

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
TSASC, INC.**

April 19, 2012

A meeting of the Board of Directors (the “Board”) of TSASC, Inc. (the “Corporation”) was held on April 19, 2012 at approximately 1:55 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following directors or their alternates were present:

Alan Anders	- alternate for Mark Page, Director of Management and Budget of The City of New York (the “City”)
Michael Stern	- alternate for John C. Liu, Comptroller of the City
Raymond Majewski	- alternate for Christine C. Quinn, Speaker of the City Council
John Sarich	- alternate for David M. Frankel, Commissioner of Finance of the City
Albert F. Moncure, Jr.	- alternate for Michael A. Cardozo, Corporation Counsel of the City

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 Corporation and employees of various agencies of the City and the State of New York.

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 September 20, 2011. 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 TSASC, Inc. has reviewed the minutes of its meeting held on September 20, 2011; it is therefore

**RESOLVED**, that the minutes of the meeting of the Board of Directors held on September 20, 2011 be, and they hereby are, adopted.

Approval of Independent Auditors Contract

The second item on the agenda was the approval of an Independent Auditors Contract with the firm of Marks Paneth & Shron LLP (“Marks Paneth”). Mr. Anders noted that approval of such contract had been recommended by the Audit Committee of the Corporation. The representatives of Marks Paneth then left the meeting room. A motion to approve the resolution set forth below with respect to the Independent Auditors Contract was made and seconded. Mr. Anders informed the Directors that Michele Mark Levine, the Comptroller of the Corporation, was present to answer questions with respect to the contract. No questions were presented and a vote was taken on the motion. There being no objections, the motion was approved.

**WHEREAS**, pursuant to a request for proposals for independent auditors, dated December 8, 2011 the selection committee of TSASC, Inc. (the “Corporation”) has selected the firm of Marks Paneth & Shron LLP; and

**WHEREAS**, the Audit Committee has recommended the retention of Marks Paneth & Shron LLP as the Corporation’s independent auditors; it is hereby

**RESOLVED**, that the staff of the Corporation is to enter into an agreement with Marks Paneth & Shron LLP to serve as independent auditor for the Corporation’s financial statements for the fiscal years ending June 30, 2012, 2013, and 2014, with one one-year extension at the discretion of Management to cover the audit of the Corporation’s financial statements for the fiscal year ending June 30, 2015, which agreement shall contain such other terms and conditions which are not inconsistent with this resolution as the staff of the Corporation shall determine, and which agreement shall provide for compensation not to exceed the following rates:

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
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Audit	\$21,000	\$22,000	\$23,000	\$24,000
Special Projects (per hour)				
Partner	\$325	\$335	\$340	\$345
Manager	\$170	\$175	\$180	\$185
Senior	\$125	\$130	\$135	\$140
Associate	\$105	\$110	\$115	\$120
Specialists	\$220	\$230	\$240	\$250

The representatives of Marks Paneth returned to the meeting room.

Annual Approval of Mission Statement and Measurements

The third item on the agenda was the annual approval of the Corporation’s mission statement and measurements. Mr. Anders explained that pursuant to Section 2800 of the Public Authorities Law the Corporation must annually review its mission statement. He noted that the mission statement was adopted on October 4, 2007 and amended on March 2, 2011. A motion was made to approve the resolution set forth below with respect to the mission statement and measurements. The motion was seconded and, there being no objections, approved.

**WHEREAS**, pursuant to Section 2800 of the Public Authorities Law (the “PAL”), the Board of Directors (the “Board”) of TSASC, Inc. (the “Corporation”) previously adopted a mission statement on October 4, 2007 and amended it on March 2, 2011; and

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

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

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

Annual Approval of Policy on the Acquisition and Disposition of Real Property

The fourth item on the agenda was the annual 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 informed the Directors that the Governance Committee of the Corporation has recommended the approval without change of such Policy. A motion was made to approve the resolution set forth below relating to the Policy. The motion was seconded and, there being no objections, approved.

**WHEREAS**, TSASC, Inc. (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 Corporation has reviewed the attached policy and has deemed it to be reasonable and appropriate; 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.

#### Annual Approval of Policy on Disposition of Personal Property

The fifth item on the agenda was the annual 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 was required to annually review a Policy on the Disposition of Personal Property and that the Governance Committee has recommended the approval of such Policy. A motion was made to approve the resolution set forth below approving the Corporation’s Policy on the Disposition of Personal Property. The motion was seconded and, there being no objections, approved.

**WHEREAS**, TSASC, Inc. (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 Disposition of Personal Property; and

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

**WHEREAS**, the Corporation has reviewed the attached policy and has deemed it to be reasonable and appropriate; it is therefore

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

#### Approval of Directors and Officers Insurance

The sixth item on the agenda was approval of the procurement of Directors and Officers Liability Insurance. Mr. Anders explained that the proposal at issue was the procurement by Wells Fargo Insurance Services, USA, Inc. of such insurance from several insurance companies, as named in the resolution below, and that the insurance would cover the directors, members and officers of the Corporation. He briefly described the terms of such policies. A motion was made to approve the resolution set forth below with respect to the insurance. The motion was seconded and, there being no objections, approved.

**WHEREAS**, despite their diligence and good faith, directors and officers of TSASC, Inc. (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 Allied World Assurance Company, Inc. ("AWAC"), Zurich American Insurance Company ("Zurich"), Arch Insurance Group, Inc. ("Arch") and Houston Casualty Company ("Houston" and together with AWAC, Zurich, and Arch, the "Insurers"), or such other substitute insurers as the President shall determine, providing coverage for the period from May 25, 2012 through May 24, 2013; provided that the annual premium payable by the Corporation to the Insurers 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.

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

The seventh item on the agenda was a presentation by Mr. Stern, the Chairperson of the Audit Committee, with respect to the Audit Committee's Annual Report and self-evaluation. Mr. Stern indicated that the Audit Committee has expressed satisfaction with its performance during the 2011 fiscal year. A copy of the Annual Report was contained in the packet provided to the Directors.

Approval of Budget

The eighth and final item on the agenda was approval of a budget for the Corporation for fiscal year 2013. A copy of the budget was included in the packet provided to the Directors. Mr. Anders explained that pursuant to the Public Authorities Law the Corporation must submit certain information relating to estimated and actual receipts and expenditures to various officials. A motion was made to approve the resolution set forth below with respect to the budget. A brief discussion ensued. The motion was then seconded and, there being no objections, approved.

**WHEREAS**, TSASC, Inc. (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.

Adjournment

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

  
ASSISTANT SECRETARY