

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF TSASC, INC.

September 25, 2009

A meeting of the Audit Committee (the “Committee”) of TSASC, Inc. (the “Corporation”) was held on September 25, 2009 at approximately 11:21 a.m. at 75 Park Place, Room 6M4, New York, New York.

The following members of the Committee or their alternates were present:

Michael Stern	- alternate for William C. Thompson, Jr., Comptroller of The City of New York (the “City”)
Raymond Majewski	- alternate for Christine C. Quinn, Speaker of the City Council
Olivia O’Neill	- alternate for Michael A. Cardozo, Corporation Counsel of the City

constituting a quorum of the Committee. Kathy Blyn 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 and the State of New York.

The meeting was called to order by Mr. Stern, the Chairperson of the Committee.

Approval of Minutes of Meeting of April 24, 2009

The first item on the agenda was the approval of the minutes of the meeting of the Committee held on April 24, 2009. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved.

WHEREAS, the Audit Committee of TSASC, Inc. has reviewed the minutes of the previous meeting of the Audit Committee held on April 24, 2009; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of April 24, 2009, be, and they hereby are, approved.

Presentation by Management and Independent Auditors Regarding the Audited Annual Financial Statements of the Corporation

The next item on the agenda was a presentation by the staff of the Corporation and Marks Paneth & Shron (“Marks Paneth”), the Corporation’s independent auditors, with respect to the audited financial statements of the Corporation for the fiscal years ending June 30, 2009 and June 30, 2008. Eileen Moran, the Deputy Comptroller of the Corporation, introduced Warren Ruppel and Dina Holinka of Marks Paneth and then described and explained certain features of the financial statements. Mr. Ruppel then described the report of Marks Paneth with respect to the audited financial statements. A brief discussion ensued.

Executive Session

Mr. Stern then explained that executive sessions are very strongly recommended by the Government Finance Officers Association and the American Institute of Certified Public Accountants. He explained that executive session would allow the auditors to meet privately with Committee members to express any concerns about the Corporation’s management and allow Committee members to ask questions about and/or express any concerns they may have. He went on to state that if any material areas of concern appropriate for public meetings were raised in executive session, the Committee would bring them to the attention of the full Board in order that they may be addressed appropriately in accordance with laws and procedures governing the Corporation. A motion was made for the meeting to be held in executive session. The motion was seconded and, there being no objections, approved. The meeting then went into executive session with only the independent auditors and the Committee in attendance.

Full Meeting Resumes

The full meeting resumed and Mr. Stern informed the meeting that no material items appropriate for the full meeting had arisen.

Recommendation to the Board of Directors to Accept the Independent Auditors' Report on the Audited Financial Statements of the Corporation for the Fiscal Years ended June 30, 2009 and June 30, 2008, and the Issuance of Such Financial Statements.

The next item on the agenda was the recommendation of the Committee to the Board of Directors that it accept the report of Marks Paneth on the audited financial statements of the Corporation for the fiscal years ended June 30, 2009 and June 30, 2008, and that it authorize the release of such audited financial statements. A motion was made to approve the resolution set forth below with respect to the financial statements. The motion was seconded and, there being no objections, approved.

WHEREAS, the Audit Committee of TSASC, Inc. (the "Corporation") has met with the independent auditors of the Corporation and has reviewed the independent auditors' report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2009 and June 30, 2008 and such financial statements, as submitted to the Committee; and

WHEREAS, the Audit Committee believes the independent auditors' report and the financial statements are reasonable and appropriate; it is therefore

RESOLVED, that the Audit Committee recommends to the Board the acceptance of the independent auditors' report and the authorization of the release of the audited financial statements of the Corporation for the fiscal years ended June 30, 2009 and June 30, 2008; provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Corporation.

Discussion of Internal Control Policies

The final item on the agenda was a discussion of the Internal Control Policies of the Corporation. Michele Mark Levine, the Comptroller of the Corporation, explained that the

Policies included in the package provided to the Committee have not changed from the prior draft and that they will be reviewed annually. A brief discussion ensued.

Adjournment

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

A handwritten signature in cursive script, appearing to read "Paul D. Ury", is centered on a light-colored rectangular background.

ASSISTANT SECRETARY