

**NASSAU COUNTY INTERIM FINANCE AUTHORITY  
MINUTES OF THE MEETING OF THE DIRECTORS  
HELD ON MARCH 31, 2009**

Pursuant to notice dated March 26, 2009, a meeting of the Nassau County Interim Finance Authority (“NIFA”) was convened at 4:55 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

The following Directors of the Authority were present:

**Ronald Stack, Chairman  
Stanley Kreitman  
Paul Leventhal  
Robert Smith  
Christopher Wright**

Also representing the Authority were Evan Cohen, Executive Director; Jeremy Wise, General Counsel; Maria Kwiatkowski, Deputy Director; Jane Cunneen, Acting Treasurer; and Laurie Leat, Corporate Secretary.

Upon determining that a quorum was present, the Chairman called the meeting to order.

Chairman Stack stated that the first item on the agenda was a resolution to approve the minutes of the December 3, 2008 Directors’ meeting.

Upon motion duly made and seconded, the following resolution was

approved unanimously:

**Resolution No. 09-249**

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE  
DECEMBER 3, 2008 MEETING OF THE DIRECTORS OF THE NASSAU COUNTY  
INTERIM FINANCE AUTHORITY**

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**RESOLVED**, that the Minutes of the meeting of the Authority held on December 3, 2008 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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Chairman Stack asked Executive Director Evan Cohen to introduce the next item on the agenda.

Executive Director Cohen stated that the next item on the agenda was a resolution requesting continuance of the engagement of the accounting firm, Albrecht, Viggiano, Zureck & Co. (known as "AVZ"). He stated that AVZ was hired last year to fill the void created when NIFA's former treasurer resigned and has been a significant help to the acting treasurer. He stated that AVZ is on NYS's approved vendor list and its fees are consistent with those specified in the procurement contract. He stated that he would like the NIFA Directors to authorize the continuance of AVZ as consultants to NIFA for a total term not to exceed three years or total expenditure of \$160,000, whichever comes first.

Upon motion duly made and seconded, the following resolution was

approved unanimously:

**Resolution No. 09-250**

**AUTHORIZATION TO CONTINUE THE EMPLOYMENT OF ALBRECT, VIGGIANO, ZURECK & COMPANY AS CONSULTANTS TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY**

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**WHEREAS, the Nassau County Interim Finance Authority ("NIFA") or the ("Authority") was created by Chapter 84 of the Laws of 2000 (the "Act") to be a corporate governmental agency constituting a public benefit corporation to issue bonds that are backed by county sales tax revenues as well as to perform certain budgetary oversight functions as set out in the Act; and**

**WHEREAS, the Authority currently has a Treasury Department that performs a variety of functions, including the principal and interest payments on approximately \$2 billion of outstanding NIFA bonds; and**

**WHEREAS, as a result of NIFA's Treasurer resigning on March 28, 2008, the Directors authorized the employment of the accounting firm of Albrecht, Viggiano, Zureck & Company, P.C. ("AVZ") to assist NIFA staff; and**

**WHEREAS, AVZ continues to have a large presence on Long Island and has experience in the types of areas that NIFA needs to compensate for the absence of its Treasurer; and**

**WHEREAS, AVZ has adequately performed its assigned tasks and responsibilities since being hired; and**

**WHEREAS, AVZ is on the State approved procurement contract vendor list under Contract Number CMS32AA; and**

**NOW, THEREFORE, BE IT RESOLVED, that the materials presented to this meeting are hereby ordered to be filed with the records of the Authority; and be it further**

**RESOLVED. that the Chairman or his designee(s) shall take all actions necessary to continue the employment of AVZ as consultants to the Authority for a total term not to exceed three years or the total expenditure of \$160,000, based on State approved vendor rates, whichever comes first.**

**\* \* \***

**Executive Director Cohen stated that the next item on the agenda was a resolution to amend NIFA's lease at 170 Old Country Road which currently runs**

through December 31, 2010. He stated that NIFA was able to negotiate a reduction in the lease that would save approximately \$20,000 through the end of the lease in December of 2010, and no increase in the electric bill as well. He stated that all the other terms remain the same and that NIFA did not need to provide any concessions.

