million in Port Authority funding for the continued operation of the Red Hook Barge Program (Barge Program) for the period May 1, 2004 through April 30, 2006; and (2) the Executive Director to enter into an agreement with American Import Export Trucking, Inc. (AIET) to continue the operation of the Barge Program. The agreement would provide that AIET will not move any container carrying municipal or commercial solid waste under the Barge Program without the prior consent of the Port Authority.

Recently, \$8 million in funding for the Polaris Street/Bay Avenue Roadway project at the Elizabeth-Port Authority Marine Terminal was included in a pending federal surface transportation bill (HR 3550) under the Transportation Equity Act: Legacy for Users (TEA-LU). As part of the Port Redevelopment Program, the Port Authority plans to reconfigure Polaris Street/Bay Avenue to enhance the existing flow of truck traffic to accommodate the construction of the ExpressRail Elizabeth second lead track. In consideration of the proposed federal legislation, the Port Authority would commit to an equal amount of funding for the continued operation of the Barge Program for a two-year period.

Since 1991, the Port Authority has contributed \$54.3 million in operating assistance and interim funding for the Barge Program. Continuation of the Barge Program would preserve maritime activities on the Brooklyn waterfront while the City of New York develops a passenger cruise business in Brooklyn and completes a Uniform Land Use Review Procedure process.

Barge Program reimbursements to AIET would be contingent upon confirmation that the appropriate funding in the pending TEA:LU bill has been signed into law. In addition, an amount equal to any administrative expenses taken from the federal funding by other government agencies will be deducted from the \$8 million in Port Authority funding. Staff anticipates receipt of \$8 million in federal funding for the Polaris Street/Bay Avenue Roadway project, which is expected to cost \$16 million, in consideration of the Port Authority's commitment to continued funding for the Barge Program.

The Port Authority's lease with American Stevedoring Inc. (ASI) covering the Red Hook Container Terminal (RHCT) expired on April 30, 2004. Board authorization is being requested concurrently to extend the RHCT lease for a term to expire on March 31, 2007. ASI would continue to have the right to terminate the RHCT lease when the Barge Program funding ceases.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the provision by the Port Authority of up to \$8 million in funding for the continued operation of the Red Hook Barge Program (Barge Program) for the period May 1, 2004 through April 30, 2006, contingent upon confirmation that \$8 million in federal funding for the Polaris Street/Bay Avenue

Roadway project is included in the Transportation Equity Act: Legacy for Users bill which is signed into law, and subject to reduction of the \$8 million in Port Authority funding by an amount equal to any administrative expenses taken from the federal funding by other governmental agencies, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with American Import Export Trucking, Inc. to continue the operation of the Barge Program; and it is further

RESOLVED, that the form of the foregoing agreement shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING AND REDEVELOPMENT – INCREASE IN PLANNING
AUTHORIZATION**

It was recommended that the Board authorize an increase of \$10 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$32 million, to continue design and redevelopment coordination efforts at the WTC site.

At its meeting of December 13, 2001, the Board authorized, as part of the overall Downtown Restoration Program: (1) planning for WTC site redevelopment and comprehensive Lower Manhattan transportation improvements; and (2) limited temporary WTC site remediation measures, at a combined estimated total cost of \$10.5 million (with an allocation of \$5 million for WTC site planning). At its meeting of December 10, 2002, the Board authorized a \$5 million increase in planning authorization for continued planning for WTC site redevelopment and Lower Manhattan transportation improvements, resulting in a total authorization of \$10 million. At its meeting of May 29, 2003, the Board authorized another \$4 million increase in WTC site planning authorization, resulting in a total authorization of \$14 million. The Board also authorized the award of a contract with Studio Daniel Libeskind (SDL) for WTC Site Master Plan refinements. At its meeting of December 11, 2003, the Board authorized another increase of \$8 million in planning authorization for ongoing planning and preliminary design coordination in connection with the first phase of WTC site redevelopment, for a current total authorization of \$22 million.

Various components of the WTC site redevelopment will now be advancing beyond the conceptual planning stages into final design and construction. In September 2003, the Lower Manhattan Development Corporation (LMDC) and the Port Authority announced the refined WTC Site Master Plan based on the “Memory Foundations” concept developed by SDL. In December 2003, the final design concept for the Freedom Tower was finalized. In January 2004, the LMDC announced selection of the memorial design, “Reflecting Absence.” Planning work to date has included analysis of Lower Manhattan transportation needs, development of initial site plans, development of the WTC Site Master Plan and General Project Plans, negotiation of a Redevelopment Agreement with the City of New York, and formulation and adoption of commercial, sustainable and security design guidelines, cost estimates and funding strategies.

Implementation of the WTC Site Master Plan and WTC site redevelopment components will require further architectural and engineering work, including, but not limited to, advancing development of the WTC Memorial, museum, and cultural facilities, commercial office building parcels, common subgrade infrastructure and systems, as well as phasing, scheduling, funding and cost allocation analyses. Other WTC planning and engineering efforts, for the WTC transportation hub and retail development, as well as WTC site construction support and coordination, are proceeding under separate programs and Board authorizations.

In 2005, it is anticipated that ongoing planning efforts would include development coordination activities with other entities performing work on the WTC site, notably those entities working on the Freedom Tower and Tower 2, WTC Memorial and Memorial Center (museum), Performing Arts Center, and cultural buildings. Ongoing refinements of the Site Master Plan and further planning studies, as well as technical and engineering feasibility studies, are anticipated.

In addition, design guidelines, security planning development, site utility planning, sustainable development, cost estimating and allocation methodologies, property and interagency project development agreements, and Lower Manhattan transportation planning coordination are to be further studied and formalized. Both Port Authority staff and external consultant firms will perform this work.

Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York / New Jersey region. Further Port Authority involvement in the WTC site redevelopment is expected for the foreseeable future. Staff will seek additional Board authorization and funding increases for 2006 and beyond, or as appropriate. Staff anticipates that total expenditures for WTC site planning efforts will amount to approximately \$30 million from 2005 to 2009, for a total estimated program cost of approximately \$52 million.

Although eligible Port Authority costs for work related to the Permanent WTC Port Authority Trans-Hudson Terminal and retail development are being recovered, respectively, through grants administered by the Federal Transit Administration (FTA) and redevelopment insurance (escrow), costs related to planning for office, memorial, cultural, or other development for the Port Authority as the WTC site owner would not be eligible for FTA or redevelopment insurance escrow recovery.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that an increase of \$10 million in the planning authorization for World Trade Center (WTC) site planning and development, resulting in a total authorization of \$32 million, to continue design and redevelopment coordination efforts at the WTC site under the Downtown Restoration Program, be and it hereby is authorized.

RESCISSION AND CANCELLATION OF RESOLUTIONS AUTHORIZING CONSOLIDATED BONDS, ONE HUNDRED THIRTY-NINTH SERIES THROUGH CONSOLIDATED BONDS, ONE HUNDRED FORTY-SECOND SERIES AND CONSOLIDATED NOTES, SERIES YY

The Board, at its meeting on June 27, 2002, among other matters, established and authorized the issuance of, and authorized the sale of, Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Forty-second Series and Consolidated Notes, Series YY. In place of these series, action with respect to the Authority's continuing plan of financing, consisting in part of Consolidated Bonds and Consolidated Notes, is to be considered today by the Board in connection with the anticipated requirements associated with the Authority's capital program projections.

Therefore, it was recommended that prior to the actions to be taken at today's meeting in connection with the Authority's plan of financing, that the Board rescind and cancel certain resolutions solely with respect to the establishment and authorization of the issuance of, and the authorization of the sale of, Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Forty-second Series and Consolidated Notes Series YY, since these previously authorized series have not as yet been issued.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the resolutions of the Authority adopted June 27, 2002, entitled "*Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series—Establishment and Issuance*" and "*Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series—Sale*", solely with respect to Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Forty-second Series, are rescinded and cancelled in their entirety; and it is further

RESOLVED, that the resolutions of the Authority adopted June 27, 2002, entitled "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW, Series XX and Series YY—Establishment and Issuance*" and "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW, Series XX and Series YY—Sale*", solely with respect to Consolidated Notes, Series YY, are rescinded and cancelled in their entirety.

PORT AUTHORITY PLAN OF FINANCING – REPORT

It was recommended that the Board of Commissioners take the actions summarized below in connection with the Port Authority's bonds and notes. As in the past, the recommended actions, which would continue to provide the Port Authority with flexible access to the financial markets, are part of an approval process required by Federal tax law for certain municipal obligations. The plan of financing adopted by the Board as part of this process generally has a three-year life; the last such plan was adopted in June 2002.

The public approval process was added by Congress in 1982 to the Federal tax law to ensure that affected members of the general public would be notified of a pending "private activity" bond issue and made aware of the intended use of proceeds in order to elicit comments that would ensure a substantial public benefit from the issuance of the bonds. The process includes the issuance of a notice for a public hearing, holding the hearing (at which members of the general public may comment, but at which the issuer is not required to engage in dialogue) and approval of the bonds by an applicable elected representative. As these requirements pertain to the Port Authority, they generally apply only to bonds and notes issued for airport and marine terminal purposes, with the requisite approval accomplished through the gubernatorial review process for Board minutes.

Today's actions would add fifteen series of Consolidated Bonds and five series of Consolidated Notes, to the existing Versatile Structure Obligations, Variable Rate Master Notes, Equipment Notes and Commercial Paper Obligations, which may be issued to effectuate this plan of financing. However, the total aggregate principal amount of these obligations to be issued for authorized purposes in connection with the Authority's facilities in any year under this plan of financing would not exceed the amount required to effectuate the applicable budget.

Public Hearings

On November 17, 2004, public hearings in connection with this plan of financing, consistent with, and to the extent provided under, the public approval provisions of Section 147(f) of the Internal Revenue Code of 1986, were conducted by staff of the Authority's Treasury Department at the offices of the Authority located at 225 Park Avenue South, New York, New York and at the Journal Square Transportation Center, Jersey City, New Jersey, pursuant to notices published on November 1, 2004, in *The New York Times*, a newspaper of general circulation in the New York portion of the Port District, and in *The Star-Ledger*, a newspaper of general circulation in the New Jersey portion of the Port District.

