



**FLORIDA SURPLUS ASSET FUND TRUST**  
**3452 LAKE LYNDA DRIVE, SUITE 365, ORLANDO, FLORIDA 32817**

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**FLORIDA SURPLUS ASSET FUND TRUST**  
**MINUTES OF THE JOINT MEETING OF THE BOARD OF TRUSTEES**  
**AND THE PARTICIPANTS**

**LOCATION:** Fishkind & Associates  
12051 Corporate Blvd., Orlando, FL 32817

**DATE:** December 15, 2008

**TIME:** 10:01 a.m.

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**MEMBERS IN ATTENDANCE:**

**BOARD OF TRUSTEES:** Henry Fishkind, Chairman  
Joseph MacLaren, Treasurer and Secretary  
James Anderson, Vice Chairman

**OTHER ATTENDEES:** Mark Mason, Treasurer Trustee, by phone  
Chris Blackwood, Managing Director, by phone  
Don Moore – Clay County, by phone  
Bill Spivey, VP Client Service Manager - FLSAFE  
Jim Goldsmith, Esq – Akerman Senterfitt  
Jerry Boop, Finance Director, City of Leesburg  
Bob Clinger, Finance Director, City of Deltona  
Jeff Larson, S.V.P. - D.A. Davidson & Co.  
Diane Cooper, Admin. Assistant, FLSAFE, by phone

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**1. CALL TO ORDER/ROLL CALL**

The Chairman, Henry Fishkind, called the meeting to order at 10:01 a.m.

**2. BUSINESS ITEMS**

- a. Term Sheet and Standby Capital Agreement: Chris Blackwood reviewed a Term Sheet and Standby Capital Agreement by Davidson Fixed Income Management, Inc (“DFIM”). Chris Blackwood directed a more detailed discussion of a hypothetical worst-case scenario outlined in “Exhibit A” of the Standby Capital Agreement. This example shows that the Standby Capital Agreement provides ample funding to maintain FLSAFE’s \$1.00 per share net asset value and its AAAM rating in the event that the Reserve Primary Fund (“Reserve”) not honor FLSAFE’s redemption ticket at \$1.00 per share. Chris indicated that he had received documentation from S&P that the Standby Capital Agreement will ensure FLSAFE’s AAAM rating.

The Board discussed options related to the Reserve including litigation. Chris stated that a Colorado LGIP managed by DFIM, CSAFE, was discussing litigation option with respect to the Reserve and that there may be economies of scale in sharing litigation costs with CSAFE. Jim Goldsmith stated such an action may be beneficial, however, the cost of litigation may exceed the benefits to FLSAFE and that the Board and Participants should evaluate the cost/benefit carefully.

Chris noted that the American Beacon money market fund paid FLSAFE in full (principal and interest) on December 12, 2008 and that as of December 3, 2008, the Reserve had provided its second partial distribution of funds - cumulatively both distributions are equal to approximately 80% of the outstanding balance. Chris said that the Reserve had released a final plan of distribution which did not provide complete clarity on the final timing of the full receipt of funds (the final maturity of its investments are scheduled for October 2009).

Mark Mason made a motion to accept the Term Sheet and Standby Capital Agreement provided by DFIM. Jim Anderson seconded. The Board voted unanimously to pass the motion.

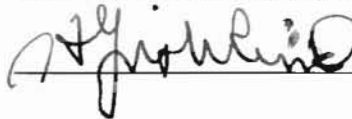
- b. Board of Trustees to consider the removal of Temporary Redemption Restrictions as of December 16, 2008: Jim Anderson moved to approve the removal of Temporary Redemption Restrictions. Joe MacLaren seconded. The motion passed unanimously.
- c. Hank Fishkind moved that he be allowed to represent FLSAFE with respect to litigation issues related to the Reserve. This request was made so that that the Board will not be required to meet every time a question comes up with respect to litigation. Mark Mason moved to approve, and Joe MacLaren seconded. All voted in favor.
- d. Jim Anderson stated that the Board of Trustees appreciates the efforts of Chris Blackwood and the measures he has implemented to keep FLSAFE fully functional and AAAM rated during the period of the redemption restrictions.
- e. Chris Blackwood updated everyone on his discussions with Port St. Lucie regarding the status and actions of FLSAFE.

3. **ADJOURNMENT**

Mark Mason moved to adjourn the meeting at 10:35 a.m. Joe MacLaren seconded the motion. The motion passed unanimously. Meeting adjourned.

**APPROVED THIS 10th DAY OF FEBRUARY, 2009.**

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**ATTEST:**



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