

LOAN COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Wednesday, March 12, 2014

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the “Loan Committee”) was held on March 12, 2014, at the office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

1. **Call to Order:** Richard Mulready, Chairperson of the Loan Committee, noting the presence of a quorum, called the meeting to order at 8:30 a.m. Loan Committee members present: Michael Cantor, Chairperson of CI; Richard Mulready; John Olsen (by phone); David Siegel (by phone); and Catherine Smith, Commissioner of the Department of Economic and Community Development.

Staff present: John Beir, Lisa Day, Claire Leonardi, James McGuinness, Shelly Mondo, Ted Murphy, Ralph Neclerio, Megana Patel, Cynthia Petruzzello, Glendowlyn Thames, and Linda Wieleba.

2. **Approval of Minutes:**

Mr. Mulready asked the Loan Committee members to consider the minutes from the November 18, 2013 and January 14, 2014 meetings.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted in favor of adopting the minutes of the November 18, 2013 and January 14, 2014 meetings as presented (Ms. Smith was not present for the vote).

3. **Small Business Innovation Program:**

The Loan Committee members reviewed the summary of each of the Small Business Innovation Program grants. It was noted that the age of the companies receiving grants is varied with some older companies and newer companies.

4. **Connecticut Works Fund:**

- Approval of a Direct Loan in an Amount Not to Exceed \$1,000,000 for the Benefit of Wesson Energy, Inc., Waterbury, CT.

Mr. Murphy discussed the request for a direct loan not to exceed \$1,000,000 from the Connecticut Works Fund for the benefit of Wesson Energy, Inc., Waterbury. He provided an overview of the company and reviewed the terms

and conditions of the loan. Questions arose regarding the notes receivable and notes payable from affiliates. A suggestion was made for staff to clarify the questions and report back to the Loan Committee.

Upon a motion made by Mr. Siegel, seconded by Ms. Smith, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a direct loan not to exceed \$1,000,000 from the Connecticut Works Fund for the benefit of Wesson Energy, Waterbury, CT, subject to the question with affiliated loans being resolved to the satisfaction of CI staff:

RESOLVED:

(1) That Connecticut Innovations, Inc. ("CI") approves a direct loan from the Connecticut Works Fund existing under Section 32-23ii of the Connecticut General Statutes, as amended for the purpose of a term loan, in an amount not to exceed ONE MILLION DOLLARS (\$1,000,000) for a term not to exceed 10 years for the benefit of Wesson Energy, Inc., Waterbury, CT with the terms and conditions recommended by staff; and

(2) that the proper officers be and are hereby authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such direct loan to be effected; and (b) contain such terms and conditions as the Signatory shall deem to be in the best interests of CI, the Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the proper 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 \$300,000 to Benefit Rol-Vac Limited Partnership, Dayville, CT.

Mr. Murphy reviewed the request for a direct loan in an amount not to exceed \$300,000 to benefit Rol-Vac Limited Partnership, Dayville. He discussed the company and reviewed the terms and conditions of the loan.

Upon a motion made by Mr. Siegel, seconded by Ms. Smith, the Loan Committee members voted in favor of approving the following resolution regarding a direct loan in an amount not to exceed \$300,000 for Rol-Vac Limited Partnership, Dayville (Mr. Olsen was not present for the vote):

RESOLVED:

(1) that Connecticut Innovations, Inc. ("CI") approves a direct loan from the Connecticut Works Fund established under Section 32-23ii of the Connecticut General Statutes, as amended, for the purpose of working capital and the purchase of new equipment, in an amount not to exceed THREE HUNDRED THOUSAND DOLLARS (\$300,000), and for a term not to exceed 7 years, for the benefit of Rol-Vac Limited Partnership, with the terms and conditions recommended by staff; and

(2) that the proper officers be and are hereby authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such direct loan to be effected; and (b) contain such terms and conditions as the Signatory shall deem to be in the best interests of CI, the Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the proper 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.

5. **"Draft Loan Committee Charter"**

Ms. Thames discussed the proposed Loan Committee Charter, noting that it has been reviewed by Mr. Cantor, Ms. Leonardi and Shipman & Goodwin, CI's outside counsel. She stated that the order of precedence is the enabling legislation, CI's Bylaws and the charter. It was noted that at the Board retreat, the Board will be asked to consider whether or not to rotate members on the various committees. Comments on the draft charter should be provided to Ms. Thames.

6. **Date of Next Meeting:** March 26, 2014, if needed.

7. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 9:40 a.m.

Respectfully submitted,

Richard Mulready
Chairman of the Loan Committee