

RHODE ISLAND COMMERCE CORPORATION

AGENDA

January 27, 2020

Call to order and opening remarks.

- Tab 1: To consider the approval of meeting minutes.
- Tab 2: To consider the application of Resh, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program.*
- Tab 3: To consider the application of smartShift Technologies, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program.*
- Tab 4: To consider the application of Response Technologies, LLC, for incentives under the Qualified Jobs Incentive Tax Credit program.*
- Tab 5: To receive a presentation regarding the long-term economic development policy and plan developed pursuant to R.I. Gen. Laws § 42-64.17-1.
- Tab 6: To consider the approval of an amendment to the network matching grant award to NEMIC.
- Tab 7: To consider approval of applicants under the Site Readiness Program.
- Tab 8: To receive an update on the SupplyRI program.
- Tab 9: To consider the issuance of revenue bonds for the Quonset Development Corporation.
- Tab 10: To consider regulations in relation to R.I. Gen. Laws § 45-33.4-1.
- Tab 11: To consider the utilization of the Corporation's incentive programs for the investment of public funds.*

*Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider this Agenda item.

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve the meeting minutes for the December 16, 2019 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
December 16, 2019

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on December 16, 2019, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island 02908, pursuant to the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Tim Hebert, Michael McNally, Dr. Brenda Dann-Messier, George Nee, Ronald O'Hanley, Donna Sams, and Karl Wadensten.

Directors absent were: Governor Gina M. Raimondo, Bernard Buonanno, III, Mary Jo Kaplan, Jason Kelly and Vanessa Toledo-Vickers

Also present were: Secretary of Commerce Stefan Pryor; Jesse Saglio, President & COO; and Thomas E. Carlotto, Esq.

1. **CALL TO ORDER AND OPENING REMARKS.**

Mr. O'Hanley called the meeting to order at 5:08 p.m., indicating that a quorum was present.

2. **TO CONSIDER THE APPROVAL OF MEETING MINUTES.**

Upon motion duly made by Ms. Dann-Messier and seconded by Ms. Sams, the following vote was adopted:

VOTED: To approve the public session meeting minutes for the meeting held November 25, 2019 as presented to the Board.

Voting in favor of the foregoing were: Tim Hebert, Michael McNally, Dr. Brenda Dann-Messier, George Nee, Ronald O'Hanley, Donna Sams, and Karl Wadensten.

Voting against the foregoing were: none.

3. **TO CONSIDER THE APPLICATION OF SENTEC, INC., FOR INCENTIVES UNDER THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM.**

Jeffrey Miller, Executive Vice President of Investment, indicated that SenTec, Inc., ("SenTec") is a U.S. subsidiary of a Swiss medical device manufacturer located in Missouri. He explained that SenTec has identified a space in Lincoln at which it intends to establish its headquarters, creating twelve new jobs immediately and seventeen new jobs in year two of the

commitment period. Mr. Miller further explained that the median salary for the new jobs is approximately \$100,000 annually and the term of the tax credits would be ten years with an estimated annual credit amount of about \$53,000. Mr. Miller next introduced Bob Cormier, President of SenTec.

Mr. Cormier discussed his background and noted he is a longtime Rhode Islander having graduated from URI and Rogers Williams Law School. He noted that he was recently hired by SenTec and explained that there is great potential for growth of the company. Mr. Cormier discussed the process of the site selection and educating management of the Swiss parent company of the attributes of Rhode Island and the potential incentives.

Mr. Wadensten suggested that the company explore the potential for integrating students from local institutions to work with the company such as students from his class at URI. Mr. Cormier responded that he would be appreciative of such help and consider these resources.

Upon motion duly made by Mr. Hebert and seconded by Mr. Wadensten, the following vote was adopted:

VOTED: To approve SenTec, Inc., for incentives under the Qualified Jobs Incentive Tax Credit Program pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Tim Hebert, Michael McNally, Dr. Brenda Dann-Messier, George Nee, Ronald O'Hanley, Donna Sams, and Karl Wadensten

Voting against the foregoing were: none.

A copy of the resolution is attached hereto as **Exhibit B**.

3. **TO CONSIDER FOR APPROVAL INNOVATION VOUCHERS.**

Christine Smith, Managing Director of Innovation, indicated that there are two innovation vouchers for consideration by the Board and representatives of both companies are present at the meeting today.

She discussed the application of American Ecotech, a RI-based company developing advanced technologies that can more accurately and cost effectively measure air pollution. Ms. Smith explained that while the company currently manufactures and sells research grade equipment, it has developed technology which it believes will allow it to address a broader market for of users of physically smaller equipment. . She noted that voucher funding will allow the company to continue comparison testing of the product which is required as part of its path to commercialization.

Ms. Smith next discussed DBV Technology, which is an underwater acoustic research and design company specializing in underwater recovery systems, acoustic recorders, and custom instrumentation. She indicated that company is currently developing a new acoustic sensor. Voucher funding would be used by the company to lease the Acoustic Test Tank facility

at URI to perform validation and testing of the new technology including calibration measurements. Additionally, URI faculty will perform seawater testing off the pier at the URI Bay Campus.

Upon motion duly made by Mr. Hebert and seconded by Mr. Nee, the following vote was adopted:

VOTED: To approve Innovation Vouchers pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Tim Hebert, Michael McNally, Dr. Brenda Dann-Messier, George Nee, Ronald O'Hanley, Donna Sams, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the resolution is attached hereto as **Exhibit C**.

4. **TO CONSIDER AMENDMENTS TO THE REGULATIONS FOR THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM.**

Mr. Miller explained that statutory amendments to the Rebuild Rhode Island Tax Credit Act necessitated changes to the regulations governing the program. He noted that the amendments focused on the following three areas:

- Insertion of language defining the types of projects eligible for the streamlined application process (certified and recognized historic structures, projects that involve at least one manufacturer, and projects that include affordable or workforce housing).
- Language clarifying that certain size and project cost thresholds do not apply to the historic projects or projects to be occupied by at least one manufacturer.
- Clarification that, as of July 5, 2019, a sales and use tax exemption is included in the total tax credit authorized per project.

He requested authorization to proceed with the promulgation of regulations.

Mr. McNally also noted the reduction in the available allocation of tax credits for the program as a result of the amendment that includes the sales tax exemption in the statutory cap.