In pertinent part, the notices contained the following description of the Authority's proposed plan of financing: Consolidated Bonds to be denominated as the One Hundred Thirty-ninth Series through the One Hundred Fifty-third Series, inclusive; Consolidated Notes to be denominated as Series YY, Series ZZ, Series AAA, Series BBB, and Series CCC; Versatile Structure Obligations under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Versatile Structure Obligations Resolution-Modification*"; Variable Rate Master Notes under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Variable Rate Master Notes Resolution-Modification*"; Equipment Notes under the resolution of

the Authority adopted November 18, 1999, entitled “*Port Authority Equipment Notes Resolution-Modification*”; and Commercial Paper Obligations under the resolution of the Authority adopted June 29, 2000, entitled “*Port Authority Commercial Paper Obligations-Resolution*”; and, after December 31, 2005, Commercial Paper Obligations under an amended and supplemented resolution of the Authority to be adopted prior thereto, all to be issued and sold in connection with this plan of financing for authorized purposes, including in connection with certain of the facilities of the Port Authority located in the Port of New York District, to wit: the Holland Tunnel; Lincoln Tunnel; George Washington Bridge; Bayonne Bridge; Goethals Bridge; Outerbridge Crossing; Port Authority Bus Terminal; Hudson Tubes (PATH); Trans-Hudson Ferry Service, a facility for the provision of trans-Hudson commuter ferry transportation services between terminal facilities in the vicinity of New Jersey Transit Corporation’s rail and bus terminals and PATH’s Hoboken Station in Hoboken, N.J., and in the vicinity of Battery Park City in lower Manhattan, N.Y.; LaGuardia Airport; John F. Kennedy International Airport; Newark Liberty International Airport; Teterboro Airport; Port Authority-Downtown Manhattan Heliport; Port Newark; Brooklyn-Port Authority Marine Terminal; Elizabeth-Port Authority Marine Terminal; Greenville Yard-Port Authority Marine Terminal; Howland Hook Marine Terminal; Port Authority Auto Marine Terminal, a marine terminal facility for imported automobiles located in Bayonne and Jersey City, N.J.; Hoboken South Waterfront Development Facility located in Hoboken, N.J.; Queens West Waterfront Development Facility located in Hunters Point, Queens, N.Y.; Oak Point Rail Freight Link, a rail freight improvement project in The Bronx, N.Y.; World Trade Center, a facility of commerce in Manhattan, N.Y. (which was destroyed in the September 11, 2001 terrorist attacks); Newark Legal and Communications Center, a legal and communications center in Newark, N.J.; Teleport, a satellite communications center at the Staten Island Industrial Park, Staten Island, N.Y.; Bathgate Industrial Park, an industrial park in The Bronx, N.Y.; Port Authority Industrial Park at Elizabeth, an industrial park in Elizabeth, N.J.; Newark South Ward Industrial Park, an industrial park in Newark, N.J.; Essex County Resource Recovery Facility, a mass-burn resource recovery facility in Newark, N.J.; Pre-development Site Acquisition Program, a facility for acquisition of real property in the New Jersey and New York portions of the Port of New York District; Regional Development Facility, a facility for certain of the economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District; New Jersey Marine Development Program, a facility for certain fishery, marine or port development projects to be undertaken at the request of the State of New Jersey in the New Jersey portion of the Port of New York District; Regional Economic Development Program, a facility for certain of the transportation and economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District; Regional Transportation Program, a facility for certain regional transportation projects in the States of New York and New Jersey; New York Transportation, Economic Development and Infrastructure Renewal Program, a facility for certain transportation, economic development and infrastructure renewal projects in the State of New York; Hudson-Raritan Estuary Resources Program, a facility for the acquisition of certain real property in the Port District area of the Hudson-Raritan Estuary; and the Regional Rail Freight Program, a facility for the development of certain regional freight projects to provide for increased rail freight capacity. The initial owner, operator or manager of these facilities is or will be the Port Authority or one of its subsidiary or affiliated entities (presently, Port Authority Trans-Hudson Corporation, Newark

Legal and Communications Center Urban Renewal Corporation, New York and New Jersey Railroad Corporation and WTC Retail LLC). The major projects presently authorized or which may be authorized by the Port Authority while this plan of financing remains in effect include: LaGuardia Airport, security upgrades, central terminal building improvements, general runway, taxiway and roadway modification, paving and utility improvements; John F. Kennedy International Airport, general runway, taxiway and roadway modification and paving, construction of additional parking facilities, ancillary airport buildings, central terminal area roadway construction, construction of additional terminal facilities and related infrastructure and utility improvements, security enhancements and fire system upgrades, light rail transit system linking the terminals in the central terminal area of the airport with each other and with existing transit lines in Jamaica, Queens and Howard Beach, Queens, to provide exclusive airport access for passengers and others using the airport; Newark Liberty International Airport, general runway, taxiway and roadway modification and paving, construction of terminal improvements, mid-life overhaul of monorail system and expansion of monorail trains to seven cars, construction of additional parking facilities; Howland Hook Marine Terminal, rail freight projects providing rail freight services between this facility and the national rail system, including the construction of a new connection to the national rail freight system, construction of an intermodal rail freight terminal and rehabilitation of existing rail freight yards; Port Newark, berth deepening, building construction, terminal improvements; Elizabeth-Port Authority Marine Terminal, berth deepening, building construction, intermodal improvements; Brooklyn-Port Authority Marine Terminal, wharf and pier rehabilitation; World Trade Center site restoration activities, including the design and construction of a World Trade Center Transportation Hub, which includes the permanent PATH World Trade Center terminal; capital improvements related to safety, security, maintenance, rehabilitation and expansion of service at the Port Authority Bus Terminal, George Washington Bridge, Lincoln Tunnel, Holland Tunnel, Goethals Bridge, Bayonne Bridge, Outerbridge Crossing, PATH and Trans-Hudson Ferry Service; Queens West Waterfront Development Facility, participation in mixed use waterfront development project; Trans-Hudson Ferry Service, construction of permanent ferry terminals to be located in the vicinity of New Jersey Transit Corporation's rail and bus terminals and PATH's Hoboken Station in Hoboken, New Jersey and in the vicinity of Battery Park City in Lower Manhattan New York; Hoboken South Waterfront Development Facility, participation in mixed use waterfront development project; other miscellaneous capital improvements and replacements and acquisitions of equipment in connection with the facilities of the Port Authority; and a comprehensive general port improvement project in the Port of New York and New Jersey, including channel deepening, dredging and disposal of dredged materials, which is also expected to be of benefit to the Port Authority's marine terminal facilities. The obligations of the Port Authority to be issued in connection with this plan of financing and to which the provisions of Section 147(f) of the Internal Revenue Code of 1986 would be applicable, would be in the maximum aggregate principal amounts noted below: each of Consolidated Bonds, One Hundred Thirty-ninth Series through One Hundred Fifty-third Series, inclusive, would be in the principal amount of up to \$500,000,000; each of Consolidated Notes, Series YY, Series ZZ, Series AAA, Series BBB, and Series CCC, would be in the principal amount of up to \$300,000,000; Versatile Structure Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time; Variable Rate Master Notes would be in a total aggregate principal amount of up to \$400,000,000 outstanding at any one time; Equipment Notes would be in a total aggregate principal amount of up to \$250,000,000 outstanding at any one time; and Commercial

Paper Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time.”

Today’s Actions Pertaining to this Plan of Financing

The Board would establish Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Fifty-third Series, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$500 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 35 years. The Board would also establish Consolidated Notes, Series YY, Series ZZ, Series AAA, Series BBB and Series CCC, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$300 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 3 years. The Committee on Finance would be authorized to sell and to deliver all or any part of each of such series with such terms and at such time or times, as it deems appropriate, at public or private sale, and would also be authorized to take, and to delegate authority for, certain actions with respect to each of such series. An Authorized Officer of the Authority would be authorized to take any and all action that could be taken by the Committee on Finance in connection with each of such series, but only if such series is issued and sold on a competitive basis. The issuance and sale on a competitive basis would include submission by underwriters of sealed bids to be opened publicly; submission by underwriters of bids or other offers to purchase by electronic means through generally accepted procedures in the financial markets; and submission by underwriters of bids or other offers to purchase in response to written or telephonic requests for proposals directed to selected underwriters. Prior to the scheduling by an Authorized Officer of any competitive sale of Consolidated Bonds or Notes, such Authorized Officer would review the proposed issuance with the Chairman of the Committee on Finance and, to the extent practicable, the other members of the Committee.

**CONSOLIDATED BONDS, ONE HUNDRED THIRTY-NINTH SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED FIFTY-THIRD SERIES –
ESTABLISHMENT AND ISSUANCE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the Authority) adopted a resolution (hereinafter called the Consolidated Bond Resolution), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called Consolidated Bonds), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of Consolidated Bonds and has now determined that it is appropriate to establish certain additional series of Consolidated Bonds, without prejudice to its right hereafter to establish further series of Consolidated Bonds;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term “Authorized Officer” shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

SECTION 2. Each of Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Fifty-third Series, inclusive, is established as a separate series of Consolidated Bonds and the issuance of up to Five Hundred Million Dollars (\$500,000,000) of each such series with a term to maturity not in excess of thirty-five (35) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the “Bonds”). This resolution shall constitute a contract with the registered holders of the Bonds and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the Committee on Finance) is authorized to establish, fix and determine the terms of the Bonds and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 9 and 10 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Bonds, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Bonds may be used for any purpose for which at the time of issuance of the Bonds the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Bonds, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Bonds.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America; principal of the Bonds shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Bonds shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds.

SECTION 4. The Bonds shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Bonds. The Bonds shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a bond or bonds may be exchanged for a bond or bonds of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Bonds as above provided shall be filed with the Registrar of the Authority; all bonds to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all bonds delivered in exchange as aforesaid shall be delivered by the Registrar. All bonds surrendered to the Registrar in exchange for other bonds or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of bonds, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 5. The Bonds shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Bonds.

If less than all of the Bonds then outstanding are to be called for redemption at the option of the Authority, and if the Bonds then outstanding include bonds of any serial maturities, the bonds so to be called shall be in inverse order of maturity, and if bonds constituting a particular maturity are to be called for redemption, but not all bonds constituting such maturity are to be called for redemption, the bonds so to be called shall be determined by lot by the Registrar.

If bonds are to be called for redemption to meet the schedule of mandatory periodic retirement for the Bonds, the bonds so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Bonds shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the bonds to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds. Notice of the mailing of such notice of intention to redeem bonds shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such bonds.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Bonds, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the bonds which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any), to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the bonds so called for redemption and to be paid to them respectively upon presentation and surrender of such bonds with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the bonds so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such bonds on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the bonds so called on and after the date fixed for their redemption, and such bonds shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of bonds of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate

bond of the minimum authorized denomination, and the word “bond” as used in the foregoing provisions of this Section 5 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any bond are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such bond shall forthwith present such bond to the Registrar who shall issue a new bond or bonds of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefore, pursuant to Section 4 of this resolution, including a new bond or bonds with the aggregate principal amount of the unit or units of face value called for redemption; and such new bond or bonds shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such bond of a denomination greater than the minimum authorized denomination shall fail to present such bond to the Registrar for the issuance of new bonds of smaller denominations in exchange therefore, as aforesaid, such bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such bond represented by such unit or units of face value on and after the date fixed for redemption, and such bond shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption and premium, if any) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 6. The Bonds shall be retired at or prior to maturity, by purchase, call or payment, by the dates and in at least the cumulative principal amounts set forth on the schedule of mandatory periodic retirement for the Bonds.

