

SMALL BUSINESS LOAN FUND CORPORATION

MINUTES OF THE BOARD OF DIRECTORS

MARCH 26, 2009

A monthly meeting of the Board of Directors (the "Board") of the Small Business Loan Fund Corporation (the "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 March 26, 2009 at 9:30 a.m, pursuant to notice of the meeting to all Directors, and public notice of the meeting as required by the By-Laws of the Corporation and by Rhode Island General Law 42-46-6.

The following Directors were present and participated throughout the meeting: Mr. Raymond Fogarty (Chair), Mr. William Parsons, Mr. Thomas Stocker and Mr. Richard DeMerchant.

The following Director(s) were absent: Mr. Edward Rendine.

Also present were: Corporation staff members Earl F. Queenan Jr., and Claudine Tikoian; and Anthony J. Scolavino and Legal Counsel Thomas Moses and Carol Anguilla. Jim Ganung, President and Founder of JRG Controller and acting Financial Officer for Poly Works, Inc. was also present.

Mr. Fogarty presided over the meeting.

1. Call to Order

Mr. Fogarty called the meeting to order at 9:33 a.m.

2. Approval of the Minutes of the Meeting Held on February 26, 2009

The first item to come before the Board was approval of the minutes of the Board meeting held on February 26, 2009. An error in the minutes was noted by Mr. DeMerchant. Upon motion duly made by Mr. Parsons and seconded by Mr. Stocker, the motion to approve the public session minutes of the meeting held on February 26, 2009, as corrected; to approve the executive session minutes held on February 26, 2009, as presented; and to maintain the confidentiality of the executive session minutes was adopted and approved.

The following Directors voted in favor of the foregoing: Mr. Fogarty, Mr. Parsons, Mr. Stocker and Mr. DeMerchant.

The following Directors voted against the foregoing: None.

3. Report of Cash Position as of February 28, 2009

Mr. Scolavino presented the report of Cash Position as of February 28, 2009.

4. Report of Portfolio Activity, Delinquency Loans and Loan Forbearances as of February 28, 2009

Mr. Scolavino presented the report of Portfolio Activity, Loan Delinquency Report and Loan Forbearance Report as of February 28, 2009.

5. Other Business

Corporation staff confirmed that there were no other matters to be discussed during this portion of the public meeting.

6. Executive Session

Mr. Fogarty suggested that the Board move into executive session. Upon motion duly made by Mr. Parsons and seconded by Mr. Stocker, the motion to move 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 Rhode Island, as amended, was adopted and approved.

The following Directors voted in favor of the foregoing: Mr. Fogarty, Mr. Parsons, Mr. Stocker and Mr. DeMerchant.

The following Directors voted against the foregoing: None.

Public session concluded and executive session began at 9:40 a.m.

7. Return to Public Session

Upon a motion duly made by Mr. DeMerchant and seconded by Mr. Stocker, the motion to conclude executive session and return to public session was adopted and approved.

The following Directors voted in favor of the foregoing: Mr. Fogarty, Mr. Parsons, Mr. Stocker and Mr. DeMerchant.

The following Directors voted against the foregoing: None.

Executive session concluded and public session began at 10:47 a.m.

8. Executive Session Vote Ratification

Mr. Fogarty called for ratification of the votes adopted during executive session. Upon motion duly made by Mr. Stocker and seconded by Mr. DeMerchant, the following votes were ratified:

To approve the application of Poly Works, Inc. for a term loan in the principal amount of \$300,000.00.

To approve the application of Safelight Security Advisors, Inc. for a term loan in the principal amount of \$150,000.00 which loan will be made in participation with an SBA backed loan from BDCRI of \$150,000.00.

The following Directors voted in favor of the foregoing: Mr. Fogarty, Mr. Parsons, Mr. Stocker and Mr. DeMerchant.

The following Directors voted against the foregoing: None.

There being no further business to come before the Board, upon motion duly made by Mr. Parsons and seconded by Mr. DeMerchant, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Earl F. Queenan, Jr.
Administrator