

**MINUTES OF THE AUDIT COMMITTEE MEETING**  
**OF**  
**APPLE INDUSTRIAL DEVELOPMENT CORP.**  
**September 24, 2013**

A meeting of the Audit Committee (the "Committee") of Apple Industrial Development Corp. ("Apple") was held, pursuant to notice by an Assistant Secretary, on Tuesday September 24, 2013, at New York City Economic Development Corporation ("NYCEDC"), 110 William Street, Conference Room 3A, New York, NY 10038.

The following members of the Committee were present at the meeting of the Committee (the "meeting"), constituting a quorum:

- William Candelaria, Chairman
- Alan Friedberg (via conference call)
- James McSpirtt

Also present were the following staff members of NYCEDC: Kim Vaccari, Spencer Hobson, Bulent Celik, Fanny Fung and Katherine Ng from Finance; and Joseph Horowitz and John Wu from Internal Audit ("IA").

In addition, Kimberly Hancy and Amy Wong from Ernst & Young ("EY") were also present.

The meeting was called to order at 9:30 a.m. by Mr. Candelaria.

**1. Approval of the Minutes of April 18, 2013 Committee Meeting**

Mr. Candelaria asked if there were any questions or comments relating to the minutes of the April 18, 2013 Committee meeting as submitted. There being none, a motion to approve such minutes was made, seconded and approved.

**2. Review of Draft Combined Financial Statements for Apple as of Jun 30, 2013 and 2012 with Report of the Independent Auditors, Draft Financial Report for Apple for FY 2013 pursuant to Section 2800 of Public Authorities Law and Draft Schedule of Investments and Investment Report of Apple for FY2013**

Mr. Celik presented the Statement of Revenues, Expenses and Net Position as well as the Statement of Net Position of the audited Financial Statements for fiscal year 2013. He also presented the Key Financial Highlights and explained further details corresponding to each account.

Mr. Celik stated with regard to the Schedule of Investments for Apple: the total investments came to, approximately \$152k; approximately \$52k was considered unrestricted and approximately \$100k considered restricted. Mr. Friedberg asked if Apple was current on the receivables and Mr. Celik confirmed that it was.

A motion to approve the Apple Consolidated Financial Statements, Schedule of Investments with the corrections mentioned at the NYCEDC meeting, and the PAAA Reports was made, seconded and approved.

The Apple Audit Committee meeting was recessed to reconvene the NYCEDC Audit Committee.

The Apple Audit Committee meeting was then reconvened.

### **3. Session with Management**

Mr. Candelaria excused EY to convene the Committee's required session with management.

### **4. Session with Auditors**

Mr. Candelaria excused management to convene the Committee's required session with the auditors.

### **5. Other**

Mr. Candelaria asked if there were any other matters that needed to be brought before the Committee. There were no other matters presented.

### **6. Adjournment**

There being no further business to come before the Committee, the meeting was adjourned.