

LOAN COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Wednesday, May 7, 2014

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the “Loan Committee”) was held on May 7, 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 8:31 a.m. Loan Committee members present: Richard Mulready; Michael Cantor; John Olsen (by phone); David Siegel (by phone); and Catherine Smith, Commissioner of the Department of Economic and Community Development.

Staff present: John Beir, Kevin Crowley, Lisa Day, Carolyn Hawkins, Karin Lawrence, James McGuinness, Ted Murphy, Megana Patel, Tony Roberto, Roberta Rossi, Glendowlyn Thames, Linda Wieleba and David Wurzer.

Guest speaker: Bert Hunter, CEFIA

2. Approval of Minutes:

Mr. Mulready asked the Loan Committee members to consider the minutes from the April 9, 2014 meeting.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted in favor of adopting the minutes of the April 9, 2014 meeting as presented (Ms. Smith was not present for the vote).

3. Small Business Innovation Program:

The Loan Committee members reviewed the Small Business Innovation Program grants. Ms. Rossi in the absence of Deb Santy presented the summaries of each company. Mr. Roberto addressed the approval process of Financial Transactions over \$150,000. To comply with legislation, any company considered for funding that will create an excess of \$150k in total monies received from CI in a 12 month period must receive board approval, regardless of the amount sought. A retroactive search of 2013 SBI records found one funded company that was over the threshold. It will be presented for approval at the next Loan Committee meeting.

4. Connecticut Sales & Use Tax Relief Program:

- Approval of a Sales and Use Tax Exemption in an Amount Not to Exceed \$1,000,000 for the Benefit of Cartus Corporation for Expansion of its Headquarters in Danbury, CT.

Ms. Lawrence explained the request for a sales and use tax exemption in an amount not to exceed \$1,000,000 for the benefit of Cartus Corporation for the expansion of its headquarters in Danbury, CT. She provided an overview of the company and reviewed the terms and conditions. Ms. Smith addressed the renovations and benefits that this company brings to Connecticut.

Upon a motion made by Ms. Smith, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a sales and use tax exemption for Cartus Corporation, Danbury, CT

RESOLVED:

(1) that Connecticut Innovations, Inc. ("CI") approves a sales and use tax relief, authorized under Section 32-23h of the Connecticut General Statutes, as amended, for the purpose of expansion, in an amount not to exceed ONE MILLION DOLLARS (\$1,000,000) over a period not to exceed 3 years and which will be subject to the terms and conditions recommended by staff;

(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 exemption 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 Sales and Use Tax Exemption in an Amount Not to Exceed \$750,000 for the Benefit of Conair Corporation for Renovation of a Facility in Stamford, CT.

Ms. Lawrence explained the request for a sales and use tax exemption in an amount not to exceed \$750,000 for the benefit of Conair Corporation for the renovation of a facility in Stamford, CT. She provided an overview of the company and reviewed the terms and conditions. Mr. Hunter addressed the Source of Funds for the Project components that were financed by CEFIA.

Upon a motion made by Ms. Smith, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a sales and use tax exemption for Conair Corporation, Stamford, CT

RESOLVED:

(2) that Connecticut Innovations, Inc. ("CI") approves a sales and use tax relief, authorized under Section 32-23h of the Connecticut General Statutes, as amended, for the purpose of renovation, in an amount not to exceed SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) over a period not to exceed 3 years and which will be subject to the terms and conditions recommended by staff;

(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 exemption 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. Credit Administration

- Approval to Charge off \$125,000.00 on Autotether, LLC, East Hartford, CT

Ms. Wieleba reviewed the request to approve the charge off of \$125,000.00 on Autotether, LLC, East Hartford, CT, which is fully reserved.

Upon a motion made by Ms. Smith, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a charge off in the amount of \$125,000.00 for the benefit of Autotether, LLC, East Hartford, CT

RESOLVED:

(1) effective as of May 7, 2014, Connecticut Innovations, Inc., (“CI”) approves the charge off of \$125,000.00 on Autotether, LLC, East Hartford, CT, under 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 charge off 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.

6. Other Business

- Presentation of the Clean Energy Finance and Investment Authority C-Pace Process

Ms. Wieleba introduced Mr. Bert Hunter, Chief Investment Officer of CEFIA to the Loan Committee Members. Mr. Hunter made a presentation on the CEFIA C-Pace Process. Mr. Cantor asked that a copy of the presentation be e-mailed to him at which time Mr. Hunter indicated he would forward a copy to the Loan Committee Members and Staff.

7. Date of Next Meeting: May 19, 2014

8. Adjournment:

There being no further business to discuss, the meeting was adjourned at 9:20 a.m.

Respectfully submitted,

Richard Mulready
Chairman of the Loan Committee