Upon motion duly made and seconded, the following resolution was approved unanimously:

**RESOLUTION NO. 09-251**

**AUTHORIZATION TO AMEND LEASE AT 170 OLD COUNTRY ROAD AND TO TAKE RELATED ACTIONS**

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**RESOLVED**, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Authority; and be it further

**RESOLVED**, that the Chairman of the Authority or his designee(s) are authorized to execute an amended lease for office space at 170 Old County Road, Suite 205, in Mineola, New York substantially upon the terms and conditions outlined in the Materials; and be it further

**RESOLVED**, that the Chairman or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing and to take related actions.

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Executive Director Cohen stated that the next item on the agenda was a resolution to hire Lamont Financial Services as NIFA's new swap report advisor. He stated that the RFP NIFA issued was limited to only two firms because of their special expertise in this area. He indicated that the other firm, Swap Financial Group, which was NIFA's swap report advisor until the contract expired on

December 31, 2008, advised NIFA that they would not bid for a new contract.

Upon motion duly made and seconded, the following resolution was approved unanimously:

**RESOLUTION NO. 09-252**

**Authorization to Employ a Financial Consultant to Evaluate the Status of NIFA's Outstanding Interest Rate Exchange Transactions and to take Related Actions**

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**RESOLVED**, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Nassau County Interim Finance Authority (the "Authority"); and be it further

**RESOLVED**, that based upon the Materials presented to this meeting, the employment of Lamont Financial Services ("Lamont"), (the "Firm") as a consultant to the Authority in connection with its swap reports, is hereby authorized in an amount not to exceed \$12,000 per annum for a term of up to three years; and be it further

**RESOLVED**, that the Firm is found to have specialized expertise which makes advertising impractical or inappropriate; and be it further

**RESOLVED**, that the Chairman or his designees(s) be, and each of them hereby is, authorized in the name and on behalf of the Authority to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing and related actions.

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Executive Director Cohen stated that the next item on the agenda was a resolution to request authorization to increase the amount necessary to purchase accounting software. He said that while NIFA normally spends one to three thousand dollars a year on software and training, he is requesting to continue Micro Force's contract for a total term of three years or \$25,000 in expenditures whichever

comes first. He stated that this will allow NIFA to do a serious upgrade if necessary without having to come back to the Directors for approval.

Upon motion duly made and seconded, the following resolution was approved unanimously:

**RESOLUTION NO. 09-253**

**AUTHORIZATION TO INCREASE THE AMOUNT NECESSARY TO PURCHASE ACCOUNTING SOFTWARE, TRAIN STAFF, AND TAKE RELATED ACTIONS**

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**RESOLVED**, that the materials presented to this meeting (the “Materials”) are hereby ordered to be filed with the records of the Authority; and be it further

**RESOLVED**, that the Chairman or his designee(s) are hereby ordered to expend up to \$25,000 for additional training and software from Micro Force Inc. in accordance with the attached Materials; and be it further

**RESOLVED**, that all prior expenditures to Micro Force, as further described in the Materials, are hereby ratified and affirmed; and be it further

**RESOLVED**, that the Chairman or his designee(s) are further authorized to take all actions deemed necessary or appropriate to implement the foregoing and to take related actions.

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General Counsel Wise stated that the next items on the agenda were resolutions to refund some of NIFA’s debt and switch liquidity providers for certain variable rate debt.

He stated that NIFA has a variable rate portfolio of approximately \$910 million. He indicated that the County has requested that NIFA take all of its

unhedged variable rate debt and refund it from variable rate to fixed rate. He then discussed the amortization schedule for the new fixed rate debt and indicated that there would also be a relatively small refunding piece of certain outstanding fixed rate debt of NIFA. He stated that Goldman Sachs will be the senior book running manager and M.R. Beal, which is a minority firm, will be the co-senior manager on the financing.

