

LOAN COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Monday, September 30, 2013

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the “Loan Committee”) was held on September 30, 2013, 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 8:35 a.m. Loan Committee members present: Richard Mulready; Stephen Nocera; John Olsen; and David Siegel.

Other Board Members present: Michael Cantor, Chairperson of CI; and Catherine Smith, Commissioner of the Department of Economic and Community Development.

Staff present: Claire Leonardi, Peter Longo, Shelly Mondo, Ted Murphy, Ralph Neclerio, Megan Patel, and Linda Wieleba.

2. Approval of Minutes:

Mr. Mulready asked the Loan Committee members to consider the minutes of the August 29, 2013 and August 19, 2013 meetings.

Upon a motion made by Mr. Nocera, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of adopting the minutes of the August 29, 2013 and August 19, 2013 meetings as presented.

3. Discussion Items:

Small Business Innovation Program:

Mr. Longo reviewed the following loans approved by staff since the last Loan Committee meeting:

- SupraMagnetics, Plantsville, CT;
- AxioMx, Inc., Branford, CT;
- Aperture optical Systems, Durham, CT;
- Sustainable Innovations, LLC, Glastonbury, CT;
- 3Derm Systems, Inc., New Haven, CT.

4. Items for Action:**Connecticut Works Fund:**

- Approval of a Direct Loan in an Amount Not to Exceed \$402,000 for the Benefit of OD Realty, LLC (Lessee: DiSanto Technology, Inc.) Shelton, CT.

Mr. Murphy discussed the request for a direct loan not to exceed \$402,000 from the Connecticut Works Fund for OD Realty, LLC (Lessee: DiSanto Technology, Inc. He answered questions raised by the Loan Committee members about the transaction. In future presentations, staff was asked to provide salary ranges for the jobs created and the anticipated payback and to include confirmation that the applicant has complied with local, state and federal wage, environmental, tax and all other applicable requirements.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a direct loan from the Connecticut Works Fund for OD Realty, LLC (Lessee: DiSanto Technology, Inc.), Shelton, CT:

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 expansion of the borrower's facility, in an amount not to exceed FOUR HUNDRED TWO THOUSAND DOLLARS (\$402,000) for a term not to exceed 10 years for the benefit of OD Realty, LLC (Lessee: DiSanto Technology, Inc.), Shelton, 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 financing 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.

- Approval of a Direct Loan in an Amount Not to Exceed \$400,000 for the Benefit of Pastanch, LLC d/b/a New Christie Ventures, Naugatuck, CT.

Mr. Murphy discussed the request for a direct loan not to exceed \$400,000 from the Connecticut Works Fund for Pastanch, LLC d/b/a New Christie Ventures, Naugatuck. The Loan Committee members reviewed the proposal.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a direct loan from the Connecticut Works Fund for Pastanch, LLC d/b/a new Christie Ventures, Naugatuck, CT:

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 purchasing equipment, in amount not to exceed FOUR HUNDRED THOUSAND DOLLARS (\$400,000) for a term not to exceed 7 years, 9 months (interest only for the first 9 months; then terms out for 7 years) for the benefit of Pastanch, LLC d/b/a new Christie Ventures, Naugatuck 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 financing 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.

Connecticut Growth Fund:

- Approval of a the extension of the closing date until 12/31/13 of a Loan Participation in an Amount Not to Exceed \$400,000 for the Benefit of Brownstone Exploration and Discovery Park LLC, Portland, CT.

Ms. Wieleba explained the request to extend the closing date for the loan to the Brownstone Exploration and Discovery Park, LLC to December 31, 2013.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of extending the closing date of the loan in an amount not to exceed \$400,000 for Brownstone Exploration and Discovery Park, LLC, Portland, CT until December 31, 2013.

Credit Administration:

- Connecticut Growth Fund—Approval to Charge Off \$645,778.98 on ACG, Incorporated, Meriden, CT.

Mr. Twele discussed the recommendation to charge off \$645,778.98 on the loan for ACG Incorporated, Meriden, CT.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a charge off for the loan for ACG Incorporated, Meriden, CT:

RESOLVED:

(1) that Connecticut Innovations, Inc. (“CI”), approves a charge off of \$645,778.98 on the loan for ACG, Incorporated, Meriden, 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.

5. Date of Next Meeting: October 21, 2013

6. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 9:18 a.m.

Respectfully submitted,

Richard Mulready
Chairman of the Loan Committee