

**Meeting of the Suffolk Tobacco Asset Securitization Corporation
(STASC)
June 13, 2008**

Summary Notes

Attendees: Jim Morgo, Chairman & President, STASC, Terry Pearsall, Treasurer & Secretary, STASC, Bob Venero, Vice President & Assistant Secretary, STASC, Steve Levy, County Executive, Fred Pollert, Deputy County Executive for Finance & Management, Connie Corso, Budget Director, Legislator Rick Montano, Dennis Brown, Assistant County Attorney, Robert Lipp, Budget Review Office, Joan Sikorsky, Comptroller's Office, Amy Engel, County Executive's Office, Richard Tortora, Capital Market Advisors, Anthony Nash, Capital Market Advisors, Geri Olson, Comptroller's Office.

Call to Order: Chairman, Jim Morgo called the meeting to order at 9:50 a.m. Introductions were made.

Master Settlement Agreement and Securitization Structure: Richard Tortora of Capital Market Advisors gave background on the Master Settlement Agreement (MSA) and explained how the proceeds of the MSA are distributed nationwide and specifically to the County. Then he provided an overview of the different ways to structure securitization deals.

RFP & Responses: There was a brief discussion of the Request for Proposals (RFP) that was issued on May 27, 2008 and an overview was provided of the seven responses. It was agreed among the STASC members to interview the four most qualified proposers and they were invited to make presentations.

Presentations: The group heard presentations from the following RFP respondents: Goldman Sachs/Lehman Bros., Citigroup, DEPFA First Albany, and Merrill Lynch.

Executive Session: Following the presentations the group went into Executive Session.

Timeline: Following Executive Session the group discussed the importance of timing.

Structure: The group decided to pursue a non-recourse deal that transfers the risk from the county. It was also agreed that a turbo repayment structure would be utilized.

Adjournment: The meeting was adjourned at 5:50 p.m.