If, at least forty-five (45) days prior to the mandatory periodic retirement date in each year (except the year of maturity) set forth in the schedule of mandatory periodic retirement for the Bonds, the Authority shall not have purchased or redeemed (at any prior time or times during such year or at any time or times during any prior years) a principal amount of the Bonds at least equal to the principal amount of the Bonds to be retired on such mandatory periodic retirement date, then the Authority shall call a principal amount of the Bonds equal to such deficiency, at the respective redemption price thereof, in the manner and upon the notice set forth in Section 5 of this resolution. Any of the Bonds purchased by the Authority as aforesaid may be purchased at such prices as the Authority may deem reasonable and proper and, in the discretion of the Authority, at public or private sale, with or without advertisement and with or without notice to any person other than the seller, and such of the Bonds as are theretofore issued and negotiated and then held by the Authority may be purchased for such purpose as well as bonds held by others.

Nothing herein contained shall be construed in any way to prevent the Authority from retiring the Bonds more rapidly than is set forth in the schedule of mandatory periodic retirement for the Bonds.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The Authority shall appoint a bank or trust company as trustee for and in connection with the Bonds (hereinafter called the "Trustee"). The Trustee is authorized to (i) institute any action or proceeding on behalf of the registered holders of the Bonds against the Authority or others, or (ii) intervene in any pending action or proceeding, or (iii) take any other action which it shall in its sole discretion determine to be necessary or advisable in order to protect the rights of the registered holders of the Bonds. The rights of the Trustee in this respect

and in all other respects shall be in addition to and not in substitution of any and all rights, which would otherwise inure to the registered holder or registered holders of the Bonds. It is understood that the Trustee in its sole discretion may, but shall be under no obligation to, review the activities or operations of the Authority or any of the contracts or agreements of the Authority or exercise any of the rights or powers vested in it by this Section 8 whether on the Trustee's initiative or at the request or direction of any of the registered holders of the Bonds.

The Trustee (which shall include any successor Trustee) appointed under the provisions of this Section 8 shall be a bank or trust company organized under the laws of the State of New York or the State of New Jersey or a national banking association doing business and having its principal office in the Port of New York District and having a total capital (including capital stock, surplus, undivided profits and capital notes, if any) aggregating at least \$25,000,000, which is willing and able to accept the office on reasonable and customary terms and is authorized by law to perform all the duties imposed upon it by this resolution.

The Trustee shall not be liable for any action taken or suffered upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this resolution in good faith and in accordance therewith. The Trustee shall not be liable in connection with the performance or nonperformance of its duties except for its own willful misconduct, negligence or bad faith.

If the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this resolution, such matter (unless other evidence in respect thereof be specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this resolution upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a statement of an Authorized Officer showing for the preceding calendar year (i) net revenues, (ii) the aggregate interest paid on bonds of the Authority, and (iii) the payments of principal on bonds of the Authority.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a copy of its annual report for such year and its financial statement for such year accompanied by an opinion signed by an independent public accountant or firm of public accountants of recognized standing selected by the Authority and satisfactory to the Trustee.

The Authority shall file with the Trustee a copy of any Official Statement hereafter issued by the Authority in connection with the issuance of bonds by the Authority.

The Authority shall file with the Trustee a copy of the minutes of every meeting of the Authority and of its subsidiary corporations at the time said minutes are transmitted to the Governor of New York and the Governor of New Jersey.

The Authority shall not be required to file with the Trustee (except when requested to do so by the Trustee) and the Trustee shall not be required to review any document, instrument, report or paper other than those which the Authority is expressly required hereunder to file with the Trustee. The Trustee shall not be bound to make any investigation into the facts or matters stated in any document, instrument, report or paper supplied to it, but the Trustee in its sole discretion may make such further inquiry or investigation into such facts or matters as the Trustee may deem advisable, and, if the Trustee shall determine to make such further inquiry or investigation, the Trustee is authorized to examine such books and records of and properties owned or operated by the Authority as the Trustee may deem advisable, personally or by agent or attorney.

The Authority agrees (i) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder, (ii) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection with the exercise or performance of any of its powers or duties hereunder (including the reasonable compensation and the expenses and disbursements of its agents and counsel), and (iii) to indemnify the Trustee for, and hold it harmless against, any loss, liability or expense incurred without willful misconduct, negligence or bad faith on its part, arising out of or in connection with the exercise or performance of the Trustee's powers and duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with such exercise or performance.

The Trustee may become the owner or holder of any bonds of the Authority with the same rights as it would have were it not a Trustee. To the extent permitted by law, the Trustee may act as depository for the Authority, act as Paying Agent and Registrar of bonds of the Authority and act itself and permit any of its officers or directors to act in any other capacity with respect to the Authority, the bonds of the Authority and the holders of bonds of the Authority as it or its officers or directors would be able to act were it not a Trustee.

The Trustee may at any time resign and be discharged of the duties and obligations created by this resolution by giving not less than sixty (60) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for two (2) successive calendar weeks in a newspaper of general circulation in the City of New York, State of New York, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority in which event such resignation shall take effect immediately on the appointment of such successor.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed and acknowledged by the registered holders of a majority in principal amount of the Bonds then outstanding or by their attorneys duly authorized, excluding the principal amount of any of the Bonds held by or for the account of the Authority.

In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the holders of a majority in principal amount of the Bonds then outstanding, excluding the principal amount of any of the Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such registered holders of the Bonds or by their attorneys duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; *provided, however*, nevertheless, the Authority shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the registered holders of the Bonds as authorized in this Section 8. The Authority shall publish notice of any such appointment made by it once in each week for two (2) consecutive calendar weeks, in a newspaper of general circulation in the City of New York, State of New York, the first publication to be made within twenty (20) days after such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the registered holders of the Bonds.

Any company into which any Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its corporate trust business (*provided, however*, such company shall be a bank or trust company located in the Port of New York District and shall be authorized by law to perform all the duties imposed upon it by this resolution), shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

The failure of the Authority to take any action required by this Section 8 shall not invalidate any bond or bonds issued pursuant to this resolution or hereafter issued by the Authority, or affect any other actions of the Authority. The Authority shall in no way be restricted by this Section 8 from entering any defense to an action or proceeding instituted by the Trustee or by the registered holder or registered holders of the Bonds.

SECTION 9. The form of the bond, including provisions with respect to assignment, for the Bonds shall be determined by the Committee on Finance or by an Authorized Officer. The bonds shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be manually signed by an Authorized Officer. In case any Authorized Officer who shall have signed any of the bonds shall cease to be an Authorized Officer before such bonds shall have been actually issued, such bonds may nevertheless be issued as though such Authorized Officer who signed such bonds had not ceased to be an Authorized Officer.

SECTION 10. In case any bond shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new bond of like tenor in exchange or substitution for and upon cancellation of such mutilated bond or in lieu of or in substitution for such destroyed or lost bond; or if such bond shall have matured, instead of issuing a substitute bond the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute bond shall furnish to the Authority evidence

satisfactory to the Authority of the destruction or loss of such bond and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute bond or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute bond, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new bond so issued in substitution. Any bond issued under the provisions of this Section 10 in lieu of any bond alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the bond so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 11. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

**CONSOLIDATED BONDS, ONE HUNDRED THIRTY-NINTH SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED FIFTY-THIRD SERIES – SALE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

SECTION 1. This resolution shall apply with equal force and effect to each of Consolidated Bonds, One Hundred Thirty-ninth Series through Consolidated Bonds, One Hundred Fifty-third Series, inclusive, on an individual basis (each such series hereinafter called the “Bonds”).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the Committee on Finance) is authorized in the name of and on behalf of the Authority to sell all or any part of Five Hundred Million Dollars (\$500,000,000) in principal amount of the Bonds at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of thirty-five (35) years, at public or private sale, with or without advertisement, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Bonds.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to fix the time or times of sale of the Bonds, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to enter into any contracts or agreements pertaining to the Bonds; to fix the time or times and determine the terms and conditions of delivery of the Bonds; to appoint one or more Paying Agents and a Registrar and a Trustee, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority’s Registry Books for the Bonds shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Bonds, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Bonds and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Bonds on the basis that the Bonds are to be in conformity with, and that the interest on the Bonds is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Bonds are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Bonds, as to the status of the projects for which the proceeds of the Bonds are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Bonds, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

CONSOLIDATED NOTES, SERIES YY, SERIES ZZ, SERIES AAA, SERIES BBB AND SERIES CCC – ESTABLISHMENT AND ISSUANCE

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the Authority) adopted a resolution (hereinafter called the Consolidated Bond Resolution), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called Consolidated Bonds), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of short-term bonds (hereinafter called Consolidated Notes), from time to time, in conformity with the Consolidated Bond Resolution and has now determined that it is appropriate to establish certain additional series of Consolidated Notes, without prejudice to its right hereafter to establish further series of Consolidated Bonds or Consolidated Notes;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term “Authorized Officer” shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

SECTION 2. Each of Consolidated Notes, Series YY, Consolidated Notes, Series ZZ, Consolidated Notes, Series AAA, Consolidated Notes, Series BBB and Consolidated Notes, Series CCC, is established as a separate series of Consolidated Notes and the issuance of up to Three Hundred Million Dollars (\$300,000,000) of each such series with a term to maturity not in excess of three (3) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the Notes). This resolution shall constitute a contract with the registered holders of the Notes and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the Committee on Finance) is authorized to establish, fix and determine the terms of the Notes and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 8 and 9 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Notes, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Notes may be used for any purpose for which at the time of issuance of the Notes the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Notes, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Notes.

Both principal of and interest on the Notes shall be payable in lawful money of the United States of America; principal of the Notes shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Notes shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes.

SECTION 4. The Notes shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

SECTION 5. The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Notes. The Notes shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a note or notes may be exchanged for a note or notes of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Notes as above provided shall be filed with the Registrar of the Authority; all notes to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all notes delivered in exchange as aforesaid shall be delivered by the Registrar. All notes surrendered to the Registrar in exchange for other notes or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of notes, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 6. The Notes shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Notes.

If less than all of the Notes then outstanding are to be called for redemption at the option of the Authority, and if the Notes then outstanding include notes of any serial maturities, the notes so to be called shall be in inverse order of maturity, and if notes constituting a particular maturity are to be called for redemption, but not all notes constituting such maturity are to be called for redemption, the notes so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Notes shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the notes to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes. Notice of the mailing of such notice of intention to redeem notes shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such notes.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Notes, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the notes which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any) to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the notes so called for redemption and to be paid to them respectively upon presentation and surrender of such notes with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the notes so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such notes on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the notes so called on and after the date fixed for their redemption, and such notes shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of notes of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate note of the minimum authorized denomination, and the word "note" as used in the foregoing provisions of this Section 6 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any note are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such note shall forthwith present such note to the Registrar who shall issue a new note

or notes of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefore, pursuant to Section 5 of this resolution, including a new note or notes with the aggregate principal amount of the unit or units of face value called for redemption; and such new note or notes shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such note of a denomination greater than the minimum authorized denomination shall fail to present such note to the Registrar for the issuance of new notes of smaller denominations in exchange therefore, as aforesaid, such note shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such note represented by such unit or units of face value on and after the date fixed for redemption, and such note shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory

or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The form of the note, including provisions with respect to assignment, for the Notes shall be determined by the Committee on Finance or by an Authorized Officer. The notes shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be signed manually by an Authorized Officer. In case any Authorized Officer who shall have signed any of the notes shall cease to be an Authorized Officer before such notes shall have been actually issued, such notes may nevertheless be issued as though such Authorized Officer who signed such notes had not ceased to be an Authorized Officer.

