PROPOSAL: That the DRPA authorize and approve the execution of all necessary agreements and documents and authorize and approve any and all necessary action in connection with or related to: (i) the substitution of an existing letter of credit ("Existing LOC") provided by Bank of America, N.A. (as successor to Fleet National Bank) ("Bank of America") with a new letter of credit ("Substitute LOC") to be provided by TD Bank, National Association ("TD") in connection with the New Jersey Economic Development Authority's ("NJEDA") $20,000,000 Variable Rate Lease Revenue Refunding Bonds (Camden Center Urban Renewal Partnership Project) Series 2002B, issued on December 30, 2002 ("Bonds"); and (ii) the continued provision of financial assistance to NJEDA by the extension to NJEDA of the DRPA's existing $10,000,000 guaranty authorized by DRPA Resolution 01-129 ("DRPA Guaranty") in order to provide additional security for $10,000,000 of a $20,000,000 aggregate guaranty to be provided by NJEDA ("NJEDA Guaranty") to TD for purposes of guaranteeing the payment obligations of Camden Center Urban Renewal Limited Partnership, a New Jersey limited partnership wholly owned by NJEDA ("Borrower"), pursuant to the Substitute LOC.

PURPOSE: To authorize and approve the delivery of the Substitute LOC, to provide continued financial assistance to NJEDA by the extension of the existing DRPA Guaranty to NJEDA upon the delivery of the Substitute LOC for the purpose of providing additional security to the NJEDA Guaranty, if called upon, and to provide incentive for TD to deliver the Substitute LOC, all for the purpose of maintaining low interest costs to be paid on the Bonds by the Borrower and, by proxy, the rent paid by L-3 Communications Corporation ("L-3"), a leading employer in the City of Camden, who currently occupies certain hi-tech facilities leased to L-3 by Borrower.

BACKGROUND: In 1993, the NJEDA, the County of Camden ("County") and other governmental agencies negotiated a 10-year lease ("Original Lease") with L-3 (as successor to General Electric Company) ("L-3"), a New York based national defense and aerospace company, for the construction of a new hi-tech aerospace campus ("Project") on a 20 acre parcel of real property owned by NJEDA in the City of Camden adjacent to the Delaware River ("Project Site"). The Project consisted of the construction of two buildings; a 350,000 square foot research and
engineering building and a 225,000 square foot production facility on the Project Site and the leasing thereof to L-3. The costs of the Project were financed by the issuance of certain revenue bonds issued by the NJEDA in 1993 ("1993 Bonds").

In 2002, NJEDA and L-3 renegotiated the terms of the Original Lease and extended the term thereof for an additional 15 years to commence in 2003 ("New Lease"). In connection therewith, NJEDA ground leased the Project Site and leased the Project to the Borrower. Thereafter, the Borrower subleased the same to L-3 pursuant to the terms of the New Lease. In connection with the renegotiation of the Original Lease, the Borrower, L-3 and the County determined to refinance the original costs of the Project and to finance the costs of certain additional improvements by the issuance of the Bonds. The proceeds of the Bonds were loaned to the Borrower pursuant to a loan agreement, dated as of December 30, 2003.

In connection with the issuance of the Bonds, the Borrower and Bank of America entered a Letter of Credit Reimbursement Agreement, dated as of December 1, 2002, pursuant to which Bank of America delivered the Existing LOC in order to provide credit enhancement and liquidity support for the Bonds.

In connection with the delivery of the Existing LOC: (i) DRPA, pursuant to DRPA Resolution 01-129, determined to provide financial assistance to the Borrower in the form of the DRPA Guaranty benefitting Bank of America in order to guaranty up to $10,000,000 of the Borrower's payment obligations under the Existing LOC; and (ii) the NJEDA determined to provide financial assistance to the Borrower in the form of an additional guaranty benefitting Bank of America in order to guaranty up to an additional $10,000,000 of the Borrower's payment obligations under the Existing LOC.

