

RHODE ISLAND COMMERCE CORPORATION

AGENDA

July 25, 2022

Call to order and opening remarks.

- Tab 1: To consider for approval meeting minutes.
- Tab 2: To consider a proposed project by Fortuitous Tidewater OZ, LLC.*
- Tab 3: To consider for approval amendments to the Corporation's retirement and savings plan.
- Tab 4: To consider the retention of a consultant for on-call financial advisory services.
- Tab 5: To consider appointments to the Air Service Development Council.
- Tab 6: To consider amendments to the rules and regulations for the Main Street Rhode Island Streetscape Improvement Fund.*
- Tab 7: 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.

Tab 1

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

JULY 25, 2022

APPROVED

VOTED: To approve the public session meeting minutes for the June 27, 2022 meeting as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION
June 27, 2022

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on June 27, 2022, in Public Session, beginning at 5:00 p.m., 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: Governor Daniel J. McKee, David Chenevert, Dr. Brenda Dann-Messier, Elizabeth Catucci, Mary Jo Kaplan, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Directors absent were: Bernard Buonanno, III.

Also present were: Secretary of Commerce Elizabeth Tanner; Hilary Fagan, President & COO; and Christopher J. Fragomeni, Esq.

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

The Governor called the meeting to order at 5:08, indicating that a quorum was present. He thanked Dan Sullivan and the Collette team for hosting the Board meeting at Collette's offices. He also welcomed Elizabeth Tanner, the newly appointed Secretary of Commerce, and Ms. Catucci, the newest member of the Board.

2. **TO CONSIDER FOR APPROVAL MEETING MINUTES.**

Upon motion duly made by Mr. Stone and seconded by Ms. Sams, the following vote was adopted:

VOTED: To approve the public session meeting minutes for the meeting held on June 1, 2022.

Voting in favor of the foregoing were: David Chenevert, Dr. Brenda Dann-Messier, Elizabeth Catucci, Mary Jo Kaplan, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

Kaleena Harrington, the Corporation's Innovation Program Manager, explained that three proposed awards under the Innovation Voucher program were before the Board for approval. The program, she explained, pairs Rhode Island businesses with knowledge providers—including

colleges and universities—to incentivize innovation. Ms. Harrington reviewed the companies that were requesting Innovation Vouchers. She stated that BluDAE Global Sustainability, Inc. (“BluDAE”) has requested a \$49,000 Innovation Voucher to test, demonstrate, and improve its production of “green” concrete, which is made with recycled plastics. She noted that BluDAE will work with the University of Rhode Island to simulate the environmental conditions in which the concrete will be used to test its durability.

Ms. Harrington explained that Jonathan, Richard, & Fitzgerald, Ltd. (“JRF”) is an audio and video manufacturer that created the gifograph, which allows anyone to become an animator. JRF, she stated, has requested a \$50,000 Innovation Voucher to engage Motim Technologies to finalize a prototype that can be automated and scaled.

Ms. Harrington stated that US Extruders, Inc. (“US Extruders”) is a Westerly-based company that recycles fishing nets and converts them into plastic pellets. The Innovation Voucher, she explained, will help US Extruders with in-house research and staffing to perfect the pellet-making process before bringing the pellets to market.

In response to a question by Mr. Wadensten, Ms. Harrington stated that BluDAE has three employees, JRF has two employees, and US Extruders has about thirty employees. The founder of BluDAE and Mr. Wadensten discussed the creation of the company and its products. In response to a question by Mr. Stone, a representative from JRF noted that the company has a contract with the City of Pawtucket for school use of the gifograph. He also, in response to a question by Ms. Kaplan, stated that the company has worked with professors from the Rhode Island School of Design. A representative from US Extruder answered a question from Mr. Wadensten, stating that many fish nets are sent to landfills or left in the ocean and that US Extruders is attempting to make fishing net disposal sustainable.

Upon motion duly made by Ms. Kaplan and seconded by Ms. Dann-Messier, 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: David Chenevert*, Dr. Brenda Dann-Messier, Elizabeth Catucci, Mary Jo Kaplan, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

* Mr. Chenevert recused as to U.S. Extruders.

4. **TO CONSIDER AN AMENDMENT TO THE AWARD UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM FOR ELECTRIC BOAT CORPORATION.**

Jeff Miller, the Corporation's Executive Vice President of Investments, recounted that the Board, in 2018, approved Electric Boat Corporation ("EB") for \$2 million in tax credits and up to \$18 million in a sales and use tax rebate under the Rebuild Rhode Island Tax Credit Program. That award, he explained, was made in connection with EB's submarine program expansion, which was estimated to be approximately \$790 million. He indicated that the award was made subject to certain hiring commitments from EB.

Mr. Miller stated that the Corporation, in February 2021, received a letter from EB, which indicated that EB had missed its 2020 hiring commitments by three hundred seven employees due to the COVID-19 pandemic. EB, he stated, has requested that it be relieved from its 2020 commitments, and, in exchange, EB will commit to accelerate its hiring over the next three years. Mr. Miller noted that EB is already ahead of its revised hiring commitments.

In response to a question from Mr. Wadensten, Mr. Miller stated that the Board has previously allowed relief from some hiring commitment reductions in 2020 as a result of the COVID-19 pandemic. Mr. McNally explained that EB has created about eight hundred new jobs.

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

VOTED: To authorize the President & COO of the Corporation to enter into an amended agreement with Electric Boat consistent with the recommendations of staff pertaining to revised employment commitments.

Voting in favor of the foregoing were: David Chenevert, Dr. Brenda Dann-Messier, Elizabeth Catucci, Mary Jo Kaplan, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

5. **TO CONSIDER AN AMENDMENT TO THE AWARD UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM FOR 390 PINE STREET, LLC.**

Mr. Miller explained that 390 Pine Street, LLC ("390 Pine") is a mixed-use project in Pawtucket near the Transit-Oriented Development district. The project, he stated, includes a yoga studio, ancillary commercial space, and eight residential units, five of which are affordable housing. He noted that the project was initially approved for \$600,000 of tax credits under the Rebuild Rhode Island Tax Credit Program; however, the project has experienced cost overruns, and 390 Pine is requesting additional funding of approximately \$233,000. He explained that the Investment Committee had discussions on how some returns could offset expenses.

Mr. McNally recounted that the “streamline” deals have no “waterfall” feature, meaning that the Corporation cannot be repaid its incentives. He agreed that the construction costs have increased, but noted that there was no corresponding increase for revenues, such as increased rent. Therefore, he explained, the staff is going to request information on the updated revenue numbers, and the Investment Committee recommends that the project be conditionally approved as long as the returns are equal to or less than the returns on 390 Pine’s original approval.

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

VOTED: To approve an amendment to the award under the Rebuild Rhode Island Tax Credit Program for 390 Pine Street, LLC pursuant to the resolutions submitted to the Board; provided, however, that the returns for 390 Pine shall be no more than originally approved by the Board.

Voting in favor of the foregoing were: David Chenevert, Dr. Brenda Dann-Messier, Elizabeth Catucci, Mary Jo Kaplan, Michael McNally, George Nee, Donna Sams, Bill Stone, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

The Governor welcomed Elizabeth Tanner, the newly-appointed Secretary of Commerce. Ms. Tanner introduced herself to the Board.

There being no further business in public session, the meeting was adjourned by unanimous consent at 5:39 upon motion by Ms. Dann-Messier and seconded by Mr. Chenevert.

JUNE 27, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT A

RHODE ISLAND COMMERCE CORPORATION
PUBLIC NOTICE OF MEETING

A meeting of the Board of Directors of the Rhode Island Commerce Corporation ("Corporation") will be held on **June 27, 2022** beginning at **5:00 p.m.** at the offices of Collette Travel, 180 Middle Street, Pawtucket, RI 02860. The meeting will be held for the following purposes:

1. To consider for approval meeting minutes.
2. To for approval Innovation Vouchers (see Exhibit 1, which follows, for additional detail).*
3. To consider an amendment to the award under the Rebuild Rhode Island Tax Credit program for Electric Boat Corporation (see Exhibit 1, which follows, for additional detail).*
4. To consider an amendment to the award under the Rebuild Rhode Island Tax Credit program for 390 Pine Street, LLC (see Exhibit 1, which follows, for additional detail).*
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 regards to this Agenda item.

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

Savage Law Partners, LLP,
Counsel to the Corporation

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.

Dated: June 23, 2022.

EXHIBIT 1

Agenda item 2:

| <u>Company</u> | <u>Award</u> |
|--------------------------------------|--------------|
| US Extruders, Inc. | \$43,655 |
| Jonathan, Richard, & Fitzgerald, LLC | \$50,000 |
| BluDAE Global Sustainability, Inc. | \$49,952 |

Agenda item 3:

The applicant seeks to amend the timing of certain employment commitments in relation to the award of incentives under the Rebuild Rhode Island Tax Credit program with respect to its ongoing project at its Quonset Point facility.

Agenda item 4:

The applicant seeks additional incentives under the Rebuild Rhode Island Tax Credit program in relation to a mixed-use complex which is expected to include eight apartments and approximately 5,750 square feet of commercial space.

