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**TSASC, INC. ANNOUNCES REVIEW AND REVISION OF INVESTMENT PROCEDURES
AND NO EXPOSURE TO SUBPRIME MORTGAGE PROBLEMS**

TSASC, Inc. ("TSASC") has completed a review of its investments and announced today that it does not have investments in subprime mortgages, asset-backed commercial paper and special investment vehicles or any other related financial instruments. TSASC has instituted several revised procedures to ensure that TSASC will not have exposure to these investments which have been under scrutiny in recent months as a result of the subprime mortgage crisis.

TSASC does not currently utilize outside investment managers and does not invest in state and local government investment pools.

TSASC's invested funds consist of the debt service fund, the debt service reserve fund, and operating funds.

Investments are made pursuant to TSASC's bond indenture and investment guidelines approved by the TSASC Board of Directors. These investment guidelines and bond indenture are posted on TSASC's web site, which can be found at:

<http://www.nyc.gov/html/TSASC/html/documents.html>.

TSASC has issued written instructions to its trustee that, until further notice, all new or rollover investments in commercial paper and finance paper, in addition to meeting other minimum requirements of the investment guidelines, including minimum ratings of A-1 + by Standard & Poor's and P-1 by Moody's Investors Service, may not be investments in asset-backed commercial paper. The additional written instructions also stated that investments in direct obligations of, or obligations guaranteed as to timely payment of principal and interest by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Federal Farm Credit System, must be rated triple-A by both Moody's Investors Service and Standard & Poor's.

TSASC's staff will continue to monitor and assess the risks associated with the different types of investments TSASC is permitted to make under its indenture and investment guidelines. If TSASC determines that circumstances warrant a change in these written investment instructions, it expects to announce that change in a subsequent press announcement which will also be posted on the TSASC web site.

As of December 13, 2007, TSASC had approximately \$86 million of funds invested in AAA-rated discount notes of Government Sponsored Entities. The TSASC debt service fund is not typically funded until the Spring of each year.