The DRPA and NJEDA memorialized the terms and conditions related to the provision of their respective guarantees and the rights, obligations and remedies of the DRPA and the NJEDA thereunder, to the extent that such guarantees were called upon, by the execution and delivery of: (i) separate guaranty agreements, each dated as of December 1, 2002, between the DRPA and Bank of America and NJEDA and Bank of America, respectively (collectively, the "Existing Guaranty Agreements"); and (ii) an inter-creditor Agreement, dated as of December 1, 2002, among the Borrower, NJEDA and the DRPA ("Existing Inter-Creditor Agreement").

Bank of America has advised that the Existing LOC will expire on April 30, 2010. As a result thereof, the Borrower and NJEDA have heretofore
negotiated the terms of the Substitute LOC in order to provide a new source of credit enhancement and liquidity support for the Bonds.

In order to meet certain credit requirements of TD, and as a condition for the delivery of the Substitute LOC, TD requires a financial guaranty from NJEDA in an amount up to $20,000,000 instead of separate guarantees from the DRPA and the NJEDA as were originally provided to Bank of America in connection with the Existing LOC.

As a result thereof, NJEDA has heretofore requested that: (i) DRPA continue to provide financial assistance to NJEDA by the provision of the DRPA Guaranty to NJEDA directly (in lieu of TD as provider of the Substitute LOC) in an amount up to $10,000,000; (ii) DRPA execute and deliver (a) a new guaranty agreement memorializing the provision of the DRPA Guaranty to NJEDA in lieu of the Bank ("New Guaranty Agreement"), (b) a new inter-creditor agreement among DRPA, NJEDA and the Borrower, in order to memorialize the rights, obligations and remedies of the respective parties thereto in the event the DRPA Guaranty and/or the NJEDA Guaranty is called upon ("New Inter-creditor Agreement"), and (c) any all agreements, certificates and documents necessary or desirable to effectuate the delivery of the Substitute LOC by TD, the extension of the DRPA Guaranty to NJEDA, the execution and delivery of the New Guaranty Agreement and the New Inter-Creditor Agreement (collectively, the "Transaction").

Pursuant to the terms of the Existing Guaranty Agreements and the Existing Inter-Creditor Agreement, payment to Bank of America under the NJEDA Guaranty is primary and payment to Bank of America under the DRPA Guaranty is secondary. Moreover, pursuant to the terms of the Existing Guaranty Agreements and the Existing Inter-Creditor Agreement, to the extent that the DRPA Guaranty is called upon for payment, any such payments made by DRPA are required to be satisfied and reimbursed to DRPA by proceeds generated by the sale of the Project.

In connection with delivery of the Substitute LOC, the Existing Guaranty Agreements and the Existing Inter-Creditor Agreement shall be terminated and released in their entirety and shall be replaced by the New Guaranty Agreement, a draft copy of which is attached to this Resolution as Exhibit "A", a guaranty agreement to be executed and delivered between NJEDA and TD, and the New Inter-Creditor Agreement, the form of which shall be substantially similar to the Existing Inter-Creditor Agreement, a copy of which is attached to this Resolution as Exhibit "B".

The Board of Commissioners of the DRPA is now desirous of: (i) authorizing, approving and consenting to the delivery of the Substitute LOC; (ii) authorizing and approving continued financial assistance to
Extension of DRPA Guaranty to Substitute Letter of Credit (NJEDA L-3 Communications Project)

NJEDA in the form of the existing DRPA Guaranty; (ii) authorizing and approving the execution and delivery of (a) the New Guaranty Agreement, (b) the New Inter-Creditor Agreement and (c) any and all documents, agreements, contracts and certificates necessary therefore or related to the Transaction; (iii) authorizing and approving certain other required actions in connection with the Transaction generally.