JUNE 27, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

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

June 27, 2022

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> |
|--------------------------------------|---------------|
| US Extruders, Inc. | \$43,655 |
| Jonathan, Richard, & Fitzgerald, LLC | \$50,000 |
| BluDAE Global Sustainability, Inc. | \$49,952 |

JUNE 27, 2022 PUBLIC SESSION MEETING MINUTES

EXHIBIT C

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE AMENDMENT TO AN AWARD OF INCENTIVES
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT
June 27, 2022

- 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 (the "State") under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the "Act"); and
- WHEREAS:** Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the "Rebuild RI Tax Credit Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to certain development projects in the State; and
- WHEREAS:** The Corporation promulgated rules and regulations (the "Rules") governing the tax credit program established by the Rebuild RI Tax Credit 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 for tax credits from 390 Pine LLC (the "Recipient") under the Rebuild RI Tax Credit Act in relation to a project (the "Project") located at 390 Pine Street, Pawtucket, RI and previously approved the Recipient for an award of incentives in the amount of \$600,000; and
- WHEREAS:** The Corporation's Investment Committee has reviewed and considered the proposed amendment sought by the Recipient and has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of the amendment; and
- WHEREAS:** The staff has recommended that the Board exempt the Recipient from the application of 870-RICR-30-00-3.12 insofar as the applicant has been approved for an award and the CEO of the Corporation/Secretary of Commerce previously submitted the requisite recommendations to the Board under such Part; and
- WHEREAS:** The Board of the Corporation received a presentation inclusive of a term sheet detailing the amended request together with a recommendation from the staff of the Corporation to approve the issuance of tax credits and a sales and use tax exemption to the Recipient in accordance with the Rebuild RI Tax Credit 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 Rebuild RI Tax Credit Act, the Corporation approves the issuance of tax credits and a sales and use tax exemption in the aggregate amount of \$833,333 to the Recipient.
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 Rebuild RI Tax Credit 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 applicable Eligibility Requirements of the Rules prior to Certification of any award of tax credits to the Recipient; 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: (i) the Recipient's application is exempt from both the application requirements of the Rules consistent with RIGL § 42-64.20-5(c) and such eligibility requirements of the Rules that are inconsistent with the RIGL §42-64.20-5(e); (ii) approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (iii) to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (iv) the Recipient's Equity in the Project is not less than twenty percent (20%) of the total Project Cost and otherwise meets the Project Cost criteria of the Rebuild RI Tax Credit Act; (v) there is a Project Financing Gap for the Project such that after taking into account all available private and public funding sources, the Project is not likely to be accomplished by private enterprise without the incentives described in the Act and the Rules; (vi) the total amount of Tax Credits awarded for the Project is the lesser of twenty (20%) of the total Project Cost or the amount needed to close the Project Financing Gap; (vii) that the Chief Executive Officer of the Corporation has previously provided written confirmation required by the Rebuild RI Tax Credit Act and the Board has provided an exemption from 870-RICR-30-00-3.12 in relation to this amendment to the original award to allow for written confirmation from the President & COO, which is annexed hereto as Exhibit 1; (viii)

the Secretary of Commerce has previously provided written confirmation required by the Rebuild RI Tax Credit Act and the Board has provided an exemption from 870-RICR-30-00-3.12 in relation to this amendment to the original award to allow for written confirmation from the President & COO, which is annexed hereto as Exhibit 1; (ix) the Office of Management and Budget has provided written confirmation required under the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 2); and (x) the Recipient has demonstrated that it will otherwise satisfy any other applicable Eligibility Requirements of 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 tax credits 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 3).
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 Managing Director, Head of Investments (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 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

From: Hilary Fagan, President and Chief Operating Officer of the Rhode Island Commerce Corporation
To: Board of Directors, Rhode Island Commerce Corporation
Re: Rebuild Rhode Island Tax Credit Application
Date: June 27, 2022

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve an amendment to an award of tax credits pursuant to the Rebuild Rhode Island Tax Credit program. The recommendation is as follows:

- To consider an amendment to the award of tax credits for 390 Pine Street, LLC for tax credits in the aggregate amount of \$833,333.

This memo serves as the written confirmation, pursuant to 870-RICR-30-00-3.12, of the following:

1. The Corporation staff has reviewed the request for an amendment to the previous award of tax credits and the impact analysis for this project (the impact analysis is provided to the Board as an exhibit to the approving resolution for the project).
2. The project is consistent with the purpose of the Rebuild Rhode Island Tax Credit Act, R.I. Gen. Laws § 42-64.20-1 *et seq.*

The total credits to be awarded to the applicant shall not be in excess of the amount listed above.

EXHIBIT 2

EXHIBIT 3

Streamlined Rebuild Rhode Island Tax Credits

Economic and tax revenue impacts of development of 390 Pine Street, Pawtucket

Impact of construction

After excluding certain expenditures (such as property acquisition costs) that do not directly affect Rhode Island's economy, Appleseed estimates that (as shown in Table 1) spending approximately \$3.817 million on redevelopment of 390 Pine Street will directly and indirectly support:

- 32 person-years of work in Rhode Island;
- \$2.08 million in earnings (in 2022 dollars);
- Nearly \$4.95 million in statewide economic output; and
- A one-time increase of \$2.67 million in Rhode Island's GDP.

Table 1: Direct, indirect and total impact of construction (income, value-added and output in millions of 2022 dollars)

| | Jobs | Earnings | Value added | Output |
|-----------------|------|----------|-------------|--------|
| Direct | 26 | \$1.72 | \$2.06 | \$3.82 |
| Indirect | 6 | 0.36 | 0.61 | 1.13 |
| Total | 32 | \$2.08 | \$2.67 | \$4.95 |

Construction spending would directly and indirectly generate approximately \$55,700 in state tax revenue, including:

- \$32,400 in state personal income taxes paid by workers directly employed on the project, or by Rhode Island workers whose jobs are indirectly attributable to the project;
- \$19,200 in state sales taxes paid on those workers' taxable household spending; and
- \$4,100 in state business taxes.

Impact of operations

Based on information provided by the Sponsor, Appleseed estimates that ongoing operations¹ at 390 Pine Street will (as shown in Table 2) will directly and indirectly support:

¹ In addition to 8 residential units, the redeveloped 390 Pine Street will include 5,750 square feet of commercial space, with some occupied by Shri and some by two commercial tenants. For purposes of this analysis, we treat Shri's operations at 390 Pine Street as having relocated from elsewhere in Rhode Island, but treat the commercial tenants (as well as spending on building operations and maintenance) as being "net new" to the state.

- 11 jobs in Rhode Island;
- \$407,000 in earnings (in 2023 dollars);
- \$1.246 million in statewide economic output; and
- An increase of \$606,000 in Rhode Island's annual GDP.

Table 2: Direct, indirect and total impact of ongoing operations (income, value-added and output in millions of 2023 dollars)

| | Jobs | Earnings | Value added | Output |
|-----------------|------|----------|-------------|---------|
| Direct | 9 | \$0.289 | \$0.404 | \$0.866 |
| Indirect | 2 | \$0.118 | \$0.202 | \$0.381 |
| Total | 11 | \$0.407 | \$0.606 | \$1.246 |

Ongoing operations would directly and indirectly generate approximately \$42,600 annually in state tax revenue, including:

- \$8,300 in state personal income taxes paid by workers directly employed in management and maintenance of the property, or by Rhode Island workers whose jobs are indirectly attributable to those operations;
- \$28,000 in state sales taxes paid on on-site sales of food and beverages;
- \$5,300 in state sales taxes paid on those workers' taxable household spending; and
- \$1,000 in state business taxes.

During the construction period and the twelve-year period following construction, the proposed project would generate approximately \$566,900 in state tax revenues.

Tab 2

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

July 25, 2022

APPROVED

VOTED: To approve a proposed project by Fortuitous Tidewater OZ, LLC pursuant to the resolution submitted to the Board.

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING AN AWARD UNDER THE
CITY OF PAWTUCKET DOWNTOWN REDEVELOPMENT ACT
July 25, 2022

- 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 (the “State”) under Chapter 64 of Title 42 of the General Laws of Rhode Island, as amended (the “Act”); and
- WHEREAS:** Chapter 33.4 of Title 45 of the General Laws of Rhode Island, as amended (the “Pawtucket Downtown Redevelopment Act”) authorizes the State, the City of Pawtucket (the “City”) and the Pawtucket Redevelopment Agency (the “Agency”) to enter into an “Economic Activity Taxes Agreement”, as defined in the Downtown Pawtucket Redevelopment Act, and for the Corporation to designate a portion of “Baseline Revenues” as “State Economic Activity Taxes” for, among other purposes, financing qualifying projects in the City; and
- WHEREAS:** The Corporation promulgated rules and regulations (the “Rules”) governing the program established by the Pawtucket Downtown Redevelopment Act. Capitalized terms used herein but not defined shall have the meaning as set forth in the Rules; and
- WHEREAS:** On or about February 1, 2021, the Corporation received an application for an award under the Rules from Fortuitous Tidewater OZ, LLC (the “Developer”) and the Agency in relation to a multi-building, mixed-used project including a soccer stadium (the “Original Project”) located on land on both banks of the Seekonk River in Pawtucket, RI; and
- WHEREAS:** On February 5, 2021, the Board of the Corporation (the “Board”) approved the Original Project for an award under the Pawtucket Downtown Redevelopment Act and the Rules to pay a portion of the principal and interest on bonds issued by the Agency in annual installments that was expected to provide proceeds, net of capitalized interest, debt service coverage and reserves, and costs of issuance in an expected aggregate amount of Baseline Revenue of \$36,242,350 (the “Original Award”); and
- WHEREAS:** Subsequent to the Original Award, the Developer completed permitting in relation to the stadium element and certain infrastructure components of the Original Project as well as pricing and value engineering related to construction of such improvements, resulting in a determination that due to recent economic factors the anticipated cost of the stadium element and related infrastructure components had

increased from an estimated \$80 million in June, 2021 to an estimated \$124 million as of March, 2022; and

WHEREAS: As a result of the increased costs, on or about May 31, 2022, the Developer and the Agency submitted an amended application (the “Amended Application”) for the Original Project seeking an additional award under the Pawtucket Downtown Redevelopment Act and the Rules for the purpose of completing the stadium element and related infrastructure components; and