Upon motion duly made by Ms. Sams and seconded by Ms. Dann-Messier, the following vote was adopted:

VOTED: To approve the promulgation of amendments to the regulations for the Rebuild Rhode Island Tax Credit program pursuant to the resolution submitted to the Board.

Voting in favor of the foregoing were: Tim Hebert, Michael McNally, Dr. Brenda Dann-Messier, George Nee, Ronald O'Hanley, Donna Sams, and Karl Wadensten

Voting against the foregoing were: none.

Mr. Kelly recused from considering this agenda item.

A copy of the resolution is attached hereto as **Exhibit D**.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 5:29 p.m. upon motion made by Mr. Hebert and seconded by Ms. Dann-Messier.

/s/ Thomas E. Carlotto
Thomas E. Carlotto, Secretary

DECEMBER 16, 2019 PUBLIC SESSION MEETING MINUTES

EXHIBIT A

MEETING NOTICE
RHODE ISLAND COMMERCE CORPORATION

A meeting of the Rhode Island Commerce Corporation will be held at the offices of the **Rhode Island Commerce Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island**, on **December 16, 2019** beginning at **5:00 p.m.**, for the following purposes:

1. To consider for approval meeting minutes.
2. To consider the application of SenTec, Inc., for incentives under the Qualified Jobs Incentive Tax Credit Program (See Exhibit 1, which follows, for additional details).*
3. To consider the approval of Innovation Vouchers (See Exhibit 1, which follows, for additional details).
4. To consider amendments to the regulations for the Rebuild Rhode Island Tax Credit Program.
5. To consider the utilization of the Corporation's incentive programs for the investment of public funds.*

* Board members may convene in Executive Session pursuant to R.I. Gen. Laws § 42-46-5(a)(7) to consider the investment of public funds in regard to this Agenda item

This notice shall be posted at the Office of Rhode Island Commerce Corporation, at the State House, and by electronic filing with the Secretary of State's Office.

Shechtman Halperin Savage, LLP,
Counsel to the Corporation

Dated: December 12, 2019

The location is accessible to the handicapped. Those requiring interpreter services for the hearing impaired must notify the Rhode Island Commerce Corporation at 278-9100 forty-eight (48) hours in advance of the meeting. Also, for the hearing impaired, assisted listening devices are available onsite, without notice, at this location.

DECEMBER 16, 2019 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT**

December 16, 2019

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Enabling Act"); and

WHEREAS: Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the "Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to the creation of new jobs in the State; and

WHEREAS: The Corporation received an application for incentives under the Act from SenTec, Inc., (together with affiliates, successors and assigns, the "Recipient"), which is anticipated to result in the creation of new full-time jobs in the State; and

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the incentives; and

WHEREAS: The Board has received a presentation detailing the proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Act.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of, tax credits to the Recipient up to the amount of seventeen (17) jobs not to exceed Seven Thousand Five Hundred Dollars (\$7,500) per new full-time job annually.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. The creation of not less than the minimum required new full-time jobs under the Act, which earn no less than the median hourly wage as most recently reported by the United States Bureau of Labor Statistics for the State of Rhode Island; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act;
4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).
5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.
7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and

directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

SenTec, Inc. Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to SenTec, Inc ("the Company"), a Fenton, Missouri-based distributor of hospital and medical equipment. The Company specializes in non-invasive systems for monitoring ventilation and oxygenation that are used in neo-natal intensive care units and other critical care settings, including (but not limited to) products manufactured by its Swiss-based parent company, SenTec AG. The Company also services and provides training on the equipment it distributes.

The credits would be issued in connection with the Company's decision to relocate its U.S. headquarters to leased space in Lincoln, Rhode Island. In its first year in Rhode Island (beginning January 1, 2021) the Company would employ 12 people full-time in Lincoln, rising to 17 by January 2022. The Company is expected to request Qualified Jobs Incentive tax credits with an estimated value of \$518,250 over ten years.

This analysis was prepared by Appleseed, a consulting firm with more than twenty years of experience in economic impact analysis.

Jobs Analysis

Annual operations

As noted above, the Company plans to have 12 qualifying employees working in its new Lincoln headquarters as of January 2021, rising to 17 in its second year. Table 1 summarizes the categories in which these jobs will be created, and the median earnings for each category.

Table 1: Projected employment, 2022

Job category	New positions	
	(as of 2023)	Median salary
Operations management	7	\$125,000
Sales and service	4	\$87,500
Administration, logistics and support	6	\$70,000
Total	17	\$100,000

Based on data provided by the Company, and using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact analyses), Appleseed estimates that when the new facility is fully staffed, ongoing operations associated with the 17 full-time jobs the Company would be committed to maintaining in Rhode Island for twelve years will directly and indirectly support:

- 29 jobs in Rhode Island;
- \$2.80 million in annual earnings (in 2022 dollars);
- \$7.24 million in statewide economic output; and
- An increase of \$4.82 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2. The *direct impact* of the Company's operations reflects the Company's direct employment, its direct spending on wages and salaries, the value its operations add to Rhode Island's GDP, and the total value of the goods and services it produces. Its *indirect impact* is the effect of the Company's spending on purchases of goods and services from other in-state businesses on employment, earnings, value-added and output in Rhode Island.

Table 2: Direct, indirect and total annual impact of ongoing operations (income, value-added and output in millions of 2022 dollars)

	Jobs	Earnings	Value added	Output
Direct	17	\$1.99	\$3.54	\$5.11
Indirect	12	0.81	1.28	2.13
Total	29	\$2.80	\$4.82	\$7.24

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's new operations in Rhode Island would generate a projected increase of approximately \$164,000 in annual state tax revenues, including:

- \$105,000 in state personal income taxes paid by workers newly employed by the Company in its new office in Rhode Island, or by Rhode Island workers whose jobs are indirectly attributable to the Company's new Rhode Island facility;
- \$46,000 in state sales taxes paid on those workers' taxable household spending; and
- \$13,000 in state business taxes.

Hiring

The Company is an equal-opportunity employer. All job-seekers are required to submit an application, after which candidates will be called for an interview.

The Company is currently in the process of building out a more robust HR infrastructure.

