2005 SWAP TRANSACTIONS RESOLUTION

WHEREAS, the Delaware River Port Authority ("Authority") has heretofore entered into the following interest rate swap and option agreements (each an "Existing Swaption"): 

   (i) swaption between the Authority and UBS AG, dated as of May 2, 2001 relating to the Authority’s Revenue Bonds, Series of 1999, in the notional amount of $403,035,000; 

   (ii) swaption between Lehman Brothers Holdings Inc. and the Authority, dated as of November 15, 2001, relating to the Authority’s Port District Project Bonds, Series B of 1998, in the notional amount of $66,065,000; and 

   (iii) swaption between UBS AG and the Authority, dated as of May 2, 2001, relating to the Authority’s Port District Project Bonds, Series B of 1999, in the notional amount of $108,470,000; and

WHEREAS, each Existing Swaption consists of an option held by the swap provider to require the commencement of an interest rate swap agreement on a certain date or dates pursuant to which agreement the Authority will make periodic payments to the swap provider at a fixed rate and the Authority will receive periodic payments from the swap provider at a floating rate based on a percentage of LIBOR; and

WHEREAS, the Authority has determined that it is in the best financial interests of the Authority to authorize:

   (i) the cash settlement of one or more of the Existing Swaptions; 

   (ii) the replacement of each Existing Swaption with an interest rate swap and option agreement pursuant to which the Authority will pay a fixed rate and the Authority will receive an upfront payment from the swap provider and periodic payments from the swap provider at a floating rate based on the weekly BMA Swap Index (each such transaction being referred to as a "Replacement Swaption"); and

   (iii) the entry by the Authority into an interest rate swap agreement related to the bonds of the Authority to which the applicable Replacement Swaption relates pursuant to which (a) the Authority shall make periodic payments based on the weekly BMA Swap Index, and (b) the Authority will receive an upfront payment and periodic payments based on a percentage of one-month LIBOR plus a fixed premium from a swap counterparty to be qualified and selected by the Authority (each such interest rate swap agreement being referred to in this Resolution as a "Basis Swap"); and

WHEREAS, the Authority has obtained a swap insurance policy for each Existing Swaption from Ambac Assurance Corporation ("Ambac"); and
WHEREAS, it is necessary and appropriate for the Authority to authorize and approve the cash settlement of the Existing Swaptions, the execution of the Replacement Swaptions and Basis Swaps, the execution and delivery of such documents and instruments as may be necessary or appropriate to effect the cash settlement of the Existing Swaptions and execution of the Replacement Swaptions and Basis Swaps, and such actions as may be necessary or appropriate to effect the cash settlement of the Existing Swaptions and execution of the Replacement Swaptions and Basis Swaps.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Authority as follows:

1. **Authorization of Cash Settlement of the Swaps, Replacement Swaptions and Basis Swaps.**

   (a) The Authority hereby authorizes the cash settlement of each Existing Swaption and the execution of a Replacement Swaption and a Basis Swap, each in the same notional amount and relating to the same series of Authority bonds as set forth in the Existing Swaption being replaced.

   (b) The Chairman, Vice Chairman and Chief Executive Officer (collectively, the “Authorized Officers”) are hereby authorized and directed to negotiate and approve the cash settlement of each Existing Swaption and the execution of each Replacement Swaption, with the advice of the Authority’s Chief Financial Officer, Financial Advisor and Swap Counsel.

   (c) The Authorized Officers are hereby authorized and directed to determine the method of award of the Basis Swaps, either by invitation to bid to qualified providers or by negotiation with one or more qualified providers, with the advice of the Authority’s Chief Financial Officer, Financial Advisor and Swap Counsel.

   (d) The Authorized Officers are hereby authorized to approve, execute (jointly or severally) and deliver such documents and instruments as may be necessary or appropriate to evidence the cash settlement of the Existing Swaptions, the Replacement Swaptions and the Basis Swaps.

2. **Swap Insurance**

   The Authorized Officers, with the advice of the Authority’s Chief Financial Officer, the Financial Officer and Swap Counsel, are hereby authorized to determine whether it is necessary or appropriate to obtain swap insurance for the Basis Swaps and to approve any amendments to or replacements of the swap insurance policies or acquisition of additional swap insurance policies necessary or appropriate in order to enable Ambac to insure the Replacement Swaptions and Ambac or another insurer to insure the Basis Swaps.
3. **Selection of Professional Advisors.**

The Authorized Officers are hereby authorized and directed to select the Financial Advisor, Swap Counsel, swap bidding agent or investment bidding agent (either of whom may be the Financial Advisor), and any special counsel or co-counsel or other professional advisors for the Authority.

4. **Authorized Officers’ Actions; Execution of Documents.**

The Authorized Officers are hereby authorized and directed to approve, execute and deliver all documents, instruments and certificates, and to take all actions necessary and proper to effect the cash settlement of the Existing Swaptions, the Replacement Swaptions, Basis Swaps and all other matters authorized in this Resolution. If the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the documents with the Chief Executive Officer. If both the Chairman and the Vice Chairman are absent or unavailable and if it is necessary to execute any of such documents in their absence, then the Chief Executive Officer shall execute such documents on behalf of the Authority.

5. **Inconsistent Resolutions Repealed.**

All prior resolutions or parts thereof to the extent inconsistent with this Resolution are hereby rescinded and repealed.
6. **Effective Date.**

This Resolution shall take effect at the earliest time permitted by applicable law.

DULY ADOPTED THIS 17th day of August, 2005.