Upon motion duly made and seconded, the following resolution was approved unanimously:

**RESOLUTION NO. 09-254**

**RESOLUTION CONCERNING THE AUTHORIZATION, SALE AND ISSUANCE OF SALES TAX SECURED BONDS, SERIES 2009A**

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**WHEREAS, the Nassau County Interim Finance Authority Act, incorporated in chapter 84 of the laws of 2000, as amended from time to time (the "Act") authorizes the Nassau County Interim Finance Authority (the "Authority") to refund any bonds of the Authority by the issuance of new bonds, whether the bonds to be refunded have or have not matured; and**

**WHEREAS, the Act authorizes the Authority to enter into appropriate and necessary contracts with its bondholders and others to provide for the issuance thereof, and the Directors of the Authority hereby intend to provide for the authorization, issuance and sale of additional series of its sales tax secured bonds (the "Bonds") through the approval of appropriate documentation, including, without limitation, the approval of the Seventeenth Supplemental Indenture (as such term is defined below), the issuance, sale and delivery of such series of Bonds, and the preparation, negotiation and approval of appropriate documents in connection therewith; and**

**WHEREAS, as a result of market dislocations created by credit difficulties faced by certain bond insurers and banks that provide liquidity for certain of the Authority's outstanding bonds, the variable rates on certain of the Authority's outstanding variable rate demand obligations have been resetting at levels higher than anticipated resulting in higher debt service costs to the Authority and decreased residual sales tax revenue transfers to the County; and**

**WHEREAS, the County has requested, and the Authority has agreed, that the Authority refund all of its outstanding unhedged variable rate bonds with the proceeds of fixed-rate Bonds in order to stabilize debt service costs on such variable rate demand obligations and, subject to market conditions, to refund other outstanding fixed-rate Bonds of the Authority to generate debt service savings and/or give the County greater certainty with respect to its debt service costs; and**

**WHEREAS, it is expected that the Bonds will be issued in one or more Series, to be secured by the Indenture, as supplemented by the Seventeenth Supplemental Indenture (as such term is defined below); and**

**WHEREAS, the Authority is required to obtain the written approval of the State Comptroller for the sale of each series of Bonds and the terms thereof if such sale be a private sale to other than the State Comptroller; and**

**WHEREAS, the Authority will obtain the required approval of the State Comptroller prior to the delivery of the additional series of Bonds; and**

**WHEREAS, the proceeds of such series of Bonds will be used (i) subject to the terms hereof, to refund outstanding bonds of the Authority (the "Refunded Bonds") and (ii) to pay the costs of issuance of such series of Bonds; and**

**WHEREAS, the duly authorized officers of the Authority have previously caused to be executed and delivered an indenture entitled "Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as (original) Trustee, dated as of October 1, 2000" (the "General Indenture"), authorizing the issuance of one or more series of Bonds for the purposes set forth therein and containing certain other terms, restrictions and covenants with respect to such Bonds and the security pledged to the payment thereof; and**

**WHEREAS, the duly Authorized Officers (as defined below) of the Authority have caused to be prepared a form of supplemental indenture entitled "Seventeenth Supplemental Indenture between Nassau County Interim Finance Authority and The Bank of New York Mellon, as Trustee Authorizing \$303,100,000 Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2009A, dated as of April 1, 2009" (the "Seventeenth Supplemental Indenture"), pursuant to which the Authority will authorize the issuance of the Sales Tax Secured Bonds, Series 2009A (the "Series 2009A Bonds") (the General Indenture, as amended and supplemented, being hereinafter collectively referred to as the "Indenture"); and**

**WHEREAS, the duly authorized officers of the Authority have previously caused to be executed and delivered a financing agreement dated as of October 1, 2000 (the "Financing Agreement"), by and between the Authority and the County of Nassau (the "County"), pursuant to which the County has made certain agreements and**



covenants relating to the issuance of Bonds by the Authority, and has agreed to the pledge of said covenants to the Trustee on behalf of the Bondholders; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of Preliminary Offering Circular (the "Preliminary Offering Circular") relating to the Series 2009A Bonds; and

WHEREAS, officers and employees of the Authority will participate in revisions to the Preliminary Offering Circular and the preparation of the Offering Circular to be used in connection with the issuance and sale of one or more series of the Series 2009A Bonds (the "Offering Circular") and have negotiated the Contract of Purchase therefor (the "Purchase Contract"); and

NOW, THEREFORE, the Authority, hereby adopts the following resolutions (collectively hereinafter referred to as the "resolution"):

**I. Seventeenth Supplemental Indenture**

RESOLVED, that the form of Seventeenth Supplemental Indenture presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit A, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Seventeenth Supplemental Indenture in substantially such form with such changes thereto prior to the issuance and delivery of the Series 2009A Bonds (which may be issued in one or more series or subseries) as may be approved by the Authorized Officer subject to the terms referred to in clause VI below; and further

