RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION

MARCH 27, 2008

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 the Rhode Island Economic Development Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on Thursday, March 27, 2008 beginning at approximately 9:00 a.m. pursuant to a Notice and Agenda duly posted and sent to all members.

Members present and attending the meeting were: Mr. William Parsons, Mr. Ronald Renaud and Mr. David Piacitelli. Mr. Edward Rendine and Mr. Andrew Lyon, III were not present. Also present and attending the meeting were Mr. Earl Queenan, Jr., Treasurer of RIIFC, Mr. Anthony Scolavino, Secretary of RIIFC, Mr. Michael Saul, Managing Director of Finance for RIEDC, Mrs. Claudia Tikoian, Loan Portfolio Manager of RIIFC, Ms. Alicia A. Pomfret, Assistant Financial Analyst and Antonio Afonso, Jr., Counsel to RIIFC. In the absence of the Chairman, Mr. Parsons called the meeting to order.

APPOINTMENT OF ACTING CHAIRPERSON

In order to conduct the meeting, Mr. Piacitelli made a motion to appoint William Parsons as Acting Chairperson for the March 27, 2008 meeting only. The foregoing motion was seconded by Mr. Renaud and following discussion was adopted unanimously as follows: Mr. Parsons – yes, Mr. Piacitelli – yes, and Mr. Renaud – yes.

ACCEPTANCE OF THE MINUTES OF DECEMBER 20, 2007 MEETING

The first item following the above to come before the Board was consideration of adoption of the minutes of the meeting of the Board of Directors held on December 20, 2007. A motion was made by Mr. Renaud to adopt the minutes of the December 20, 2007 meeting as presented, which motion was seconded by Mr. Piacitelli. Following the motion and second, the motion to accept the minutes was adopted as follows: Mr. Parsons – yes, Mr. Piacitelli – yes, and Mr. Renaud – yes.

INTERNALLY PREPARED FINANCIAL STATEMENTS FOR THE MONTH ENDING FEBRUARY 29, 2008

Mr. Queenan presented and reviewed with the Board the draft Financial Statements for RIIFC for the month ending February 29, 2008. The Board reviewed the Financial Statements. Mr. Renaud made a motion to approve the internally prepared Financial Statements followed by a second of said motion by Mr. Piacitelli. The motion was adopted as follows: Mr. Parsons – yes, Mr. Piacitelli – yes, and Mr. Renaud – yes.

RESOLUTION CONCERNING SIGNATURE AUTHORITY FOR RIIFC'S CHECKING ACCOUNT

At the request of RIIFC's Staff, Counsel prepared a form of Resolution to amend the authorized signatories of RIIFC's checking and deposit accounts. A copy of the Resolution presented for consideration is attached to these minutes as Exhibit A. A motion was made by Mr. Piacitelli to adopt the Resolution in the form presented, which motion was seconded by Mr. Renaud.

Following the foregoing, Mr. Parsons questioned the reasons for adding the individuals specified in the Resolution to be authorized signers on the RIIFC deposit accounts. Additional discussion then ensued with Mr. Renaud suggesting he would not be comfortable with having non-RIIFC officers as authorized signers on RIIFC deposit

accounts, which statement was echoed by Mr. Piacitelli. Extensive discussion ensued concerning the advisability of adding individuals pursuant to the Resolution, if adopted, to the RIIFC checking account and deposit accounts as authorized signers. Following the foregoing discussion, Mr. Parsons called for a vote on the motion. The vote on the motion failed to carry and was not adopted in accordance with the following vote: Mr. Parsons – yes, Mr. Piacitelli – no, and Mr. Renaud – no. The Resolution was therefore not adopted.