WHEREAS: The Investment Committee of the Board reviewed and discussed material elements of the Amended Application on May 31, 2022, and the Board has undertaken review and discussion of material elements of the Amended Application at meetings held on June 1st, 6th, 14th and 27th of 2022; and

WHEREAS: The Developer and the Agency have reevaluated certain aspects of the Original Project, however, due to time constraints associated with ensuring the completion and operation of the stadium for the 2024 soccer season these applicants are currently unable to provide complete and updated project features and cost elements for the non-stadium elements of the proposed improvements of the Amended Application; and

WHEREAS: The Developer and the Agency have requested that the Board of the Corporation consider just the stadium and related infrastructure components as well as preconstruction public infrastructure elements as a stand-alone project (the “Stadium Project”) and shift all prior commitments of Baseline Revenue from the approval made in February, 2021 to the current request for Baseline Revenue in an amount sufficient to provide financing generating of net bond proceeds of \$27,000,000 (the “Award”); and

WHEREAS: The Corporation and its consultant, Convention Sports and Leisure International, LLC, have analyzed the projections and related financial information provided by the Developer and determined that a financing gap in the amount of \$47,000,000 currently exists to complete the Stadium Project, and that said gap can be filled by the following sources:

- a. The Award providing for net bond proceeds of \$27,000,000;
- b. \$10,000,000 of net proceeds realized from the previously-authorized Rebuild Rhode Island Tax Credit award; and
- c. \$10,000,000 net proceeds from the City; and

WHEREAS: On July 25, 2022, the Board received a presentation detailing the Stadium Project and proposed Award together with a recommendation from the staff of the Corporation for approval of the Award in accordance with the Rules and Pawtucket Downtown Redevelopment Act.

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

RESOLVED:

1. The resolution adopted by the Board on February 5, 2021 (the "Original Resolution") approving incentives under the Pawtucket Downtown Redevelopment Act for the Original Project, providing for the Original Award, is hereby amended and restated in its entirety by the adoption of this Resolution, and the Original Resolution shall be of no further force and effect from the date hereof.
2. To accomplish the purposes of the Act and the Pawtucket Downtown Redevelopment Act, the Corporation approves the issuance of the Award to the Agency and the Developer to pay the principal and interest on bonds issued by the Agency in annual installments that will provide proceeds, net of original issue premium, capitalized interest, debt service coverage and reserves, and costs of issuance in an aggregate amount not to exceed \$27,000,000 for the development of the Stadium Project.
3. The term of the Award shall not exceed thirty (30) years from the date the Agency Bonds are issued.
4. The authorization provided herein is further subject to the following conditions:
 - a. The execution of an Incentive Agreement between the Corporation and the Developer or, as deemed necessary or appropriate by one of the Authorized Officers (hereinafter defined), among the Corporation, the Developer and affiliated or associated entities of the Developer, meeting the requirements of the Rules in such form as one of the Authorized Officers shall deem appropriate in the sole discretion of such Officer;
 - b. Contractual requirements binding the Agency, the Developer and/or such others as an Authorized Officer deems appropriate, in his or her discretion, as to the following conditions:
 - i. Requiring the annual payments received from the State on account of the Award to be held in an escrow or trust account until the Corporation certifies in writing to the Agency that the Stadium Project has received an unconditional, permanent certificate of occupancy issued by the City of Pawtucket, and is capable of opening and operating for public events including, but not limited to, regularly hosting soccer games for a USL Championship Division soccer team (or a professional soccer team competing in a US Soccer Federation-sanctioned league (or its successor) of no lower than the second tier of professional soccer in the United States),

- provided, however, an Authorized Officer may permit such certification to be issued by an independent consultant acceptable to the Corporation;
- ii. That further cost escalations in relation to the stadium and related infrastructure components of the Stadium Project shall be the responsibility of the Developer, and the Developer and/or Agency will not make a request to or receive from any State agency additional incentives, subsidies and/or tax credits with respect thereto;
 - iii. The Developer has committed that a USL Championship Division soccer team (or a professional soccer team competing in a US Soccer Federation-sanctioned league (or its successors) of no lower than the second tier of professional soccer in the United States) shall utilize the Stadium as its primary playing venue for the next 30 years. To the extent the Developer or its successor fails to meet this commitment, the Developer and/or its affiliates (not including the Agency or the City) shall repay the State, Developer-funds in an amount equal to a prorated portion of the Award based upon the number of years remaining in such 30-year commitment. Any such repayment shall be subordinate to any payment obligations the Developer and/or its affiliates may have to the City or the Agency with respect to obligations incurred by the City or the Agency to finance the Stadium Project or related projects, acceptable to an Authorized Officer. Requiring benchmarks or milestones with respect to the development of the balance of the land upon which the Original Project was proposed that provide the Corporation with remedies, including repayment or liquidated damages from the Developer and/or its affiliates (not including the Agency or the City) for failure of the Developer to timely meet such benchmarks or milestones;
 - iv. Requiring any net proceeds of a debt refinancing by the Developer and/or its affiliates pertaining to the stadium element of the Stadium Project not be used for distribution (1) to general or limited equity partners, or (2) to any other equity holders in an amount in excess of a to be negotiated percentage of the aggregate amount of equity contributed by all equity holders as of the date of the issuance of the permanent certificate of occupancy; but rather used for stadium expansion, upgrades, or repayment of non-Developer affiliated indebtedness incurred for working capital and/or other limited purposes acceptable to the Corporation. This limitation is to apply for a period of ten years from the date of approval of the permanent certificate of occupancy for the stadium; and
 - v. Requiring a capital event repayment structure to the Corporation from the Developer and/or its affiliates based upon modeling showing a potential for the return of the state subsidy, consistent with other precedents of the Corporation.
- c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer; and

- d. Appropriation by the General Assembly of amounts sufficient to pay the Award in accordance with the terms of the Pawtucket Downtown Redevelopment Act.
5. The Board of the Corporation hereby finds and determines that: (i) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (ii) that 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) that, with respect to real property, the plans and specifications assure adequate light, air, sanitation, and fire protection; (iv) that the project is in conformity with the applicable provisions of chapter 23 of title 46; (v) that the project is in conformity with the applicable provisions of the state guide plan; (vi) that a defined amount of Baseline Revenues from the arts district, ballpark district and growth center district (as such districts are defined in the Pawtucket Downtown Redevelopment Act) assessed and collected under chapters 18, 19, and 30 of title 44 of the general laws equal to the Award are necessary to finance or complete the Project; (vii) that the chief executive officer or equivalent officer of the Developer has provided an attestation under oath as required under R.I. Gen. Laws 45-33.4-1(13)(ii); and (viii) that the Chief Executive Officer of the Corporation has provided written confirmation that one or more of the eligibility criteria required by the Pawtucket Downtown Redevelopment Act has been satisfied (a copy of which is annexed hereto as **Exhibit 1**).
6. Prior to the execution of an Incentive Agreement with the Developer, 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 R.I. Gen. Law § 42-64-10(a)(2), (a copy of which is annexed hereto as **Exhibit 2**).
7. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the CEO, the President & COO, the Chief Financial Officer, the Treasurer and the SVP Investments (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 the State Economic Activity Taxes Agreement, the Incentive Agreement or any other 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 by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, 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. Stacy Farrell is appointed Assistant Secretary for all purposes under this Resolution.

8. All covenants, stipulations, and obligations and agreements of the Corporation contained in any documents executed by an Authorized Officer as 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 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.
9. 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.
10. 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.
11. No costs or expenses whether incurred by the Corporation or any other party in connection with the Award or the preparation or review of any documents by any legal or other consultants retained in connection herewith shall be borne by the Corporation except as permitted by an Authorized Officer. The Corporation may require 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 or payment thereof prior to the execution of any documents permitted hereunder. The Corporation shall have the right to select and retain legal, financial and other consultants in connection with the Award, and all fees, costs and expenses of such consultants and professionals, along with all other such costs and expenses, shall be borne by the Developer and/or the Agency.
12. This resolution shall take effect immediately upon adoption by the Board.
13. This Resolution shall automatically expire and be of no further force and effect if the Corporation has not entered into an Incentive Agreement with the Developer within 180 days of the adoption hereof.

EXHIBIT 1

From: Elizabeth Tanner, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
To: Board of Directors, Rhode Island Commerce Corporation
Re: City of Pawtucket Downtown Redevelopment Act Application
Date: July 25, 2022

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve the Project (as such term is defined in the proposed Resolution provided to the Board of Directors to which this memorandum is attached) as proposed by the Pawtucket Redevelopment Agency and Fortuitous Tidewater OZ, LLC for an award pursuant to the Downtown Pawtucket Redevelopment Act and consistent with the materials to be presented to the Board at its meeting on July 25, 2022. This memo serves as the written confirmation, pursuant to 870-RICR-30-00-9.10(A)(2), of the following:

1. The Corporation's staff has reviewed the application submitted, the impact analysis for this project, and the amended award requested by the applicant, and has determined that the Project meets the eligibility criteria set forth in R.I. General Laws 45-33.4-1(13) in that staff has concluded that a defined amount of revenues from the districts assessed and collected under chapters 18, 19, and 30 of title 44 are necessary to finance or complete a given project.
2. Based upon the foregoing determination by staff it is hereby confirmed that the Project satisfies the identified eligibility criteria under R.I. General Laws 45-33.4-1(13).

EXHIBIT 2



Rhode Island Commerce Corporation
Phase 1A – Pawtucket Riverfront Redevelopment Project
Net New Economic and Fiscal Impact Analysis
July 19, 2022

Introduction

Fortuitous Partners (“Fortuitous”) submitted a proposal to the Rhode Island Commerce Corporation (the “Corporation”) and the City of Pawtucket (the “City”) in April 2019 to redevelop property along the riverfront in downtown Pawtucket. The proposal includes a Master Plan to redevelop two sites at Tidewater and Division Street with a mixed-use district anchored by a United Soccer League Championship (“USLC”) stadium.

