

**LOAN COMMITTEE**  
of Connecticut Innovations, Incorporated  
Minutes – Regular Meeting  
Monday, April 22, 2013

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the “Loan Committee”) was held on April 22, 2012, at the office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

**1. Call to Order:** Michael Cantor, Chairperson of the Loan Committee, called the meeting to order at 8:00 a.m. Loan Committee members present: Michael Cantor (by phone); Richard Mulready (by phone); David Siegel (by phone); and Catherine Smith, Commissioner, Department of Economic & Community Development.

Absent: Stephen Nocera and John Olsen.

Staff present: Joseph Harpie, Karin Lawrence, Claire Leonardi, Peter Longo, Sandra Rizza, Antonio Roberto, Deb Santy, and Linda Wieleba.

**2. Approval of Minutes:**

Mr. Cantor asked the Loan Committee members to consider the minutes of the March 25, 2013 meeting.

**Upon a motion made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of adopting the minutes of the March 25, 2013 meeting as presented.**

**3. Items for Action:**

**SMALL BUSINESS INNOVATION PROGRAM**

Ms. Santy discussed the recommended financing under Small Business Innovation Technology Talent Bridge for the following companies:

- 1) Artificial Cell Technologies, Simsbury
- 2) MooDigital, Brookfield
- 3) iDevices, Avon
- 4) eBrevia, Stamford

Under the program, funding will be provided for the respective companies to hire college students as interns with the goal of ultimately hiring the students full-time.

**Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted in favor of approving the following resolution regarding the Technology Talent Bridge Program under the Small Business Innovation Program for Artificial Cell Technologies, Simsbury, CT (Mr. Cantor abstained from the vote):**

**RESOLVED:**

**(1) that financing is approved under the Technology Talent Bridge Program of the Small Business Innovation Program for Artificial Cell Technologies, Simsbury, CT in an amount not to exceed FIFTEEN THOUSAND FOUR HUNDRED FIFTEEN DOLLARS (\$15,415) for the purpose of hiring interns; and**

**(2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration (“Authorized Officers”) are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer’s approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and**

**(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.**

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**Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding the Technology Talent Bridge Program under the Small Business Innovation Program for Moodigital, Brookfield, CT:**

**RESOLVED:**

(1) that financing is approved under the Technology Talent Bridge Program of the Small Business Innovation Program for MooDigital, Brookfield, CT in an amount not to exceed TWENTY-FOUR THOUSAND DOLLARS (\$24,000) for the purpose of hiring interns; and

(2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration (“Authorized Officers”) are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer’s approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

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Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding the Technology Talent Bridge Program under the Small Business Innovation Program for iDevices, Avon, CT:

**RESOLVED:**

(1) that financing is approved under the Technology Talent Bridge Program of the Small Business Innovation Program for iDevices, Avon, CT in an amount not to exceed TWENTY FOUR THOUSAND NINE HUNDRED EIGHT-SIX DOLLARS (\$24,986) for the purpose of hiring interns; and

(2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration (“Authorized Officers”) are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected, which

documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

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Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding the Technology Talent Bridge Program under the Small Business Innovation Program for eBrevia, Stamford, CT:

**RESOLVED:**

(1) that financing is approved under the Technology Talent Bridge Program of the Small Business Innovation Program for eBrevia, Stamford, CT in an amount not to exceed TWENTY-FIVE THOUSAND DOLLARS (\$25,000) for the purpose of hiring interns; and

(2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration ("Authorized Officers") are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

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**CONNECTICUT GROWTH FUND**

- Approval of a Direct Loan Participation in an Amount Not to Exceed \$1,000,000 for the Benefit of Turf Products, LLC, Enfield, CT
- Approval of a Direct Loan Participation in an Amount Not to Exceed \$500,000 for the Benefit of Nubar Realty Trust, LLC (Lessee: Turf Products, LLC), Enfield, CT

Ms. Wieleba reviewed the recommendation for participation in a direct loan in an amount not to exceed \$1,000,000 for the benefit of Turf Products, LLC, Enfield and a direct loan in an amount not to exceed \$500,000 for the benefit of Nubar Realty Trust, LLC (Turf Products, Lessee). She described the background of Turf Products as well as the terms and conditions of the loans. Ms. Wieleba answered questions about the existing senior subordinated debt after the loans are made. It was noted that CI will not go forward with the loans if the terms and conditions are not satisfactory to CI. Questions arose regarding the different terms and maturities.

**Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolutions regarding participation in direct loans for the benefit of Turf Products, LLC, Enfield, CT and Nubar Realty Trust, LLC (Turf Products, LLC, and Lessee), Enfield, CT.**

**RESOLVED:**

- (1) that Connecticut Innovations, Inc. ("CI") approves a direct loan under the Connecticut Growth Fund for Turf Products, LLC, Enfield, CT in an amount not to exceed ONE MILLION DOLLARS (\$1,000,000); and
- (2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration ("Authorized Officers") are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such loan to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

**(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.**

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**RESOLVED:**

**(1) that Connecticut Innovations, Inc. ("CI") approves a direct loan under the Connecticut Growth Fund for Nubar Realty Trust, LLC (Lessee: Turf Products, LLC), Enfield, CT in an not to exceed FIVE HUNDRED THOUSAND DOLLARS (\$500,000); and**

**(2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration ("Authorized Officers") are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such loan to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and**

**(3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.**

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- Approval of a Direct Loan in an Amount Not to Exceed \$400,000 for the Benefit of American Laboratory Trading, Inc., East Lyme, CT.

