

Ulster Tobacco Asset Securitization Corporation Finance Committee Charter

This Finance Committee Charter was adopted by the Board of the Ulster Tobacco Asset Securitization Corporation (UTASC), a local development corporation established under the laws of the State of New York, on the 29 day of March, 2011.

Purpose

The purpose of the finance committee is to oversee the UTASC's annual budgets and long-range financial planning and to review proposals for the issuance of debt by the UTASC and make recommendations.

Composition of Committee and Selection of Members

The finance committee shall consist of at least two members of the Board who are independent of UTASC operations. The UTASC Board will appoint the finance committee members and the finance committee chair.

Finance committee members shall be prohibited from being an employee of the UTASC or an immediate family member of an employee of the UTASC. In addition, finance committee members shall not engage in any private business transactions with the UTASC or receive compensation from any private entity that has material business relationships with the UTASC, or be an immediate family member of an individual that engages in private business transactions with the UTASC or receives compensation from an entity that has material business relationships with the UTASC.

Meetings

The finance committee will meet as necessary to adequately fulfill all the obligations and duties outlined in this charter.

Members of the finance committee are expected to attend each committee meeting, in person or via telephone or videoconference. The finance committee may invite other individuals, such as members of the UTASC staff, if any, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting agendas will be prepared for every meeting. The finance committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

Responsibilities

Where necessary, the finance committee shall work in conjunction with the audit committee. The finance committee will carry out the following responsibilities:

- The finance committee shall assist the UTASC in its oversight of the UTASC's long-range financial planning.
- The finance committee shall review external debt financing proposals.
- The finance committee shall review the status of the UTASC's external debt position as required, but no less than once a year.

- The finance committee shall assist the UTASC in its oversight and preparation of the annual budget.

The finance committee may, without further action by the UTASC, retain any external advisors, attorneys, consultants, and accountants (collectively "Advisors") it deems necessary to carry out the committee's responsibilities. The UTASC will adequately fund the costs and expenses of these Advisors under arrangements that assure the independence of these Advisors.

The finance committee shall seek any information it requires from UTASC officers or employees, if any, all of whom are directed to fully cooperate with all committee requests, as well as external parties. The UTASC Board shall ensure that the committee has access to sufficient resources to carry out its responsibilities as hereinafter defined.

Periodic Review

As part of its duties to be responsible for oversight of the UTASC's annual budget and long-range financial planning, the finance committee shall review and assess at least annually the adequacy of the finance committee charter and will submit proposed revisions to the UTASC for its approval.

The finance committee shall also at least annually evaluate its own performance with respect to the requirements of the charter in such a manner as the committee deems appropriate.