



Authority Mission Statement and Performance Measurements

Name of Public Authority: NIAGARA TOBACCO ASSET SECURITIZATION CORPORATION

Public Authority's Mission Statement:

I. BACKGROUND:

Pursuant to Chapter 506 of the Laws of 2009, known as the Public Authorities Reform Act of 2009 ("PARA"), which added a new Section 2824-a in Public Authorities Law ("PAL") state and local public authorities are required to develop and adopt a mission statement and related performance measures to assist the authority determine how well it is carrying out its mission. For local authorities, as defined within PAL Section 2, this Mission Statement and the related Performance Measures are to be filed with the New York State Authority Budget Office ("ABO") by March 31, 2011.

Pursuant to a Certificate of Incorporation filed on the 6th day of October, 2000 (the "Certificate"), the Niagara Tobacco Asset Securitization Corporation (hereinafter, the "Corporation") was established by the County of Niagara (the "County") as a domestic, not-for-profit local development corporation pursuant to Not-for-Profit Corporation Law ("N-PCL") Section 1411. The Corporation constitutes a "local authority" pursuant to PAL Section 2 and therefore is subject to the transparency, compliance and reporting requirements established pursuant to PARA and the Public Authorities Accountability Act of 2005 ("PAAA").

Pursuant to the Certificate and the Corporation's By-laws, the Corporation was established by the County as a single-purpose entity in connection with the County's securitization of revenues under a certain Master Settlement Agreement ("MSA"), dated as of November 23, 1998. In furtherance of securitizing revenues due the County under the MSA, the County established the Corporation and pledged revenues due under the MSA for securitization purposes. Thereafter, the Corporation participated in certain pooled bond financings, including Series 2005 New York Counties Tobacco Bonds.

II. CORPORATION MISSION STATEMENT

The Corporation was established by the County as a single-purpose financing vehicle to maximize revenues available to the County under the MSA, with the resulting public purpose of benefiting the taxpayers of the County through current and future budget relief and revenue maximization. This public purpose and mission has been accomplished by the Corporation through participation in Series 2005 New York Counties Tobacco Bonds. The Corporation's continuing public purpose and mission is to satisfy its obligations under Trust Indentures associated with Series 2005 New York Counties Tobacco Bonds and from time to time assess additional MSA revenue securitization opportunities. Additional Corporation purposes and mission include compliance with applicable provisions of PAAA and PARA, along with periodic reporting and audit responsibilities associated with Series 2005 New York Counties Tobacco Bonds.

The Corporation's Sole member is the County of Niagara, who pursuant to the Corporation By-laws appoints a Board of Directors that include Clyde Burmaster, William Ross, Karen Castle, Sam Ferraro and William McLaughlin. The Corporation is managed by Officers appointed by the Board of Directors, including President, Vice President, Secretary/Treasurer. The Corporation's stakeholders are therefore the County itself, acting by and through County Legislature, who in their respective elected and appointed capacities serve the citizens and taxpayers of the County.

The Corporation's goals include continued compliance with current obligations and responsibilities associated with its participation in Series 2005 New York Counties Tobacco Bonds. In addition, the Corporation's goals further include collaborative review with the County of future MSA revenue maximization opportunities. In furtherance of these stated goals, the Corporation will endeavor to comply with all applicable provisions of PAAA and PARA. With these stated goals established, the Corporation's values are to maintain the highest ethical standards applicable to the Corporation in furtherance of the Corporation's purposes and powers, as set forth within the Certificate.

Date Adopted: March 31, 2011

List of Performance Goals (If additional space is needed, please attach):

III. ANNUAL PERFORMANCE REVIEW MEASURES

The Corporation shall annually review this Mission Statement and identify whether the Corporation (i) continues to meet its stated mission, goals and values; (ii) can quantify measures of improvement to better meet its stated mission, goals and values; (iii) can become more effective and efficient; and (iv) is meeting the interests of the Corporation's stakeholders.

In furtherance of the foregoing Performance Measures, the Corporation shall further undertake the following annual measures:

- Assure that all current Corporation Board members have acknowledged that they have read and understood the mission of the Corporation;
- An annual review and affirmation of the Corporation's membership and board structure;
- An annual review and affirmation of policies regarding Board appointment of Management of the Corporation, along with articulation of the respective roles of each;
- Hold an annual meeting of the Corporation each year within six months after the end of each fiscal year;
- An annual review and evaluation of the Board of Directors;
- An annual review of the staff along with setting performance expectations;
- Compliance with PAAA and PARA regulations for filing all annual reports within stated time periods, and all other requirements.

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Yes.

2. Who has the power to appoint the management of the public authority?

Chairman of the Legislature.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

Yes

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board of directors and management's role is to apply due diligence that will safeguard the assets of the Settlement, and to insure the best return on those assets to the taxpayers of Niagara County by appointment of qualified individuals and application, where possible, of PAAA guidelines.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

Yes