

SMALL BUSINESS LOAN FUND CORPORATION

MINUTES OF THE BOARD OF DIRECTORS

NOVEMBER 17, 2005

A monthly meeting of the Board of Directors of the Small Business Loan Fund Corporation was held in public session at the offices of the Rhode Island Economic Development Corporation, One West Exchange Street, Providence, Rhode Island on November 17, 2005 at approximately 9:35 a.m.

Present were Board Members: Raymond Fogarty (Chair), Edward Rendine, Richard DeMerchant, Bill Parsons and Maurice Paradis. Also present were: Earl Queenan, Anthony Scolavino, Claudine Tikoian, Staff, along with Thomas Moses, SBLFC Counsel of Moses Afonso Jackvony Ltd. and his assistant Geralyn Souvalian.

Mr. Fogarty called the meeting to order at 9:35 a.m.

Adoption of Minutes

The first item to come before the Board was consideration for adoption of the Minutes of the Meeting held on October 27, 2005 and consider the minutes of the Executive Session to be held as

confidential. Maurice Paradis made a motion to approve both sets of Minutes and Mr. Parsons seconded the motion, which passed unanimously.

Cash Position/Portfolio Activity/Delinquency Report

Mr. Rendine wanted to know the collections status of the following loans: Prism, Inc., RIBCO and Kenneth Shea. Mr. Scolavino gave the Board an updated collection status which included payments being made in November on the three accounts. Mr. Moses mentioned that Gateway Eight should no longer be on the Delinquency Report. Mr. Scolavino stated it is still considered a delinquent loan, but that it would be written off in January.

There were no questions on the cash report.

Executive Session

At 9:50 a.m., upon motion made by Mr. Parsons and seconded by Mr. DeMerchant to move the next portion of the meeting into Executive Session pursuant to Rhode Island Open Meetings Law 42-46-5(a)(6) of the General Laws of the State of RI 1956 (1988 Reenactment), as amended.

Return to Public Session

Upon a motion made by Mr. DeMerchant and seconded by Mr. Rendine, the Board unanimously voted to return to Public Session at 10:15 a.m.

Executive Session Vote Ratification

The next item to come before the Board was the ratification of voting held during the Executive Session. The following vote was presented for ratification:

On behalf of RI Collision Sales and Service, to approve the loan application, subject to the conditions outlined in the Executive Session portion of the Minutes.

Mr. Paradis made a motion to ratify the aforementioned vote, Mr. DeMerchant seconded the motion, and the motion was passed by majority.

On behalf of H.W. Ellis, Inc, & Interiors by Provident, Inc. to approve the loan application, subject to the conditions outlined in the Executive Session portion of the Minutes.

Mr. Paradis made a motion to ratify the aforementioned vote, Mr. DeMerchant seconded the motion, and the motion was passed unanimously.

Other Business

Mr. Queenan mentioned that the 9/30/05 EDA Semi-Annual SBLFC activity report was filed in October. It is still broken down into four SBLFC separate funds. Two of those four funds are under the 25% cash threshold position required by EDA. The other two funds are in excess of 25% cash threshold. Mr. Queenan anticipated that all the funds will be in compliance by March 31, 2006. Claudine Tikoian mentioned that they have closed two micro loans for a total of \$25,000; one was for \$10,000 and the other for \$15,000.

Upon a motion made by Mr. Parsons, and seconded by Mr. Paradis, the Board unanimously voted to adjourn. The meeting concluded at 10:35 a.m.

Respectfully submitted,

Earl F. Queenan, Jr.

Director of Accounting & Finance

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