

**WESTCHESTER TOBACCO ASSET SECURITIZATION CORPORATION****Minutes of the May 12, 2016 Board of Directors meeting** (page 1 of 3)

Noting that the position of Chairman of the Board of Directors is vacant and in accordance with Article II-Section 3 of the Corporation's By-Laws that a Chairman to preside over this meeting can be chosen by the majority of the directors present, the Chairman for this meeting selected was Ann Marie Berg.

Noting a quorum was present; the Westchester Tobacco Asset Securitization Corporation's board meeting was called to order at 10:31 a.m. by Ann Marie Berg, the Chairman for this meeting.

The following items from the agenda were reviewed on an individual basis by the Board members present:

- 1) Approval of the August 21, 2015 Board of Directors minutes.  
***A motion for approval was made by Richard Wishnie, seconded by Ann Marie Berg and unanimously approved.***
- 2) Election of Ann Marie Berg as Treasurer and Dennis C. Kelly as Secretary.  
Note: As defined in Article III of the Corporation's By-Laws, the Treasurer shall at all times be the individual from time to time exercising the powers and duties of the Commissioner of Finance of Westchester County.  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***
- 3) Approval of O'Connor Davies, LLP fee payment of \$20,000 for the year ended 2015 audit of the financials of Westchester Tobacco Asset Securitization Corporation ("WTASC").  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***
- 4) Approval of WTASC Financials for 2015.  
Dennis stated that WTASC has received \$26,415,365.25 (received in one wire) of which approximately \$13,500,000 was due to the 2015 "Disputed Payment Account" settlement between the Master Settlement Agreement Participating Manufacturers and New York State.  
***A motion for approval was made by Peter Pucillo, seconded by Richard Wishnie and unanimously approved.***

**WESTCHESTER TOBACCO ASSET SECURITIZATION CORPORATION****Minutes of the May 12, 2016 Board of Directors meeting** (page 2 of 3)

- 5) Approval of Annual Report for 2015, inclusive of the List of Additional Questions & Answers – **attached (The board members present have acknowledged that they have read and understood the mission of WTASC and also acknowledged that they have read and understood the responses to the “list of additional questions & answers” included in the 2015 Annual Report).** Dennis Kelly pointed out to the Board Members that this year’s annual report includes the ratings of the outstanding bonds by the two rating agencies: Standard & Poor and Fitch. The Fitch ratings also has a footnote stating that the last rating action, dated November 30, 2015, has the 2026, 2038 and 2045 bonds on Rating Watch Positive. It was also noted that the Annual Report (on page 4) discloses the amount of the prepayment of Turbo bonds in the amount of \$14,045,000. The Board was informed that a Notice of Partial Redemption to Bond Holders was issued by BNY Mellon on May 2, 2016. Also, due to the significant increase in the 2015 Tobacco Settlement Revenues, the Annual Report shows the components of the Tobacco Settlement Revenues recorded for the year ended December 31, 2015.  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***
  
- 6) Approval of Investment Guidelines- Policies and Procedures regarding cash flows and investments for Westchester Tobacco Asset Securitization Corporation – **attached.**  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***
  
- 7) Approval of Internal Controls- Policies & Procedures – attached (The board members present continue to be satisfied with internal controls of WTASC).  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***
  
- 8) Approval of Travel & Discretionary Funds Policy – **attached.**  
***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***

**WESTCHESTER TOBACCO ASSET SECURITIZATION CORPORATION**

**Minutes of the May 12, 2016 Board of Directors meeting** (page 3 of 3)

- 9) Approval of Code of Ethics- **attached.**

***A motion for approval was made by Richard Wishnie, seconded by Peter Pucillo and unanimously approved.***

The following item from the agenda was reviewed by the Board members present (Ann Marie abstained from voting):

- a) Approval of Westchester County finance department 2016 fee of \$35,000.

***A motion for approval was made by Richard Wishnie and seconded by Peter Pucillo and was unanimously approved. Ann Marie Berg abstained from approval.***

It was also noted: EMMA's (Electronic Municipal Market Access) "Continuing Disclosure Submission" was posted with the Audited Financial Statements on April 28, 2016.

Having no other business to attend to, a motion to adjourn the meeting at 10:49 a.m. was made by Richard Wishnie and seconded by Peter Pucillo and was unanimously approved.