The original plan has undergone several revisions over the past three years as a result of delays due to the COVID-19 pandemic, cost escalations in the construction market, further planning by project stakeholders and other factors.

Based on the most recent Tidewater Landing application submittal to Commerce RI on May 23, 2022, the project would be developed across two phases and include:

Phase 1A:

- 10,000-seat USLC stadium (*Tidewater site – 2024 completion*)
- 85 parking spaces (*Tidewater site – 2024 completion*)

Phase 1B:

- 435 residential units:
 - 200 units (*Division Street site – 2025 completion*)
 - 235 units (*Tidewater site – 2026 completion*)
- 56,750 square feet of retail/restaurant space:
 - 16,750 square foot mixed-use retail - (*Division Street site – 2025 completion*)
 - 15,000 square foot food hall - (*Division Street site – 2025 completion*)
 - 10,000 square foot retail gaming center - (*Division Street site – 2025 completion*)
 - 15,000 square foot restaurant/brewery - (*Tidewater site – 2026 completion*)
- 60,000 square feet of office space (*Division Street site – 2025 completion*)
- 1,120 parking spaces:
 - 220-space surface lot (*Division Street site – 2024 completion*)
 - 150-space parking garage (*Division Street site – 2025 completion*)
 - 750-space parking garage (*Tidewater site – 2026 completion*)
- Infrastructure and public space improvements including pedestrian bridge, Riverwalk, roadway and streetscape improvements (*2026 completion*)

The purpose of this memorandum is to summarize the anticipated economic and fiscal impacts that could be generated to the State of Rhode Island from Phase 1A development to assist State representatives with decision-making regarding public contributions to the project.

CSL developed estimates of the net new economic and fiscal benefits expected to be generated to the State of Rhode Island based on information from Fortuitous, MuniCap, Inc., industry data, the use of IMPLAN multipliers and CSL's experience in quantifying the economic and fiscal impacts of similar projects. Future phases including Phase 1B outlined herein as well as a potential indoor events center and hotel are not included in the analysis herein.

Methodology

Overview of Economic Impacts

Typically, and for purposes of this analysis, quantifiable effects are characterized in terms of economic impacts and fiscal impacts. Economic impacts are conveyed through measures of direct spending, total output, personal earnings, and employment, while fiscal impacts denote changes in tax revenues.

Each of the measures of economic impact is further described below:

DIRECT SPENDING represents spending generated by facility and business operations, including:

- In-Stadium operations and expenditures by patrons and event personnel on admissions, food and beverage, merchandise, etc.;
- Mixed-use business operations;
- Out-of-Stadium spending by patrons, visiting teams and event personnel on hotels, food and beverage, retail, transportation, entertainment and other such expenditures; and,
- Out-of-District spending by district office employees and residents.

TOTAL OUTPUT represents the total **direct, indirect, and induced spending** effects generated by the Pawtucket Riverfront Redevelopment Project. **Indirect** spending consists of the re-spending of the initial direct spending, and **induced** spending effects consists of the positive changes in spending, employment, earnings, and tax collections generated by personal income associated with the operations of the proposed development. *Economic impacts were estimated utilizing multipliers from the IMPLAN system which is an industry leading resource used by various government entities, universities, and private companies.*

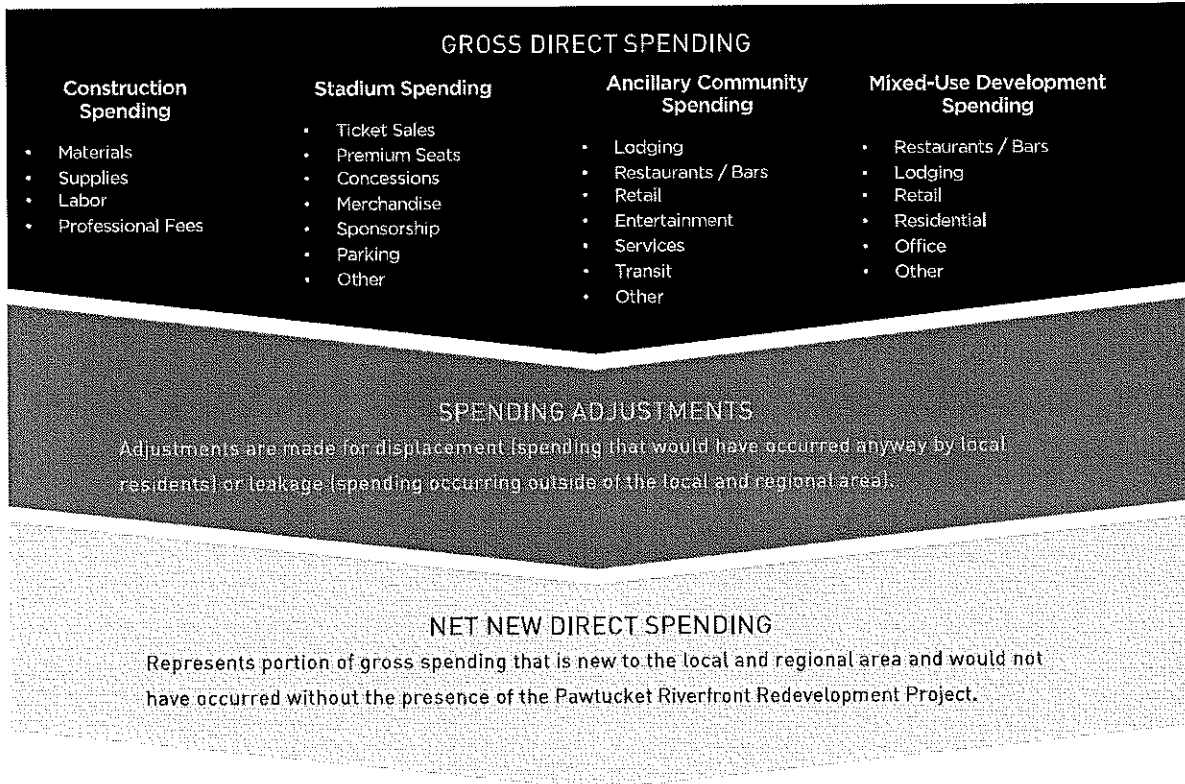
PERSONAL EARNINGS represent the wages and salaries earned by employees of businesses impacted by the operations of the Pawtucket Riverfront Redevelopment Project.

EMPLOYMENT is expressed in terms of person years of employment and is based on project spending. Person years are defined as one year of employment, or 2,080 annual hours, and may be full- or part-time.

The ongoing operations of the Pawtucket Riverfront Redevelopment Project would impact the local economy in a variety of ways. As outlined in the following graphic, **GROSS DIRECT SPENDING** is generated during construction on materials, supplies, and labor; and annual operations on tickets, concessions,

sponsorships, business operations, etc., as well as before and after events at local hotels, restaurants, retail, and other such establishments.

To estimate the incremental economic impact benefits generated to the local economy from these **SPENDING** sources, certain **ADJUSTMENTS** must be made to gross direct spending to reflect the fact that all spending is not likely to impact the local economy. The following graphic also summarizes the adjustments made to gross direct spending in order to determine **NET NEW DIRECT SPENDING** impacting the local economy.



Adjustments must be made to account for the fact that a certain amount of spending associated with the Pawtucket Riverfront Redevelopment Project will be made by local residents and, therefore, likely represents money that could already be spent in the economy in another form. This is called **displacement** and reduces the overall net new impacts. This type of spending is not considered net new to the local economy.

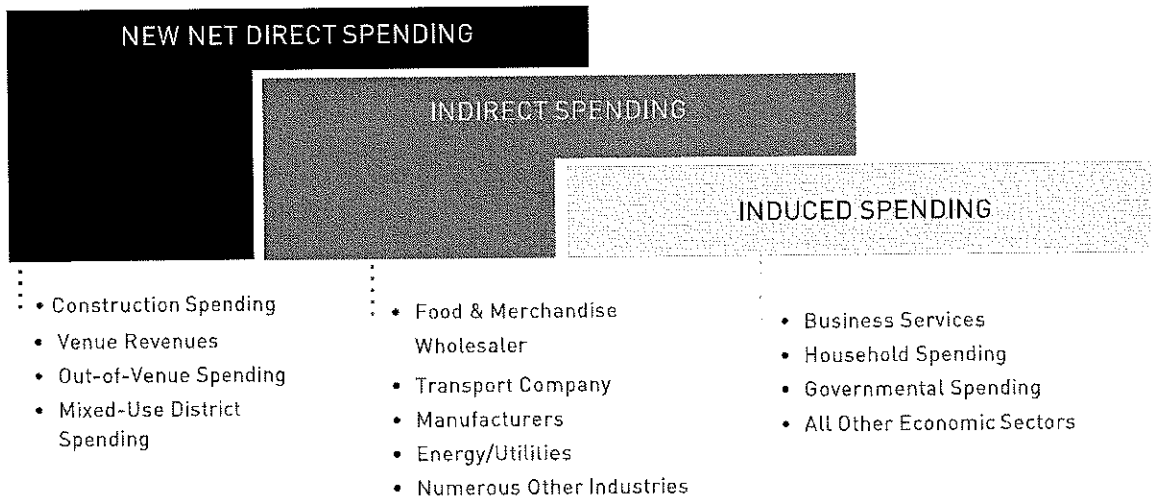
Additionally, not all spending associated with the proposed development would take place in the local economy. A portion of this spending is likely to occur outside the immediate area. This is called **leakage** and similarly reduces the overall impact. The economic impacts presented herein are derived specifically from the net new direct spending estimated to be associated with proposed facility and business operations.

