

SALES TAX ASSET RECEIVABLE CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

April 23, 2014

A meeting of the Board of Directors (the “Board”) of the Sales Tax Asset Receivable Corporation (the “Corporation”) was held on April 23, 2014 at approximately 3:18 p.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following member of the Committee were represented by their alternates:

Dean Fuleihan, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott M. Stringer, Comptroller of the City, represented by Michael Stern;

Melissa Mark-Viverito, Speaker of the City Council, represented by Raymond Majewski;

Zachary Carter, Corporation Counsel of the City, represented by Al Rodriguez

Michael Hyman, Acting Deputy Commissioner of Finance of the City, represented by John Sarich; and

Mindy Tarlow, Director of the Mayor’s Office of Operations:, represented by George Davis, III;

constituting a quorum of the Board. Jinelle Craig served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation and employees of various agencies of the City.

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Board held on December 20, 2013. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved:

WHEREAS, the Board of Directors of the Sales Tax Asset Receivable Corporation has reviewed the minutes of its meeting held on December 20, 2013; it is therefore

RESOLVED, that the minutes of the meeting of December 20, 2013 be, and they hereby are, approved.

Approval of Budget

The second on the agenda was the proposed approval of the Budget of the Corporation. Mr. Anders explained that Section 2801(2) of the Public Authorities Law requires that the Corporation submit a budget report to various City and State officials and that such Budget contain estimated and actual receipts and expenditures. He noted that the Budget was in the packet provided to the Directors. Mr. Stern and Mr. Davis inquired about certain expenses in the budget. A brief discussion ensued. A motion was made to approve the resolution set forth below approving the Budget. The motion was seconded and, there being no objections, approved.

WHEREAS, the Sales Tax Asset Receivable Corporation (the "Corporation"), pursuant to Section 2801(2) of the Public Authorities Law (the "PAL"), is required to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget Office, at least sixty days before the commencement of its fiscal year, budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year; and

WHEREAS, the Corporation is also required, pursuant to the PAL, Section 2800(2)(a)(14) to submit to the Mayor, Comptroller, Speaker of the City Council and the Authorities Budget

Office, at a minimum a four-year financial plan, including (i) a current and projected capital budget, and (ii) an operating budget report, including an actual versus estimated budget, with an analysis and measurement of financial and operating performance;

WHEREAS, the Board of Directors of the Corporation has reviewed the budget information and financial plan attached hereto and found it to be satisfactory; it is therefore

RESOLVED, that the Board of Directors of the Corporation approves the budget information and financial plan as attached hereto.

Extension of Financial Advisor Contracts

The third item on the agenda was the extension of financial advisory contracts with A.C. Advisory and Public Resource Advisory Group. Mr. Anders explained that the U.S. Securities and Exchange Commission recently promulgated a new rule known as the Municipal Advisor Rule. As such, the Board of Directors of the Corporation desires to extend its contracts with the previously mentioned financial advisory firms who are registered municipal advisors. Mr. Anders explained that an extension of the contracts will facilitate the Corporation's desire and ability to receive financing ideas from investment banking firms. Mr. Majewski and Mr. Davis each asked a question. A brief discussion ensued. A motion was made to approve the resolution set forth below approving the extension of financial advisor contracts. The motion was seconded and, there being no objection, approved.

WHEREAS, the Securities and Exchange Commission ("SEC") established new rules, originally effective January 13, 2014, which restrict the ability of underwriters to provide advice and ideas to municipal issuers unless, among other things, such issuer is represented by a financial advisor; and

WHEREAS, on December 19, 2013 the Board of Directors (the "Board") of the Sales Tax Asset Receivable Corporation (the "Corporation") approved entering into short-term contracts with Public Resources Advisory Group, Inc. ("PRAG") and A.C. Advisory, Inc. ("AC") to provide financial advisor services through April 12, 2014 to comply with the new rules ; and

WHEREAS, the SEC extended the effective date of the new rules to July 1, 2014, and the Corporation has not yet entered into the agreements with PRAG and AC; and

WHEREAS, the Corporation's Management believes it is now prudent to enter into such contracts with PRAG and AC to provide financial advisor services, extending the end date of the contract to June 30, 2015, and providing for a one year optional extension at the discretion of the Corporation's Management, at the previously approved rates; it is therefore

RESOLVED, that the President of the Corporation is hereby authorized and directed to enter into a contract with each of PRAG and AC for a term commencing on January 1, 2014 through June 30, 2015 with a one year optional extension at the discretion of the Corporation's Management, at the respective hourly rates identified on Schedule I for pricing services for competitive transactions and general financial advisor services, and for a fee of \$25,000 for pricing services for negotiated transactions, including such other terms and conditions as the President deems reasonable and appropriate.

Approval of Directors' and Officers' Insurance

The fourth item on the agenda was the proposed approval of Directors' and Officers' Liability Insurance. Mr. Anders explained that such insurance is to be procured from a number of insurance companies through Wells Fargo acting as a broker and that the insurance would cover directors, members and officers of the Corporation. He noted that the premium cannot exceed \$200,000 annually. A motion was made to approve the resolution set forth below approving the procurement of Directors' and Officers' Liability Insurance. The motion was seconded and, there being no objection, approved.