Benefits

The Company provides a comprehensive package of benefits, including:

- Health insurance, with the Company covering 80 percent of premiums
- Dental insurance, 100 percent paid by the Company
- A 401K plan, is offered with a discretionary match (historically 5 percent) at the end of each year
- \$20,000 in life insurance for all employees, paid for by the company; employees have the option to purchase additional life insurance, paid for directly through payroll deductions.
- Long-term disability insurance, paid for by the Company, beginning on the 91st day of the work absence
- Paid time off, including 7 holidays and 15 days standard vacation (escalating with tenure)

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately \$518,250 in forgone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$4.82 million in 2022, the estimated associated job creation, and a gross increase of approximately \$1.92 million in personal income, sales and business tax revenues during the twelve-year-year commitment period beginning in 2021. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, relocation of the Company's headquarters in Lincoln would benefit Rhode Island in other ways, including highlighting Rhode Island's attractiveness as a location for the U.S. operations of global businesses.

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Qualified Jobs Incentive program mitigate risk to the state; and the value of Qualified Jobs Incentive tax credits would be determined on the basis of the number of people actually employed and the wages actually paid by the Company.

DECEMBER 16, 2019 PUBLIC SESSION MEETING MINUTES

EXHIBIT C

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INNOVATION VOUCHERS
UNDER THE INNOVATION INITIATIVE ACT

December 16, 2019

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Act"); and

WHEREAS: Chapter 64.28 of Title 42 of the General Laws of Rhode Island (the "Innovation Act"), as amended, authorizes the Corporation to award Innovation Vouchers for Small Businesses to receive technical or other assistance as set forth in Rule 6 of the Rules (defined below); and

WHEREAS: The Corporation promulgated rules and regulations (the "Rules") governing the program established by the Innovation Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and

WHEREAS: The Corporation received applications from each company identified on Exhibit 1 annexed hereto (the "Recipients") for awards of an Innovation Voucher (the "Voucher"); and

WHEREAS: The Board of Directors of the Corporation (the "Board") received a presentation detailing the Voucher proposed to be granted to the applicant together with a recommendation from the staff of the Corporation to approve the award of Voucher to the Recipients in accordance with the Innovation Act and the Rules.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

RESOLVED:

1. To accomplish the purposes of the Act and the Innovation Act, the Corporation approves the award of a Voucher to each Recipient in the amounts set forth in Exhibit 1.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of a Voucher Agreement between the Corporation and the Recipients meeting the requirements of the Innovation Act and the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. Verification by the Corporation of compliance with the Eligibility Requirements of Rule 7 of the Rules prior to issuance of a Voucher; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Innovation Director (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipients by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
4. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.
5. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
6. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
7. This resolution shall take effect immediately upon adoption by the Board.

EXHIBIT 1

<u>Applicant</u>	<u>Amount</u>
American Echotech LC	\$49,987
DBV Technology LLC	\$42,505

DECEMBER 16, 2019 PUBLIC SESSION MEETING MINUTES

EXHIBIT D

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION

December 16, 2019

WHEREAS, the Board of Directors of the Rhode Island Commerce Corporation (“the Corporation”) received a presentation from the Corporation’s staff regarding amendments to the regulations for the Rebuild Rhode Island Tax Credit program; and

WHEREAS, the proposed amendments are consistent with the recent statutory amendments to the Rebuild Rhode Island Tax Credit Act.

NOW, THEREFORE, be it resolved by the Corporation as follows:

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, Chief Financial Officer and/or Executive Vice President Investment (the “Authorized Officers”), acting singly, shall have the authority to promulgate the regulations as presented to the Board with such additional revisions as may be deemed appropriate and in the best interests of the Corporation consistent with the intention of such amendments and to take any actions consistent with applicable law to provide for the amendment of said regulations including compliance with the Administrative Procedure Act.

Section 2: This Resolution shall take effect immediately upon passage.

TAB 2

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve Resh, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program pursuant to the resolution submitted to the Board.

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT**

January 27, 2020

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Enabling Act"); and

WHEREAS: Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the "Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to the creation of new jobs in the State; and

WHEREAS: The Corporation received an application for incentives under the Act from Resh, Inc., (together with affiliates, successors and assigns, the "Recipient"), which is anticipated to result in the creation of new full-time jobs in the State; and

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the incentives; and

WHEREAS: The Board has received a presentation detailing the proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Act.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of, tax credits to the Recipient up to the amount of forty-one (41) jobs not to exceed Seven Thousand Five Hundred Dollars (\$7,500) per new full-time job annually.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. The creation of not less than the minimum required new full-time jobs under the Act, provided, however, that the company qualifies for a fragile industry exemption and the new jobs may have an hourly wage of not less than Seventeen 21/100 Dollars (\$17.21) per hour; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act; and (e) the company has demonstrated to the Corporation that it could reasonable and efficiently locate the New Full-Time Jobs outside of the State, that such location would be economically advantageous, and that such location would be consistent with the terms of an existing or future federal procurement as required under the Rules.
4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).
5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents

authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

RESH, Inc. Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to RESH, Inc. ("the Company"), a firm based in Franklin, Massachusetts that fabricates sheet metal products for a wide range of customers. The credits would be issued in connection with the Company's decision to move its operations to Rhode Island. The Company is considering several possible sites in northern Rhode Island, where it would construct a new building (65,000 to 70,000 square feet) at a cost of approximately \$9.685 million.

The Company would move 35 employees from its present location to Rhode Island in 2020, and hire 6 additional employees by January 2022, for a total of 41 new-to-Rhode Island jobs. The Company is requesting Qualified Jobs Incentive tax credits with an estimated value of \$735,000 over ten years; and would commit to keeping these jobs in Rhode Island for at least fifteen years. The Company is also seeking to secure tax-exempt financing for the construction of its new facility.

This analysis was prepared by Appleseed, a consulting firm with twenty-five years of experience in economic impact analysis.

Jobs Analysis

Construction

As shown in Table 1, the Company plans to construct a new building at its new Rhode Island location, at a cost of approximately \$9.685 million.

