

RHODE ISLAND COMMERCE CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

DECEMBER 15, 2014

The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on Monday, December 15, 2014, 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 notice of meeting to all Directors, and the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by the By-Laws of the Corporation and applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Ms. Maeve Donohue, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, Mr. Roland Fiore, and Ms. Shannon Brawley.

Directors absent were: None.

Also present were: Marcel Valois and Thomas Carlotto.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 5:01 p.m. indicating that a quorum was present.

2. TO CONSIDER FOR APPROVAL THE PUBLIC SESSION MINUTES FOR THE MEETING HELD ON NOVEMBER 17, 2014

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

VOTED: To approve the Public Session Minutes for the meeting held on November 17, 2014, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Ms. Maeve Donohue, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, Mr. Roland Fiore, and Ms. Shannon Brawley

Voting against the foregoing were: None.

3. EXECUTIVE DIRECTOR'S REPORT

Governor Chafee introduced Marcel Valois to discuss the Executive Director's Report. See Exhibit B. Mr. Valois stated that a detailed report was available in the Board Members' packages for review. He added that a micro lending report, completed by the Corporation, was also included in his report for the Board Member's to review and a subsequent vote to approve the same in January 2015. Mr. Valois then explained that upon approval, the Corporation's micro lending report will be conveyed to the Rhode Island General Assembly.

4. TO RECEIVE A PRESENTATION REGARDING A TOURISM INVESTMENT PLAN

Governor Chafee again called on Marcel Valois to discuss a tourism investment plan. See Exhibit C. Mr. Valois provided a background regarding the Corporation's retention of the Nichols Tourism Group and the Radcliffe Company to complete a tourism study (the "Study"), which was focused on the return on investment in the tourism industry. He then introduced Mitch Nichols, of the Nichols Tourism Group, to discuss the findings of the Study. Mr. Nichols provided a summary of the Nichols Tourism Group and its experience in the tourism industry. He then discussed the parameters of the Study, indicating that it focused on five (5) distinct areas. Mr. Nichols then moved on to explain the key findings of the Study, which led to the conclusion that over the last twenty (20) years, the State of Rhode Island has disinvested in its state-wide marketing and branding efforts and that it must reinvest in the domestic visitor market if it

hopes to regain the market share that it has lost to other states over that time. Mr. Nichols indicated that a \$4 Million tourism investment is necessary for Rhode Island and explained that the Study breaks down that amount into certain deployment recommendations. He concluded his presentation by fielding questions from the Board Members regarding the specifics of the Study, his recommendations and the timeline and methodology used in the Study.

5. TO RECEIVE A STATUS UPDATED REGARDING THE RHODE ISLAND AIRPORT CORPORATION

Governor Chafee introduced Kelly Fredericks to give a presentation regarding the Rhode Island Airport Corporation (“RIAC”). See Exhibit D. Mr. Fredericks thanked the Governor and the Board Members for the opportunity to provide an update regarding RIAC. He began his presentation by noting that the T.F. Green’s \$250,000,000.00 runway expansion program is currently on schedule and on budget. Mr. Fredericks next discussed air service development out of T.F. Green Airport and a recent article published in the Providence Journal regarding the downward trend in T.F. Green travel numbers. Mr. Fredericks then explained the changes in the air travel industry over the last ten (10) years and how that has affected not only T.F. Green, but rather airports nationwide. He continued on to provide the Board Members with RIAC’s plan to combat the changes in the air travel industry and the specific means that T.F. Green is employing to do so. Ultimately, Mr. Fredericks provided a positive outlook on RIAC

and T.F. Green in general, despite the downturn in the air travel industry.

6. TO CONSIDER FOR APPROVAL AN INDUCEMENT RESOLUTION IN CONNECTION WITH THE INTERNATIONAL YACHT RESTORATION SCHOOL

Governor Chafee called on Tom Carlotto to give the Board of Directors a presentation with regard to an Inducement Resolution in connection with the International Yacht Restoration School (the “IYRS”). Mr. Carlotto explained that the IYRS is looking to build a 20,000 square foot school in Newport, on land that the IYRS has already purchased, which is adjacent to the current IYRS campus. He then explained the specifics of the Inducement Resolution and the purpose and effect thereof, and that the matter would come back before the Board for final approval.

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

VOTED: To approve the Inducement Resolution in connection with the International Yacht Restoration School submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Ms. Maeve Donohue, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr.

Roland Fiore, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit E.

7. TO CONSIDER ISSUES RELATED TO THE LITIGATION PENDING BEFORE THE PROVIDENCE SUPERIOR COURT KNOWN AS RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION V. WELLS FARGO SECURITIES, LLC, ET AL

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

VOTED: That, pursuant to Rhode Island General Law Section 42-46-5(a)(2) to enter into executive session to consider issues related to the litigation pending before the providence superior court known as Rhode Island Economic Development Corporation v. Wells Fargo Securities, LLC, et al.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Ms. Maeve Donohue, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, Mr. Roland Fiore, and Ms. Shannon Brawley.

Voting against the foregoing were: None.

Members of the board, counsel and staff entered into closed session at 5:59 p.m.

The public session reconvened at 6:33 p.m.

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

VOTED: That the minutes of the Executive Session shall not be made available to the public, except as to the portions of such minutes as the Board of Directors ratifies and reports in public session of this meeting.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, Mr. Roland Fiore, and Ms. Shannon Brawley.

Voting against the foregoing were: None.

Mr. Carlotto stated that during the Executive Session a unanimous vote of the Board was taken in accordance with Rhode Island General Law Section 42-46-4(b)(2) to keep all votes taken in the Executive Session confidential so as not to jeopardize any strategy, negotiation, or investigation undertaken with respect to the litigation.

Vote to Adjourn.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 6:35 p.m., upon motion made by Mr. Adams and seconded by Ms. Brawley.

Thomas Carlotto, Secretary