**II. Offering Circular**

RESOLVED, that the Preliminary Offering Circular of the Authority in substantially the form of the Preliminary Offering Circular presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit B, is hereby approved for use in marketing one or more series of the Series 2009A Bonds with such changes as an Authorized Officer may approve and any Authorized Officer is hereby authorized to approve the distribution of the same on behalf of the Authority; and further, that any Authorized Officer is authorized to execute and deliver, on behalf of the Authority, the Offering Circular, with such changes, insertions and omissions to the Preliminary Offering Circular as may be approved by an Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable; and any Authorized Officer is further hereby authorized and directed to execute the same on behalf of the Authority, as well as any certificates necessary in connection therewith to allow the Underwriters to comply with SEC rules; and further

**III. Purchase Contract**

**RESOLVED**, that the Purchase Contract by and among the Authority and the Underwriters of the Series 2009A Bonds in substantially the form presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit C, is hereby approved with such changes as any Authorized Officer may approve, and any Authorized Officer is hereby authorized and directed to execute the same on behalf of the Authority; and further

#### **IV. Continuing Disclosure Agreement**

**RESOLVED**, that the form of Continuing Disclosure Agreement presented to this meeting, a copy of which shall be annexed to this resolution as Exhibit D, is hereby approved, and any Authorized Officer is hereby authorized to execute and deliver one or more Continuing Disclosure Agreements in substantially such form as is so approved with such changes therein as the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof; and further

#### **V. Escrow Deposit Agreements**

**RESOLVED**, that one or more Escrow Deposit Agreements relating to the retirement of the Refunded Bonds, in substantially the form presented to this meeting and annexed to this resolution as Exhibit E, are hereby approved, and any Authorized Officer is hereby authorized to execute and deliver the Escrow Deposit Agreements in substantially such form as is so approved with such changes therein as the Authorized Officer executing the same may approve, such approval to be evidenced by such Authorized Officer's execution thereof; and further

#### **VI. Terms of Series 2009A Bonds**

**RESOLVED**, that there is hereby delegated to any Authorized Officer of the Authority, subject to the limitations contained herein and in the Indenture, the power with respect to the Series 2009A Bonds to determine and carry out the following:

(a) The number of series of the Series 2009A Bonds and the designation for each series;

(b) The principal amount of each series of the Series 2009A Bonds to be issued in an aggregate total principal amount up to \$400,000,000;

(c) The Refunded Bonds or series of Refunded Bonds which are to be refunded or restructured with a portion of the proceeds of the Series 2009A Bonds, which (i) will include all remaining unhedged variable rate bonds of NIFA and (ii) may include other fixed-rate Bonds of the Authority to be refunded for the purpose of reducing the Authority's debt service; provided, however, any such Bonds selected solely for purposes of reducing the Authority's debt service shall achieve present value debt service savings in the aggregate equal to at least two percent (2.00%) of the par amount of such Refunded Bonds;

(d) The date or dates, if any, on which the Refunded Bonds are to be called for redemption, the selection of a bidding agent for the funding of an escrow, the provisions of any escrow deposit agreement, and any other matters necessary as determined by such Authorized Officer to best carry out the Authority's statutory purposes;

(e) The date or dates, maturity date or dates and principal amount of each series and maturity of the Series 2009A Bonds, the amount and date of each sinking fund installment, if any, and which Series 2009A Bonds, if any, are serial bonds or term bonds; provided, however, that the final maturity of the Series 2009A Bonds shall mature no later than November 15, 2025;

(f) The interest rate or rates of each series of the Series 2009A Bonds (including a zero interest rate), whether such interest rate or rates shall be fixed or variable, the dates from which interest on each series of the Series 2009A Bonds shall accrue, the interest payment dates, if any, therefor and the interest rate mode or modes thereof, as provided in the Seventeenth Supplemental Indenture;

(g) The redemption price or redemption prices, if any, and the redemption terms, if any, for each series of the Series 2009A Bonds; provided, however, that the redemption price of any Series 2009 Bond subject to redemption at the election of the Authority or in accordance with the General Indenture shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2009A Bonds or portion thereof to be redeemed, plus accrued interest thereon to the date of redemption;

(h) Additional provisions for the sale or exchange of the Series 2009A Bonds and for the delivery thereof not otherwise set forth herein;