Table 1: RESH Inc. estimated total project cost (\$ millions)

Component	Estimated cost
Site acquisition	\$1.200
Building construction	8.125
Moving machinery from current location	0.300
Electrical connections	0.060
Total	\$9.685

After excluding the cost of site acquisition (which does not have a direct impact on Rhode Island's economy), Appleseed estimates that the Company will spend approximately \$8.485 million on construction of the plant. Using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact analyses), Appleseed estimates that direct expenditures of approximately \$8.485 million will directly and indirectly generate:

- 57 person-years¹ of work in Rhode Island, with \$3.784 million in earnings (in 2020 dollars);
- Approximately \$9.856 million in statewide economic output²; and
- A one-time increase of \$5.687 million in Rhode Island's GDP.

These impacts are summarized below in Table 2. The project's *direct impact* is the impact of the company's direct spending on design and construction. Its *indirect impact* is the effect of spending by contractors for goods and services (insurance, construction materials, etc.) purchased from other Rhode Island businesses.

Table 2: Direct, indirect and induced impact of construction and related spending (employment in person-years; income, value-added and output in millions of 2020 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	50	\$3.272	\$4.867	\$8.485
Indirect Effect	7	0.512	0.820	1.371
Total Effect	57	\$3.784	\$5.687	\$9.856

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, direct spending of \$8.485 million would generate a projected one-time increase of approximately \$375,000 in taxes paid to the State during construction, including:

- \$153,000 in state sales and use taxes paid on materials used in construction
- \$142,000 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- \$62,000 in state sales taxes paid on those workers' taxable household spending; and
- \$18,000 in state business taxes.

Most of the activity reflected in Table 2 is assumed occur in 2020. The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island.

¹ A person-year is equivalent to the time worked by one person who is employed full-time for a year. It could for example represent the work of two people who are each employed full-time for six months; or the work of one person who is employed half-time for two years.

² Output is a measure of the total sales by Rhode Island companies (including the "sale" of labor by Rhode Island households) generated by the project.

Table 3: Anticipated wages during construction

Occupation	RI median hourly wage ³
Architect	\$37.59
Construction manager	\$54.74
Carpenter	\$22.68
Electrician	\$28.40
Plumber	\$24.62
Painter	\$19.92
Laborer	\$21.25

Fringe benefits associated with these jobs are expected to be in accordance with industry norms, with the cost of such benefits generally ranging between 22 and 28 percent of wages. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Annual operations

As noted above, the Company plans to have 35 qualifying employees in its first year at its new Rhode Island location, and 41 in its second year. Table 1 summarizes the categories in which these jobs will be created, and (as of 2021) median earnings for each category.

Table 1: Projected employment, 2021

Job category	New positions	
	(as of 2021)	Median salary
Engineers and machine operators	12	\$52,624
Welders and quality inspectors	20	\$47,112
Management and administration	9	\$89,360
Total	41	\$52,624

³ Rhode Island Department of Labor and Training, Occupational Employment Statistics, 2018

Based on data provided by the Company, Appleseed estimates that when the new facility is fully staffed, ongoing operations associated with the 41 new jobs the Company would commit to maintaining in Rhode Island for fifteen years will directly and indirectly support:

- 56 jobs in Rhode Island;
- \$4.210 million in annual earnings (in 2021 dollars);
- \$13.687 million in statewide economic output; and
- An increase of \$4.744 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2. The *direct impact* of the Company's operations reflects the Company's direct employment, its direct spending on wages and salaries, the value its operations add to Rhode Island's GDP, and the total value of the goods and services it produces. Its *indirect impact* is the effect of the Company's spending on purchases of goods and services from other in-state businesses on employment, earnings, value-added and output in Rhode Island.

Table 2: Direct, indirect and total annual impact of ongoing operations (income, value-added and output in millions of 2021 dollars)

	Jobs	Earnings	Value added	Output
Direct	41	\$3.080	\$3.117	\$10.904
Indirect	15	1.130	1.627	2.783
Total	56	\$4.210	\$4.744	\$13.687

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's new operations in Rhode Island would generate a projected increase of approximately \$247,000 in annual state tax revenues, including:

- \$158,000 in state personal income taxes paid by workers newly employed by the Company in its new facility in Rhode Island, or by Rhode Island workers whose jobs are indirectly attributable to the Company's expanded Rhode Island operations;
- \$69,000 in state sales taxes paid on those workers' taxable household spending; and
- \$20,000 in state business taxes.

Hiring

Whenever possible, the Company fills new or vacant positions by promoting qualified employees from within.

Company employees are encouraged to refer qualified candidates for available positions. The Company pays bonuses of \$1,000.00 to employees (excluding hiring managers and human resources staff) who refer applicants who are subsequently hired and remain for at least 90 days.

Benefits

Employee benefits offered by the Company include health, dental and vision insurance; group life and disability insurance; a 401k retirement a plan with a 3 percent employer contribution, plus a discretionary "profit-sharing" contribution; and paid time off (vacation and holidays). For this package of benefits, employees contribute either \$20.00 (for single employees) or \$40.00 (for family coverage) per week.

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately \$735,000 in forgone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$4.744 million in 2022, the estimated associated job creation, and a gross increase of approximately \$4.044 million in personal income, sales and business tax revenues during construction and during the fifteen-year commitment period beginning in 2020. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, expansion of the Company's operations at its new location would benefit Rhode Island in other ways, including:

- Highlighting Rhode Island's continued attractiveness as a location for customized manufacturing enterprises (including those in older industries such as metalworking)
- Adding to the municipal personal property tax base

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Qualified Jobs Incentive program mitigate risk to the state; and the value of Qualified Jobs Incentive tax credits would be determined on the basis of the number of people actually employed and the wages actually paid by the Company.

TAB 3

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve smartShift Technologies, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program pursuant to the resolution submitted to the Board.

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT**

January 27, 2020

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Enabling Act"); and

WHEREAS: Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the "Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to the creation of new jobs in the State; and

WHEREAS: The Corporation received an application for incentives under the Act from smartShift Technologies, Inc., (together with affiliates, successors and assigns, the "Recipient"), which is anticipated to result in the creation of new full-time jobs in the State; and

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the incentives; and

WHEREAS: The Board has received a presentation detailing the proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Act.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of, tax credits to the Recipient up to the amount of sixty-eight (68) jobs not to exceed Seven Thousand Five Hundred Dollars (\$7,500) per new full-time job annually.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. The creation of not less than the minimum required new full-time jobs under the Act, which earn no less than the median hourly wage as most recently reported by the United States Bureau of Labor Statistics for the State of Rhode Island; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; and (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act.
4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).
5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

smartShift Technologies Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to smartShift Technologies LLC ("the Company") a firm that uses a patented software automation platform to reduce sharply the time and effort needed to update or modify clients' existing software and systems, and to migrate systems from in-house infrastructure to the cloud. Headquartered in Boston, the Company also maintains offices in Mannheim, Germany and Bangalore, India to serve its European and Asia-Pacific clients. The credits would be issued in connection with the Company's decision to open a new office in Providence.

