



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

FLORIDA SURPLUS ASSET FUND TRUST
MINUTES OF THE BOARD OF TRUSTEES

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

DATE: November 14, 2008

TIME: 1:42 p.m.

MEMBERS IN ATTENDANCE:

BOARD OF TRUSTEES: Joseph MacLaren, Treasurer and Secretary
Harry Dressler, Non-Treasurer Trustee
Mark Mason, Treasurer Trustee

OTHER ATTENDEES: Chris Blackwood, Managing Director – FLSAFE
Fritz Behring – County Manager - Clay County
Bill Spivey, VP Client Service Manager - FLSAFE
Jim Goldsmith, Esq – Akerman Senterfitt
Diane Cooper, Administration Assistant – FLSAFE
Jeff Larson, S.V.P. - D.A. Davidson & Co.

1. CALL TO ORDER/ROLL CALL

The Treasurer and Secretary, Joseph MacLaren, called the meeting to order at 1:42 p.m.

2. BUSINESS ADMINISTRATION

Harry Dressler, an FLSAFE Board member that had not previously attended a Board meeting in person, introduced himself and provided an overview of his professional experience. The Board reviewed and approved the August 27, 2008 and September 23, 2008 meeting minutes. Joseph MacLaren moved to approve both sets of minutes, Mark Mason motioned to approve and Joseph MacLaren seconded. The minutes were approved unanimously.

3. BUSINESS ITEMS

- a. Meeting Locations/Quorum Issues: Jim Goldsmith reported that as long as FLSAFE has a quorum physically present, Board Members can call-in to the meetings, but their teleconference attendance does not meet the requirement for a quorum – physical presence is required. Goldsmith also indicated that FLSAFE can hold Board Meetings at any location

throughout the State of Florida. The Board agreed that it should start holding the meetings in various cities across the state to promote attendance by prospects and participants.

- b. Economic and Finance Market Update: Chris Blackwood discussed the financial markets and economic conditions. Mark Mason indicated that a correction should be made in reference to the LGIP Market Review page that shows FLSAFE outperformed the S&P LGIP Index for the 3rd Quarter period except for the last day.
- c. FLSAFE Credit Rating Review by S&P: Standard & Poor's ("S&P") conducted its annual onsite review of FLSAFE on November 12, 2008 in the Denver, Colorado office of DFIM. Chris Blackwood stated that S&P confirmed FLSAFE's AAAM rating. Joe MacLaren asked when the next communication will be made to S&P again. Chris Blackwood stated that he reports to the S&P every week and that the review was not a special meeting with the S&P – but was the regularly scheduled annual meeting.
- d. Financial Statement: Chris Blackwood provided an overview of the financial statements and checking account. Harry Dressler made a motion to approve the unaudited Financial Statement, and Mark Mason seconded. The vote was unanimously in favor.
- e. Discussion of Temporary Redemption Restrictions: All Board members indicated their desire to remove the restrictions on FLSAFE. The Board discussed the status of the outstanding \$1.00 per share trade ticket with the Reserve Primary Fund. Chris indicated that the Reserve has started partial distributions on October 31, 2008, an amount equal to 51% of FLSAFE outstanding principal and that the timing of the remaining distribution of funds was not clear.

Harry Dressler indicated that it was his opinion that a confirmed trade ticket is a legal obligation and that case law is in our favor. Chris Blackwood stated that while case law may be in our favor, there is some doubt about the outcome of the trade ticket issue. As a result, Chris talked to officials at his parent company (Davidson Companies) about financial backing for FLSAFE. As of this date, Davidson had not made its decision. Mark Mason stated it is important to make this decision quickly – as there will be a lot of money available the 1st week of December for all Counties and Cities due to the tax cycle in Florida. Harry Dressler stated that once the restrictions are lifted FLSAFE will be viewed positively – the financial backing of FLSAFE is also a plus.

Mark Mason asked about the form of the financial backing. Chris stated according to Standard & Poor's that there are five ways to provide financial support: 1) A credit support agreement from an entity rated A-1 or better (non-cash transaction), 2) Purchasing the security outright at amortized cost – and moving it off the books of FLSAFE, 3) cash infusion into the Fund, 4) Letter of Credit from an entity rated A-1 or better, 5) Establish in an escrow account funded with securities rated A-1 or better.

- f. Board of Trustees approved the Revenue Recognition Policy. Mark Mason moved to approve the Revenue Recognition Policy and Joe McLaren seconded. The motion passed unanimously.

4. STAFF REPORTS

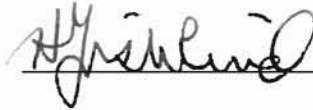
- a. Marketing Plans and activity: Hold Board Meetings all around the State.

5. ADJOURNMENT

Joe MacLaren moved to adjourn the meeting at 3:12p.m. Mark Mason seconded the motion. The motion passed unanimously.

APPROVED THIS 10th DAY OF FEBRUARY, 2009.

FLORIDA SURPLUS ASSET FUND TRUST



ATTEST: