

SALES TAX ASSET RECEIVABLE CORPORATION

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

April 29, 2010

A meeting of the Board of Directors (the “Board”) of the Sales Tax Asset Receivable Corporation (the “Corporation”) was held on April 29, 2010 at approximately 3:30 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present in person:

- Mark Page, Director of Management and Budget of The City of New York (the “City”)

The following directors were represented by their alternates:

- John Liu, Comptroller of the City, represented by Michael Stern
- Christine Quinn, Speaker of the City Council, represented by Raymond Majewski
- Michael Cardozo, Corporation Counsel of the City, represented by Albert Moncure, Jr.
- Jeffrey Kay, Director of the Mayor’s Office of Operations, represented by George Davis, III

A quorum of directors was present. Uyen Nguyen 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. Page.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Board held on February 26, 2010. 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 February 26, 2010; it is therefore

RESOLVED, that the minutes of the meeting of February 26, 2010 be, and they hereby are, approved.

Approval of Budget

The second item on the agenda was the proposed approval of the budget of the Corporation. Mr. Page explained that the Public Authorities Law requires the Corporation to submit budget information annually to City and State officials. 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, pursuant to Section 2801(2) of the Public Authorities Law of New York, is required to submit to the Mayor of the City of New York (the “City”), the Comptroller of the City, the Speaker of the City Council and the Authorities Budget Office, within 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 Board of Directors has reviewed the budget information, attached hereto; it is therefore

RESOLVED, that the Board of Directors approves the budget information as attached hereto.

Approval of Amended Policy on the Procurement of Goods and Services

The third item on the agenda was the approval and adoption of the Amended Policy on the Procurement of Goods and Services (the “Policy”). Mr. Page explained that the Public Authorities Law requires that the Corporation establish a policy on the procurement of goods and services and annually review such policy. He noted that the Governance Committee has reviewed the unchanged Policy and recommended that the Board adopt the Policy. A motion was made to approve the resolution set forth below adopting the Policy. The motion was seconded and, there being no objections, approved.

WHEREAS, pursuant to Section 2824(e) of the Public Authorities Law of the State of New York, the Sales Tax Asset Receivable Corporation (the “Corporation”) is required to establish a policy on the procurement of goods and services; and

WHEREAS, the Corporation adopted Policy on the Procurement of Goods and Services (the “Policy”) on July 31, 2006; and

WHEREAS, pursuant to subsection III(a)(viii) of the Governance Committee Charter, the Governance Committee has reviewed the Policy, as previously adopted and attached hereto, and found it to be reasonable and appropriate; it is therefore

RESOLVED, that the Board of Directors hereby adopts the Policy, as previously adopted and attached hereto.

Approval of Directors’ and Officers’ Insurance Broker Contract

The fourth item on the agenda was the approval of the Directors' and Officers' Liability Insurance Broker Contract. Mr. Page informed the Board that a request for proposals (RFP) has been conducted for a broker to assist with the procurement of Directors' and Officers' Liability Insurance (the "Liability Insurance"). Mr. Page explained that the selection committee recommended that the Board retain the services of Wells Fargo Insurance Services USA, Inc. ("Wells Fargo"), which used to be Wachovia and was the Corporation's broker last year. For the record, Mr. Majewski stated that his brother is an account executive with Wells Fargo. Mr. Majewski stated that he received no benefit from this transaction. He informed the Board that he has checked with the City's Conflict of Interest Board and it was determined that he would be eligible to vote on this matter. A motion was made to approve the resolution set forth below approving and authorizing a contract with Wells Fargo for brokerage services covering the purchase of three years worth of Liability Insurance, with an option to renew for an additional period of three years. 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; and

WHEREAS, following an RFP, the selection committee has selected Wells Fargo Insurance Services, USA, Inc. to serve as broker for Directors and Officers Insurance; it is therefore

RESOLVED, that the Board of Directors of the Corporation hereby approves and authorizes a contract with Wells Fargo Insurance Services USA, Inc. for brokerage services covering the purchase of three years worth of Directors and Officers Liability Insurance, for the period from May 25, 2010 through May 24, 2013, with an option to renew for an additional period of three years, at the discretion of the President of the Corporation, for an annual fee not to exceed \$17,500.

Approval of Directors' and Officers' Insurance Contracts

The fifth and last item on the agenda was the approval of Directors' and Officers' Liability Insurance Contracts. Mr. Page explained that the Liability Insurance would provide \$50 million in coverage. Wells Fargo is currently soliciting bids from companies the Corporation solicited bids from the previous year. A brief discussion ensued. A motion was made to approve the resolution set forth below approving the procurement of Liability Insurance through Wells Fargo. 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 Arch Insurance Group, Inc. ("Arch"), Liberty Mutual Insurance Company ("Liberty Mutual"), Zurich American Insurance Company ("Zurich") and Allied World Assurance Company, Inc. ("AWAC" and together with Arch, Liberty Mutual and Zurich, the "Insurers"), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2010 through May 24, 2011; provided that the annual premium payable by the Corporation to the Insurers will not exceed \$190,000, reflecting an increase of approximately ten percent over last year's premium of \$170,264, 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.

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