

SMALL BUSINESS LOAN FUND CORPORATION

MINUTES OF THE BOARD OF DIRECTORS

May 29, 2008

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, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on May 29, 2008.

Present were Board Members: Raymond Fogarty (Chair), William Parsons and Edward Rendine. Messrs. Richard DeMerchant and Thomas Stocker, Jr. were absent from the meeting. Also present were: Michael Saul, Earl Queenan, Anthony Scolavino, Claudine Tikoian, Alicia Pomfret, staff, along with Thomas V. Moses and Carrie Abatiello Legal Counsel.

Mr. Fogarty called the meeting to order at 9:36 a.m.

Adoption of Minutes

The first item to come before the Board was consideration for adoption of the Minutes of the Board Meeting held on April 24, 2008.

Mr. Parsons made a motion to approve the Public and Executive

Session Minutes, Mr. Fogarty seconded the motion, and the motion passed. Mr. Rendine abstained from this vote as he was not in attendance at the meeting of April 24, 2008.

Executive Minutes Confidentiality

The second item to come before the Board was the consideration of maintaining the Executive Session Minutes of the March 27, 2008 meeting as confidential.

Mr. Parsons made a motion, Mr. Fogarty seconded the motion, and the motion passed. Mr. Rendine abstained from this vote as he was not in attendance at the meeting of April 24, 2008.

Cash Position / Portfolio Activity / Watch List / Forbearance Status Reports as of April 30, 2008

Mr. Scolavino presented and reviewed the Reports of Cash Position, Portfolio Activity, Watch List and Forbearance Status. No questions were asked by the Board.

There were no Other Matters to be discussed during Public Session.

Recommended Loan Charge Offs

Mr. Scolavino presented and reviewed the Recommended Loan Charge Offs.

Mr. Rendine posed questions about the recommendations and Messrs. Scolavino and Moses responded. Mr. Rendine then asked for an update on Narragansett Pellet and Messrs. Scolavino, Moses and

Saul reported on the bankruptcy. There were no further questions. A motion was then made by Mr. Parsons, was seconded by Mr. Rendine, and was unanimously approved to accept the Recommended Loan Charge Offs as presented by staff.

Recommended Loan Reserve Allocation for the Fiscal Year Ending June 30, 2009

Mr. Scolavino presented the Recommended Loan Reserve Allocation for the Fiscal Year Ending June 30, 2009. Following his review, he responded to questions posed by

Mr. Rendine. After this, a motion was made by Mr. Rendine, was seconded by

Mr. Parsons, and was unanimously adopted to approve the Allocation as presented by staff.

EXECUTIVE SESSION

There was no executive session held during this meeting as there were no matters to discuss.

Mr. Fogarty called for a motion to adjourn. Mr. Rendine motioned, Mr. Parsons seconded, and the motion was unanimously approved. The meeting adjourned at

9:57 a.m.

Respectfully submitted,

Earl F. Queenan, Jr.
Administrator