Multiplier Effects

Economic impacts associated with proposed development operations would be further increased through re-spending of the net new direct spending. The total impact is estimated by applying an economic

multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with the direct spending and continuing through each successive round of re-spending.

Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the surrounding economy, as illustrated below.



INDIRECT EFFECTS consist of the re-spending of the initial or direct net new expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings, or use them to pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed **leakage** and reduces the overall economic impact. Indirect impacts occur in a number of areas including the following:

- wholesale industry as purchases of food and merchandise products are made;
- transportation industry as the products are shipped from purchaser to buyer;
- manufacturing industry as products used to service the facility, businesses, vendors, and others are produced;
- utility industry as the power to produce goods and services is consumed; and,
- other such industries.

INDUCED EFFECTS consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of the facility and businesses. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment and population are generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. An area that is capable of producing a wide range of goods and services within its border will have high multipliers, resulting from an existing positive correlation between the self-sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If

a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

As an example, say John attends a USLC soccer home game. Before the game, John goes to dinner at a restaurant in downtown Pawtucket. John's spending at the restaurant is **defined as direct spending**. The restaurant John eats at uses that money (and the money spent by those similar to John) to purchase meat, produce and other supplies from a local supplier. The restaurant's spending is **defined as indirect spending**. The local supplier uses the money spent by the restaurant to pay its employees, who then turn around and spend money in the local area on goods and services. The spending by the suppliers' employees is defined as **induced spending**.

Thus, if John had spent \$1.00 directly at the restaurant, that \$1.00 is then multiplied by 1.85 to arrive at \$1.85 of Total Output. In other words, \$1.00 of Direct Spending on food and beverage generates an additional 85 cents of re-spend in the State of Rhode Island.

Tax Revenue Impacts

In addition to the economic impacts generated by the Pawtucket Riverfront Redevelopment Project throughout the local market area, the public sector also benefits from increased tax revenues. In preparing estimates of tax revenue impacts, total tax revenues attributable to the direct spending generated by the proposed development were estimated. In addition, estimates of the effect of total output and earnings on the tax collections have been estimated. Tax revenues are based on the current applicable tax rates. Future changes in these rates would have an impact on the resulting tax collections.

The sources of State tax revenue focused on in this analysis include:

- Sales Tax – 7.00%
- Hotel Tax – 5.00%
- F&B Tax – 7.00%
- Corporate Income Tax – 7.00%
- Personal Income Tax – 4.00%

Quantitative Economic & Tax Revenue Impact Analysis

Key Assumptions

The following is a list of key data points and assumptions used to estimate the economic and tax revenue impacts associated with the construction and operations of the Pawtucket Riverfront Redevelopment Project.

- Project costs are estimated to total \$124 million for Phase 1A (expected to be completed by 2024).
- The new USLC stadium will host 24 events in Year 1 and increasing to 29 events by Year 5 (stabilized operations) with paid attendance of approximately 197,105 in Year 1, increasing to 243,064 by Year 5 (stabilized operations) per projections provided by Fortuitous.
- Based on industry data, 50 percent of stadium attendees are assumed to live outside the State of Rhode Island.
- Spending by visitors for events at the stadium consists of in-facility spending on tickets, concessions, merchandise and parking, as well as out-of-facility spending on hotels, restaurants, shopping, transit, entertainment, services and other such expenditures. Per capita out-of-stadium spending by visitors is estimated to total the following (2024 dollars):
 - In-State Day Trippers: \$10.00
 - Out-of-State Day Trippers: \$14.0
 - Out-of-State Overnighters: \$213.50
- Net new adjustments were applied to each category of spending to account for displacement (estimated amount of spending that would have been spent in the State regardless of the proposed development) and leakage (estimated amount of spending that takes place outside of the State).

One-Time Construction Impacts

As shown in Table 1, total Phase 1A project costs are estimated to be approximately \$124 million.

| TABLE 1 | |
|---|------------------|
| Phase 1A Estimated Project Costs | |
| Hard Costs | \$107.5 M |
| Soft Costs | \$16.5 M |
| TOTAL PROJECT COSTS | \$124.0 M |
| Source: Tidewater Landing Application to Commerce RI, May 23, 2022 (via Dimeo Construction). | |

It is assumed that after accounting for contractor profits (assumed at 10 percent of total project cost), 60 percent of the project budget would be spent on materials and 40 percent on labor. Based on industry data, it is assumed that 60 percent of materials spending would occur within the State and 75 percent of labor expenditures would take place in the State.

The one-time net new economic impacts estimated to be associated with the construction of a new USLC stadium include:

- \$71.3 million in direct spending in the State;
- \$117.5 million in total output (direct, indirect and induced spending); and,
- 786 full and part-time jobs and that create approximately \$48.3 million in personal earnings.

These impacts are summarized on the following 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 | |
|---|------------------|
| Phase 1A Net New Construction Impacts | |
| State of Rhode Island | |
| SPENDING | |
| Direct | \$71.3 M |
| Indirect & Induced | \$46.2 M |
| TOTAL SPENDING | \$117.5 M |
| JOBS | |
| Direct | 474 |
| Indirect & Induced | 311 |
| TOTAL JOBS | 786 |
| PERSONAL EARNING | |
| Direct | \$31.5 M |
| Indirect & Induced | \$16.8 M |
| TOTAL EARNINGS | \$48.3 M |
| <small>Note: Jobs represent the average annual full-time equivalent jobs (FTE's), including both full and part-time jobs.</small> | |

The activity reflected in Table 2 is estimated to occur from 2022 through 2024.

The anticipated wage rates for construction jobs are shown on the following page in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island, as of May 2020, the latest information published at the time of this report.

| TABLE 3 | |
|--|--|
| Anticipated Wages During Construction | |
| Occupation | Rhode Island Median Hourly Wage |
| Architect | \$41.20 |
| Construction manager | \$52.49 |
| Carpenter | \$23.59 |
| Electrician | \$27.54 |
| Plumber | \$27.39 |
| Painter | \$19.03 |
| Laborer | \$26.49 |

Source: RI Department of Labor and Training, Occupational Employment Statistics, May 2020.

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 State.

Annual Recurring Impacts

Phase 1A facilities are anticipated to begin operating in 2024, reaching a stabilized year of operations by Year 4 (2027).

As outlined in the key assumptions, spending consists of in-facility spending by patrons of the stadium on items such as admissions, concessions, merchandise and parking, as well as mixed-use business operations. In addition to the operations of the proposed stadium and businesses, the Rhode Island economy will benefit from the out-of-district spending generated as a result of the Pawtucket Riverfront Redevelopment Project. Out-of-district spending includes all spending by visiting teams and spectators to the new USLC stadium, as well as office workers employed on-site and residents living in the apartment buildings.

The following table summarizes the anticipated net present value over a 30-year period (2024 to 2053) of the net new annual spending and resulting impacts of the State of Rhode Island that are estimated to be generated from the ongoing operations of Phase 1A of the Pawtucket Riverfront Redevelopment. These impacts include both spending within the District and as well as outside the District but within the State.

| TABLE 4 | | | |
|--|--------------------|------------------------|-----------------|
| Phase 1A Net New Economic Impacts from Operations | | | |
| Annualized and 30-Year Impacts (2024 to 2053) | | | |
| State of Rhode Island | | | |
| | In-District | Out-of-District | Total |
| SPENDING | | | |
| Direct Average Annual Spending | \$11.5M | \$4.7M | \$16.3M |
| Indirect & Induced Average Annual Spending | \$9.8M | \$3.9M | \$13.8M |
| TOTAL AVERAGE ANNUAL OUTPUT | \$21.4M | \$8.7M | \$30.0M |
| 30-YEAR CUMULATIVE OUTPUT | \$641.3M | \$260.2M | \$901.5M |
| 30-YEAR NPV OUTPUT | \$295.6M | \$123.1M | \$418.7M |
| JOBS | | | |
| Direct Jobs - FTEs | 97 | 65 | 162 |
| Indirect & Induced Jobs - FTEs | 52 | 19 | 71 |
| TOTAL JOBS - FTEs | 149 | 84 | 233 |
| PERSONAL EARNINGS | | | |
| Direct Average Annual Earnings | \$6.9M | \$2.5M | \$9.4M |
| Indirect & Induced Average Annual Earnings | \$3.8M | \$1.4M | \$5.1M |
| TOTAL AVERAGE ANNUAL EARNINGS | \$10.7M | \$3.9M | \$14.6M |
| 30-YEAR CUMULATIVE EARNINGS | \$320.3M | \$117.2M | \$437.6M |
| 30-YEAR NPV EARNINGS | \$148.7M | \$55.5M | \$204.1M |
| <small>Note: NPV discount rate equals 5%; Jobs represent the average annual full-time equivalent jobs (FTE's), including both full and part-time jobs.</small> | | | |

Table 4 summarizes the net new economic impact to the State from annually recurring operations spending estimated to occur over 30 years and presented in average annualized dollars as well as total cumulative and total net present value. The 30-year impacts include:

- \$901.5 million in total cumulative output (direct, indirect and induced spending) or \$418.7 million on a net present value basis;
- 233 full and part-time jobs (FTEs); and,
- \$437.6 million in total cumulative personal earnings or \$204.1 million on a net present value basis;

Schedules A through C in the appendix summarize the economic estimates impacts year-by-year for Phase 1A.