The Company plans to move 8 current employees to leased space in Providence, and add 5 new employees, in 2020. It would hire 10 additional employees in 2021, and 20 in 2022, for a total of 43 employees in Providence by the end of 2022.

The Company is expected to request Qualified Jobs Incentive tax credits with an estimated value of \$1,693,500 over ten years.

This analysis was prepared by Appleseed, a consulting firm with twenty-five years of experience in economic impact analysis.

Jobs Analysis

Annual operations

As noted above, the Company plans to have 13 qualifying employees in its first year at its new location in Providence, 23 in its second year and 43 in its third year. Table 1 summarizes the categories in which these jobs will be created, and median earnings for each category.

Table 1: Projected employment, 2022

Job category	New positions	
	(as of year-end 2022)	Median salary
Executive officers	2	\$225,000
Vice president, operations	1	185,000

Finance controller	1	150,000
Client partners	15	136,581
Project managers	15	126,075
SAP automation engineer	1	125,000
Systems architects	7	126,075
Service delivery manager	1	120,000
Total	43	126,075

Based on data provided by the Company, and using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact analyses), Appleseed estimates that when the new facility is fully staffed, ongoing operations associated with the 37 new jobs the Company would be committed to maintaining in Rhode Island for twelve years will directly and indirectly support:

- 67 jobs in Rhode Island;
- \$7.193 million in annual earnings (in 2021 dollars);
- \$13.917 in statewide economic output; and
- An increase of \$8.904 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2. The *direct impact* of the Company's operations reflects the Company's direct employment, its direct spending on wages and salaries, the value its operations add to Rhode Island's GDP, and the total value of the goods and services it produces. Its *indirect impact* is the effect of the Company's spending on purchases of goods and services from other in-state businesses on employment, earnings, value-added and output in Rhode Island.

Table 2: Direct, indirect and total annual impact of ongoing operations (income, value-added and output in millions of 2021 dollars)

	Jobs	Earnings	Value added	Output
Direct	43	\$5.813	\$6.642	\$10.347
Indirect	24	1.380	2.262	3.570
Total	67	\$7.193	\$8.904	\$13.917

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's new operations in Rhode Island would generate a projected increase of approximately \$422,000 in annual state tax revenues, including:

- \$270,000 in state personal income taxes paid by workers newly employed by the Company in its new facility in Rhode Island, or by Rhode Island workers whose jobs are indirectly attributable to the Company's expanded Rhode Island operations;
- \$118,000 in state sales taxes paid on those workers' taxable household spending; and
- \$34,000 in state business taxes.

Hiring

The Company's hiring practices include active recruiting by Company staff, referrals from Company staff, and in some circumstances the use of outside recruiters. The Company will also seek assistance from the Rhode Island Commerce Corporation in identifying sources in Rhode Island. for recruitment of qualified candidates.

Benefits

Employee benefits offered by the Company include health insurance; dental and vision care; disability and life insurance; a 401k retirement a plan with an employer match; and flexible spending accounts.

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately \$1,693,500 in forgone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$8.904 million in 2022, the estimated associated job creation, and a gross increase of approximately \$4.593 million in personal income, sales and business tax revenues during the twelve-year commitment period beginning in 2020. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, the Company's move to a new location in Providence would benefit Rhode Island in other ways, including:

- Highlighting Rhode Island's attractiveness as a location for high-value technology companies
- Reinforcing the state's attractiveness as a location for international businesses
- Highlighting the ease of rail travel between Providence and Boston (cited by the Company as a factor in its choice of a downcity Providence location)
- Adding to the city's personal property tax base

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Qualified Jobs Incentive program mitigate risk to the state; and the value of Qualified Jobs Incentive tax credits would be determined on the basis of the number of people actually employed and the wages actually paid by the Company.

TAB 4

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve Response Technologies, LLC for incentives under the Qualified Jobs Incentive Tax Credit program pursuant to the resolution submitted to the Board

**RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT**

January 27, 2020

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Enabling Act"); and

WHEREAS: Chapter 48.3 of Title 44 of the General Laws of Rhode Island (the "Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to the creation of new jobs in the State; and

WHEREAS: The Corporation received an application for incentives under the Act from Response Technologies, LLC, (together with affiliates, successors and assigns, the "Recipient"), which is anticipated to result in the creation of new full-time jobs in the State; and

WHEREAS: The Corporation's Investment Committee has reviewed and considered the proposed incentives to the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the incentives; and

WHEREAS: The Board has received a presentation detailing the proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Act.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of, tax credits to the Recipient up to the amount of 52 jobs not to exceed Seven Thousand Five Hundred Dollars (\$7,500) per new full-time job annually.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;
 - b. The creation of not less than the minimum required new full-time jobs under the Act, provided, however, that the company qualifies for a fragile industry exemption and up to twelve (12) of the the new jobs may have an hourly wage of

not less than Fourteen 43/100 Dollars (\$14.43) per hour which earn no less than the median hourly wage as most recently reported by the United States Bureau of Labor Statistics for the State of Rhode Island; and

- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; and (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act.
4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).
5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Executive Vice President Investment (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such

members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.
8. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.
9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

Response Technologies LLC Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to Response Technologies LLC ("the Company"), a West Warwick, Rhode Island-based firm that combines strengths in materials science and additive manufacturing. provides innovative technological solutions and related products for both military and industrial uses. The credits would be issued in connection with the Company's decision to expand its operations in Rhode Island – an expansion that would involve moving from West Warwick to Coventry, Rhode Island. Response Properties (the Company's real estate affiliate) would purchase an existing building in Coventry and would lease approximately 60,000 square feet to Response Technologies.

The number of workers employed by the Company would rise from 8 at its present location to 27 in its first year at its new facility in Coventry, and to 45 in its second year, for a total of 37 new jobs. The Company is expected to request Qualified Jobs Incentive tax credits with an estimated value of \$675,000 over ten years.

