

RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION

August 26, 2004

PUBLIC SESSION

A meeting of the Board of Directors of the Rhode Island Industrial Facilities Corporation ("RIIFC") was held in public session at the offices of RIIFC, One West Exchange Street, 5th Floor, Providence, Rhode Island, on Thursday, August 26, 2004 beginning at approximately 9:00 a.m., pursuant to a notice and agenda duly posted and sent to all members.

Members present throughout the meeting were Mr. Edward Rendine, Mr. Phillip Rivers, and Mr. Raymond Fogarty. Mr. George Mason and Mr. William Parsons were absent from the meeting. Also present and participating were Mr. Earl Queenan, Jr., Treasurer of RIIFC, Ms. Philomena Teixeira, Loan Servicing Specialist for RIIFC and Neal Pandozzi, Esquire, bond counsel to RIIFC along with Laurie Enslow, Legal Assistant for bond counsel. Mr. Rendine presided and called the meeting to order.

MINUTES OF THE JUNE 24, 2004 BOARD MEETING

The first item to come before the Board in Public Session was consideration of the Minutes for the Board meetings held on July 30, 2004 (the "July 30th Minutes"). Mr. Fogarty made a motion to accept the July 30th Minutes and to maintain the Executive Session portions of the July 30th Board Meeting as confidential. Mr. Rivers seconded the motion, which passed unanimously as follows: Mr. Edward Rendine- yes; Mr. Philip Rivers - yes; and Mr. Raymond Fogarty - yes.

CONSIDERATION OF AN AUTHORIZING RESOLUTION
FOR THE BENEFIT OF SOLUOL, INC.

The second item to come before the Board in Public Session was consideration of an Authorizing Resolution for the benefit of Soluol, Inc. ("Soluol").

Mr. Pandozzi began by stating that this Authorizing Resolution is substantially in the same form as the Inducement Resolution that was approved previously. Mr. Pandozzi further stated that a Commitment letter from Citizens Bank and a Letter of Credit has been received. The Bond is to be purchased by Banc of America. Mr. Scolavino requested clarification as to whether the purchaser was Banc of America or Citizens and indicated that RIIFC had received a letter from Citizens. Mr. Pandozzi responded that his understanding was that the purchaser was Banc of America and the Letter of Credit was from Citizens. Mr. Scolavino indicated that the Letter of Credit is a direct pay. Mr. Pandozzi confirmed that he has received the Commitment Letter from Citizens and that Banc of America is the purchaser. Mr. Pandozzi also added that this deal is very similar to the structure to the Hall Real Estate deal.

Mr. Fogarty made a motion to accept the Resolution for Soluol. Mr. Rivers seconded the motion, which passed unanimously as follows: Mr. Edward Rendine- yes; Mr. Philip Rivers - yes; and Mr. Raymond Fogarty - yes.

CONSIDERATION OF AN AUTHORIZING RESOLUTION
FOR THE BENEFIT OF CHESTNUT HILL AVIATION INC., JET SET EXPRESS, INC. AND
AEROSERV EXPRESS, INC.

The third item to come before the Board in Public Session was consideration of an Authorizing Resolution for the benefit of Chestnut Hill Aviation Inc., Jet Set Express, Inc. And Aeroserv Express, Inc. ("Chestnut Hill").

Mr. Pandozzi stated that Chestnut Hill was originally on this agenda, however, Mr. Pandozzi spoke with Mr. McGirk, who is bond counsel, and the transaction is not quite ready. He further stated that this will come back before the board in September.

CONSIDERATION OF A REQUEST BY J-COR, LLC TO WAIVE
THE REQUIREMENT TO PROVIDE FINANCIAL INFORMATION
TO RIIFC PURSUANT TO THE LEASE AND TRUST AGREEMENT

The third item to come before the Board in Public Session was consideration of a request by J-Cor, LLC to waive the requirement to provide financial information to RIIFC pursuant to the Lease and Trust Agreement.

Prior to the beginning of this consideration Mr. Earl Queenan joined the meeting and asked what had been done with Chestnut Hill Aviation. Mr. Pandozzi stated that Chestnut Hill was off the Agenda because Mr. McGirk had not provided the Authorizing Resolution.

Mr. Pandozzi continued with J-Cor and stated that J-Cor was a bond issue done in 1998. J-Cor had recently sent a written request to Earl Queenan asking that RIIFC waive the requirement in the Lease and Trust Agreement to provide financial information to RIIFC. Mr. Pandozzi further stated that J-Cor will continue to provide the information to the bank but they do not want to provide this to RIIFC. Mr. Rendine asked why J-Cor is requesting the waiver. Mr. Pandozzi stated that there is no reason to allow J-Cor to waive the requirement given that they are still providing the information to the bank.

Ms. Teixeira stated that the reason J-Cor was requesting the waiver is because RIIFC is currently updating all the RIIFC file financials for insurance purposes. When RIIFC reviewed this particular file J-Cor responded that they had already provided the documents to the Bank. J-Cor further indicated that in a conversation with John Sheehan, Mr. Sheehan told J-Cor not to worry about forwarding the financial information to RIIFC. J-Cor has indicated that they have not provided the financial information since that conversation with Mr. Sheehan and J-Cor is now questioning why RIIFC is requesting the information now. Ms. Teixeira stated that she reviewed the transcript for that deal, copied the page of the Lease and Trust Agreement that states that J-Cor is required to

provide the financial information to RIIFC and forwarded that page to J-Cor. J-Cor responded to Ms. Teixeira's request by asking that the requirement be waived based on J-Cor's conversation with John Sheehan in which Mr. Sheehan told J-Cor that they did not have to provide the financial information to RIIFC. Ms. Teixeira stated that she explained to J-Cor that they would need to put their request in writing and that the request would be brought before the board.

Mr. Rendine asked Ms. Teixeira if other files were in compliance regarding this of this nature. Ms. Teixeira stated that RIIFC has been trying each year to update the files to insure compliance. Mr. Rendine stated that RIIFC does get audited and having incomplete files is not appropriate.

Mr. Rendine stated that there is no reason that RIIFC should waive the requirement to forward financial statements because that was part of the documentation which all parties agreed to it. The fact that RIIFC was remiss in asking for it in the past is not a reason to waive it at this time.

Mr. Fogarty made a motion to not honor the request of J-Cor to waive the requirement to provide financial information to RIIFC pursuant to the Lease and Trust Agreement. Mr. Rivers seconded the motion, which passed unanimously as follows: Mr. Edward Rendine- yes; Mr. Philip Rivers - yes; and Mr. Raymond Fogarty - yes.

ADDITIONAL BUSINESS

Mr. Queenan stated that audit for RIIFC is close to being finished and the board will have the information for the September meeting.

EXECUTIVE SESSION

(There was no executive session)

ADJOURNMENT

Mr. Rivers made a motion to adjourn the meeting. Mr. Fogarty seconded the motion, which was passed unanimously as follows: Mr. Edward Rendine- yes; Mr. Raymond Fogarty- yes; and Mr. Phillip Rivers - yes.

Respectfully submitted,

Anthony Scolavino, Secretary

SECRETARY'S CERTIFICATE

I, Anthony Scolavino, Secretary of the Rhode Island Industrial Facilities Corporation, hereby certify that attached hereto is a true and accurate copy of the minutes of the meeting of the Board of Directors of the Rhode Island Industrial Facilities Corporation held on August 26, 2004. These minutes were approved by the Board of Directors at a meeting held on September 23, 2004.

Anthony Scolavino, Secretary