

**Meeting of the Suffolk Tobacco Asset Securitization Corporation  
(STASC)  
November 9, 2011**

**Minutes**

**Attendees:** Jim Morgo, Chairman and President, STASC; Terrence Pearsall, Treasurer & Secretary, STASC; Robert Fonti, Independent Director, STASC; Eric Naughton, Deputy County Executive for Financial Affairs; Connie Corso, ex-officio STASC Member and County Budget Director; Dennis Brown, Bureau Chief, Municipal Law; Amy Engel, County Senior Management Analyst; and Colleen Capece, County Accountant.

**Action on Consent to Seek RFP for Disclosure Counsel:** A brief discussion was had regarding an RFP for disclosure counsel in connection with the proposed securitization. Dennis Brown indicated that Capital Markets Advisors will perform the RFP process. D. Brown will provide the STASC members with a copy of the Directors & Officers Liability policy. A motion to seek the RFP was made by T. Pearsall, seconded by R. Fonti. Motion approved unanimously.

**Selection of Citi as Underwriter:** A brief discussion was had regarding the two RFP underwriter respondents. Dennis Brown stated the CMA report provides that the revenue backed structure suggested by Citi will be more favorably received by the market than the “turbo” structure of Jefferies’ proposal. . T. Pearsall disclosed that he had held an interest in Citi, but had divested himself of that interest in August 2011. The interest was disclosed in his May 2011 ethics filing. A motion to engage Citi as underwriter for the securitization transaction was made by R. Fonti, seconded by J. Morgo. The motion was approved unanimously.

**Additional Items and Comments:**

D. Brown provided a brief review of the remaining items to be performed by STASC in connection with the securitization transaction. A meeting will be required to discuss the RFPs obtained for disclosure counsel and to select same. Supporting documents will need to be reviewed and executed. Of particular note is the Purchase and Sale Agreement which will transfer ownership of the 25% interest in the residual to be securitized from the County to STASC. The authorizing resolution will be laid on the table at today’s legislature meeting. J. Morgo inquired as to whether the motion would be separate from the budget vote. D. Brown stated that it was separate. He further stated the public hearing will be held on November 22, 2011 and will be voted on at the December 6, 2011 meeting.

A Engel informed the group that she has resigned from her County position effective November 21, 2011. She thanked each member and stated that it has been a “pleasure to serve with all of you.”

**Adjourn:** Motion to adjourn was made by R. Fonti, seconded by T. Pearsall. Motion approved unanimously.