

**QUONSET DEVELOPMENT CORPORATION
MEETING OF THE AUDIT-FINANCE COMMITTEE**

JULY 17, 2006

PUBLIC SESSION MINUTES

A meeting of the Audit Finance Committee of the Quonset Development Corporation (the "Corporation") was held at 4:00 p.m. on Monday, July 17, 2006, at the offices of the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant to notice to all members of the Audit Finance Committee and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following directors constituting a quorum were present and participated throughout the meeting as indicated: Robert Crowley, Barbara Jackson, and John G. Simpson. Also present were Saul Kaplan, Executive Director, RIEDC, and Rick Reed, Deputy Director, RIEDC.

1. CALL TO ORDER:

The meeting was called to order at 4:15 p.m. by Mr. Crowley.

2. APPROVAL OF MINUTES:

Upon motion duly made by Mr. Simpson and seconded by Ms. Jackson, the Committee:

VOTED: To approve the Public Session minutes of the May 15, 2006 meeting, as submitted to the Directors.

Voting in favor were: Mr. Crowley, Ms. Jackson and Mr. Simpson.

Voting Against were: None.

Unanimously Approved.

3. MOTION TO ADJOURN TO EXECUTIVE SESSION:

Upon motion duly made by Mr. Simpson and seconded by Ms. Jackson, the Committee:

VOTED: To adjourn to Executive Session to consider and take appropriate action on such matters as permitted by subsection (1) (job performance) of Rhode Island General Laws, Section 42-46-5(a), the Open Meeting Law.

Voting in favor were: Mr. Crowley, Ms. Jackson and Mr. Simpson.

Voting Against were: None.

Unanimously Approved.

Mr. Crowley stated for the record that a formal letter of notification dated July 14, 2006, was sent to W. Geoffrey Grout, CEO, Steven King, COO, and Mary Lake, CFO, from Richard Reed, Deputy Director, RIEDC, informing these individuals of the intention to discuss their job performance in Executive Session and that they may require that the discussion be held at an open meeting in accordance with the Open Meetings Law.

The meeting adjourned to Executive Session at 4:30 p.m. The meeting reconvened in Public Session at 5:00 p.m.

There being no further business to come before the Committee, upon motion duly made by Ms. Jackson and seconded by Mr. Simpson, the meeting was adjourned at 5:00 p.m.

At the request of Mr. Crowley, minutes of the meeting were kept by Mr. Reed.

Respectfully submitted:

Richard Reed, Deputy Director, RIEDC