Impact on State Tax Revenues

The proposed project would generate new state tax revenues through spending on construction, through the operations of proposed stadium and businesses, and through out-of-district spending by those patronizing the new USLC stadium and mixed-use businesses. The following table provides a summary of the net new tax revenue impacts estimated to be generate to the State during construction and over 20-years of operations presented on a net present value basis.

| TABLE 5 | | | |
|---|-----------------|-----------------------------------|-----------------|
| Phase 1A Net New Fiscal Impacts from Annually Recurring Operations | | | |
| Annualized and 30-Year Impacts (2024 to 2053) | | | |
| State of Rhode Island | | | |
| | <u>Direct</u> | <u>Indirect & Induced</u> | <u>TOTAL</u> |
| CONSTRUCTION TAX REVENUES | | | |
| Sales Tax | \$ 2.44M | \$ 1.08M | \$ 3.52M |
| Corporate Income Tax | \$ 0.65M | \$ 0.00M | \$ 0.65M |
| Personal Income Tax | \$ 1.16M | \$ 0.45M | \$ 1.61M |
| TOTAL CONSTRUCTION | \$ 4.25M | \$ 1.53M | \$ 5.78M |
| IN-DISTRICT AVERAGE ANNUAL OPERATIONS TAX REVENUES | | | |
| Sales Tax | \$0.19M | \$0.14M | \$0.33M |
| Hotel Tax | \$0.00M | \$0.00M | \$0.00M |
| Food & Beverage Tax | \$0.02M | \$0.00M | \$0.02M |
| Corporate Income Tax | \$0.01M | \$0.00M | \$0.01M |
| Personal Income Tax | \$0.28M | \$0.06M | \$0.33M |
| TOTAL - IN-DISTRICT AVERAGE ANNUAL | \$0.49M | \$0.20M | \$0.69M |
| 30-YEAR CUMULATIVE TAX REVENUE | \$14.84M | \$5.93M | \$20.77M |
| 30-YEAR NPV TAX REVENUE | \$6.60M | \$2.75M | \$9.35M |
| OUT-OF-DISTRICT AVERAGE ANNUAL OPERATIONS TAX REVENUES | | | |
| Sales Tax | \$0.11M | \$0.05M | \$0.16M |
| Hotel Tax | \$0.03M | \$0.00M | \$0.03M |
| Food & Beverage Tax | \$0.07M | \$0.00M | \$0.07M |
| Corporate Income Tax | \$0.00M | \$0.00M | \$0.00M |
| Personal Income Tax | \$0.07M | \$0.02M | \$0.09M |
| TOTAL - OUT-OF-DISTRICT AVERAGE ANNUAL | \$0.28M | \$0.07M | \$0.35M |
| 30-YEAR CUMULATIVE TAX REVENUE | \$8.30M | \$2.18M | \$10.47M |
| 30-YEAR NPV TAX REVENUE | \$3.92M | \$1.03M | \$4.95M |
| TOTAL (CONSTRUCTION + OPERATIONS) | | | |
| 30-YEAR CUMULATIVE TAX REVENUE | \$27.39M | \$9.63M | \$37.02M |
| 30-YEAR NPV TAX REVENUE | \$14.77M | \$5.31M | \$20.08M |

Note: NPV discount rate equals 5%.

Overall, it is estimated that construction and operations of the new USLC stadium could generate approximately \$37.0 million in cumulative net new fiscal impacts to the State of Rhode Island over 30 years, \$20.1 million on a net present value basis.

Scheduled D in the appendix summarize the estimated tax impacts year-by-year for Phase 1A.

It should be noted that the economic impact theory used herein to estimate net new tax revenues to the State is a different methodology than used to assess the incremental tax revenues generated within a Tax-Increment District (an analysis provided by MuniCap, Inc under separate cover). The tax revenues generated in a TIF District are agnostic to whether the taxes were generated from spending that would have occurred in the State economy without the project. As such, the tax revenue impact analysis presented herein is an important consideration to assist State officials with making informed decisions regarding the potential net new incremental tax revenues that could be expected in relation to the public dollars invested in Phase 1A of the Pawtucket Riverfront Redevelopment Project.

Non-Quantifiable Impacts

In addition to the more quantifiable benefits, some benefits related to the construction and operations of a new USLC stadium on the riverfront in Pawtucket cannot be quantifiably measured. Potential qualitative benefits for the State of Rhode Island include:

- Enhanced activity on an underutilized site on the riverfront in Pawtucket;
- Modern facility for a new USLC soccer team;
- Enhanced spectator event opportunities for citizens of the State of Rhode Island;
- Enhanced community pride, self-image, exposure and reputation;
- Increased opportunities for charitable programs and community outreach;
- New advertising/sponsorship opportunities for local area businesses;
- Enhanced economic growth and ancillary private sector development; and,
- Other such benefits.

SUPPLEMENTAL SCHEDULES

Detailed Year-By-Year Economic and Fiscal Impact Estimates

SCHEDULE A - PHASE 1-A SPENDING
 Net New Annually Recurring Operations Impacts
 State of Rhode Island
 30-Years (2024 to 2053)

| Year | IN-DISTRICT | | | OUT-OF-DISTRICT | | | TOTAL | | |
|----------------------------------|----------------------|-----------------------------|----------------------|----------------------|-----------------------------|----------------------|----------------------|-----------------------------|----------------------|
| | Direct Spending | Indirect & Induced Spending | Total Spending | Direct Spending | Indirect & Induced Spending | Total Spending | Direct Spending | Indirect & Induced Spending | Total Spending |
| 2024 | \$6,717,331 | \$5,772,397 | \$12,489,728 | \$2,880,226 | \$2,379,694 | \$5,259,920 | \$9,597,558 | \$8,152,091 | \$17,749,649 |
| 2025 | \$6,659,987 | \$5,727,500 | \$12,387,487 | \$3,111,851 | \$2,571,066 | \$5,682,918 | \$9,771,838 | \$8,298,566 | \$18,070,404 |
| 2026 | \$6,930,110 | \$5,960,841 | \$12,890,950 | \$3,502,522 | \$2,893,845 | \$6,396,367 | \$10,432,632 | \$8,854,686 | \$19,287,318 |
| 2027 | \$7,316,780 | \$6,293,996 | \$13,610,776 | \$3,762,748 | \$3,108,849 | \$6,871,596 | \$11,079,327 | \$9,402,845 | \$20,482,172 |
| 2028 | \$7,455,013 | \$6,412,948 | \$13,867,961 | \$3,838,003 | \$3,171,026 | \$7,009,028 | \$11,293,016 | \$9,583,974 | \$20,876,989 |
| 2029 | \$8,769,695 | \$7,507,654 | \$16,277,349 | \$3,914,763 | \$3,234,446 | \$7,149,209 | \$12,684,457 | \$10,742,100 | \$23,426,557 |
| 2030 | \$8,913,221 | \$7,631,170 | \$16,544,391 | \$3,993,058 | \$3,299,135 | \$7,292,193 | \$12,906,279 | \$10,930,305 | \$23,836,584 |
| 2031 | \$9,059,631 | \$7,757,166 | \$16,816,797 | \$4,072,919 | \$3,365,118 | \$7,438,037 | \$13,132,550 | \$11,122,284 | \$24,254,834 |
| 2032 | \$9,208,980 | \$7,885,692 | \$17,094,672 | \$4,154,378 | \$3,432,420 | \$7,586,798 | \$13,363,358 | \$11,318,112 | \$24,681,470 |
| 2033 | \$9,361,328 | \$8,016,798 | \$17,378,127 | \$4,237,465 | \$3,501,068 | \$7,738,534 | \$13,598,793 | \$11,517,867 | \$25,116,660 |
| 2034 | \$10,689,006 | \$9,122,740 | \$19,811,745 | \$4,322,214 | \$3,571,090 | \$7,893,304 | \$15,011,220 | \$12,693,830 | \$27,705,049 |
| 2035 | \$10,847,264 | \$9,258,940 | \$20,106,205 | \$4,408,659 | \$3,642,512 | \$8,051,170 | \$15,255,923 | \$12,901,452 | \$28,157,375 |
| 2036 | \$11,008,710 | \$9,397,882 | \$20,406,592 | \$4,496,832 | \$3,715,362 | \$8,212,194 | \$15,505,542 | \$13,113,244 | \$28,618,786 |
| 2037 | \$11,173,405 | \$9,539,621 | \$20,713,026 | \$4,586,768 | \$3,789,669 | \$8,376,438 | \$15,760,174 | \$13,329,290 | \$29,089,464 |
| 2038 | \$11,341,415 | \$9,684,211 | \$21,025,626 | \$4,678,504 | \$3,865,463 | \$8,543,966 | \$16,019,919 | \$13,549,674 | \$29,569,593 |
| 2039 | \$12,683,790 | \$10,802,847 | \$23,486,638 | \$4,772,074 | \$3,942,772 | \$8,714,846 | \$17,455,864 | \$14,745,619 | \$32,201,483 |
| 2040 | \$12,858,385 | \$10,953,111 | \$23,811,496 | \$4,867,515 | \$4,021,627 | \$8,889,143 | \$17,725,900 | \$14,974,738 | \$32,700,639 |
| 2041 | \$13,036,501 | \$11,106,404 | \$24,142,905 | \$4,964,866 | \$4,102,060 | \$9,066,925 | \$18,001,366 | \$15,208,464 | \$33,209,830 |
| 2042 | \$13,218,207 | \$11,262,786 | \$24,480,993 | \$5,064,163 | \$4,184,101 | \$9,248,264 | \$18,282,370 | \$15,446,887 | \$33,729,257 |
| 2043 | \$13,403,575 | \$11,422,319 | \$24,825,894 | \$5,165,446 | \$4,267,783 | \$9,433,229 | \$18,569,021 | \$15,690,102 | \$34,259,124 |
| 2044 | \$13,595,296 | \$11,587,297 | \$25,182,592 | \$5,268,755 | \$4,353,139 | \$9,621,894 | \$18,864,051 | \$15,940,435 | \$34,804,486 |
| 2045 | \$13,790,851 | \$11,755,574 | \$25,546,424 | \$5,374,130 | \$4,440,201 | \$9,814,332 | \$19,164,981 | \$16,195,775 | \$35,360,756 |
| 2046 | \$13,990,317 | \$11,927,216 | \$25,917,533 | \$5,481,613 | \$4,529,005 | \$10,010,618 | \$19,471,930 | \$16,456,222 | \$35,928,151 |
| 2047 | \$14,193,772 | \$12,102,292 | \$26,296,064 | \$5,591,245 | \$4,619,586 | \$10,210,831 | \$19,785,017 | \$16,721,877 | \$36,506,895 |
| 2048 | \$14,401,297 | \$12,280,869 | \$26,682,165 | \$5,703,070 | \$4,711,977 | \$10,415,047 | \$20,104,367 | \$16,992,846 | \$37,097,213 |
| 2049 | \$14,612,972 | \$12,463,017 | \$27,075,989 | \$5,817,131 | \$4,806,217 | \$10,623,348 | \$20,430,103 | \$17,269,234 | \$37,699,337 |
| 2050 | \$14,828,880 | \$12,648,809 | \$27,477,689 | \$5,933,474 | \$4,902,341 | \$10,835,815 | \$20,762,354 | \$17,551,150 | \$38,313,504 |
| 2051 | \$15,049,107 | \$12,838,316 | \$27,887,423 | \$6,052,144 | \$5,000,388 | \$11,052,531 | \$21,101,250 | \$17,838,704 | \$38,939,954 |
| 2052 | \$15,273,738 | \$13,031,613 | \$28,305,351 | \$6,173,186 | \$5,100,396 | \$11,273,582 | \$21,446,924 | \$18,132,009 | \$39,578,933 |
| 2053 | \$15,502,862 | \$13,228,777 | \$28,731,639 | \$6,296,650 | \$5,202,404 | \$11,499,054 | \$21,799,512 | \$18,431,180 | \$40,230,692 |
| AVERAGE ANNUAL | \$11,529,714 | \$9,846,027 | \$21,375,741 | \$4,749,546 | \$3,924,159 | \$8,673,704 | \$16,279,260 | \$13,770,185 | \$30,049,445 |
| 30-YEAR CUMULATIVE | \$345,891,423 | \$295,380,804 | \$641,272,228 | \$142,486,373 | \$117,724,758 | \$260,211,131 | \$488,377,796 | \$413,105,563 | \$901,483,359 |
| 30-YEAR NET PRESENT VALUE | \$159,347,275 | \$136,214,895 | \$295,562,169 | \$67,403,291 | \$55,689,790 | \$123,093,082 | \$226,750,566 | \$191,904,685 | \$418,655,251 |