(i) Directions for the application of the proceeds of the Series 2009A Bonds and investment thereof not in conflict with the provisions hereof;

(j) The deposit of one or more Surety Bonds into the Debt Service Liquidity Account in accordance with the Indenture to the extent approved by such Authorized Officer;

(k) Any other provisions deemed advisable by an Authorized Officer of the Authority, not in conflict with the provisions hereof or of the Indenture, including, without limitation, incorporating bond insurance or other form of credit facility to the extent that an Authorized Officer of the Authority determines that such changes would be in the best interest of the Authority; and further

## **VII. Issuance of Bonds**

RESOLVED, that the Authority shall issue, award and deliver each series of the Series 2009A Bonds pursuant to the Purchase Contract, and shall apply the proceeds thereof in accordance with the provisions of the Indenture and certain other certificates to be delivered upon issuance of the Series 2009A Bonds; and further

**VIII. Authorized Officers**

RESOLVED, that each of the Chairperson, the Vice Chairperson, the Executive Director, the General Counsel, the Treasurer, the Corporate Secretary, any Assistant Treasurer and any Assistant Corporate Secretary of the Authority, and any person duly authorized to act in such capacity, is designated an “Authorized Officer” for the purposes of this entire resolution; and further

**IX. Appointment of Underwriters**

RESOLVED, that the firm of Goldman, Sachs & Co. is hereby appointed as senior book running manager and the firm of M.R. Beal & Company is hereby appointed as co-senior manager, and the firms of Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Ramirez & Co., Inc. and Roosevelt & Cross Incorporated are hereby appointed members of a Selling Group for the offering, provided that other underwriters may participate in the financing in capacities as determined by an Authorized Officer; and further

**X. Appointment of Bidding Agents**

RESOLVED, that, if required or deemed necessary, the firms of Goldman, Sachs & Co. and M.R. Beal & Company may each serve as bidding agent for the purchase of escrow securities or in connection with any forward purchase agreement utilized to invest amounts credited to the Bond Account, each to the extent specified by an Authorized Officer; and further

**XI. Appointment of Financial Advisor**

RESOLVED, that the firm of Lamont Financial Services is hereby selected to provide financial advice to the Authority with respect to the issuance of the Series 2009A Bonds; and further

**XII. Appointment of Verification Agent**

RESOLVED, that the firm of Samuel Klein and Company is hereby selected to provide services as verification agent with respect to the Escrow Deposit Agreements described in clause V hereof and the calculation of the yields on the Refunded Bonds or Series 2009A Bonds, as necessary; and further

**XIII. Negotiated Sale**

**RESOLVED**, that the use of a negotiated underwriting in connection with the sale of each series of the Series 2009A Bonds is found to be appropriate for the following reasons:

(i) the Underwriters have and will continue to assist in all structuring tasks including preparation of the Offering Circular and presentations to or discussions with rating agencies;

(ii) the Underwriters have and will continue to be able to undertake presale marketing to help determine the level of demand for the Series 2009A Bonds; and

(iii) the Underwriters will have the flexibility to sell the Series 2009A Bonds on short notice and make rapid changes in structure to accommodate the market; and further

provided, that each series of the Series 2009A Bonds shall be awarded and sold to the respective Underwriters named in the Purchase Contract upon the terms and conditions set forth in the related Purchase Contract at a purchase price of not less than ninety percent (90%) of the aggregate original principal amount (issuance value) of such series of the Series 2009A Bonds to be sold; and further

#### **XIV. Sale of Series 2009A Bonds**

**RESOLVED**, that, subject to obtaining the approval of the Comptroller of the State, the Authority shall sell and award, at private sale, the aggregate principal amount of each series of the Series 2009A Bonds to the Underwriters; and further

#### **XV. Escrow Agent**

**RESOLVED**, that The Bank of New York Mellon is hereby selected to serve as escrow agent with respect to the Escrow Deposit Agreement described in item IV hereof; and further

#### **XVI. Cost Recovery System Alternative Agreement**

**RESOLVED**, that any Authorized Officer is hereby authorized to negotiate, execute and deliver a Cost Recovery System Alternative Agreement with the New York State Director of the Budget with respect to the Bond Issuance Charge contemplated by Section 2976 of the New York State Public Authorities Law; and further

#### **XVII. Appointment of Bond Counsel**

**RESOLVED**, that the law firm of Sidley Austin LLP is hereby appointed bond counsel for the Series 2009A Bonds; and further