SECTION 9. In case any note shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new note of like tenor in exchange or substitution for and upon cancellation of such mutilated note or in lieu of or in substitution for such destroyed or lost note; or if such note shall have matured, instead of issuing a substitute note the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute note shall furnish to the Authority evidence satisfactory to the Authority of the destruction or loss of such note and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute note or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute note, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new note so issued in substitution. Any note issued under the provisions of this Section 9 in lieu of any note alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the note so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 10. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

CONSOLIDATED NOTES, SERIES YY, SERIES ZZ, SERIES AAA, SERIES BBB AND SERIES CCC – SALE

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

SECTION 1. This resolution shall apply with equal force and effect to each of Consolidated Notes, Series YY, Consolidated Notes, Series ZZ, Consolidated Notes, Series AAA, Consolidated Notes, Series BBB and Consolidated Notes, Series CCC, on an individual basis (each such series hereinafter called the Notes).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the Committee on Finance) is authorized in the name of and on behalf of the Authority, to sell all or any part of Three Hundred Million Dollars (\$300,000,000) in principal amount of the Notes at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of three (3) years, at public or private sale, with or without advertisement, in one or more installments, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Notes.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to fix the time or times of sale of the Notes, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to enter into any contracts or agreements pertaining to the Notes; to fix the time or times and determine the terms and conditions of delivery of the Notes; to appoint one or more Paying Agents and a Registrar, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority's Registry Books for the Notes shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Notes, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Notes and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Notes on the basis that the Notes are to be in conformity with, and that the interest on the Notes is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103 (a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Notes are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Notes, as to the status of the projects for which the proceeds of the Notes are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Notes, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**VERSATILE STRUCTURE OBLIGATIONS, VARIABLE RATE MASTER NOTES,
EQUIPMENT NOTES AND COMMERCIAL PAPER OBLIGATIONS –
CONTINUED ISSUANCE TO EFFECTUATE PLAN OF FINANCING**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that, the following obligations of the Authority may continue to be issued, within the scope of existing authorizations to effectuate the plan of financing in effect on the date of issuance of such obligations: Versatile Structure Obligations under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Versatile Structure Obligations Resolution-Modification*”; Variable Rate Master Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Variable Rate Master Notes Resolution-Modification*”; Equipment Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Equipment Notes Resolution-Modification*”; and Commercial Paper Obligations under the resolution of the Authority adopted June 29, 2000, entitled “*Port Authority Commercial Paper Obligations-Resolution*”.

AGREEMENT TO PROVIDE FUNDING FOR EXTENSION OF THE WEST END CONCOURSE OF PENN STATION NEW YORK

It was recommended that the Board authorize the Executive Director to enter into an agreement with the State of New York's Empire State Development Corporation (ESDC) or one of its subsidiaries or affiliates, pursuant to which the Port Authority would provide up to \$10 million toward the cost of a project to plan, design, and construct an extension of the West End Concourse (Concourse Extension) at Penn Station New York (PSNY).

The Concourse Extension will be coordinated with short-term elements of NJ Transit Corporation's (NJ Transit) Access to the Region's Core (ARC) project. The extended concourse will serve passengers of NJ Transit, the Long Island Rail Road (LIRR), and Amtrak by providing them with direct access from the proposed Moynihan Station, Eighth Avenue, and the New York City Transit (NYCT) Eighth Avenue subway lines to platforms and trains.

The existing West End Concourse was not part of the original PSNY, but was built by the LIRR in the 1980s. It provides access to Platforms 7-11 (Tracks 13-21), primarily used by the LIRR. This project being advanced by the Moynihan Station Development Corporation (a subsidiary of ESDC) would extend the concourse southward to provide access to Platforms 3-6 (Tracks 5-12), shared by NJ Transit and Amtrak. The Concourse Extension also would connect with a concourse connection planned as part of the ARC project, continuing the extension of the West End Concourse southward to Platforms 1-2 (Tracks 1-4), exclusively used by NJ Transit.

When both the Concourse Extension and the NJ Transit concourse extension are completed, the West End Concourse would provide access to all platforms and tracks at PSNY from the proposed Moynihan Station, providing an additional capacity for passenger movement to and from the train platforms. It also would provide a more direct link to Eighth Avenue as well as the NYCT A, C, and E subway lines.

The PSNY complex is one of the region's most important transportation facilities, handling over 500,000 passenger trips per day, via the LIRR, NJ Transit and Amtrak. Several planning and investment initiatives, involving multiple agencies, collectively are providing for a major expansion of the station's total train and passenger handling capacity.

These efforts include: a project being advanced by the State of New York through the Moynihan Station Development Corporation (MSDC) to convert the United States Postal Service Farley Building across from PSNY into a new railroad terminal (Moynihan Station Project) to relieve overcrowding conditions at the existing terminal by providing additional access to platforms as well as new ticketing and passenger service areas; the ARC environmental impact review, led by NJ Transit with planning support from the Port Authority; and ongoing investments by the LIRR, Amtrak, and NJ Transit to improve the connecting tunnels, yards, tracks and signals linked to the station. These investments would improve the reliability of all passenger rail services using PSNY and assist in sustaining service during emergencies or for scheduled rehabilitation of its nearly century-old railroad infrastructure.

The Port Authority is a partner in this effort through its development of AirTrain connections with NJ Transit and LIRR commuter rail services, prior financial commitment to the Moynihan Station Project, provision of funding to NJ Transit for bi-level commuter coaches to expand NJ Transit peak-period service capacity, and support for ARC planning. Expanding PSNY's peak-period capacity for rail service and passenger circulation is necessary to support the service improvements expected to ease trans-Hudson and West Midtown congestion and to promote transit access to the region's major airports.

As noted, the Port Authority has agreed previously to provide ESDC with funding in the amount of \$145 million for development of the Moynihan Station Project as part of its commitment to provide the State of New York with a total of \$250 million for transportation, economic development and infrastructure renewal projects in the State of New York through the New York Economic Development Program authorized by the Board at its June 2, 2000 meeting.

On May 30, 2002, the Board authorized the provision of capital expenditures in an aggregate amount not to exceed \$500 million, with \$250 million to be provided to each of the States of New York and New Jersey, for regional transportation projects in each state. The Governor of New Jersey requested commitment of its allocation of these expenditures to New Jersey's program of acquiring bi-level rail cars for NJ Transit, which are intended to help relieve overcrowding on NJ Transit rail service into PSNY.

Discussions between MSDC and NJ Transit are identifying opportunities to enhance connections between the proposed Moynihan Station and the emerging NJ Transit ARC plan. The proposed agreement with ESDC would fund the extension of the concourse serving Moynihan Station and provide for a connection to an additional concourse extension to the NJ Transit platforms, which is an element of NJ Transit's early-action improvements as part of the ARC plan. At its meeting of September 23, 2004, the Board authorized the Executive Director to enter into an agreement with NJ Transit pursuant to which the Port Authority is to provide NJ Transit with \$10 million in additional planning support for ARC, an estimated \$3 million of which will be used for the design of NJ Transit's portion of the proposed concourse extension.

The Moynihan Station Project would create a new intermodal transportation facility that will accommodate the increasing ridership at PSNY by providing new ticketing and passenger service areas and new escalators, stairs, and elevators for easier access between trains and the station. The proposed Moynihan Station will promote passenger safety by relieving the rush-hour congestion that currently exists in PSNY, especially in the morning peak period, when trains unloading 1,000 or more riders on narrow platforms make it difficult to clear platforms in a timely manner. Moynihan Station also will provide passengers with access to commuter rail services, including connections to the AirTrain JFK and AirTrain Newark services, as well as subway, bus, and taxi drop-offs, and will serve as a gateway to New York City's proposed development on the far west side of Manhattan.

An expanded PSNY complex accommodating additional rail service will benefit the Port Authority by complementing and relieving pressure on the Exclusive Bus Lane/Port Authority Bus Terminal system and facilitating increased use of mass transit for airport access and short-haul intercity travel.

ESDC anticipates beginning construction of the Concourse Extension in mid-2005 as part of the overall Moynihan Station Project, with an estimated duration of 30 months. ESDC would be responsible for determining the scope of work and procuring the engineering and design services under the proposed agreement, and for contracting to construct the improvements.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Pocino, Silverman, Sinagra and Steiner voting in favor; none against; Commissioners, Genova, Mack, and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Empire Station Development Corporation or one of its subsidiaries or affiliates, pursuant to which the Port Authority would provide up to \$10 million toward the cost of a project to plan, design, and construct an extension of the West End Concourse at Penn Station New York; and it is further

RESOLVED, that the form of the foregoing agreement shall be subject to the approval of General Counsel or his authorized representative.

AUTHORIZATION FOR THE PORT AUTHORITY TO PROVIDE FUNDING FOR A SEPTEMBER 11TH MEMORIAL IN LIBERTY STATE PARK

It was recommended that the Board authorize the Executive Director to enter into an agreement (the LSP Memorial Agreement) with the New Jersey Department of the Treasury and/or another entity designated by the State of New Jersey (New Jersey Entity), pursuant to which the New Jersey Entity would agree to operate a World Trade Center (WTC) memorial (Memorial) at Liberty State Park in New Jersey (LSP) or an appropriate alternative site for a suitable term and, subject to approval of the New Jersey Entity, display WTC artifacts provided by the Port Authority, in return for which the Port Authority would make a one-time payment of \$7 million to be used by the New Jersey Entity in connection with the establishment of the Memorial, which will honor the nearly 700 residents of New Jersey who were killed in the September 11, 2001 terrorist attacks, including the attacks that destroyed the WTC, and is expected to have a total cost of \$10.5 million.

The Memorial project was undertaken pursuant to an executive order issued by the Governor of New Jersey, and in December 2003 the New Jersey September 11, 2001 Memorial Design Competition was launched. The September 11th Families and Survivor Jury and the Professional Advisory Committee served as judges of the competition. On June 30, 2004, the Governor announced that Frederic Schwartz of Frederic Schwartz Architects had won the competition. The Memorial, to be entitled “Empty Sky,” will be located in the northeast end of LSP. It will be composed of two brushed stainless steel walls 30 feet high and 200 feet long, and will be engraved with the names of the nearly 700 men, women and children of New Jersey who were lost in the attacks of September 11, 2001.

It is anticipated that the architect will be engaged by the end of December 2004, the construction contract will be awarded by July 2005, and construction will be completed by early 2006.