Ms. Wieleba discussed the proposed loan under the Connecticut Growth Fund for American Laboratory Trading, East Lyme, CT. She described the company and reviewed the terms and conditions of the loan. A comment was made that the estimated tax obligation seems low. It was noted, however, that there are sufficient cash flows even with an increase in the tax obligation. In response to a question, staff indicated that the change in cash flow year to year is partially due to the product mix year to year. Staff explained the rationale for including rent when calculating cash available and noted some of the issues that will be discussed and resolved with the bank before closing.

**Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a direct loan for the benefit of American Laboratory Trading, Inc., East Lyme, CT.**

**RESOLVED:**

- (1) that Connecticut Innovations, Inc. ("CI") approves a direct loan under the Connecticut Growth Fund for American Laboratory Trading, Inc., East Lyme, CT in an amount not to exceed FOUR HUNDRED THOUSAND DOLLARS (\$400,000); and**
- (2) that Claire Leonardi, Chief Executive Officer and Executive Director; Peter Longo, Executive Vice President and Chief Investment Officer; Phil Siuta, Senior Vice President and Chief Financial Officer; and George Bellas, Vice President of Finance and Administration ("Authorized Officers") are authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such loan to be effected, which documents shall (a) be executed by CI no later than July 31, 2013; and (b) contain such terms and conditions as the Authorized Officers shall deem to be in the best interests of CI, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and**
- (3) that the Authorized Officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.**

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**CONNECTICUT SALES AND USE TAX RELIEF PROGRAM**

- Approval of a Sales and Use Tax Exemption in an Amount Not to Exceed \$950,000 to Benefit The Lee Company for Expansion in Westbrook, CT

Ms. Lawrence reviewed the recommended sales and use tax exemption for The Lee Company for expansion in Westbrook, CT. She discussed the background of the company and Connecticut Development Authority's involvement with The Lee Company. Ms. Lawrence mentioned that the sales and use tax exemption has helped to retain 862 jobs and create 90 new jobs in Connecticut. The Loan Committee members acknowledged the company's success with manufacturing in the State. Staff was asked to ensure that any announcements made with

respect to the company are coordinated with the Department of Economic and Community Development.

**Upon a motion duly made by Mr. Mulready, seconded by Ms. Smith, the Loan Committee members voted unanimously in favor of approving the following resolution regarding Connecticut Sales and Use Tax Relief for The Lee Company for Expansion to Westbrook, CT.**

**RESOLVED:**

**(1) that Connecticut Innovations, Inc. ("CI") approves a Connecticut Sales and Use Tax Relief Exemption in an amount not to exceed NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000) to The Lee Company for expansion in Westbrook, Connecticut; and**

**(2) that any Authorized Officer be and hereby is authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned Sales and Use Tax Relief Exemption.**

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- Modification of an Approval of a Sales and Use Tax Exemption in an Amount Not to Exceed \$5,000,000 to Benefit Boehringer Ingelheim Pharmaceuticals, Inc., Ridgefield, CT

Ms. Lawrence reviewed the proposed modification of a previous approval for a sales and use tax exemption for Boehringer Ingelheim Pharmaceuticals Inc., Ridgefield. She explained the reasons for the extension to December 31, 2014.

**Upon a motion duly made by Mr. Mulready, seconded by Ms. Smith, the Loan Committee members voted unanimously in favor of approving the following resolution regarding an extension of the Connecticut Sales and Use Tax Relief for Boehringer Ingelheim Pharmaceuticals Inc., Ridgefield, CT.**

**RESOLVED:**

**(1) that Connecticut Innovations, Inc. ("CI") approves an extension of the term of the Implementation Agreement for a Sales & Use Tax Exemption in an amount not to exceed \$5,000,000. As requested, the modification approves the extension of the term of the Implementation Agreement, dated as of August 5, 2008, to December 31, 2014. All other terms and conditions will remain unchanged.**



- Modification of an Approval of a Sales and Use Tax Exemption in an Amount Not to Exceed \$32,000,000 to Benefit Bridgewater Associates LP, Stamford, CT

Ms. Lawrence discussed the proposed modification of a previous approval for a sales and use tax exemption for Bridgewater Associates, LP, Stamford, CT. Due to the uniqueness and complexities with the project, the company is requesting an extension of the commitment. All other terms and conditions that were previously approved will remain the same.

**Upon a motion duly made by Mr. Mulready, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding an extension of the Connecticut Sales and Use Tax Relief for Bridgewater Associates LP, Stamford, CT.**

**RESOLVED:**

**(1) that Connecticut Innovations, Inc. ("CI") approves an extension of the commitment to Bridgewater Associates LP (the "Applicant") for a Sales & Use Tax Exemption in an amount not to exceed \$32,000,000, which was approved on September 28, 2012 for the Applicant's construction and equipping of a new headquarters facility in the Harbor Point Waterfront District in Stamford, Westbrook, Connecticut (the "Project"). As requested, the modification allows the extension of the time to close the sales and use tax exemption to September 28, 2014. All other terms and conditions will remain unchanged.**

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**4. Adjournment:**

There being no further business to discuss, the meeting was adjourned at 8:34 a.m.

Respectfully submitted,

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Richard Mulready,  
Chairman of Loan Committee