

DUTCHESS TOBACCO ASSET SECURITIZATION CORPORATION

Minutes of a Joint Annual Meeting of the Sole Member and the Board of Directors

March 21, 2013

A joint annual meeting of the Sole Member and the Board of Directors of Dutchess Tobacco Asset Securitization Corporation (the "Corporation"), a local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, was duly called to order at 11:00 a.m. at 22 Market Street, Poughkeepsie, New York.

James M. Fedorchak, Dutchess County Attorney, the sole Member of the Corporation under Article II, Section 1 of the Bylaws, was present.

The following directors of the Corporation were present:

Michael Betros
Jerome A. Simonetty
Ronald L. Wozniak

Mr. Wozniak acted as Chair of the meeting

Also present were:

James M. Fedorchak, President of the Corporation
Pamela Barrack, Treasurer of the Corporation
Heidi Seelbach-Budd, First Deputy Commissioner of Finance
Garrett E. DeGraff, Esq.

Receipt of Committee Reports

The Board received the report of Audit Committee from committee Chair Michael Betros in the form of minutes of the March 21, 2013 committee meeting.

The Board received the report of Governance Committee from committee Chair Michael Betros in the form of minutes of the March 21, 2013 committee meeting.

Approval of Financial Report for 2012

The financial statements of the Corporation for the fiscal year ended December 31, 2012, audited by Drescher and Malecki, and approved by the Audit Committee were presented to the meeting and reviewed by the Sole Member and the Board of Directors.

The Sole Member approved the adoption of the following resolution:

Member Resolution 3/13-1

RESOLVED, that the financial statements for the fiscal year ended December 31, 2012, as presented to the meeting are accepted by the Sole Member as the Annual Report of Directors under Section 519 of the Not-for-Profit Corporation Law.

Ratification of Actions by Board of Directors

The Sole Member also approved the adoption of the following resolution:

Member Resolution 3/13-2

RESOLVED, that any and all actions heretofore taken by the directors or officers of the Corporation, for and on behalf of the Corporation, are hereby ratified, confirmed and approved in their entirety; and it is further

RESOLVED, that the directors and officers of the Corporation be, and the same hereby are, authorized, empowered and directed to do all things and acts and to execute all documents as may be necessary or advisable and proper to carry on the business of the Corporation.

Election of Officers

Upon motion duly made and seconded, the directors unanimously adopted the following resolution:

Board Resolution 3/13-1

RESOLVED, that the following persons are elected to serve in the offices set forth next to their names until their respective successors are elected and qualify or until their earlier resignations:

NAME	TITLE
James M. Fedorchak	President
Jerome A. Simonetty	Vice President and Secretary
Pamela Barrack	Treasurer and Assistant Secretary

Appointment of Committee Members

Upon motion duly made and seconded, the directors unanimously adopted the following resolution:

Board Resolution 3/13-2

RESOLVED, that Michael Betros, Ronald Wozniak and Jerome Simonetty are appointed as members of the audit, finance and governance committees, all until their respective successors are appointed or until their earlier resignations.

Appointment of Committee Chairs

Upon motion duly made and seconded, the directors unanimously adopted the following resolution:

Board Resolution 3/13-3

RESOLVED, that the following persons are appointed to serve as the chair of the committees set forth next to their names until their respective successors are appointed or until their earlier resignations:

NAME	COMMITTEE
Michael Betros	Audit
Michael Betros	Governance
Michael Betros	Finance

Approval of PARIS Reports

Treasurer Barrack presented to the Board draft PARIS reports required to be filed by the Corporation at the end of the month, and led a review and discussion of the draft reports.

After discussion, on motion duly made and seconded, the reports as modified at the meeting were approved and Treasurer Barrack was authorized to file the reports.

Adoption of Discretionary Funds Policy

The Chair noted that the Corporation had not previously adopted a discretionary funds policy as recommended by the New York State Authority Budget Office. The Governance Committee has recommended a proposed of Discretionary Funds Policy for submission to the Board, a copy of which is attached hereto as Schedule A.

Upon motion duly made and seconded, the directors unanimously adopted the following resolution:

Board Resolution 3/13-4

RESOLVED, that the Corporation hereby adopts on the recommendation of the Governance Committee the Discretionary Funds Policy submitted by such committee.

Approval of 2014 Budget


Treasurer Barrack presented to the Board a proposed budget for 2014, noting that the Board would not be meeting in the ordinary course of events again prior to the 2014 annual meeting. She also said that the operations of the Corporation were sufficiently similar year to year to allow her to prepare a budget of this time.

After review and discussion, on motion duly made and seconded, the 2014 budget was approved.

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There being no further business, upon motion duly made, seconded and unanimously adopted, the meeting was adjourned at 11:15 a.m.

Dated: March 21, 2013



Pamela Barrack
Assistant Secretary

Schedule A

DUTCHESS TOBACCO ASSET SECURITIZATION CORPORATION DISCRETIONARY FUNDS POLICY

The Dutchess Tobacco Asset Securitization Corporation (“Corporation”) does hereby adopt the following Discretionary Funds Policy (the “Policy”) governing the use of the Corporation’s Discretionary Funds:

I. BROAD STATEMENT

The Corporation will not use its funds to further interests beyond those which are the enumerated power, duty and purpose of the Corporation. The use of its funds shall, in all cases, directly relate to the mission and public purpose of the Corporation.

II. ACCEPTABLE EXPENDITURE EXAMPLES

1. Travel expenses directly related to the Mission of the Corporation. These reimbursements should follow, wherever possible, guidelines established by the U.S. General Services Administration (GSA) as considered reasonable and responsible. This would include meals of staff operating in pursuit of the Corporation’s mission. All of these expenses must be reasonable in nature and documented.

2. Meals and refreshments for Board members offered during official meetings of the Corporation and those other meetings that are directly related to Corporation business.

II. UNACCEPTABLE EXPENDITURE EXAMPLES

1. Gifts for staff, directors and/or family members.

2. Subsidized or free use of the Corporation services for the personal use of current or former board members, staff, or family members.

3. Celebrations for special occasions that do not directly relate to the purpose of the Corporation, such as catering or decorations for summer picnics, office parties and holiday or retirement parties.

4. Charitable contributions or sponsorships of events not associated with Corporation’s mission.

5. Purchases of alcohol or tobacco products.

6. Personal use of authority vehicles, unless properly documented for tax purpose.

7. Costs to purchase or mail holiday cards, invitations or expressions of sympathy to staff or families of Corporation staff.

8. Assignment of cell phones, tablets or vehicles to non-Corporation staff.

9. Personal use of Corporation resources including but not limited to office supplies.

The Corporation may not use any of its funds to purchase items considered personal expenses or that are intended to personally benefit an employee, officer or director. Expenses such as those listed above do not advance the purpose of the Corporation and should be considered personal in nature and violate the policy of the Corporation.