At its meeting of November 30, 2000, the Board authorized the provision of an additional \$65 million in funding for the Queens West Waterfront Development Project. At that time, it was agreed by the Board that, in addition to a \$3 million increase (to \$128 million) in funding for the Hoboken South Waterfront Development Project, the State of New Jersey (State) could request up to \$62 million for appropriate projects. Payments made by the Port Authority pursuant to the LSP Memorial Agreement would, together with projects previously identified by the State to be funded from this commitment, reduce the Port Authority’s commitment to \$30 million for other appropriate projects to be identified by the State, consistent with existing legislation and agreements with the holders of the Port Authority’s obligations.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with the New Jersey Department of the Treasury and/or another entity designated by the State of

New Jersey (New Jersey Entity), pursuant to which the New Jersey Entity will agree to operate a World Trade Center (WTC) memorial (Memorial) at Liberty State Park in New Jersey or an appropriate alternative site for a suitable term and, subject to approval of the New Jersey Entity, display WTC artifacts provided by the Port Authority, in return for which the Port Authority will make a one-time payment of \$7 million to be used by the New Jersey Entity in connection with the establishment of the Memorial, which will honor the nearly 700 residents of New Jersey who were killed in the September 11, 2001 terrorist attacks; and it is further

RESOLVED, that the form of the foregoing agreement shall be subject to the approval of General Counsel or his authorized representative.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreement during the period of September 1, 2004 through September 30, 2004.

REPORT A

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Call Year</u>	<u>YTC @ Cost</u>	<u>BEY @ Cost</u>	<u>Total Principal</u>	<u>Dealer</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/01/04	\$25,000,000	FHDN	--	10/01/04	99.87	1.510%	1.522%	\$24,968,541.68	Lehman Brothers
09/01/04	9,000,000	UBSFIN CP	--	09/02/04	99.99	1.540	1.552	8,999,615.00	Banc of America
09/01/04	1,200,000	JFK-APO	6.375%	12/01/15	99.90	--	6.388	1,198,800.00	JFKIAT-APO
09/02/04	48,175,000	UBSFIN CP	--	09/03/04	99.99	1.510	1.521	48,172,979.35	Merrill Lynch
09/02/04	9,995,000	UBSFIN CP	--	09/03/04	99.99	1.510	1.521	9,994,580.77	Banc of America
09/03/04	50,000,000	UBSFIN CP	--	09/07/04	99.98	1.490	1.501	49,991,722.20	Banc of America
09/03/04	41,760,000	UBSFIN CP	--	09/07/04	99.98	1.490	1.501	41,753,086.38	Banc of America
09/07/04	50,000,000	FHDN	--	10/01/04	99.90	1.570	1.583	49,947,666.67	Mizuho
09/07/04	50,000,000	FHDN	--	09/29/04	99.91	1.530	1.542	49,953,250.00	Mizuho
09/07/04	50,000,000	GE CORP CP	--	09/08/04	99.99	1.540	1.552	49,997,861.11	G.E. Capital
09/07/04	50,000,000	GE CORP CP	--	09/08/04	99.99	1.540	1.552	49,997,861.11	G.E. Capital
09/07/04	13,750,000	UBSFIN CP	--	09/08/04	99.99	1.530	1.542	13,749,415.63	JPMorgan

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/07/04	\$25,000,000	FHDN	--	09/14/04	99.97	1.450%	1.461%	\$24,992,951.39	Mizuho
09/08/04	25,000,000	FCDN	--	10/13/04	99.85	1.590	1.619	24,961,354.17	Mizuho
09/08/04	50,000,000	GE CORP CP	--	09/09/04	99.99	1.500	1.511	49,997,916.67	G.E. Capital
09/08/04	50,000,000	UBSFIN CP	--	09/09/04	99.99	1.510	1.521	49,997,902.80	Lehman Brothers
09/08/04	29,910,000	UBSFIN CP	--	09/09/04	99.99	1.510	1.521	29,908,745.45	Lehman Brothers
09/09/04	25,000,000	USTB	--	09/23/04	99.94	1.467	1.478	24,985,737.50	Citiglobal
09/09/04	35,000,000	USTB	--	09/23/04	99.94	1.467	1.478	34,980,032.50	Citiglobal
09/09/04	40,000,000	USTB	--	09/23/04	99.94	1.467	1.478	39,977,180.00	Citiglobal
09/09/04	50,000,000	USTB	--	09/23/04	99.94	1.467	1.478	49,971,475.00	Citiglobal
09/09/04	12,737,000	USTB	--	09/15/04	99.98	1.490	1.501	12,733,836.98	Lehman Brothers
09/09/04	50,000,000	GECC CP	--	09/10/04	99.99	1.520	1.532	49,997,888.89	G.E. Capital
09/09/04	50,000,000	GECC CP	--	09/10/04	99.99	1.520	1.532	49,997,888.89	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/09/04	\$50,000,000	UBSFIN CP	--	09/10/04	99.99	1.510%	1.521%	\$49,997,902.80	Merrill Lynch
09/09/04	34,115,000	UBSFIN CP	--	09/10/04	99.99	1.510	1.521	34,113,569.08	Merrill Lynch
09/10/04	18,675,000	USTB	--	09/15/04	99.98	1.495	1.506	18,671,122.34	JPMorgan
09/10/04	50,000,000	GE CORP CP	--	09/13/04	99.99	1.490	1.501	49,993,791.67	G.E. Capital
09/10/04	50,000,000	GE CORP CP	--	09/13/04	99.99	1.490	1.501	49,993,791.67	G.E. Capital
09/10/04	50,000,000	CITIGROUP	--	09/13/04	99.99	1.490	1.501	49,993,791.67	Citigroup
09/10/04	50,000,000	UBSFIN CP	--	09/13/04	99.99	1.490	1.501	49,993,791.65	Banc of America
09/10/04	50,000,000	UBSFIN CP	--	09/13/04	99.99	1.490	1.501	49,993,791.65	Banc of America
09/13/04	43,242,000	USTB	--	09/15/04	99.99	1.490	1.501	43,238,420.52	Deutsche Bank
09/13/04	37,374,000	USTB	--	09/15/04	99.99	1.490	1.501	37,370,906.26	Deutsche Bank
09/13/04	35,663,000	USTB	--	09/15/04	99.99	1.490	1.501	35,660,047.90	Deutsche Bank
09/13/04	24,286,000	USTB	--	09/15/04	99.99	1.490	1.501	24,283,989.66	Deutsche Bank

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/13/04	\$20,952,000	USTB	--	09/15/04	99.99	1.490%	1.501%	\$20,950,265.64	Deutsche Bank
09/13/04	30,568,000	USTB	--	09/15/04	99.99	1.490	1.501	30,565,469.65	Deutsche Bank
09/13/04	50,000,000	USTB	--	09/15/04	99.99	1.490	1.501	49,995,861.11	Deutsche Bank
09/13/04	43,000,000	USTB	--	09/15/04	99.99	1.490	1.501	42,996,440.56	Deutsche Bank
09/13/04	50,000,000	GE CORP CP	--	09/14/04	99.99	1.500	1.511	49,997,916.67	G.E. Capital
09/13/04	50,000,000	GE CORP CP	--	09/14/04	99.99	1.500	1.511	49,997,916.67	G.E. Capital
09/13/04	50,000,000	CITIGLOBAL	--	09/14/04	99.99	1.490	1.501	49,997,930.56	Citiglobal
09/13/04	50,000,000	CITIGLOBAL	--	09/14/04	99.99	1.490	1.501	49,997,930.56	Citiglobal
09/13/04	47,250,000	UBSFIN CP	--	09/14/04	99.99	1.500	1.511	47,248,031.23	Banc of America
09/14/04	50,000,000	USTB	--	09/15/04	99.99	1.485	1.496	49,997,937.50	Merrill Lynch
09/14/04	29,200,000	USTB	--	09/15/04	99.99	1.485	1.496	29,198,795.50	Merrill Lynch
09/14/04	50,000,000	GE CORP CP	--	09/15/04	99.99	1.510	1.521	49,997,902.78	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/14/04	\$50,000,000	GE CORP CP	--	09/15/04	99.99	1.510%	1.521%	\$49,997,902.78	G.E. Capital
09/14/04	50,000,000	UBSFIN CP	--	09/15/04	99.99	1.490	1.501	49,997,930.56	Banc of America
09/14/04	50,000,000	UBSFIN CP	--	09/15/04	99.99	1.490	1.501	49,997,930.56	Banc of America
09/15/04	50,000,000	FHDN	--	10/13/04	99.87	1.680	1.695	49,934,666.67	Mizuho
09/15/04	35,000,000	FHDN	--	09/29/04	99.94	1.530	1.542	34,979,175.00	Mizuho
09/15/04	50,000,000	FHDN	--	10/06/04	99.90	1.670	1.685	49,951,291.67	Mizuho
09/15/04	15,000,000	FNDN	--	10/15/04	99.86	1.680	1.695	14,979,000.00	Mizuho
09/15/04	50,000,000	GE CORP CP	--	09/16/04	99.99	1.550	1.562	49,997,847.22	G.E. Capital
09/15/04	25,870,000	GE CORP CP	--	09/16/04	99.99	1.550	1.562	25,868,886.15	G.E. Capital
09/15/04	50,000,000	CITIGLOBAL	--	09/16/04	99.99	1.530	1.542	49,997,875.00	Citiglobal
09/15/04	50,000,000	CITIGLOBAL	--	09/16/04	99.99	1.530	1.542	49,997,875.00	Citiglobal
09/15/04	50,000,000	FHDN	--	09/22/04	99.97	1.500	1.512	49,985,416.65	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/15/04	\$35,000,000	FCDN	--	09/24/04	99.96	1.510%	1.522%	\$34,986,787.50	Mizuho
09/16/04	30,000,000	USTB	--	09/23/04	99.97	1.450	1.461	29,991,541.67	Deutsche Bank
09/16/04	50,000,000	GE CORP CP	--	09/20/04	99.98	1.560	1.572	49,991,333.33	G.E. Capital
09/16/04	50,000,000	GE CORP CP	--	09/20/04	99.98	1.560	1.572	49,991,333.33	G.E. Capital
09/16/04	50,000,000	UBSFIN CP	--	09/17/04	99.99	1.530	1.542	49,997,875.00	Lehman Brothers
09/16/04	22,210,000	UBSFIN CP	--	09/17/04	99.99	1.530	1.542	22,209,056.08	Lehman Brothers
09/16/04	50,000,000	CITIGLOBAL	--	09/17/04	99.99	1.510	1.521	49,997,902.78	Citiglobal
09/17/04	50,000,000	FHDN	--	10/15/04	99.87	1.688	1.703	49,934,355.55	Merrill Lynch
09/17/04	50,000,000	FHDN	--	10/15/04	99.87	1.688	1.703	49,934,355.55	Merrill Lynch
09/17/04	34,145,000	UBSFIN CP	--	09/20/04	99.99	1.540	1.552	34,140,618.07	Lehman Brothers
09/17/04	50,000,000	CITIGLOBAL	--	09/20/04	99.99	1.530	1.542	49,993,625.00	Citiglobal
09/17/04	50,000,000	CITIGLOBAL	--	09/20/04	99.99	1.530	1.542	49,993,625.00	Citiglobal