Should the project proceed, the Company may seek assistance from the Rhode Island Renewable Energy Fund for development of solar and/or hydropower generating capacity; and should environmental clean-up required at the site, it may also seek assistance through the state's brownfields program. As it has in the past, Response Technologies will also continue to apply for RI-STAC matching grants for federal SBIR funds awarded to the Company

This analysis was prepared by Appleseed, a consulting firm with twenty-five years of experience in economic impact analysis.

Jobs Analysis

Annual operations

As noted above, the Company plans to have 19 qualifying employees in its first year at its new location in Coventry, and 37 in its second year. Table 1 summarizes the categories in which these jobs will be created, and (as of 2021) median earnings for each category.

Table 1: Projected employment, 2021

Job category	New positions	
	(as of 2021)	Median salary
Engineers	9	\$80,000
Production (machinists and technicians)	18	\$51,500
Management and administration	10	\$58,325
Total	37	\$56,650

Based on data provided by the Company, and using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact analyses), Appleseed estimates that when the new facility is fully staffed, ongoing operations associated with the 37 new jobs the Company would be committed to maintaining in Rhode Island for twelve years will directly and indirectly support:

- 52 jobs in Rhode Island;
- \$3.56 million in annual earnings (in 2021 dollars);
- \$14.14 million in statewide economic output; and
- An increase of \$5.63 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2. The *direct impact* of the Company's operations reflects the Company's direct employment, its direct spending on wages and salaries, the value its operations add to Rhode Island's GDP, and the total value of the goods and services it produces. Its *indirect impact* is the effect of the Company's spending on purchases of goods and services from other in-state businesses on employment, earnings, value-added and output in Rhode Island.

Table 2: Direct, indirect and total annual impact of ongoing operations (income, value-added and output in millions of 2021 dollars)

	Jobs	Earnings	Value added	Output
Direct	37	\$2.46	\$3.99	\$11.22
Indirect	15	1.10	1.64	2.92
Total	52	\$3.56	\$5.63	\$14.14

In addition to the impacts on employment, earnings, output and state GDP cited above, the Company's new operations in Rhode Island would generate a projected increase of approximately \$210,000 in annual state tax revenues, including:

- \$133,000 in state personal income taxes paid by workers newly employed by the Company in its new facility in Rhode Island, or by Rhode Island workers whose jobs are indirectly attributable to the Company's expanded Rhode Island operations;
- \$60,000 in state sales taxes paid on those workers' taxable household spending; and
- \$17,000 in state business taxes.

Hiring

When possible, the Company seeks to fill vacancies by promoting from within. The Company also encourages referrals from its employees, and may provide bonuses to employees who refer applicants who are subsequently hired.

The Company also recruits applicants through its website, through ZipRecruiter and through local job fairs; and when necessary, through professional recruiters.

Benefits

Employee benefits offered by the Company include health insurance; a 401k retirement a plan with a 1-to-1 employer match up to 6 percent; and paid time off (including sick days, vacation and holidays).

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately \$675,000 in forgone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of \$5.63 million in 2021, the estimated associated job creation, and a gross increase of approximately \$2.41 million in personal income, sales and business tax revenues during the twelve-year commitment period beginning in 2020. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, expansion of the Company's operations at its new location in Coventry would benefit Rhode Island in other ways, including:

- Potential for additional near-term hiring beyond the level for which the Company is seeking tax credits (the Company has stated that the number of new employees added through 2021 at its new location could be as high as 52, rather than 37)
- Potential for continued growth in sales to the Department of Defense
- Highlighting Rhode Island's attractiveness as a location for customized, advanced manufacturing enterprises

- Adding to the town's personal property tax base

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the Qualified Jobs Incentive program mitigate risk to the state; and the value of Qualified Jobs Incentive tax credits would be determined on the basis of the number of people actually employed and the wages actually paid by the Company.

TAB 5

TAB 6

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve an amendment to the Network Matching Grant award to NEMIC pursuant to the resolution submitted to the Board

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE AMENDMENT OF
AN INNOVATION NETWORK MATCHING GRANT
UNDER THE INNOVATION INITIATIVE ACT

January 27, 2020

WHEREAS: The Rhode Island Commerce Corporation (the "Corporation") was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Act"); and

WHEREAS: Chapter 64.28 of Title 44 of the General Laws of Rhode Island (the "Innovation Act"), as amended, authorizes the Corporation to award Innovation Network Matching Grants ("Grants") as set forth in the Rules (defined below); and

WHEREAS: The Corporation promulgated rules and regulations (the "Rules") governing the program established by the Innovation Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and

WHEREAS: The Corporation received an application to amend the existing grant award to New England Medical Innovation Center (the "Recipient"); and

WHEREAS: The Board of Directors of the Corporation (the "Board") received a presentation detailing the requested amendment proposed to be granted to Recipient together with a recommendation from the staff of the Corporation to approve the modification to the award of the Grant to the Recipients in accordance with the Innovation Act and the Rules.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

RESOLVED:

1. To accomplish the purposes of the Act and the Innovation Act, the Corporation approves the amendment of the award of a Grant to Recipient in the amount of \$16,666 bringing the total award amount to \$211,666 and determines that the award, as amended, is granted in compliance with the Grant Application Review and Evaluation Principles adopted by the Corporation.
2. The authorization provided herein is subject to the following conditions:
 - a. The execution of an amendment to the Grant Agreement between the Corporation and the Recipient meeting the requirements of the Innovation Act and the Rules in

such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

- b. Verification by the Corporation of compliance with the Eligibility Requirements of the Rules prior to issuance of the Grant; and
 - c. Such additional conditions as any of the Authorized Officers (defined below), acting singly, shall deem appropriate in the sole discretion of such Officer.
3. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Innovation Director (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.
 4. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.
 5. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

6. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the execution, delivery and approval and performance of such documents authorized hereby and all prior actions taken in connection herewith are, ratified, approved and confirmed.

TAB 7

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve the applicants for awards under the Site Readiness program pursuant to the resolution submitted to the Board

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION**

January 27, 2020

WHEREAS, the Board of Directors of the Rhode Island Commerce Corporation (“the Corporation”) received a presentation from the Corporation’s staff regarding proposed awards for applicants under the Site Readiness Program (the “Program”); and

WHEREAS, the proposed awards are consistent with the purposes of the Program.