WHEREAS, despite their diligence and good faith, directors and officers of the Sales Tax Asset Receivable Corporation (the "Corporation") may be subject to potentially large personal financial liability in connection with the Federal securities laws or otherwise arising from their service to the Corporation; and

WHEREAS, Article VI of the Bylaws of the Corporation provides that the Corporation shall indemnify each member, director and officer, to the fullest extent permitted by law; and

WHEREAS, Directors' and Officers' Liability Insurance is a prudent supplement to such indemnification; it is therefore

RESOLVED, that the Corporation hereby approves the procurement of Directors' and Officers' Liability Insurance policies through Wells Fargo Insurance Services, USA, Inc. from American International Group ("AIG"), Zurich American Insurance Company ("Zurich"), Liberty Mutual Insurance Company ("Liberty Mutual"), Aspen Insurance ("Aspen") and Chubb Group of Insurance Companies ("Chubb" and together with AIG, Zurich, Liberty Mutual and

Aspen, the “Insurers”), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2014 through May 24, 2015; provided that the annual premium payable by the Corporation to the Insurers, plus the brokers fee, will not exceed \$200,000, and said policies shall contain such other terms and conditions not inconsistent with the foregoing which the President or such other officer of the Corporation shall deem necessary, desirable or appropriate and that the President shall be authorized to procure such insurance coverage.

Approval of Mission Statement and Measurements

The fifth item on the agenda was the approval of the Corporation’s Mission Statement and Performance Measurements (a copy of which was in the packet provided to the Directors). Mr. Anders explained that pursuant to Section 2800 of the Public Authorities Law the Corporation has previously adopted and amended a Mission Statement and that it is required to annually review such Statement. A motion was made to approve the resolution set forth below approving the Corporation’s Mission Statement and Measurements as revised. The motion was seconded and, there being no objections, approved.

WHEREAS, pursuant Section 2800 of the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of the Sales Tax Asset Receivable Corporation (the “Corporation”) previously adopted a mission statement on October 4, 2007 and amended it on March 4, 2011; and

WHEREAS, the Corporation is required to annually review the mission statement and measurements; and

WHEREAS, the Corporation’s staff has recommend minor revisions to the mission statement and measurements; and

WHEREAS, the Board has reviewed the mission statement and measurements, as amended, and found them to be reasonable; it is hereby

RESOLVED that Board accepts the mission statement and measurements as attached hereto.

Approval of Policy on the Acquisition and Disposition of Real Property

The sixth item on the agenda was the proposed approval of the Corporation's Policy on the Acquisition and Disposition of Real Property (a copy of which was in the packet provided to the Directors). Mr. Anders explained that pursuant to Section 2896 of the Public Authorities Law the Corporation is required to annually review such Policy. He noted that the Governance Committee of the Corporation has recommended its approval with no changes. A motion was made to approve the resolution set forth below approving such Policy. The motion was seconded and, there being no objections, approved.

WHEREAS, the Sales Tax Asset Receivable Corporation (the "Corporation"), on July 31, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the "Public Authorities Law"), adopted a Policy on the Acquisition and Disposition of Real Property; and

WHEREAS, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policies; and

WHEREAS, the Governance Committee has reviewed the attached policy and has recommended its approval; it is therefore

RESOLVED, that the Policy on the Acquisition and Disposition of Real Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Approval of Policy on the Disposition of Personal Property

The seventh item on the agenda was the proposed approval of the Corporation's Policy on the Disposition of Personal Property (a copy of which was in the packet provided to the Directors). Mr. Anders explained that pursuant to Section 2896 of the Public Authorities Law the Corporation is required to annually review such Policy. He noted that the Governance Committee has recommended approval of the Policy with no changes. A motion was made to approve the resolution set forth below approving such Policy. The motion was seconded and, there being no objections, approved.

WHEREAS, the Sales Tax Asset Receivable Corporation (the “Corporation”), on July 31, 2006, pursuant to Section 2824 of the Public Authorities Law of the State of New York (the “Public Authorities Law”), adopted a Policy on the Acquisition and Disposition of Real Property; and

WHEREAS, pursuant to Section 2896 of the Public Authorities Law, the Corporation is required annually to review such policies; and

WHEREAS, the Governance Committee has reviewed the attached policy and has recommended its approval; it is therefore

RESOLVED, that the Policy on the Acquisition and Disposition of Real Property, a copy of which will be filed with the Minutes of the Meeting, is hereby approved.

Appointment of Vice President and Assistant Treasurer

The eighth item on the agenda was the appointment of Laura Tarbox as Assistant Treasurer of the Corporation. A motion was made to approve the resolution set forth below with respect to such appointment. The motion was seconded, upon which Mr. Anders noted that Ms. Tarbox has been performing the work of such office without the title and this action of the Board would provide her with such title. Congratulations were expressed to Ms. Tarbox by the Directors and, there being no objections, the motion was approved.

WHEREAS, the Board of Directors of Sales Tax Asset Receivable Corporation (the “Corporation”) is duly authorized pursuant to Section 713 of the New York Not-For-Profit Corporation Law to appoint such officers and employees as it may require for the performance of its duties; and

WHEREAS, the Corporation desires to appoint an Assistant Treasurer to assist the Treasurer in the performance of his duties; and

WHEREAS, the Board believes that Laura Tarbox is highly qualified to assume the duties of Assistant Secretary it is therefore

RESOLVED, that Laura Tarbox is hereby appointed as Assistant Treasurer of the Corporation.

Presentation by Audit Committee Chair regarding Audit Committee’s Annual Report and Self Evaluation

The ninth and final item on the agenda was a presentation by the Audit Committee Chair regarding the Committee's Annual Report and self-evaluation. Mr. Stern, the Chair of the Audit Committee, explained that such Committee is required to perform an annual self-evaluation and review of the work it has done. He described the accomplishments of the Audit Committee stated that the Audit Committee believes that it has performed in a satisfactory manner.

Adjournment

There being no further business to come before the Board, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.



ASSISTANT SECRETARY