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/20/04	\$50,000,000	GE CORP CP	--	09/21/04	99.99	1.590%	1.603%	\$49,997,791.67	G.E. Capital
09/20/04	50,000,000	GE CORP CP	--	09/21/04	99.99	1.590	1.603	49,997,791.67	G.E. Capital
09/20/04	43,825,000	UBSFIN CP	--	09/21/04	99.99	1.590	1.603	43,823,064.38	Lehman Brothers
09/20/04	50,000,000	CITIGLOBAL	--	09/21/04	99.99	1.580	1.593	49,997,805.55	Citiglobal
09/20/04	50,000,000	CITIGLOBAL	--	09/21/04	99.99	1.580	1.593	49,997,805.55	Citiglobal
09/21/04	50,000,000	FHDN	--	10/15/04	99.89	1.700	1.716	49,943,333.35	Morgan Stanley
09/21/04	31,000,000	FHDN	--	10/15/04	99.89	1.700	1.716	30,964,866.68	Morgan Stanley
09/21/04	25,000,000	GECC CP	--	09/22/04	99.99	1.730	1.745	24,998,798.61	G.E. Capital
09/21/04	5,327,000	GECC CP	--	09/22/04	99.99	1.730	1.745	5,326,744.01	G.E. Capital
09/21/04	50,000,000	CITIGROUP	--	09/22/04	99.99	1.720	1.735	49,997,611.11	Citigroup
09/21/04	50,000,000	UBSFIN CP	--	09/22/04	99.99	1.720	1.735	49,997,611.11	Banc of America
09/21/04	50,000,000	UBSFIN CP	--	09/22/04	99.99	1.720	1.735	49,997,611.11	Banc of America

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/22/04	\$44,000,000	FHDN	--	10/15/04	99.89	1.720%	1.736%	\$43,951,648.89	Mizuho
09/22/04	50,000,000	GE CORP CP	--	09/23/04	99.99	1.730	1.745	49,997,597.22	G.E. Capital
09/22/04	50,000,000	GE CORP CP	--	09/23/04	99.99	1.730	1.745	49,997,597.22	G.E. Capital
09/22/04	40,300,000	UBSFIN CP	--	09/23/04	99.99	1.720	1.735	40,298,074.55	Lehman Brothers
09/22/04	25,000,000	UBSFIN CP	--	09/23/04	99.99	1.720	1.735	24,998,805.55	Lehman Brothers
09/22/04	50,000,000	CITIGLOBAL	--	09/23/04	99.99	1.710	1.725	49,997,625.00	Citiglobal
09/22/04	50,000,000	CITIGLOBAL	--	09/23/04	99.99	1.710	1.725	49,997,625.00	Citiglobal
09/23/04	25,000,000	USTB	--	10/07/04	99.94	1.525	1.537	24,985,173.61	Deutsche Bank
09/23/04	35,000,000	USTB	--	10/07/04	99.94	1.525	1.537	34,979,243.06	Deutsche Bank
09/23/04	20,000,000	USTB	--	10/07/04	99.94	1.525	1.537	19,988,138.89	Deutsche Bank
09/23/04	50,000,000	USTB	--	10/07/04	99.94	1.525	1.537	49,970,347.22	Deutsche Bank
09/23/04	50,000,000	USTB	--	03/10/05	99.13	1.865	1.891	49,564,833.34	ABN AMRO

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/23/04	\$25,000,000	USTB	--	01/27/05	99.38	1.770%	1.791%	\$24,845,125.00	JPMorgan
09/23/04	50,000,000	GE CORP CP	--	09/24/04	99.99	1.710	1.725	49,997,625.00	G.E. Capital
09/23/04	50,000,000	GE CORP CP	--	09/24/04	99.99	1.710	1.725	49,997,625.00	G.E. Capital
09/23/04	50,000,000	CITIGLOBAL	--	09/24/04	99.99	1.700	1.715	49,997,638.89	Citiglobal
09/23/04	50,000,000	CITIGLOBAL	--	09/24/04	99.99	1.700	1.715	49,997,638.89	Citiglobal
09/23/04	50,000,000	UBSFIN CP	--	09/24/04	99.99	1.720	1.735	49,997,611.11	Banc of America
09/23/04	13,830,000	UBSFIN CP	--	09/24/04	99.99	1.720	1.735	13,829,339.23	Banc of America
09/24/04	35,000,000	FHDN	--	10/06/04	99.94	1.720	1.735	34,979,933.35	JPMorgan
09/24/04	50,000,000	FHDN	--	10/08/04	99.93	1.730	1.746	49,966,361.10	JPMorgan
09/24/04	50,000,000	UBSFIN CP	--	09/27/04	99.99	1.730	1.745	49,992,791.65	Goldman Sachs
09/24/04	50,000,000	GECC CP	--	09/27/04	99.99	1.700	1.715	49,992,916.67	G.E. Capital
09/24/04	50,000,000	GECC CP	--	09/27/04	99.99	1.700	1.715	49,992,916.67	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/24/04	\$50,000,000	CITIGLOBAL	--	09/27/04	99.99	1.710%	1.725%	\$49,992,875.00	Citiglobal
09/24/04	50,000,000	CITIGLOBAL	--	09/27/04	99.99	1.710	1.725	49,992,875.00	Citiglobal
09/24/04	3,430,000	UBSFIN CP	--	09/27/04	99.99	1.730	1.745	3,429,505.51	Lehman Brothers
09/27/04	20,000,000	USTB	--	12/23/04	99.59	1.698	1.716	19,917,954.17	Merrill Lynch
09/27/04	50,000,000	GECC CP	--	09/28/04	99.99	1.720	1.735	49,997,611.11	G.E. Capital
09/27/04	50,000,000	GECC CP	--	09/28/04	99.99	1.720	1.735	49,997,611.11	G.E. Capital
09/27/04	50,000,000	CITICORP CP	--	09/28/04	99.99	1.730	1.745	49,997,597.22	Citicorp
09/27/04	50,000,000	CITICORP CP	--	09/28/04	99.99	1.730	1.745	49,997,597.22	Citicorp
09/27/04	50,000,000	UBSFIN CP	--	09/28/04	99.99	1.750	1.765	49,997,569.45	Banc of America
09/27/04	23,420,000	UBSFIN CP	--	09/28/04	99.99	1.750	1.765	23,418,861.53	Banc of America
09/27/04	10,000,000	USTN	2.375%	08/31/06	99.61	--	2.583	9,960,937.50	Merrill Lynch
09/28/04	50,000,000	GE CORP CP	--	09/29/04	99.99	1.720	1.735	49,997,611.11	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/28/04	\$50,000,000	GE CORP CP	--	09/29/04	99.99	1.720%	1.735%	\$49,997,611.11	G.E. Capital
09/28/04	50,000,000	CITICORP CP	--	09/29/04	99.99	1.740	1.755	49,997,583.33	Citicorp
09/28/04	30,000,000	CITICORP CP	--	09/29/04	99.99	1.740	1.755	29,998,550.00	Citicorp
09/28/04	50,000,000	UBSFIN CP	--	09/29/04	99.99	1.740	1.756	49,997,583.00	Banc of America
09/28/04	50,000,000	UBSFIN CP	--	09/29/04	99.99	1.740	1.755	49,997,583.33	Banc of America
09/29/04	50,000,000	UBSFIN CP	--	09/30/04	99.99	1.750	1.765	49,997,569.45	Goldman Sachs
09/29/04	50,000,000	UBSFIN CP	--	09/30/04	99.99	1.750	1.765	49,997,569.45	Goldman Sachs
09/29/04	50,000,000	GE CORP CP	--	09/30/04	99.99	1.730	1.745	49,997,597.22	G.E. Capital
09/29/04	50,000,000	GE CORP CP	--	09/30/04	99.99	1.730	1.745	49,997,597.22	G.E. Capital
09/29/04	50,000,000	CITICORP CP	--	09/30/04	99.99	1.730	1.745	49,997,597.22	Citicorp
09/29/04	50,000,000	CITICORP CP	--	09/30/04	99.99	1.730	1.745	49,997,597.22	Citicorp
09/29/04	34,360,000	FHDN	--	09/30/04	99.99	1.620	1.633	34,358,453.80	Merrill Lynch

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/29/04	\$25,000,000	FHDN	--	09/30/04	99.99	1.620%	1.633%	\$24,998,875.00	Citiglobal
09/30/04	50,000,000	USTB	--	11/04/04	99.85	1.520	1.533	49,926,111.11	Banc of America
09/30/04	25,000,000	USTB	--	11/04/04	99.85	1.520	1.533	24,963,055.56	Banc of America
09/30/04	40,000,000	USTB	--	11/04/04	99.85	1.520	1.533	39,940,888.89	Banc of America
09/30/04	50,000,000	USTB	--	11/04/04	99.85	1.520	1.533	49,926,111.11	Banc of America
09/30/04	35,000,000	FHDN	--	10/22/04	99.89	1.735	1.751	34,962,890.28	ABN AMRO
09/30/04	50,000,000	FHDN	--	10/27/04	99.87	1.730	1.746	49,935,125.00	Merrill Lynch
09/30/04	50,000,000	GE CORP CP	--	10/01/04	99.99	1.880	1.898	49,997,388.89	G.E. Capital
09/30/04	50,000,000	GE CORP CP	--	10/01/04	99.99	1.880	1.898	49,997,388.89	G.E. Capital
09/30/04	50,000,000	UBSFIN CP	--	10/01/04	99.99	1.880	1.898	49,997,388.89	Merrill Lynch
09/30/04	23,365,000	UBSFIN CP	--	10/01/04	99.99	1.880	1.898	23,363,779.83	Merrill Lynch
09/30/04	50,000,000	CITIGLOBAL	--	10/01/04	99.99	1.790	1.806	49,997,513.89	Citiglobal

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
09/30/04	\$ 50,000,000	CITIGLOBAL	--	10/01/04	99.99	1.790%	1.806%	\$ 49,997,513.89	Citiglobal
09/30/04	50,000,000	FNDN	--	10/08/04	99.96	1.700	1.715	49,981,111.10	Morgan Stanley
09/30/04	<u>10,000,000</u>	USTN	2.375%	08/31/06	99.60	--	2.590	<u>9,959,765.63</u>	Greenwich Capital
	<u>\$ 6,050,934,000</u>							<u>\$ 6,048,655,284.71</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
09/28/04	\$10,000,000	USTN	2.375%	08/31/06	99.70	--	\$9,969,531.25	Merrill

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1 Lynch

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	09/02/04	09/07/04	\$14,752,000	1.470%	\$ 3,011.87
ABN AMRO	09/02/04	09/03/04	20,000,000	1.490	827.78
Greenwich Capital	09/02/04	09/07/04	20,694,000	1.470	4,225.03
Lehman Brothers	09/02/04	09/07/04	22,557,000	1.470	4,605.39
Lehman Brothers	09/02/04	09/07/04	24,252,000	1.470	4,951.45
Lehman Brothers	09/02/04	09/07/04	30,536,000	1.470	6,234.43
Greenwich Capital	09/02/04	09/07/04	30,935,000	1.470	6,315.90
Lehman Brothers	09/02/04	09/07/04	36,049,000	1.470	7,360.00
Greenwich Capital	09/02/04	09/07/04	49,306,000	1.470	10,066.64
BNP Paribas	09/07/04	09/09/04	13,021,000	1.460	1,056.15
Lehman Brothers	09/07/04	09/08/04	20,985,000	1.480	862.72
BNP Paribas	09/07/04	09/09/04	22,502,000	1.460	1,825.16