(Note: NPV discount rate equal is 5%.)

| Year | IN-DISTRICT | | | OUT-OF-DISTRICT | | | TOTAL | | |
|----------------|----------------|-------------------------------|---------------|-----------------|-------------------------------|---------------|----------------|-------------------------------|---------------|
| | Direct Jobs | Indirect & Induced Jobs | Total Jobs | Direct Jobs | Indirect & Induced Jobs | Total Jobs | Direct Jobs | Indirect & Induced Jobs | Total Jobs |
| | | | | | | | | | |
| 2024 | 65 | 42 | 108 | 53 | 16 | 69 | 119 | 58 | 177 |
| 2025 | 63 | 41 | 104 | 57 | 17 | 73 | 119 | 58 | 178 |
| 2026 | 64 | 42 | 106 | 62 | 19 | 81 | 126 | 61 | 187 |
| 2027 | 66 | 44 | 110 | 66 | 20 | 85 | 132 | 63 | 195 |
| 2028 | 66 | 44 | 110 | 66 | 20 | 85 | 132 | 63 | 195 |
| 2029 | 87 | 49 | 136 | 66 | 20 | 85 | 153 | 69 | 222 |
| 2030 | 87 | 49 | 136 | 66 | 20 | 85 | 152 | 69 | 221 |
| 2031 | 86 | 49 | 135 | 66 | 20 | 85 | 152 | 69 | 220 |
| 2032 | 86 | 49 | 135 | 66 | 20 | 85 | 151 | 69 | 220 |
| 2033 | 85 | 49 | 134 | 66 | 20 | 85 | 151 | 68 | 219 |
| 2034 | 104 | 54 | 158 | 66 | 20 | 85 | 169 | 74 | 243 |
| 2035 | 103 | 54 | 157 | 66 | 20 | 85 | 169 | 73 | 242 |
| 2036 | 102 | 53 | 156 | 66 | 20 | 85 | 168 | 73 | 241 |
| 2037 | 101 | 53 | 154 | 66 | 20 | 85 | 167 | 73 | 240 |
| 2038 | 100 | 53 | 153 | 66 | 20 | 85 | 166 | 73 | 239 |
| 2039 | 117 | 58 | 175 | 66 | 20 | 85 | 183 | 77 | 260 |
| 2040 | 116 | 57 | 173 | 66 | 20 | 85 | 182 | 77 | 258 |
| 2041 | 115 | 57 | 172 | 66 | 20 | 85 | 181 | 76 | 257 |
| 2042 | 114 | 57 | 170 | 66 | 20 | 85 | 180 | 76 | 256 |
| 2043 | 113 | 56 | 169 | 66 | 20 | 85 | 178 | 76 | 254 |
| 2044 | 112 | 56 | 168 | 66 | 20 | 85 | 177 | 76 | 253 |
| 2045 | 111 | 56 | 167 | 66 | 20 | 85 | 177 | 75 | 252 |
| 2046 | 110 | 55 | 165 | 66 | 20 | 85 | 176 | 75 | 251 |
| 2047 | 109 | 55 | 164 | 66 | 20 | 85 | 175 | 75 | 249 |
| 2048 | 108 | 55 | 163 | 66 | 20 | 85 | 174 | 74 | 248 |
| 2049 | 107 | 55 | 162 | 66 | 20 | 85 | 173 | 74 | 247 |
| 2050 | 106 | 54 | 161 | 66 | 20 | 85 | 172 | 74 | 246 |
| 2051 | 105 | 54 | 160 | 66 | 20 | 85 | 171 | 74 | 245 |
| 2052 | 105 | 54 | 158 | 66 | 20 | 85 | 170 | 73 | 244 |
| 2053 | 104 | 54 | 157 | 66 | 20 | 85 | 169 | 73 | 243 |
| AVERAGE | 97 | 52 | 149 | 65 | 19 | 84 | 162 | 71 | 233 |

Note: FTE jobs inclusive of both full and part-time jobs.

SCHEDULE C - PHASE 1A PERSONAL EARNINGS

Net New Annually Recurring Operations Impacts
 State of Rhode Island
 30-Years (2024 to 2053)

