

FOR CONSIDERATION

July 13, 2011

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Committee Appointments

REQUEST FOR: Appointment of Directors to the Bond Financing Committee

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Background

In 1995, a single bond sale committee of Directors was constituted and was delegated responsibility for all activities involving the sale or issuance of bonds or notes by the Corporation. Now known as the Bond Financing Committee, this Committee has authority to vote on actions and to bind the Corporation pursuant to that vote. The Committee was initially composed of three independent directors.

Most recently, by action of the Directors on April 26, 2011, the Committee was comprised of the following three Directors: Kenneth Adams; Kevin Corbett and Banking Superintendent Richard Neiman. The Committee currently consists of only a single Director, Mr. Kenneth Adams, as a result of the resignations of Mr. Corbett and Superintendent Neiman. Additional appointments to the Bond Financing Committee, therefore, are needed.

The following individuals are recommended for appointment to the Bond Financing Committee of the Corporation, in addition to Mr. Adams who will remain a member of the Committee, so that the Committee will comprise four Directors, including three independent Directors:

- Mr. Benjamin M. Lawsky, Acting Superintendent of Banks and, as of October 3, 2011, the Superintendent of Financial Services;
- Vice Chair Dennis Mehiel; and
- Mr. Derek Cephas.

Attached to this memorandum is biographical information about each of the individuals recommended for Committee membership. Each possesses the necessary skills to understand the duties and functions of the Bond Financing Committee.

### Recommendation

Based on the foregoing, I recommend the appointment of the following individuals to the Bond Financing Committee of the Corporation, in addition to Mr. Kenneth Adams:

- Superintendent Benjamin M. Lawsky;
- Vice Chair Dennis Mehiel; and
- Mr. Derek Cephas.

### Attachment

Biographical information about Committee nominees  
Resolution

July 13, 2011

NEW YORK STATE URBAN DEVELOPMENT CORPORATION - Appointment of Directors to  
the Bond Financing Committee

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BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the following individuals are hereby appointed to the Bond Financing Committee of the Corporation, in addition to Mr. Kenneth Adams, effective immediately and until their respective resignations or removal as Directors of the Corporation,

- Superintendent Benjamin M. Lawskey;
- Vice Chair Dennis Mehiel; and
- Mr. Derek Cephas.

## **Benjamin M. Lawsky**

Benjamin M. Lawsky was unanimously confirmed on May 24, 2011 as New York State's first Superintendent of Financial Services. In this capacity, he leads Governor Andrew Cuomo's initiative to integrate the New York State Banking Department and Insurance Department towards a modern unified financial regulator called the Department of Financial Services.

Until establishment of the Department of Financial Services on October 3, 2011, Superintendent Lawsky is also serving as Acting Superintendent of Banks. In that capacity he is the supervisor of all New York State-chartered depository institutions and of the majority of United States-based branches and agencies of foreign banking institutions; \$2.2 trillion in depository assets are under his supervision. He also regulates all of New York State's mortgage brokers, mortgage bankers, check cashers, money transmitters, budget planners, and similar providers of financial services.

Most recently, Superintendent Lawsky was Governor Andrew Cuomo's Chief of Staff. Previously, he served as the Deputy Counselor and Special Assistant to then-Attorney General Cuomo. Prior to that, Mr. Lawsky had spent over five years as an Assistant United States Attorney in the Southern District of New York, where he prosecuted white collar crime, organized crime, and terrorism cases. He began his career as Chief Counsel to Senator Charles Schumer on the Senate Judiciary Committee and as a Trial Attorney in the Civil Division of the Department of Justice.

Superintendent Lawsky graduated from Columbia Law School and Columbia College.

## **Dennis Mehiel**

During the course of his career, Dennis Mehiel has been instrumental in creating or saving thousands of U.S. based manufacturing jobs. Mr. Mehiel is the principal shareholder and chairman of U. S. Corrugated, Inc., the nation's largest independent manufacturer of corrugated packaging. U. S. Corrugated and its affiliate operate a 650,000 ton integrated manufacturing system with 23 converting facilities and a recycled containerboard mill. Mr. Mehiel has long experience in the public debt markets through which his enterprises have typically been capitalized.

Mr. Mehiel is also the former Chairman, CEO and principal shareholder of Sweetheart Cup Company, North America's largest producer of disposable table top products for the away-from-home dining market, which Mr. Mehiel acquired and rescued from insolvency in 1998. The Company subsequently was acquired by its principal competitor, Solo Cup Company, in 2004. Mr. Mehiel was also the founder (in 1966) and Chairman, CEO and principal shareholder of Box USA, built primarily through the acquisition of financially troubled competitors, many in Chapter 11. When sold to International Paper in 2004, Box USA was then the nation's largest independent producer of corrugated shipping containers operating 22 corrugated packaging facilities and two containerboard mills, all located within the continental United States.

Among Mr. Mehiel's other service to the business community, he also serves as an Independent Director of Sober Steering Sensors, a development stage company commercializing a passive interdiction technology that prevents the operation of a motor vehicle when alcohol is present. He is also a former Director of Fusion Telecommunications, a NASDAQ listed public company.

Mr. Mehiel also plays an active civic role for the benefit of the broader community. He is a former Member of the Board of The Milano School for Management and Urban Policy at the New School, a Member of Business Executives for National Security and a former Trustee of the Westchester Medical Center. From 1989 until 1993 he was a Trustee of the Windward School in White Plains, one of the region's premier providers of education for learning disabled children. He served for ten years as a Trustee of the Purnell School in Pottersville, N.J., an independent high school for girls who have not succeeded in a traditional competitive academic setting, and was elected to the Board of Governors of Yeshiva University's Wurzweiler School of Social Work.