

TSASC, Inc.

Annual Report of the Audit Committee

April 19, 2012

During calendar year 2011, the Audit Committee of Sales Tax Asset Receivable Corporation (the "Corporation") met three times. The Audit Committee's actions at these meetings were as follows:

On March 2, 2011:

- Conducted an evaluation of the Corporation's independent auditors and recommended that the Board authorize the signing of an Extension of engagement letter
- Reviewed the Corporation's annual Agency Financial Integrity Compliance Statement
- Conducted a self-evaluation and approved an annual report of the Committee's activities
- Reviewed the Corporation's internal control manual

On May 2, 2011:

- Met with the independent auditors to review the auditors' audit plan for the fiscal year 2011 audit and several new accounting and auditing standards

On September 20, 2011:

- Met with the independent auditors and management of the Corporation to discuss the annual audited financial statements and independent auditors' report for the fiscal years ended June 30, 2011 and June 30, 2010, and recommended to the Board of Directors of the Corporation the acceptance and release of such report and financial statements
- Reviewed the Corporation's Net Asset and Fund Balance Policy
- Reviewed and approved Audit Committee Charter and Charter Schedule