#### **XVIII. Authority Auditors**

**RESOLVED**, that Deloitte & Touche LLP, the Authority's outside auditors, are hereby requested to undertake any procedures necessary for accomplishing the purposes of the financing including consenting to the inclusion of their report on the Authority's financial statements in the Preliminary Offering Circular and the Offering Circular, and that the Authorized Officers are hereby directed and authorized to take all necessary or useful actions to effect such purposes, including the negotiations and payment of any customary related fees to Deloitte & Touche LLP and further

**XIX. Printer**

**RESOLVED**, that any Authorized Officer shall solicit, or cause to be solicited, proposals by means of a request for proposals for the service of a Printer with respect to the Preliminary Offering Circular and the Offering Circular; and further

**XX. Findings With Respect To Consultants And Advisors**

**RESOLVED**, that the Authority hereby finds and determines that extraordinary circumstances exist, in view of the accelerated time schedule for the transaction and the significant benefit to the County and the Authority of completing the transaction under current market conditions, which make competition impracticable or inappropriate and merit the procurement of certain consultants and advisors deemed necessary or appropriate in carrying out the intent of this resolution, on a sole source or single source basis, as provided in the Authority's Procurement Contract Guidelines, upon such terms and conditions as the Authorized Officer may find reasonable and appropriate; and further

**XXI. Further Action**

**RESOLVED**, that the Authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents or certifications (including certifications as to the federal tax status of interest on the Series 2009A Bonds), make such payments and take such other actions, in the name of the Authority and on its behalf, as he or she may reasonably deem necessary or appropriate to carry out this resolution, including without limitation the execution, sale and delivery of the Series 2009A Bonds, any amendment to the Financing Agreement deemed necessary or convenient in carrying out the intent of this resolution, and that all such actions heretofore taken in connection with the Series 2009A Bonds by any Authorized Officer, or his or her designee, are hereby ratified and approved.

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General Counsel Wise stated that the next resolution was to request authorization to change liquidity providers for NIFA. He stated that NIFA would like to terminate its contracts with Dexia as a liquidity provider and substitute three other liquidity providers; J.P. Morgan, Bank of America and BNP Paribas.

Upon motion duly made and seconded, the following resolution was approved unanimously:

**RESOLUTION NO. 09-255**

**RESOLUTION CONCERNING THE REPLACEMENT OF LIQUIDITY FACILITIES RELATING TO CERTAIN OF THE AUTHORITY'S OUTSTANDING BONDS**

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WHEREAS, the Nassau County Interim Finance Authority Act, incorporated in chapter 84 of the laws of 2000, as amended from time to time (the "Act") authorizes the Nassau County Interim Finance Authority (the "Authority") to refund any bonds of the Authority by the issuance of new bonds, whether the bonds to be refunded have or have not matured; and

WHEREAS, the Act authorizes the Authority to enter into appropriate and necessary contracts with its bondholders and others to provide for the issuance thereof, to procure insurance, letters of credit or other credit enhancement with respect to the Authority's Bonds, or facilities for the payment of tenders of such Bonds; and

WHEREAS, the duly authorized officers of the Authority have previously caused to be executed and delivered an indenture entitled "Indenture between Nassau County Interim Finance Authority and United States Trust Company of New York, as (original) Trustee, dated as of October 1, 2000" (the "General Indenture"), as amended and supplemented from time to time, authorizing the issuance of one or more series of Bonds for the purposes set forth therein and containing certain other terms, restrictions and covenants with respect to such Bonds and the security pledged to the payment thereof; and

WHEREAS, the Authority has previously entered into an indenture supplemental to the General Indenture entitled "Sixteenth Supplemental Indenture between Nassau County Interim Finance Authority and The Bank of New York Mellon, as Trustee Authorizing \$728,260,000 Nassau County Interim Finance Authority Sales Tax Secured Bonds, Series 2008A, Series 2008B, Series 2008C, Series 2008D, Series 2008E and Series 2008F dated as of May 1, 2008" (the "Sixteenth Supplemental

Indenture”), pursuant to which the Authority authorized the issuance of the Sales Tax Secured Bonds, Series 2008A, Series 2008B, Series 2008C, Series 2008D, Series 2008E and Series 2008F (collectively, the “Series 2008 Bonds”) (the General Indenture, as amended and supplemented, being hereinafter collectively referred to as the “Indenture”); and

