

MINUTES OF

**THE RHODE ISLAND INDUSTRIAL-RECREATIONAL BUILDING
AUTHORITY**

Special Meeting – December 21, 2005

PRESENT: Frances H. Gammell-Roach -- Vice Chairperson

Robert Luneberg -- Member

Donald Harris -- Member

ABSENT: Frank R. Benell -- Chairperson

Michael Imbruglia -- Member

Alicia A. Pomfret -- Assistant Manager

Anthony J. Scolavino -- Sr. Financial Program Administrator

ALSO PRESENT: Earl F. Queenan, Jr. -- Manager

Claudine Tikoian -- Financial Program Manager

Thomas V. Moses -- Esquire -- Legal Counsel

James McGuirk -- Edwards & Angell

Robert C. Bromley -- Legislative Fiscal Analyst

**The meeting was held at One West Exchange Street, Providence, and
was called to order by Mrs. Gammell-Roach at 11:15 a.m.**

Mrs. Gammell-Roach introduced the first item of business, HENRY BIRKS & SONS. Mr. McGuirk, Company Counsel, joined the meeting and made a presentation regarding the Subordination of Collateral Requests of HENRY BIRKS & SONS required for Subordination with the requirement of other Working Capital Line of Credit being increased with GMAC and Bank of America. Following review, a motion was made by Mr. Harris, was seconded by Robert Luneberg, and was unanimously adopted to approve the subordination request. A vote by roll call was held:

Donald Harris - aye

Mr. Luneberg – aye

Ms. Gammell-Roach – aye

At this point, Mr. McGuirk left the meeting.

Mrs. Gammell-Roach presented the next item of business, AEROSERVE. The board heard a presentation from Claudine Tikoian regarding release and substitution of collateral for the AEROSERVE project. After discussion, a motion was made by

Mr. Harris, was seconded by Mr. Luneberg, and was unanimously approved:

1) To release the third position lien on the Hawker N500XY to accommodate the refinancing of the aircraft with Sovereign Bank with

the Authority going back on the lien in second position behind Sovereign.

2) To release of the second position lien on the Hawker 3A-RA N23CJ aircraft that is being sold to a third party for an estimated \$150,000.

3) To make up the \$400,000 shortfall in collateral, AEROSERVE will place the \$120,000 generated after commission into an interest bearing account assigned to the Authority in first position and the Small Business Loan Fund Corporation in second position.

4) That the Authority will place a \$400,000 lien against all business assets of Galaxy Internet Services.

A vote by roll call was then held:

Donald Harris - aye

Mr. Luneberg – aye

Ms. Gammell-Roach – aye

There being no other business to discuss Mrs. Gammell-Roach requested a motion to adjourn. Mr. Harris made a motion, Mr. Luneberg seconded, and it was unanimously approved to end the meeting.

The meeting adjourned at 12:15 p.m.

Respectfully submitted,

Earl F. Queenan, Jr.

Manager