

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY**

August 2, 2010

A meeting of the Board of Directors (the “Board”) of the New York City Transitional Finance Authority (the “Authority”) was held on August 2, 2010 at approximately 10:40 a.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present:

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

the following directors were represented by their designees:

John C. Liu, Comptroller of the City, represented by Carol Kostik;

Christine C. Quinn, Speaker of the City Council, represented by Raymond Majewski;

David M. Frankel, Commissioner of the Department of Finance of the City, represented by Dara Jaffee; and

David Burney, Commissioner of the Department of Design and Construction of the City, represented by Jeff Bonne;

constituting a quorum of the Board. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Authority, and employees of various agencies of the City and the State of New York.

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 of Directors which occurred on May 17, 2010. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

WHEREAS, the Board of Directors of the New York City Transitional Finance Authority has reviewed the minutes of its meeting held on May 17, 2010; it is therefore

RESOLVED, that the minutes of the meeting of May 17, 2010 be, and they hereby are, approved.

Approval of Fiscal 2011 Series A Future Tax Secured Bonds and Amendment of Indenture

The second item on the agenda was the approval of the Authority's Fiscal 2011 Series A Future Tax Secured Bonds (the "Bonds") and the amendment of the Authority's Amended and Restated Original Indenture. Mr. Page noted that the Finance Committee of the Authority had recommended the approval of the Bonds. He also noted that the Fifty-Fifth Supplemental Indenture and Series Resolution Authorizing the Issuance of Up to \$1,000,000,000 Future Tax Secured Bonds of the New York City Transitional Finance Authority dated August 2, 2010 (the "Fifty-Fifth Series Resolution") which authorizes the issuance of the Bonds, also contains an amendment to the Amended and Restated Original Indenture of the Authority. The amendment would add obligations of the Federal Home Loan Bank System to the list of eligible investments for Authority funds. He explained that such obligations are of comparable credit

quality to other eligible investments and would be a significant source of potential liquidity, helping the Authority to match the timing of its investments and the maturity of its obligations. A discussion ensued. Subsequent to this a motion was made to approve the Fifty-Fifth Series Resolution, a copy of which is attached hereto. The motion was seconded and, there being no objections, approved.

Approval of Special Disclosure Counsel Contract

The third and final item on the agenda was approval of a contract for special disclosure services provided by the firm of Orrick, Herrington & Sutcliffe LLP (“Orrick”). Mr. Page explained that Orrick rendered disclosure services in connection with the Authority’s first issuance of Qualified School Constructional Bonds (“QSCBs”) in May. The resolution set forth below authorizes payment for services rendered by Orrick. A brief discussion ensued. A motion was made to approve the resolution. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the New York City Transitional Finance Authority (the “Authority”) is authorized, pursuant to Section 2799-ee of the Act, to retain or employ counsel; and

WHEREAS, in connection with the issuance of its first series of Qualified School Construction Bonds (“QSCBs”), the Authority required specialized advice on the disclosure required for inclusion in its offering documents; and

WHEREAS, the firm of Orrick, Herrington & Sutcliffe LLP (“Orrick”) possesses unique and superior expertise in the field of QSCB transactions due to their involvement in such transactions including some of the first such issuances in the country; and

RESOLVED, that the Board of Directors of the Authority hereby approves and ratifies the retention of Orrick to serve as special disclosure counsel to the Authority in connection with its first issuance of QSCBs for a one-time fee not to exceed \$150,000.

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.


GENERAL COUNSEL