WHEREAS, as a result of market dislocations created by credit difficulties faced by certain banks, the variable rates on certain of the Authority’s outstanding variable rate demand obligations benefiting from the liquidity provided by such banks, including certain of the Series 2008 Bonds, have been resetting at levels significantly higher than anticipated resulting in higher debt service costs to the Authority and decreased residual sales tax revenue transfers to the County; and

WHEREAS, the County has requested, and the Authority has agreed, that the Authority enter into substitute liquidity facilities with respect to Authority’s outstanding Sales Tax Secured Bonds, Series 2008C and Series 2008D and a portion of the Authority’s outstanding Sales Tax Secured Bonds, Series 2008E variable rate demand obligations of the Authority (the “New Liquidity Bonds”), all in order to reduce debt service costs; and

WHEREAS, the duly authorized officers of the Authority have caused to be prepared a form of Preliminary Offering Circular relating to the proposed issuance of the Authority’s Series 2009A Bonds, the issuance of which have been approved at this meeting of the Directors of the Authority; and

WHEREAS, officers and employees of the Authority will participate in revisions to the Preliminary Offering Circular and the preparation of the Offering Circular to be used in connection with the issuance and sale of one or more series of the Series 2009A Bonds (the “Final Offering Circular”); and

WHEREAS, officers and employees of the Authority will participate in revisions to the Preliminary Offering Circular and Final Offering Circular so as to permit the use of such revised document(s) as a Reoffering Circular to be used in connection with the reoffering of the New Liquidity Bonds (the “Reoffering Circular”); and

NOW, THEREFORE, the Authority, hereby adopts the following resolutions (collectively hereinafter referred to as the “resolution”):

## **XXII. New Liquidity Bonds**

RESOLVED, that any Authorized Officer is hereby authorized to take any action required, including, but not limited to the delivery of any required notice or notices and the designations of subseries as appropriate, under the terms of the Sixteenth Supplemental Indenture, to provide a Substitute Liquidity Facility (as such term is defined below) to provide liquidity for all or a portion of any series of New



Liquidity Bonds; and further

**XXIII. Substitute Liquidity Facilities for New Liquidity Bonds**

**RESOLVED**, that the Standby Bond Purchase Agreements by and between the Authority and BNP Paribas, acting through its New York Branch, J.P. Morgan Chase Bank, N.A., and Bank of America, N.A. (each, a “Bank” and, collectively, the “Banks”), which are to be used as substitute Liquidity Facilities for certain of the Series 2008 Bonds (each, a “Substitute Liquidity Facility”), in substantially the forms presented to this meeting and annexed to this resolution as Exhibit A, are hereby approved, and any Authorized Officer is hereby authorized to execute and deliver each Standby Bond Purchase Agreement in substantially such form as is so approved with such changes therein as the Authorized Officer executing the same may approve, including, but not limited to, the determination of interest rates on the New Liquidity Bonds purchased by the Banks, the level of priority under the Indenture of payments due the Bank under such Agreement and the circumstances under which the Bank’s obligations to purchase the New Liquidity Bonds to which the Substitute Liquidity Facility relates may be suspended or terminated, such approval to be evidenced by such Authorized Officer's execution thereof, provided, however, that each Standby Bond Purchase Agreement shall have an initial term not to exceed three years, shall be renewable upon mutual agreement of the parties, and shall have customary industry provisions for the replacement of the liquidity provider, and further

**XXIV. Reoffering Circular**

**RESOLVED**, that the form of the Preliminary Offering Circular, the form of which has been approved for use at this meeting of the Directors of the Authority for use in the marketing one or more series of the Authority’s Series 2009A Bonds, is hereby approved for use as a Reoffering Circular in the reoffering of the New Liquidity Bonds, with such changes as are necessary to reflect the terms of the New Liquidity Bonds, which terms were described in the form of Preliminary Offering Circular approved by the Directors of the Authority in a resolution adopted on April 16, 2008 for use in marketing the Series 2008 Bonds, and a description of the Banks providing Substitute Liquidity Facilities for the New Liquidity Bonds, and with such other changes as an Authorized Officer may approve and any Authorized Officer is hereby authorized to approve the distribution of the same on behalf of the Authority; and further, that any Authorized Officer is authorized to execute and deliver, on behalf of the Authority, the Reoffering Circular, with such changes, insertions and omissions as may be approved by an Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable; and any Authorized Officer is further hereby authorized and directed to execute the same on behalf of the Authority; and further

