RHODE ISLAND COMMERCE CORPORATION

MEETING OF INVESTMENT COMMITTEE
PUBLIC SESSION

The Investment Committee of the Rhode Island Commerce Corporation (the "Corporation") met on May 5, 2016, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, RI 02908, pursuant to the public notice of meeting as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Bernard V. Buonanno III and Vanessa Toledo-Vickers.

The following Director was absent: Michael McNally

Also present were: Stefan Pryor, Secretary of Commerce, Darin Early, Jesse Saglio, Luke Pickett and Thomas Carlotto.

1. CALL TO ORDER

Mr. Buonanno called the meeting to order at 5:03 p.m. indicating that a quorum was present.

2. TO CONSIDER THE APPLICATION OF AT CROSS COMPANY FOR TAX CREDITS UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM, THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM AND THE FIRST WAVE CLOSING FUND PROGRAM.

Mr. Saglio gave some background on AT Cross and detailed an offer of incentives that Connecticut has proposed for the company. He explained that the Corporation has put together a package of incentives under the Rebuild Rhode Island and Qualified Jobs Incentive tax credit programs and the First Wave Closing Fund. Mr. Saglio indicated that the incentive package was not as robust as the Connecticut offer but was sufficient to ensure the company remains in Rhode Island and grows its workforce here. He noted that the Connecticut package is worth approximately $2.4 million and the Corporation's offer of incentives is about $500,000 less than the Connecticut offer.

Mr. Saglio reviewed the principles relative to the First Wave Closing Fund with the Committee. A copy of the principles are annexed hereto as Exhibit A.

Mr. Saglio provided a breakdown of the incentives which include $1.2 million under the Qualified Jobs program, $400,000 in tax credits and $67,000 in a sales tax exemption under the Rebuild Rhode Island program and a $200,000 grant from the First Wave Closing Fund.

Mr. Buonanno asked about the calculation of the Qualified Jobs tax credits as presented in the term sheet table as it did not appear to coincide with a $7,500 per job credit. Mr. Saglio indicated that the table provides an estimate based on the reasonable W-2 withholding, which is anticipated to be below the $7,500 per job cap.

Ms. Toledo-Vickers asked about what will happen to the Lincoln facility presently occupied by the company. Mr. Saglio explained that the company's lease is set to expire and the landlord is seeking to re-let the space.

Mr. Buonanno asked about the work being performed in Rhode Island as it was his understanding that manufacturing overseas. Mr. Saglio agreed that bulk of the manufacturing is done overseas but that there will be some research and development conducted in State as well as light manufacturing.

There was a dialogue amongst Mr. Buonanno, Mr. Saglio and Mr. Early regarding the competitive gap being filled and cross defaults relative to defaults under any of the three programs.

Ms. Toledo-Vickers asked about the use of funds. Mr. Saglio indicated that majority of the funds will be for the build out of the new space including a showroom.

Upon Motion duly made by Mr. Buonanno and seconded by Ms.

Toledo-Vickers the following vote was adopted:

VOTED: To enter into Executive Session pursuant to RIGL 42-46-5(a)(7) to consider incentives to AT Cross.

The Committee and staff entered into Executive session at 5:25 p.m.

The Committee and staff returned to Public session at 5:43 p.m.

Upon motion duly made by Mr. Buonanno and seconded by Ms. Toledo-Vickers, the following votes were unanimously adopted:

VOTED: To seal the minutes of the Executive Session.

Upon motion duly made by Mr. Buonanno and seconded by Ms. Toledo-Vickers, the following vote was unanimously adopted:

VOTED: To recommend for approval to the Board of the RI Commerce Corporation the application of AT Cross for incentives under the Rebuild Rhode Island Tax Credit Program, the Qualified Jobs Incentive Tax Credit Program and the First Wave Closing Fund.

Upon motion duly made by Ms. Toledo-Vickers and seconded by Mr. Buonanno the following vote was unanimously adopted:

Vote to Adjourn.

There being no further business in Public Session, the meeting of the Investment Committee was adjourned by unanimous consent at 5:44 p.m., upon motion made by Ms. Toledo-Vickers and seconded by Mr. Buonanno.

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Thomas Carlotto, Secretary