RESOLUTION TO APPROVE THE DEFEASANCE AND REDEMPTION OF BONDS ISSUED BY RIIFC FOR ULTRAFINE POWDER TECHNOLOGY, INC. PROJECT – 1990 SERIES A

Mr. Afonso, as Counsel to RIIFC, reviewed with the Board Members a Resolution prepared relative to defeasance and redemption of RIIFC's Industrial-Recreational Building Authority Program – Ultrafine Powder Technology, Inc. Project – 1990 Series A Bonds. Extensive discussion ensued among the Board Members and Staff relative to the history of the Ultrafine project and the details of the defeasance of the Bonds and the meaning of the Resolution. Following discussion, Mr. Renaud made a motion to adopt the Resolution attached hereto as Exhibit B as presented to the Board. Mr. Piacitelli seconded Mr. Renaud's motion. The motion was adopted as follows: Mr. Parsons – yes, Mr. Piacitelli – yes, and Mr. Renaud – yes.

ADJOURNMENT

There being no other business to come before the Board, Mr. Renaud made a motion, which motion was duly seconded by Mr. Piacitelli to adjourn the meeting, which motion was adopted as follows: Mr. Parsons – yes, Mr. Piacitelli – yes, and Mr. Renaud – yes.

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 March 27, 2008. These minutes were approved by the Board of Directors at a meeting held on _____.

_____

Anthony Scolavino, Secretary

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EXHIBIT A

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION

RESOLVED: That any of Michael Saul, Earl F. Queenan, Jr. or Richard C. Reed together with any of Edward Rendine, or Saul Kaplan, be and hereby are authorized signatories on all checking and depository accounts of the Rhode Island Industrial Facilities Corporation for checks or withdrawals in the amount of $5,000.00 or above.

FURTHER RESOLVED: That the Treasurer of the Rhode Island Industrial Facilities Corporation and the Secretary of the Rhode Island Industrial Facilities Corporation, be and each hereby is, acting singly, authorized and empowered to execute such bank depository documents, instruments and papers as each of them deem necessary or desirable to effectuate the addition of authorized signatories as referenced above on each of the Corporation's checking or deposit accounts.

EXHIBIT B

RESOLUTION AUTHORIZING THE DEFEASANCE AND REDEMPTION OF INDUSTRIAL DEVELOPMENT REVENUE BONDS (INDUSTRIAL-RECREATIONAL BUILDING AUTHORITY PROGRAM – ULTRAFINE POWDER TECHNOLOGY, INC. PROJECT – 1990 SERIES A) OF THE RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE AND OTHER DOCUMENTS AND MATTERS IN CONNECTION THEREWITH

WHEREAS, the Rhode Island Industrial Facilities Corporation (the "Issuer") was constituted a public corporation and public Instrumentality of the State of Rhode Island (the "State") pursuant to the provisions of chapter 37.1 of Title 45 of the General Laws of Rhode Island, 1956, as amended (the "Act") and is authorized pursuant to the Act (i) to finance the acquisition, equipping and furnishing of one or more projects, including all real and personal properties in connection therewith, (ii) to execute agreements of lease, conditional sales contracts, installment sales contracts, loan agreements, mortgages, construction contracts, operation contracts and other contracts and instruments entered into to finance its projects, (iii) to sell, exchange, mortgage, donate and convey any and all of its properties whenever such action is found to be in furtherance of the purposes for which the Issuer was established, (iv) to issue its bonds and notes for the purpose of carrying out any of its corporate purposes, and (v) to mortgage and pledge any of its projects and parts thereof as security for such bonds; and

WHEREAS, the Issuer has previously issued its $3,345,000 Industrial Development Revenue Bonds (Industrial-Recreational Building Authority Program - UltraFine Powder Technology, Inc. Project – 1990 Series A (the "Bonds") to finance the acquisition of approximately 5.25 acres of real property located in the Highland Industrial Park in the City of Woonsocket, Rhode Island (the "Premises"), the construction of a 26,000 square foot facility thereon (the 'Facilities") and the acquisition and installation therein of Equipment (the "Equipment") which was leased to UltraFine Powder Technology, Inc. (the "Obligor") pursuant to a Lease Agreement dated as of May 1, 1990 (the "Lease") for use by the Obligor in the melting, atomization, classification, testing, and sale of fine metal powders (the "Project"); and

