

The following are the Minutes of the Small Business Loan Fund Meeting held on February 24, 2005, as approved by the Board of Directors during the meeting of March 24, 2005.

Alicia A. Pomfret

Assistant Financial Analyst

SMALL BUSINESS LOAN FUND CORPORATION

MINUTES OF THE BOARD OF DIRECTORS

FEBRUARY 24, 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 February 24, 2005, at approximately 9:30 a.m.

Present were Board Members: Raymond Fogarty (Chair), Richard DeMerchant, Maurice Paradis and Bill Parsons. Also present were:

Earl Queenan, Anthony Scolavino, Philomena Teixeira, and Alicia Pomfret, staff, along with Natalie Jackvony, SBLFC Counsel from Moses Afonso Jackvony Ltd.

Absent was Ed Rendine.

Mr. Fogarty called the meeting to order at 9:39 a.m.

Adoption of Minutes:

The first item to come before the Board was consideration for adoption of the Public Session Minutes and Executive Session Minutes from the Board meeting held on

January 27, 2005. Mr. Paradis made a motion to approve the minutes and

Mr. DeMerchant seconded the motion, which was unanimously passed.

Executive Minutes:

The second item to come before the Board was the consideration of maintaining the Executive Session Minutes of the Meeting of January 27, 2005 meeting as confidential. Mr. Paradis made a motion, Mr. DeMerchant seconded, and the motion passed unanimously.

Cash Position / Portfolio Activity

There was no discussion and no motion in connection with the cash

position and portfolio activity.

Delinquency Review

There was no discussion and no motion in connection with the Delinquency Review.

EXECUTIVE SESSION

At 9:36 a.m. Mr. Parsons made a motion to move the next portion of the meeting into Executive Session pursuant to the Rhode Island Open Meetings Law 42-46-5(a)(6) of the General Laws of the State of RI 1956 (1988 Reenactment), as amended. Mr. Paradis seconded the motion, which passed unanimously.

Upon a motion made by Mr. Parsons and seconded by Mr. Paradis, the Board unanimously voted to return to Public Session at 10:13 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 votes were presented for ratification:

On behalf of HENRY BIRKS & SONS US, INC., to issue a Commitment for a \$250,000 Working Capital Loan, with a term of 5 years, at a fixed

annual interest rate of 7.5%, with principal and interest payments.

On behalf of KCP ACQUISITION, LLC, to issue a Commitment for a \$250,000 Working Capital Loan, having a term of 5 years, at a fixed-rate of 7.5% per annum, with monthly payments of principal and interest.

On behalf of PRECISION PARK PARTNERS, LLC, to issue a Commitment to Precision Park Partners, LLC for a \$400,000 Loan with Interest Only Payments for a term of 6 Months, at a fixed-rate of 7.5%. This vote is subject to the Small Business Loan Fund retaining the services of Outside Legal Counsel, other than Moses Afonso Jackvony, Ltd., to represent the Loan Fund for this transaction.

On behalf of NUTFIELD TECHNOLOGY, to approve the Waiver and Acknowledgement Request and to authorize staff to execute the Waiver and Acknowledgement.

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

Upon a motion made by Mr. Parsons and seconded by Mr. Rendine the Board unanimously voted to adjourn. The meeting concluded at 10:14 a.m.

Respectfully submitted,

Earl F. Queenan, Jr.

Director of Accounting & Finance