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	09/07/04	09/09/04	\$24,257,000	1.460%	\$ 1,967.51
Lehman Brothers	09/07/04	09/09/04	24,968,750	1.480	2,066.85 *
BNP Paribas	09/07/04	09/09/04	28,970,000	1.460	2,349.79
BNP Paribas	09/07/04	09/09/04	30,561,000	1.460	2,478.84
BNP Paribas	09/07/04	09/09/04	35,642,000	1.460	2,890.96
Lehman Brothers	09/07/04	09/08/04	49,015,000	1.480	2,015.06
Nomura	09/08/04	09/09/04	21,490,000	1.510	901.39
Banc of America	09/08/04	09/13/04	42,340,625	1.480	8,691.59 *
Banc of America	09/08/04	09/13/04	42,340,625	1.480	8,691.59 *
Nomura	09/08/04	09/09/04	48,510,000	1.510	2,034.73
Lehman Brothers	09/09/04	09/13/04	22,532,000	1.480	3,705.26
Lehman Brothers	09/09/04	09/13/04	24,282,000	1.480	3,993.04

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	09/09/04	09/13/04	\$30,563,000	1.480%	\$ 5,025.92
Banc of America	09/09/04	09/16/04	34,947,500	1.500	10,028.00
Banc of America	09/09/04	09/15/04	34,947,500	1.500	8,581.56 *
Lehman Brothers	09/09/04	09/13/04	35,665,000	1.480	5,864.91 *
Lehman Brothers	09/09/04	09/13/04	38,022,000	1.480	6,252.51
Lehman Brothers	09/09/04	09/13/04	43,987,000	1.480	7,233.42
Nomura	09/09/04	09/10/04	44,429,000	1.510	1,863.55
Banc of America	09/09/04	09/16/04	44,662,500	1.500	12,815.66 *
Nomura	09/09/04	09/10/04	48,571,000	1.510	2,037.28
Morgan Stanley	09/10/04	09/13/04	12,780,000	1.480	1,576.20
Morgan Stanley	09/10/04	09/13/04	31,220,000	1.480	3,850.47
Morgan Stanley	09/10/04	09/13/04	49,000,000	1.480	6,043.33

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	09/14/04	09/16/04	\$24,887,500	1.460%	\$ 2,039.40 *
Lehman Brothers	09/14/04	09/15/04	24,937,500	1.450	1,004.43 *
Lehman Brothers	09/14/04	09/23/04	37,453,125	1.500	14,357.03 *
Lehman Brothers	09/14/04	09/23/04	37,453,125	1.500	14,357.03 *
Mizuho	09/15/04	09/30/04	1,185,000	1.500	788.35 *
Mizuho	09/15/04	09/28/04	1,210,000	1.500	694.07 *
Daiwa	09/15/04	09/20/04	1,883,000	1.480	387.06
Daiwa	09/15/04	09/20/04	4,017,000	1.480	825.72
Daiwa	09/15/04	09/20/04	5,786,000	1.480	1,189.34
Daiwa	09/15/04	09/20/04	15,989,000	1.480	3,286.63
Daiwa	09/15/04	09/20/04	17,203,000	1.480	3,536.17
Daiwa	09/15/04	09/20/04	18,502,000	1.480	3,803.19

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	09/15/04	09/20/04	\$19,397,000	1.480%	\$ 3,987.16
Daiwa	09/15/04	09/20/04	24,552,000	1.480	5,046.80
Daiwa	09/15/04	09/20/04	32,306,000	1.480	6,640.68
Banc of America	09/15/04	09/16/04	34,956,250	1.490	1,446.80 *
Daiwa	09/15/04	09/20/04	35,586,000	1.480	7,314.90
Nomura	09/15/04	09/16/04	44,490,000	1.510	1,866.11
Nomura	09/15/04	09/16/04	48,510,000	1.510	2,034.73
Mizuho	09/15/04	09/28/04	48,715,000	1.500	27,943.47 *
Mizuho	09/15/04	09/30/04	48,715,000	1.500	32,409.00 *
Lehman Brothers	09/16/04	09/28/04	1,015,000	1.500	538.24 *
Nomura	09/16/04	09/17/04	3,075,000	1.490	127.27
Nomura	09/16/04	09/17/04	20,980,000	1.490	868.34

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	09/16/04	09/23/04	\$24,975,000	1.480%	\$ 7,554.94 *
Lehman Brothers	09/16/04	09/17/04	37,481,250	1.500	1,561.72 *
Lehman Brothers	09/16/04	09/17/04	37,481,250	1.500	1,561.72 *
Banc of America	09/16/04	09/17/04	39,980,000	1.480	1,643.62 *
Banc of America	09/16/04	09/27/04	41,947,500	1.480	20,379.49 *
Banc of America	09/16/04	09/27/04	41,947,500	1.480	20,379.49 *
ABN AMRO	09/16/04	09/22/04	44,977,500	1.500	11,469.26 *
ABN AMRO	09/16/04	09/22/04	44,977,500	1.500	11,469.26 *
Nomura	09/16/04	09/17/04	48,510,000	1.490	2,007.78
Nomura	09/16/04	09/17/04	48,510,000	1.490	2,007.78
Nomura	09/16/04	09/17/04	48,510,000	1.490	2,007.78
Lehman Brothers	09/16/04	09/28/04	48,835,000	1.500	25,896.12 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	09/16/04	09/17/04	\$49,750,000	1.480%	\$ 2,045.28 *
Nomura	09/17/04	09/20/04	3,016,000	1.500	377.00
Nomura	09/17/04	09/20/04	20,858,000	1.500	2,607.25
Mizuho	09/17/04	09/30/04	24,950,000	1.520	14,519.51 *
Mizuho	09/17/04	09/30/04	26,222,450	1.520	15,260.01 *
Nomura	09/17/04	09/20/04	48,571,000	1.500	6,071.38
Nomura	09/17/04	09/20/04	48,571,000	1.500	6,071.38
Nomura	09/17/04	09/20/04	48,571,000	1.500	6,071.38
BNP Paribas	09/20/04	09/21/04	2,889,000	1.520	121.98
Morgan Stanley	09/20/04	09/21/04	19,409,000	1.520	819.49
Morgan Stanley	09/20/04	09/21/04	20,353,000	1.520	859.35
BNP Paribas	09/20/04	09/21/04	20,590,000	1.520	869.36

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	09/20/04	09/21/04	\$24,293,000	1.520%	\$ 1,025.70
Morgan Stanley	09/20/04	09/21/04	31,618,000	1.520	1,334.98
Morgan Stanley	09/20/04	09/21/04	35,593,000	1.520	1,502.82
Morgan Stanley	09/20/04	09/21/04	38,863,000	1.520	1,640.88
BNP Paribas	09/20/04	09/21/04	48,704,000	1.520	2,056.39
BNP Paribas	09/20/04	09/21/04	48,705,000	1.520	2,056.43
BNP Paribas	09/20/04	09/21/04	48,705,000	1.520	2,056.43
ABN AMRO	09/21/04	09/23/04	880,000	1.650	80.67 *
BNP Paribas	09/21/04	09/22/04	2,918,000	1.650	133.74
BNP Paribas	09/21/04	09/22/04	11,129,000	1.650	510.08
BNP Paribas	09/21/04	09/22/04	17,552,000	1.650	804.47
Nomura	09/21/04	09/22/04	19,410,000	1.660	895.02

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	09/21/04	09/22/04	\$19,996,000	1.650%	\$ 916.48
Nomura	09/21/04	09/22/04	20,354,000	1.660	938.55
Nomura	09/21/04	09/22/04	24,294,000	1.660	1,120.22
BNP Paribas	09/21/04	09/22/04	27,529,000	1.650	1,261.75
Nomura	09/21/04	09/22/04	31,620,000	1.660	1,458.03
Nomura	09/21/04	09/22/04	35,594,000	1.660	1,641.28
Daiwa	09/21/04	09/30/04	37,312,500	1.680	15,660.89 *
Daiwa	09/21/04	09/30/04	37,312,500	1.680	15,660.89 *
Daiwa	09/21/04	09/30/04	37,312,500	1.680	15,660.89 *
Daiwa	09/21/04	09/30/04	37,312,500	1.680	15,660.89 *
Nomura	09/21/04	09/22/04	38,864,000	1.660	1,792.06
BNP Paribas	09/21/04	09/22/04	41,747,000	1.650	1,913.40

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	09/21/04	09/22/04	\$48,728,000	1.650%	\$ 2,233.37
ABN AMRO	09/21/04	09/23/04	48,870,000	1.650	4,479.75 *
Nomura	09/22/04	09/23/04	3,029,000	1.670	140.51
BNP Paribas	09/22/04	09/23/04	16,955,000	1.670	786.52
BNP Paribas	09/22/04	09/23/04	19,381,000	1.670	899.06
Nomura	09/22/04	09/23/04	20,858,000	1.670	967.58
BNP Paribas	09/22/04	09/23/04	24,295,000	1.670	1,127.02
BNP Paribas	09/22/04	09/23/04	28,646,000	1.670	1,328.86
BNP Paribas	09/22/04	09/23/04	35,009,000	1.670	1,624.03
BNP Paribas	09/22/04	09/23/04	37,277,000	1.670	1,729.24
Nomura	09/22/04	09/23/04	48,571,000	1.670	2,253.15
Nomura	09/22/04	09/23/04	48,571,000	1.670	2,253.15

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	09/22/04	09/23/04	\$48,571,000	1.670%	\$ 2,253.15
BNP Paribas	09/23/04	09/27/04	1,663,000	1.600	295.64
BNP Paribas	09/23/04	09/27/04	2,789,000	1.600	495.82
BNP Paribas	09/23/04	09/27/04	16,956,000	1.600	3,014.40
Daiwa	09/23/04	09/28/04	18,250,000	1.650	4,217.77 *
ABN AMRO	09/23/04	09/28/04	24,900,000	1.650	5,727.00 *
Morgan Stanley	09/23/04	09/27/04	28,647,000	1.600	5,092.80
Daiwa	09/23/04	09/28/04	31,725,000	1.650	7,332.00 *
Morgan Stanley	09/23/04	09/27/04	35,032,000	1.600	6,227.91
Morgan Stanley	09/23/04	09/27/04	36,836,000	1.600	6,548.62
Lehman Brothers	09/23/04	Open	37,453,125 *	Variable **	14,357.03 ***
Lehman Brothers	09/23/04	Open	37,453,125 *	Variable **	14,357.03 ***