WHEREAS, the Bonds were issued pursuant to a Trust Indenture between the Issuer and Citizens Trust Company, as trustee, dated as of July 1, 1990 (the "Indenture"); and

WHEREAS, the Bank of New York Trust Company, N.A. (the "Trustee") has succeeded to the role of trustee under the Indenture; and

WHEREAS, the Issuer's obligation to make payments to the Trustee to pay the principal of and interest on the Bonds as they become due is secured by a mortgage on the Premises and Facilities and a security agreement on the Equipment (such mortgage and security agreement collectively, the "Mortgage"); and

WHEREAS, the Rhode Island Industrial-Recreational Building Authority (the "Authority") insured the mortgage payments required to be made by the Issuer to the Trustee under the Mortgage pursuant to Mortgage Insurance Agreements dated March 8, 1991 among the Authority, Trustee, and Issuer (collectively the "Mortgage Insurance Agreement"); and

WHEREAS, $775,000 of the Bonds remain outstanding and are now subject to optional redemption without premium; and

WHEREAS, the Obligor has notified the Issuer that it desires to defease and redeem the outstanding Bonds; and

WHEREAS, Bank of America, N. A. (the "Bank") has agreed to issue a direct pay letter of credit (the "Letter of Credit") to be drawn on by the Trustee to fund the amount necessary to pay the principal of and interest accruing to redemption on the Bonds, the option price to acquire the Premises, Facilities, and Equipment as provided by the Lease, property taxes due April 15, 2008, fees due to the Trustee, Bond Registrar, Paying Agent, and Co-Paying Agent to the date of redemption, including, but not limited to, the cost of their legal counsel, and costs, including those for legal counsel, incurred by the Issuer and the Trustee to effect the defeasance and redemption, administrative fees due to the Issuer to the date of redemption, and premiums payable to the Authority to the date of defeasance; and

WHEREAS, the Indenture provides that the Indenture may be amended by the adoption of a Supplemental Indenture; and

WHEREAS, there has been prepared and submitted to the Issuer the form of the Supplemental Indenture.

NOW, THEREFORE, BE IT RESOLVED BY THE RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION AS FOLLOWS:

SECTION 1. The execution and delivery of the Supplemental Indenture, a deed conveying the Premises and the Facilities to the Obligor, a Bill of Sale conveying the equipment to the Obligor, a notice to the Trustee to redeem the Bonds, and a Termination of the Lease are hereby authorized. The Supplemental Indenture shall be in substantially the form presented at this meeting. The Executive Director, or the Treasurer of the Issuer are each, acting singly, hereby authorized and empowered to execute, acknowledge and deliver the Supplemental Indenture with such changes, insertions and omissions and the other documents mentioned in the first sentence of this section (the "Documents") in such form as may be approved by said Executive Director, or Treasurer, and the Secretary or

the Assistant Secretary of the Issuer are each hereby authorized to affix the seal of the Issuer to the documents and to attach the same. The execution of the Supplemental Indenture and the Documents by said Executive Director, or Treasurer shall be conclusive evidence of such approval.

SECTION 2. All covenants, stipulations, obligations and agreements of the Issuer contained in this Resolution, the Supplemental Indenture and the Documents shall be deemed the covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be executed and delivered by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the members thereof by the provisions of this Resolution, the Supplemental Indenture, and the Documents shall be exercised or performed on behalf of and as hereby authorized by the Issuer by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

SECTION 3. The Issuer hereby consents to the execution and delivery of such other documents, instruments and papers including, but not limited to, discharges, terminations statements, notices and other documents necessary or desirable for the implementation of the purposes of this Resolution or in connection with the defeasance and redemption of the Bonds. The Issuer hereby consents to revisions and amendments to the documents referenced herein to the extent such do not substantially alter any of the foregoing and such would not be adverse to the interests of the Issuer and provided further that the Executive Director or Treasurer, acting singly, be and each hereby is authorized and empowered to execute and deliver such documents, instruments and papers in accordance with this section.

SECTION 4. This Resolution shall take effect upon passage.

Dated: March 27, 2008