<table>
<thead>
<tr>
<th>SUMMARY:</th>
<th>Amount:</th>
<th>$10,000,000 subsidiary guarantee no change in risk</th>
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<tr>
<td>Source of Funds:</td>
<td>2001 Swap agreement; General Fund</td>
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<tr>
<td>Operating Budget:</td>
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<tr>
<td>Master Plan Status:</td>
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<td>Other Fund Sources:</td>
<td>New Jersey Economic Development Authority, Camden Center Urban Renewal Limited Partnership</td>
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<tr>
<td>Duration of Contract:</td>
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<td></td>
</tr>
<tr>
<td>Other Parties Involved:</td>
<td>New Jersey Economic Development Authority; TD Bank, L-3</td>
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</tbody>
</table>
RESOLUTION

RESOLVED: That the Board of Commissioners ("Board") of the Delaware River Port Authority ("DRPA") authorize and approve: (i) the continuation of financial assistance to the New Jersey Economic Development Authority ("NJEDA") in connection with the NJEDA's $20,000,000 Variable Rate Lease Revenue Refunding Bonds (Camden Urban Renewal Limited Partnership Project), Series 2002B ("Bonds"), by the provision of the existing DRPA loan guaranty authorized by DRPA Resolution 01-129, duly adopted on December 19, 2001 ("DRPA Guaranty"), directly to NJEDA for purposes of providing security for up to $10,000,000 of the NJEDA's $20,000,000 guaranty of certain repayment obligations of Camden Center Urban Renewal Limited Partnership, a New Jersey urban renewal entity wholly owned by NJEDA ("Borrower"), under that certain Letter of Credit and Reimbursement Agreement to be entered between the Borrower and TD Bank, National Association ("Bank"), as provider of a substitute Letter of Credit ("Substitute LOC") in connection with the Bonds; (ii) the delivery of the Substitute LOC; (ii) the execution and delivery of (a) a guaranty agreement between the DRPA and NJEDA memorializing the provision of the DRPA Guaranty to NJEDA ("New Guaranty Agreement"), a copy of which is attached hereto as Exhibit "A", (b) an inter-creditor agreement among DRPA, NJEDA and the Borrower, in order to memorialize the rights, obligations and remedies of the respective parties thereto in the event the DRPA Guaranty and/or the NJEDA Guaranty is called upon ("New Inter-creditor Agreement"), the form of which shall be substantially similar to the Inter-Creditor Agreement attached hereto as Exhibit "B" executed and delivered by DRPA, NJEDA and the Borrower upon issuance of the Bonds, and (c) any all agreements, certificates and documents necessary or desirable to effectuate the continuation of financial assistance to NJEDA, the delivery of the Substitute LOC by the Bank, the provision of the DRPA Guaranty to NJEDA, the execution and delivery of the New Guaranty Agreement and the execution and delivery of the New Inter-Creditor Agreement (collectively, the "Transaction"); and (iii) any and all action necessary or appropriate to facilitate the Transaction.
FURTHER RESOLVED: That it is the intention of this Resolution to continue the provision of financial assistance to NJEDA in order to maintain the financial viability and economic success of the hi-tech aerospace campus located in the City of Camden leased by the Borrower to L-3 Communications Corporation, a leading employer in the City of Camden; and be it

FURTHER RESOLVED: That staff be and are hereby authorized and directed to undertake all necessary and convenient actions including, but not limited to, the final negotiation of forms of agreement, contracts or other similar documents (including the Substitute LOC, the New Guaranty Agreement and the New Inter-Creditor Agreement), subject in each case to review and advice of Counsel, in order to facilitate the Transaction; and be it

FURTHER RESOLVED: That the Chairman, Vice Chairman and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA in connection with the Transaction. If such agreements, contracts, or other documents have been approved by the Chairman, Vice Chairman and Chief Executive Officer and if thereafter either the Chairman or Vice Chairman is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chairman and Vice Chairman are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA; and be it

FURTHER RESOLVED: That any agreements, contracts or other documents executed or delivered in connection with the delivery of the Substitute LOC, the execution and delivery of the New Guaranty Agreement and the New Inter-Creditor Agreement, or any other related agreements, contracts or other documents related to the Transaction, shall include appropriate protections for DRPA.

SUMMARY:

- Amount: $10,000,000
- Source of Funds: 2001 Swap Agreement; General Fund
- Operating Budget: N/A
- Master Plan Status: N/A
- Other Fund Sources: New Jersey Economic Development Authority; Camden Center Urban Renewal Limited Partnership
- Duration of Contract: 8 years
- Other Parties Involved: New Jersey Economic Development Authority, Camden Center Urban Renewal Limited Partnership; TD Bank, L-3