NOW, THEREFORE, be it resolved by the Corporation as follows:

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, Chief Financial Officer and/or Executive Vice President Investment (the “Authorized Officers”), acting singly, shall have the authority to make awards for the following projects under the Program:

<u>Recipient</u>	<u>Up to Amount</u>
Blount Boats (Warren)	\$ 75,000
Brookwood Finishing (Richmond)	\$125,000
Central Falls - Comprehensive Plan Coordination	\$ 30,000
Central Falls - Osram Sylvania Site	\$ 20,000
Economic Development Foundation and City of Woonsocket	\$ 48,500
Exeter	\$ 50,000
LEDVANCE - Osram Site (Central Falls)	\$ 50,000
North Kingstown - Post Road	\$ 15,000
North Smithfield	\$100,000
RI Waterfront Enterprises (East Providence)	\$100,000
Rhode Island Fast Ferry	\$ 30,000
Rubius Therapeutics (Smithfield)	\$ 75,000
Smithfield	\$100,000
Westerly	\$ 5,000
What Cheer Flower Farms (Providence)	\$ 15,200

Section 2: Such Awards have been granted in compliance with the Grant Application Review and Evaluation Principles adopted by the Corporation.

Section 3: This Resolution shall take effect immediately upon passage.

TAB 8

TAB 9

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

JANUARY 27, 2020

APPROVED

VOTED: To approve the issuance of bonds in relation to the Quonset Development Corporation pursuant to the resolution submitted to the Board.

**RESOLUTION
AUTHORIZING THE ISSUANCE OF
RHODE ISLAND COMMERCE CORPORATION
ECONOMIC DEVELOPMENT REVENUE REFUNDING BONDS, SERIES 2020 A
(QUONSET HARBOR, PIER AND PORT PROJECT) and ECONOMIC
DEVELOPMENT REVENUE BONDS, SERIES 2020 B (QUONSET HARBOR, PIER
AND PORT PROJECT)**

January 27, 2020

- WHEREAS: The Rhode Island Commerce Corporation (“Corporation”) was created and exists as a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Act”); and
- WHEREAS: The Act authorizes the Corporation to borrow money and issue bonds for any of its corporate purposes; and
- WHEREAS: The Quonset Development Corporation (“QDC”) was created and exists as a public corporation, governmental agency and public instrumentality of the State and as a subsidiary of the Corporation under Chapter 64.10 of Title 42 of the General Law of Rhode Island, as amended (the “QDC Act”); and
- WHEREAS: The Corporation has previously issued for the benefit of QDC \$7,500,000 Economic Development Corporation Revenue Bonds (Quonset Harbor, Pier and Port Project– Series 2012) (the “2012 Bonds”) pursuant to the terms of a Loan and Security Agreement dated as of August 1, 2012 to finance capital projects including harbor, pier, port, channel dredging and all other costs related to improvements necessary at and in the immediate vicinity of the Davisville pier at the Quonset Business Park and costs of issuing the 2012 Bonds (the “2012 Project”); and
- WHEREAS: Pursuant to a Joint Resolution of the Rhode Island General Assembly enacted in Article 6 of Chapter 142 of the Rhode Island Public Laws of 2016, the Corporation is authorized to issue harbor, pier and port revenue bonds for the purpose of providing funds to QDC to finance capital projects for harbor, pier, port and all other costs related to the improvements necessary at and in the immediate vicinity of the Davisville pier at the Quonset Business Park, including without limitation, improvement to modernize port infrastructure at the Port of Davisville (the “2020 Project”, and together with the 2012 Project, the “Project”), including funding, capitalized interest, costs of issuing the bonds, and related costs, and the establishment of reserves for the Project and the Bonds, including a debt service reserve fund;

WHEREAS: The Board of Directors of QDC has entered into a Summary of Terms and Conditions with The Washington Trust Company of Westerly (the "Purchaser") pursuant to which Purchaser has proposed to provide financing through a direct purchase of the Bonds (and defined below) in an amount not to exceed \$15,700,000;

WHEREAS: The Board of Directors of QDC adopted Proposed Resolutions on December 17, 2019 approving financing of the 2020 Project;

WHEREAS: QDC has requested that Corporation provide *final approval* of the issuance of its (i) Economic Development Revenue Refunding Bonds, Series 2020 A (Quonset Harbor, Pier and Port Project) (the "Refunding Bonds") in an amount, together with other available funds, necessary to (a) refund on a current basis all or a portion of Corporation's outstanding 2012 Bonds (the "Refunded Bonds"), including any premium or prepayment fees, if any, and (b) pay the costs of issuing the Refunding Bonds; and (ii) Economic Development Revenue Bonds, Series 2020 B (Quonset Harbor, Pier and Port Project) (the "Series 2020 B Bonds", together with the Refunding Bonds, the "Bonds") in an amount, together with other available funds, necessary to (a) finance the 2020 Project, and (b) pay the costs of issuing the Series 2020 B Bonds, and (c) establishing reserves for the Project and the Bonds, if required, including a debt service reserve fund; and

WHEREAS: None of the Bonds to be issued by Corporation or the payment obligations of QDC shall constitute indebtedness of the State or a debt for which the full faith and credit of the State is pledged; and

WHEREAS: QDC and the Corporation presented the proposed issuance of the Bonds to the Access to Capital Subcommittee of the Corporation on January 21, 2020, which Subcommittee recommended approval of the issuance of the Bonds to the Board of Directors of the Corporation.

NOW, THEREFORE, acting by and through its Board, the Corporation hereby resolves as follows:

RESOLVED:

1. The Board of the Corporation hereby finds and determines that: (i) the acquisition or construction and operation of the 2012 Project, originally financed with proceeds of the 2012 Bonds, and the 2020 Project will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) adequate provision has been made or will be made for the payment of the cost of the acquisition, construction, operation,

and maintenance and upkeep of the Project; (iii) with respect to real property, the plans and specifications assure adequate light, air, sanitation, and fire protection; (iv) the Project is in conformity with the applicable provisions of Chapter 23 of Title 46 of the Rhode Island General Laws, as amended; and (v) the Project is in conformity with the applicable provisions of the state guide plan.

2. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Managing Director of Financial Services (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any of the documents authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation.
3. Stacy Farrell, Financial Services Operations Manager is hereby appointed as an Assistant Secretary to the Corporation for all purposes as set forth in this or any other resolutions of the Corporation provided, however, the Chairperson or Chief Executive Officer may rescind such appointment at any time in his or her discretion.
4. The Secretary or an Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix the seal of the Corporation on the Bonds and on any of the documents authorized herein and to attest to the same.
5. The Bonds shall be issued in registered form, dated as provided in a loan agreement and security agreement (the "Loan Agreement"). The specific form of bonds, including without limitation, the principal amounts, the rates of interest, maturities, and provisions for the signature, authentication, payment and redemption shall be as set forth in the Loan Agreement. The acceptance of a rate or rates of interest per annum to be borne by the Bonds shall be determined pursuant to a certificate to be delivered by any one of the Authorized Officers at or immediately prior to closing.
6. The Bonds shall be sold as a private placement with the Purchaser pursuant to the terms of a bond purchase agreement (the "Bond Purchase Agreement").
7. The Bonds shall be secured by such mortgage(s), security interests and/or other pledges of collateral as deemed appropriate by an Authorized Officer in his or her discretion.
8. The Bonds shall be special obligations of the Corporation payable solely from the revenues, funds, or monies pledged therefore under the Loan Agreement. None of the State or any municipality thereof, shall be obligated to pay the principal of,

premium, if any, or interest on the Bonds. Neither the full faith and credit nor the taxing power of the State, the Corporation or any municipality thereof shall be pledged to the payment of the principal, premium, if any, or interest on the Bonds.

9. The following agreements and documents are hereby authorized, each to contain such provisions and to be in such final form as at least one of the Authorized Officers shall determine to be necessary or appropriate (including any additional provisions required of the bond insurer, if applicable), and the execution, acknowledgement and delivery of each such agreement or document by one of the Authorized Officers shall be conclusive evidence as to authorization by these resolutions: (i) the Bonds, (ii) the Loan Agreement; (iii) such mortgage(s) and assignment(s) thereof; (iv) assignments of leases and rents; (v) security agreements; (vi) negative pledge agreement; (vii) a Bond Purchase Agreement, and (viii) such other agreements, instruments, certificates or documents, including, but not limited to, a tax regulatory agreement, as may be deemed necessary or appropriate by one of the Authorized Officers for the implementation of this Resolution.
10. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.
11. Any one of the Authorized Officers of the Corporation, acting singly, are hereby further directed to proceed to cause the net proceeds of the sale of the Bonds to be disbursed to QDC as provided in the documents authorized by this Resolution.
12. Any one of the Authorized Officers, acting singly, are hereby authorized: (i) to approve the definitive terms of the Bonds, including the principal amount thereof, the maturity and the interest rates; and (ii) to take such further action or to cause such further action to be taken as may be necessary or appropriate to effectuate the issuance of the Bonds and to carry out the transactions contemplated by these resolutions.
13. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and the purposes of the Act, and the execution, delivery and approval and performance of the documents, certificates, instruments and

agreements hereinabove authorized are, in conformance therewith, and all prior actions taken in connection herewith are, ratified, approved and confirmed.

14. From and after the execution and delivery of the documents, certificates, instruments and agreements hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, certificates, instruments and agreements, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the Bonds, including the redemption of the Bonds, or to carry out and comply with the provisions of the documents, certificates, instruments and agreements hereinabove authorized.
15. The Bonds may be issued on a tax-exempt basis, such that interest on the Bonds will be excluded from gross income for Federal income tax purposes. To facilitate the issuance of the Bonds on a tax-exempt basis, any of the Authorized Officers, acting singly on behalf of the Corporation, shall covenant that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Bonds, the Corporation will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Internal Revenue Code necessary to maintain such exclusion. In furtherance of the covenant contained in the preceding sentence, any of the Authorized Officers, acting singly on behalf of the Corporation, shall agree to continually comply with the provisions of a tax regulatory agreement to be executed by the Corporation in connection with the execution and delivery of the Bonds, as amended from time to time.
16. The Corporation shall charge an administrative expense of one-eighth of one percent ($1/8$ of 1%) per year of the principal amount outstanding of the Bonds.
17. No costs or expenses whether incurred by the Corporation or any other party in connection with the issuance of the Bonds or the preparation or review of any documents by any legal or financial consultants retained in connection herewith shall be borne by the Corporation except as permitted by the Authorized Officers. The Corporation may require from QDC such deposits or advances as it deems desirable for such fees, costs and expenses, and may require reimbursement of any such fees, costs and expenses paid by the Corporation. The Corporation, acting by and through an Authorized Officer, shall have the right to select and retain legal, financial and other professionals or consultants in connection with the proposed financing, and all fees, costs and expenses of such professionals or consultants, along with all other such costs and expenses shall be paid from the proceeds of the Bonds or otherwise borne by the QDC regardless of whether the Bonds are issued.
18. In connection with this transaction, Mack Law Associates LLC is appointed as bond counsel.

19. This Resolution shall take effect immediately upon adoption by the Board.

TAB 10

VOTE OF THE BOARD OF DIRECTORS
OF THE RHODE ISLAND COMMERCE CORPORATION

January 27, 2020

APPROVED

VOTED: To approve the promulgation of regulations in relation to RI Gen. Laws Chapter 33.4 of Title 45, pursuant to the resolution submitted to the Board.

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RHODE ISLAND COMMERCE CORPORATION
(PROMULGATION OF RULES)

January 27, 2020

WHEREAS, the Board of Directors of the Rhode Island Commerce Corporation (“the Corporation”) received a presentation from the Corporation’s staff regarding the promulgation of regulations in relation to Chapter 33.4 of Title 45 (the “Act”); and

WHEREAS, the regulations are consistent with the recent statutory amendments to the Act.

NOW, THEREFORE, be it resolved by the Corporation as follows:

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, Chief Financial Officer and/or Executive Vice President Investment (the “Authorized Officers”), acting singly, shall have the authority to promulgate the regulations as presented to the Board with such additional revisions as may be deemed appropriate and in the best interests of the Corporation as determined by an Authorized Officer and to take any actions consistent with applicable law including compliance with the Administrative Procedure Act.

Section 2: This Resolution shall take effect immediately upon passage.