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	09/23/04	09/27/04	\$37,481,250	1.650%	\$ 6,871.56 *
Lehman Brothers	09/23/04	09/27/04	37,481,250	1.650	6,871.56 *
Morgan Stanley	09/23/04	09/27/04	38,386,000	1.600	6,824.18
Banc of America	09/23/04	09/27/04	42,393,750	1.650	7,772.19 *
Banc of America	09/23/04	09/27/04	42,393,750	1.650	7,772.19 *
ABN AMRO	09/23/04	09/27/04	43,728,125	1.650	8,016.82 *
ABN AMRO	09/23/04	09/27/04	43,728,125	1.650	8,016.82 *
ABN AMRO	09/23/04	09/27/04	43,728,125	1.650	8,016.82 *
ABN AMRO	09/23/04	09/27/04	43,728,125	1.650	8,016.82 *
Morgan Stanley	09/23/04	09/27/04	47,969,000	1.600	8,527.82
BNP Paribas	09/23/04	09/27/04	48,811,000	1.600	8,677.51
BNP Paribas	09/23/04	09/27/04	48,811,000	1.600	8,677.51

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	09/23/04	09/27/04	\$48,811,000	1.600%	\$ 8,677.51
Banc of America	09/24/04	Open	24,950,000 *	Variable **	8,018.66 ***
Morgan Stanley	09/27/04	09/30/04	16,959,000	1.660	2,346.00
Nomura	09/27/04	09/30/04	28,653,000	1.670	3,987.54
Lehman Brothers	09/27/04	09/29/04	29,940,000	1.680	2,794.40 *
Lehman Brothers	09/27/04	09/29/04	29,940,000	1.680	2,794.40 *
Nomura	09/27/04	09/30/04	35,038,000	1.670	4,876.12
Nomura	09/27/04	09/30/04	36,793,000	1.670	5,120.36
Morgan Stanley	09/27/04	09/30/04	38,393,000	1.660	5,311.03
Nomura	09/27/04	09/28/04	42,276,000	1.670	1,961.14
Morgan Stanley	09/27/04	09/30/04	47,978,000	1.660	6,636.96
Nomura	09/27/04	09/28/04	48,571,000	1.670	2,253.15

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	09/28/04	09/29/04	\$1,285,000	1.680%	\$ 59.97 *
BNP Paribas	09/28/04	09/30/04	1,364,000	1.660	125.79
BNP Paribas	09/28/04	09/29/04	1,463,000	1.670	67.87
Banc of America	09/28/04	Open	38,730,000 *	Variable **	5,379.17 ***
Banc of America	09/28/04	Open	38,730,000 *	Variable **	5,379.17 ***
Banc of America	09/28/04	Open	38,730,000 *	Variable **	5,379.17 ***
Banc of America	09/28/04	Open	38,730,000 *	Variable **	5,379.17 ***
BNP Paribas	09/28/04	09/29/04	48,537,000	1.670	2,251.58
Lehman Brothers	09/28/04	09/29/04	48,590,000	1.680	2,267.53 *
BNP Paribas	09/28/04	09/30/04	48,636,000	1.660	4,485.32
ABN AMRO	09/29/04	09/30/04	50,840,000	1.670	2,358.41
ABN AMRO	09/30/04	10/01/04	16,961,000	1.750	824.49

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
ABN AMRO	09/30/04	10/01/04	\$28,694,000	1.750%	\$ 1,394.85
Lehman Brothers	09/30/04	Open	29,940,000 *	Variable **	1,430.47 ***
Lehman Brothers	09/30/04	Open	29,940,000 *	Variable **	1,430.47 ***
Lehman Brothers	09/30/04	Open	32,483,750 *	Variable **	1,552.00 ***
Lehman Brothers	09/30/04	Open	32,483,750 *	Variable **	1,552.00 ***
ABN AMRO	09/30/04	10/01/04	35,043,000	1.750	1,703.48
ABN AMRO	09/30/04	10/01/04	36,117,000	1.750	1,755.69
ABN AMRO	09/30/04	10/01/04	36,450,000	1.750	1,771.88
Daiwa	09/30/04	Open	37,312,500 *	Variable **	1,761.98 ***
Daiwa	09/30/04	Open	37,312,500 *	Variable **	1,761.98 ***
Daiwa	09/30/04	Open	37,312,500 *	Variable **	1,761.98 ***
Daiwa	09/30/04	Open	37,312,500 *	Variable **	1,761.98 ***

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	09/30/04	10/01/04	\$37,367,000	1.720%	\$ 1,785.31
Nomura	09/30/04	10/01/04	40,000,000	1.720	1,911.11
BNP Paribas	09/30/04	10/01/04	43,163,000	1.700	2,038.25
BNP Paribas	09/30/04	10/01/04	43,509,000	1.700	2,054.59
Nomura	09/30/04	10/01/04	46,484,000	1.720	2,220.90
ABN AMRO	09/30/04	10/01/04	46,595,000	1.750	2,265.03
Nomura	09/30/04	10/01/04	48,510,000	1.720	2,317.70
BNP Paribas	09/30/04	10/01/04	48,537,000	1.700	2,292.03
BNP Paribas	09/30/04	10/01/04	48,647,000	1.700	2,297.22

* This transaction was executed simultaneously with a like reverse/repurchase agreement.

** This rate subject to change daily.

*** Total interest earned is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	09/07/04	09/09/04	\$24,968,750	0.700%	\$ 1,040.36
Banc of America	09/08/04	09/13/04	42,340,625	1.180	7,868.30
Banc of America	09/08/04	09/13/04	42,340,625	1.180	7,868.30
Banc of America	09/09/04	09/16/04	44,662,500	1.200	11,438.57
Banc of America	09/09/04	09/16/04	34,947,500	1.350	7,756.40
Banc of America	09/09/04	09/15/04	34,947,500	1.350	6,843.88
Lehman Brothers	09/14/04	09/23/04	37,453,125	1.350	13,134.60
Lehman Brothers	09/14/04	09/23/04	37,453,125	1.375	13,134.60
Lehman Brothers	09/14/04	09/15/04	24,937,500	1.300	900.52
Banc of America	09/14/04	09/16/04	24,887,500	1.310	1,624.60
Mizuho	09/15/04	09/28/04	49,925,000	1.400	23,686.65
Mizuho	09/15/04	09/30/04	49,900,000	1.400	24,991.57

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Banc of America	09/15/04	09/16/04	\$34,956,250	0.940%	\$ 912.75
Lehman Brothers	09/16/04	09/28/04	49,850,000	1.400	24,218.79
Banc of America	09/16/04	09/17/04	49,750,000	1.380	1,907.08
ABN AMRO	09/16/04	09/22/04	44,977,500	1.400	10,719.64
ABN AMRO	09/16/04	09/22/04	44,977,500	1.400	10,719.64
Banc of America	09/16/04	09/27/04	41,947,500	1.380	17,233.43
Banc of America	09/16/04	09/27/04	41,947,500	1.380	17,233.43
Banc of America	09/16/04	09/17/04	39,980,000	1.380	1,532.57
Lehman Brothers	09/16/04	09/17/04	37,481,250	1.350	1,405.55
Lehman Brothers	09/16/04	09/17/04	37,481,250	1.350	1,405.55
Banc of America	09/16/04	09/23/04	24,975,000	1.230	6,021.76
Mizuho	09/17/04	09/30/04	26,222,450	1.420	11,093.54

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Mizuho	09/17/04	09/30/04	\$24,950,000	1.420%	\$10,555.26
ABN AMRO	09/21/04	09/23/04	49,750,000	1.500	4,214.93
Daiwa	09/21/04	09/30/04	37,312,500	1.580	14,769.52
Daiwa	09/21/04	09/30/04	37,312,500	1.580	14,769.51
Daiwa	09/21/04	09/30/04	37,312,500	1.580	14,769.52
Daiwa	09/21/04	09/30/04	37,312,500	1.580	14,769.51
Daiwa	09/23/04	09/28/04	49,975,000	1.550	10,883.45
ABN AMRO	09/23/04	09/27/04	43,728,125	1.550	7,530.95
ABN AMRO	09/23/04	09/27/04	43,728,125	1.550	7,530.95
ABN AMRO	09/23/04	09/27/04	43,728,125	1.550	7,530.95
ABN AMRO	09/23/04	09/27/04	43,728,125	1.550	7,530.95
Banc of America	09/23/04	09/27/04	42,393,750	1.550	7,301.15

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Banc of America	09/23/04	09/27/04	\$42,393,750	1.550%	\$ 7,301.15
Lehman Brothers	09/23/04	09/27/04	37,481,250	1.530	6,434.28
Lehman Brothers	09/23/04	09/27/04	37,481,250	1.530	6,434.28
Lehman Brothers	09/23/04	Open	37,453,125	Variable *	12,203.47 **
Lehman Brothers	09/23/04	Open	37,453,125	Variable *	12,203.47 **
ABN AMRO	09/23/04	09/28/04	24,900,000	1.500	5,139.08
Banc of America	09/24/04	Open	24,950,000	Variable *	7,083.02 **
Lehman Brothers	09/27/04	09/29/04	29,940,000	1.580	2,628.07
Lehman Brothers	09/27/04	09/29/04	29,940,000	1.580	2,628.07
Lehman Brothers	09/28/04	09/29/04	49,875,000	1.580	2,188.96
Banc of America	09/28/04	Open	38,730,000	Variable *	4,357.13 **
Banc of America	09/28/04	Open	38,730,000	Variable *	4,357.13 **

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Banc of America	09/28/04	Open	\$38,730,000	Variable *	\$ 4,357.13 **
Banc of America	09/28/04	Open	38,730,000	Variable *	4,357.13 **
Daiwa	09/30/04	Open	37,312,500	Variable *	1,606.51 **
Daiwa	09/30/04	Open	37,312,500	Variable *	1,606.51 **
Daiwa	09/30/04	Open	37,312,500	Variable *	1,606.51 **
Daiwa	09/30/04	Open	37,312,500	Variable *	1,606.51 **
Lehman Brothers	09/30/04	Open	32,483,750	Variable *	1,353.49 **
Lehman Brothers	09/30/04	Open	32,483,750	Variable *	1,353.49 **
Lehman Brothers	09/30/04	Open	29,940,000	Variable *	1,180.97 **
Lehman Brothers	09/30/04	Open	29,940,000	Variable *	1,180.97 **

* This rate subject to change daily.

** Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT B: In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period of September 1, 2004 through September 30, 2004, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT C: In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period of September 1, 2004 through September 30, 2004 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of September 30, 2004, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$372.6 million, all of which pertain to refundings.

REPORT D: In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period of September 1, 2004 through September 30, 2004 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Report E: In addition to the transactions described in Report A, B, C, and D, the Executive Director also reports the following activity under the Futures Program authorized by the Board of Commissioners on December 10, 1987, during the period July 1, 2004 through September 30, 2004 involving the use of the Municipal Bond Futures Contracts (Muni) and the United States Treasury Bond Futures Contracts (T-Bonds) traded on the Chicago Board of Trade to manage the interest rate exposure on the future issuance of Consolidated Bonds and Notes.

Hedge for Consolidated Bonds:

<u>Date</u>	<u>Action</u>	<u>Number of Contracts</u>	<u>Short Position</u>	<u>Gains/(Losses) on Series Hedge*</u>	<u>Amount of Prospective Port Authority Debt Hedged</u>	<u>Estimated (Increase)/Decrease in Borrowing Costs on Portion of Debt Hedged</u>
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No outstanding Hedge during the 3rd Quarter 2004

Whereupon, the meeting was adjourned.

Secretary