

LOAN COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Wednesday, August 27, 2014

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the "Loan Committee") was held on August 27, 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 (by phone), David Siegel (by phone), Jonathan Roth (by phone) and Catherine Smith, Commissioner of Department of Economic and Community Development (by phone).

Absent: John Olsen and Michael Cantor, Chairperson of CI Board

Staff present: John Beir, Lisa Day, Claire Leonardi, Rita Mattingly, James McGuinness, Megan Patel, Tony Roberto, Roberta Rossi, Colin Tedeschi, Glendowlyn Thames and Linda Wieleba

2. **Approval of Minutes:**

Mr. Mulready asked the Loan Committee members to consider the minutes from the August 13, 2014 meeting.

Upon a motion made by Mr. Siegel, seconded by Ms. Smith, the Loan Committee members voted in favor of adopting the minutes of the August 13, 2014 meeting as presented

3. **Small Business Innovation Program:**

- Approval of a Federal Leverage Program repayable grant in an Amount of \$250,000 for the Benefit of ZetrOZ, Inc., Trumbull, CT

Upon a motion made by Mr. Roth, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a Federal Leverage Program repayable grant for the Benefit of ZetrOZ, Inc., Trumbull, CT

RESOLVED:

(1) that Connecticut Innovations, Inc. ("CI") approves a Federal Leverage Program repayable grant 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.

Upon a motion made by Mr. Mulready and seconded by Mr. Roth the Loan Committee members voted unanimously in favor of going into executive session at 8:48 a.m. to discuss financial and/or commercial information regarding Legnos Real Estate, LLC, Groton, CT and LBI, Inc., Groton, CT.

The executive session ended at 9:27 a.m., and the regular meeting was immediately reconvened.

4. **Connecticut Works Fund:**

- Approval of a Direct Loan in an Amount Not to Exceed \$2,650,000 for the Benefit of Legnos Real Estate, LLC, Groton, CT

Mr. Beir discussed the request for a direct loan in an amount not to exceed \$2,650,000 from the Connecticut Works Fund for the Benefit of Legnos Real Estate, LLC, Groton, CT.

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 \$2,650,000 from the Connecticut Works Fund for the benefit of Legnos Real Estate, LLC, Groton, CT

The Loan Committee modified the term of the proposal from 15.5 years to 10.5 years as reflected in the motion above and in the resolution below.

RESOLVED:

- (1) that Connecticut Innovations, Inc. ("CI") approves a direct loan from the Connecticut Works Fund, authorized under Section 32-23ii of the Connecticut General Statutes, as amended, for the purpose of expanding and renovating the borrower's manufacturing facility, in an amount not to exceed TWO MILLION, SIX HUNDRED AND FIFTY THOUSAND DOLLARS (\$2,650,000) over a period not to exceed 10.5 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 Direct Loan in an Amount Not to Exceed \$385,000 for the Benefit of LBI, Inc., Groton, CT

Mr. Beir discussed the request for a direct loan in an amount not to exceed \$385,000 from the Connecticut Works Fund for the Benefit of LBI, Inc., Groton, CT.

Upon a motion made by Ms. Smith, seconded by Mr. Roth, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a direct loan not to exceed \$385,000 from the Connecticut Works Fund for the Benefit of LBI, Inc., Groton, CT

RESOLVED:

(1) that Connecticut Innovations, Inc. ("CI") approves a direct loan from the Connecticut Works Fund, authorized under Section 32-23ii of the Connecticut General Statutes, as amended, for the purpose of equipment purchases, in an amount not to exceed THREE HUNDRED AND EIGHTY FIVE THOUSAND DOLLARS (\$385,000) over a period not to exceed 10.5 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.

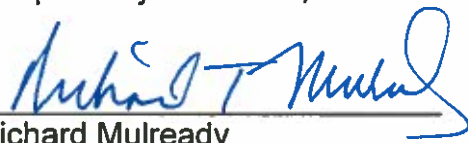
Mr. Beir will establish parameters for both LBI, Inc. and Legnos Real Estate, LLC, which require Connecticut Innovations' approval prior to the distribution of funds to Mr. Legnos personally.

5. **Date of Next Meeting:** September 10, 2014

6. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 9:34 a.m.

Respectfully submitted,


Richard Mulready
Chairman of the Loan Committee