**XXV. Remarketing of the New Liquidity Bonds**

**RESOLVED**, that Citigroup Global Markets Inc., M.R. Beal & Company and Goldman Sachs & Co. (collectively, the “Remarketing Agents”), shall remarket the Authority’s Sales Tax Secured Bonds, Series 2008C, Series 2008D and Series 2008E, respectively, constituting New Liquidity Bonds in accordance with the terms of the respective Remarketing Agreements, each dated May 16, 2008, between the Authority and the respective Remarketing Agents; and provided, further, that the fees and expenses incurred by the Remarketing Agents and the Banks in connection with the remarketing of the New Liquidity Bonds, including the fees and expenses of counsel to the Remarketing Agents and the Banks, shall be payable from available resources of the Authority under the Indenture; and further

**XXVI. Authorized Officers**

**RESOLVED**, that each of the Chairperson, the Vice Chairperson, the Executive Director, the General Counsel, the Treasurer, the Corporate Secretary, any Assistant Treasurer and any Assistant Corporate Secretary of the Authority, and any person duly authorized to act in such capacity, is designated an “Authorized Officer” for the purposes of this entire resolution; and further

**XXVII. Appointment of Financial Advisor**

**RESOLVED**, that the firm of Lamont Financial Services is hereby selected to provide financial advice to the Authority with respect to the reoffering of the New Liquidity Bonds; and further

**XXVIII. Appointment of Bond Counsel**

**RESOLVED**, that the law firm of Sidley Austin LLP is hereby appointed bond counsel for the New Liquidity Bonds; and further

**XXIX. Authority Auditors**

**RESOLVED**, that Deloitte & Touche LLP, the Authority’s outside auditors, are hereby requested to undertake any procedures necessary for accomplishing the purposes of the financing including consenting to the inclusion of their report on the Authority’s financial statements in the Reoffering Circular, and that the Authorized Officers are hereby directed and authorized to take all necessary or useful actions to effect such purposes, including the negotiations and payment of any customary related fees to Deloitte & Touche LLP and further

**XXX. Printer**

**RESOLVED**, that any Authorized Officer shall solicit proposals by means of a request for proposals for the service of a Printer with respect to the Reoffering Circular; and further

**XXXI. Findings With Respect To Consultants And Advisors**

**RESOLVED**, that the Authority hereby finds and determines that extraordinary circumstances exist, in view of the accelerated time schedule for the transaction and the significant benefit to the County and the Authority of completing the transaction under current market conditions, which make competition impracticable or inappropriate and merit the procurement of certain consultants and advisors deemed necessary or appropriate in carrying out the intent of this resolution, on a sole source or single source basis, as provided in the Authority's Procurement Contract Guidelines, upon such terms and conditions as the Authorized Officer may find reasonable and appropriate; and further

**XXXII. Further Action**

**RESOLVED**, that the Authorized Officers or their designee(s) are each hereby authorized and directed to approve and execute such documents or certifications (including certifications as to the federal tax status of interest on the New Liquidity Bonds), make such payments and take such other actions, in the name of the Authority and on its behalf, as he or she may reasonably deem necessary or appropriate to carry out this resolution, including without limitation the reoffering of the New Liquidity Bonds, and that all such actions heretofore taken in connection with the New Liquidity Bonds by any Authorized Officer, or his or her designee, are hereby ratified and approved; and further

**XXXIII. Authorization to Act Supplemental**

**RESOLVED**, that the delegations to any Authorized Officer to act authorized by this resolution is supplementary to the delegation granted to Authorized Officers in the resolution of the Directors of the Authority adopted on April 16, 2008 authorizing among other things, the issuance of the Series 2008 Bonds.

\* \* \*

Director Leventhal requested that the Executive Director give comments on the state of the economy and the state of the County at the start of NIFA meetings.

The Chairman then entertained a motion to adjourn. Upon motion duly made and seconded, the Directors voted unanimously to adjourn the meeting at 5:25

**PM.**

**Respectfully submitted,**

**Laurie A. Leat**

**Corporate Secretary**