

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

MEETING OF BOARD OF DIRECTORS ACCESS TO CAPITAL SUBCOMMITTEE

PUBLIC SESSION

March 15, 2012

The Access to Capital Subcommittee of the Board of Directors of the Rhode Island Economic Development Corporation (the "Corporation") met on Thursday, March 15, 2012, in Public Session, beginning at 8:30 a.m., at the offices of the Rhode Island Economic Development Corporation located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island, pursuant to notice of the meeting to all subcommittee members, and public notice of the meeting, a copy of which is attached hereto, as required by the By-Laws of the Corporation and applicable Rhode Island law.

The following subcommittee members were present and participated throughout the meeting as indicated: Subcommittee Chairperson Ms. Cheryl Snead, Mr. J.L. Singleton, Mr. Mark Hayward, Ms. Janet Raymond, Mr. Wayne Kezirian, and Mr. Richard DeRienzo.

Also present were: Mr. Earl Queenan, Mr. Adam Quinlan, Mr. Dan Price, Mr. Sean Esten, Mr. Christopher Cannata, Ms. Alexandra Pezzello and Ms. Stacy Farrell.

Absent subcommittee members were: Mr. Peter Dorsey, Mr. Anthony Rust, Mr. Stephen Lane, and Mr. Grafton Willey.

Ms. Snead opened the meeting at 8:35 a.m. and asked if there were any questions or comments regarding the minutes for the meeting held on February 16, 2012. There were no comments on the minutes.

Staff presented an outline of the Job Creation Guaranty Program ("JCGP") pre-qualifying criteria that was discussed at the prior meeting. Members of the subcommittee discussed the two categories of businesses under the criteria, start-up/pre-revenue companies and established businesses, as well as the requirements for each, which included co-investment, job growth opportunity, cash flow, regulatory approvals personal guarantees and consultants. Ms. Snead indicated that subcommittee approval of the prequalifying criteria would be necessary for the staff to begin to implement the criteria when reviewing applications.

Upon motion duly made by Mr. DeRienzo and seconded by Mr. Singleton, the following vote was adopted:

VOTED: To approve the pre-qualifying criteria for the Job Creation Guaranty Program, as presented to and amended by the subcommittee.

Voting in favor of the foregoing were: Ms. Snead, Mr. J.L. Singleton, Mr. Mark Hayward, Ms. Janet Raymond, Mr. Wayne Kezirian, and Mr. Richard DeRienzo.

Voting against the foregoing were: None.

With respect to the State Small Business Credit Initiative (“SSBCI”) funds, Mr. Queenan reported that Betaspring, the Slater Technology Fund and the Small Business Loan Fund (“SBLF”) have each received its first allocation of funds and each has distributed a portion of the funds received. The subcommittee agreed to schedule presentations from each of the respective entities to update the subcommittee on its the implementation of the SSBCI funds (Slater Technology Fund in April and October, BetaSpring in May and November, and the SBLF in June and December).

Ms. Raymond reported that she was working on the details of networking events with local venture capital groups and angel investors in the area. She noted that these events could open up the dialog regarding funding opportunities in Rhode Island. Ms. Snead noted her recent trip to Washington, D.C., where she was asked to speak to Congressional leaders about access to capital and she noted the potential for additional SSBCI funding.

Ms. Snead stated that the subcommittee could consider moving into closed session to discuss a JCGP application. Ms. Pezzello explained to the Board that if it wished to enter into a closed executive session to discuss certain confidential information relating to a JCGP application, the motion would be pursuant to the Open Meetings Act, R.I. Gen. Laws § 42-46-4, in order to discuss prospective businesses or industries locating in the State, under § 42-46-5(a)(6) and in order to discuss the investment of public funds, under § 42-46-5(a)(7).

Upon motion duly made by Mr. Singleton and seconded by Ms. Raymond, the following vote was adopted:

VOTED: That, pursuant to R.I. Gen. Laws § 42-46-4, the Open Meetings Act, the Subcommittee close the public session of this meeting and commence a closed session to consider Job Creation Guaranty Program application and possibly action on such matters as permitted under § 42-46-5(a)(6) (prospective business or industry locating in the state of Rhode Island) and § 42-46-5(a)(7) (investment of public funds) of the Open Meetings Act.

Voting in favor of the foregoing were: Ms. Snead, Mr. J.L. Singleton, Mr. Mark Hayward, Ms. Janet Raymond, Mr. Wayne Kezirian, and Mr. Richard DeRienzo.

Voting against the foregoing were: None.

Members of the public were then asked to leave the boardroom for the closed session at 9:42 a.m.

The public session was reconvened at 9:57 a.m.

Ms. Snead reported that, during the closed session, it was determined that the application presented did not meet the pre-qualifying criteria established earlier in the meeting and, therefore, the subcommittee would not consider the application further or recommend the application to the Corporation Board for consideration.

Ms. Snead noted that in the event that the application comes before the subcommittee again she will recuse herself from consideration of the application presented due to her role as a Board member of Bank Rhode Island, which has issued a term sheet to the applicant. Ms. Snead reported that, during the executive session, the subcommittee determined that the prequalifying criteria should also include that proceeds of the JCGP guaranteed loan could not be used to repay debt owed to principals.

Upon a motion duly made by Mr. Singleton and seconded by Mr. DeRienzo, the following vote was adopted:

VOTED: That, pursuant to Rhode Island General Laws § 42-46-4, § 42-46-5 and § 42-46-7, the Open Meetings Act, the minutes of the closed session shall not be made available to the public, except as to the portions of such minutes as the Subcommittee ratifies and reports in public session of this meeting.

Voting in favor of the foregoing were: Ms. Snead, Mr. J.L. Singleton, Mr. Mark Hayward, Ms. Janet Raymond, Mr. Wayne Kezirian, and Mr. Richard DeRienzo.

Voting against the foregoing were: None.

The meeting was adjourned at 10:03 a.m., upon a motion duly made by Mr. Hayward and seconded by Ms. Raymond.