| Year | IN-DISTRICT | | | OUT-OF-DISTRICT | | | TOTAL | | |
|----------------------------------|----------------------|-----------------------------|----------------------|---------------------|-----------------------------|----------------------|----------------------|-----------------------------|----------------------|
| | Direct Earnings | Indirect & Induced Earnings | Total Earnings | Direct Earnings | Indirect & Induced Earnings | Total Earnings | Direct Earnings | Indirect & Induced Earnings | Total Earnings |
| 2024 | \$4,291,174 | \$2,228,714 | \$6,519,888 | \$1,528,656 | \$841,419 | \$2,370,075 | \$5,819,830 | \$3,070,133 | \$8,889,963 |
| 2025 | \$4,276,604 | \$2,214,183 | \$6,490,787 | \$1,651,589 | \$909,085 | \$2,560,674 | \$5,928,193 | \$3,123,268 | \$9,051,461 |
| 2026 | \$4,454,921 | \$2,305,324 | \$6,760,246 | \$1,858,934 | \$1,023,214 | \$2,882,148 | \$6,313,855 | \$3,328,538 | \$9,642,394 |
| 2027 | \$4,706,189 | \$2,434,674 | \$7,140,864 | \$1,997,047 | \$1,099,235 | \$3,096,282 | \$6,703,236 | \$3,533,910 | \$10,237,146 |
| 2028 | \$4,795,413 | \$2,480,712 | \$7,276,125 | \$2,036,988 | \$1,121,220 | \$3,158,208 | \$6,832,400 | \$3,601,932 | \$10,434,333 |
| 2029 | \$5,388,763 | \$2,880,838 | \$8,269,601 | \$2,077,727 | \$1,143,645 | \$3,221,372 | \$7,466,490 | \$4,024,483 | \$11,490,973 |
| 2030 | \$5,481,466 | \$2,928,648 | \$8,410,114 | \$2,119,282 | \$1,166,517 | \$3,285,799 | \$7,600,748 | \$4,095,166 | \$11,695,914 |
| 2031 | \$5,576,028 | \$2,977,418 | \$8,553,447 | \$2,161,667 | \$1,189,848 | \$3,351,515 | \$7,737,696 | \$4,167,266 | \$11,904,962 |
| 2032 | \$5,672,487 | \$3,027,167 | \$8,699,654 | \$2,204,901 | \$1,213,645 | \$3,418,546 | \$7,877,388 | \$4,240,812 | \$12,118,200 |
| 2033 | \$5,770,880 | \$3,077,915 | \$8,848,795 | \$2,248,999 | \$1,237,918 | \$3,486,917 | \$8,019,879 | \$4,315,832 | \$12,335,711 |
| 2034 | \$6,372,983 | \$3,482,423 | \$9,855,406 | \$2,293,979 | \$1,262,676 | \$3,556,655 | \$8,666,962 | \$4,745,099 | \$13,412,061 |
| 2035 | \$6,475,247 | \$3,535,147 | \$10,010,394 | \$2,339,858 | \$1,287,930 | \$3,627,788 | \$8,815,105 | \$4,823,077 | \$13,638,182 |
| 2036 | \$6,579,565 | \$3,588,932 | \$10,168,497 | \$2,386,656 | \$1,313,688 | \$3,700,344 | \$8,966,220 | \$4,902,620 | \$13,868,841 |
| 2037 | \$6,685,978 | \$3,643,799 | \$10,329,777 | \$2,434,389 | \$1,339,962 | \$3,774,351 | \$9,120,367 | \$4,983,761 | \$14,104,128 |
| 2038 | \$6,794,528 | \$3,699,770 | \$10,494,299 | \$2,483,076 | \$1,366,761 | \$3,849,838 | \$9,277,605 | \$5,066,531 | \$14,344,136 |
| 2039 | \$7,406,446 | \$4,109,222 | \$11,515,668 | \$2,532,738 | \$1,394,096 | \$3,926,834 | \$9,939,184 | \$5,503,318 | \$15,442,502 |
| 2040 | \$7,519,295 | \$4,167,393 | \$11,686,688 | \$2,583,393 | \$1,421,978 | \$4,005,371 | \$10,102,688 | \$5,589,371 | \$15,692,059 |
| 2041 | \$7,634,414 | \$4,226,736 | \$11,861,149 | \$2,635,061 | \$1,450,418 | \$4,085,478 | \$10,269,474 | \$5,677,154 | \$15,946,628 |
| 2042 | \$7,751,847 | \$4,287,274 | \$12,039,121 | \$2,687,762 | \$1,479,426 | \$4,167,188 | \$10,439,609 | \$5,766,700 | \$16,206,309 |
| 2043 | \$7,871,640 | \$4,349,032 | \$12,220,672 | \$2,741,517 | \$1,509,015 | \$4,250,532 | \$10,613,158 | \$5,858,046 | \$16,471,204 |
| 2044 | \$7,995,381 | \$4,412,882 | \$12,408,264 | \$2,796,347 | \$1,539,195 | \$4,335,542 | \$10,791,729 | \$5,952,077 | \$16,743,806 |
| 2045 | \$8,121,597 | \$4,478,010 | \$12,599,607 | \$2,852,274 | \$1,569,979 | \$4,422,253 | \$10,973,871 | \$6,047,989 | \$17,021,860 |
| 2046 | \$8,250,337 | \$4,544,440 | \$12,794,777 | \$2,909,320 | \$1,601,379 | \$4,510,698 | \$11,159,656 | \$6,145,819 | \$17,305,475 |
| 2047 | \$8,381,651 | \$4,612,199 | \$12,993,850 | \$2,967,506 | \$1,633,406 | \$4,600,912 | \$11,349,157 | \$6,245,605 | \$17,594,763 |
| 2048 | \$8,515,592 | \$4,681,313 | \$13,196,905 | \$3,026,856 | \$1,666,074 | \$4,692,931 | \$11,542,448 | \$6,347,387 | \$17,889,836 |
| 2049 | \$8,652,212 | \$4,751,809 | \$13,404,021 | \$3,087,393 | \$1,699,396 | \$4,786,789 | \$11,739,605 | \$6,451,205 | \$18,190,810 |
| 2050 | \$8,791,564 | \$4,823,716 | \$13,615,280 | \$3,149,141 | \$1,733,384 | \$4,882,525 | \$11,940,705 | \$6,557,099 | \$18,497,805 |
| 2051 | \$8,933,703 | \$4,897,060 | \$13,830,763 | \$3,212,124 | \$1,768,051 | \$4,980,175 | \$12,145,827 | \$6,665,111 | \$18,810,939 |
| 2052 | \$9,078,685 | \$4,971,871 | \$14,050,556 | \$3,276,367 | \$1,803,412 | \$5,079,779 | \$12,355,052 | \$6,775,283 | \$19,130,335 |
| 2053 | \$9,226,567 | \$5,048,179 | \$14,274,745 | \$3,341,894 | \$1,839,481 | \$5,181,375 | \$12,568,461 | \$6,887,659 | \$19,456,120 |
| AVERAGE ANNUAL | \$6,915,105 | \$3,762,227 | \$10,677,332 | \$2,520,781 | \$1,387,515 | \$3,908,296 | \$9,435,887 | \$5,149,742 | \$14,585,628 |
| 30-YEAR CUMULATIVE | \$207,453,156 | \$112,866,803 | \$320,319,959 | \$75,623,441 | \$41,625,453 | \$117,248,894 | \$283,076,598 | \$154,492,256 | \$437,568,853 |
| 30-YEAR NET PRESENT VALUE | \$96,533,437 | \$52,137,278 | \$148,670,715 | \$35,773,729 | \$19,690,954 | \$55,464,682 | \$132,307,165 | \$71,828,232 | \$204,135,397 |

Note: NPV discount rate equal is 5%.

| Year | IN-DISTRICT | | | | | | | | | | OUT-OF-DISTRICT | | | | | | | | | | TOTAL | |
|---------------------------|-------------|-------------|-----------------------|------------------------|-----------------------|---------------------------|--------------|-------------|-------------|-----------------------|------------------------|-----------------------|---------------------------|--------------|-------------|-------------|-----------------------|------------------------|-----------------------|---------------------------|-------------|--------------|
| | Sales Taxes | Hotel Taxes | Food & Beverage Taxes | Corporate Income Taxes | Personal Income Taxes | Indirect & Intended Taxes | Total Taxes | Sales Taxes | Hotel Taxes | Food & Beverage Taxes | Corporate Income Taxes | Personal Income Taxes | Indirect & Intended Taxes | Total Taxes | Sales Taxes | Hotel Taxes | Direct Beverage Taxes | Corporate Income Taxes | Personal Income Taxes | Indirect & Intended Taxes | Total Taxes | |
| 2024 | \$31,000 | \$0 | \$14,000 | \$16,000 | \$172,000 | \$121,000 | \$355,000 | \$64,000 | \$70,000 | \$20,000 | \$48,000 | \$40,000 | \$44,000 | \$211,000 | \$55,000 | \$20,000 | \$57,000 | \$16,000 | \$211,000 | \$165,000 | \$165,000 | \$585,000 |
| 2025 | \$29,000 | \$0 | \$13,000 | \$15,000 | \$170,000 | \$120,000 | \$337,000 | \$62,000 | \$68,000 | \$19,000 | \$46,000 | \$38,000 | \$42,000 | \$203,000 | \$53,000 | \$19,000 | \$55,000 | \$15,000 | \$203,000 | \$163,000 | \$163,000 | \$566,000 |
| 2026 | \$27,000 | \$0 | \$12,000 | \$14,000 | \$168,000 | \$119,000 | \$320,000 | \$60,000 | \$66,000 | \$18,000 | \$44,000 | \$36,000 | \$40,000 | \$195,000 | \$51,000 | \$18,000 | \$53,000 | \$14,000 | \$195,000 | \$161,000 | \$161,000 | \$546,000 |
| 2027 | \$25,000 | \$0 | \$11,000 | \$13,000 | \$166,000 | \$118,000 | \$303,000 | \$58,000 | \$64,000 | \$17,000 | \$42,000 | \$34,000 | \$38,000 | \$187,000 | \$49,000 | \$17,000 | \$51,000 | \$13,000 | \$187,000 | \$159,000 | \$159,000 | \$526,000 |
| 2028 | \$23,000 | \$0 | \$10,000 | \$12,000 | \$164,000 | \$117,000 | \$286,000 | \$56,000 | \$62,000 | \$16,000 | \$40,000 | \$32,000 | \$36,000 | \$179,000 | \$47,000 | \$16,000 | \$49,000 | \$12,000 | \$179,000 | \$157,000 | \$157,000 | \$506,000 |
| 2029 | \$21,000 | \$0 | \$9,000 | \$11,000 | \$162,000 | \$116,000 | \$269,000 | \$54,000 | \$60,000 | \$15,000 | \$38,000 | \$30,000 | \$34,000 | \$171,000 | \$45,000 | \$15,000 | \$47,000 | \$11,000 | \$171,000 | \$155,000 | \$155,000 | \$486,000 |
| 2030 | \$19,000 | \$0 | \$8,000 | \$10,000 | \$160,000 | \$115,000 | \$252,000 | \$52,000 | \$58,000 | \$14,000 | \$36,000 | \$28,000 | \$32,000 | \$163,000 | \$43,000 | \$14,000 | \$45,000 | \$10,000 | \$163,000 | \$153,000 | \$153,000 | \$466,000 |
| 2031 | \$17,000 | \$0 | \$7,000 | \$9,000 | \$158,000 | \$114,000 | \$235,000 | \$50,000 | \$56,000 | \$13,000 | \$34,000 | \$26,000 | \$30,000 | \$155,000 | \$41,000 | \$13,000 | \$43,000 | \$9,000 | \$155,000 | \$151,000 | \$151,000 | \$446,000 |
| 2032 | \$15,000 | \$0 | \$6,000 | \$8,000 | \$156,000 | \$113,000 | \$218,000 | \$48,000 | \$54,000 | \$12,000 | \$32,000 | \$24,000 | \$28,000 | \$147,000 | \$39,000 | \$12,000 | \$41,000 | \$8,000 | \$147,000 | \$149,000 | \$149,000 | \$426,000 |
| 2033 | \$13,000 | \$0 | \$5,000 | \$7,000 | \$154,000 | \$112,000 | \$201,000 | \$46,000 | \$52,000 | \$11,000 | \$30,000 | \$22,000 | \$26,000 | \$139,000 | \$37,000 | \$11,000 | \$39,000 | \$7,000 | \$139,000 | \$147,000 | \$147,000 | \$406,000 |
| 2034 | \$11,000 | \$0 | \$4,000 | \$6,000 | \$152,000 | \$111,000 | \$184,000 | \$44,000 | \$50,000 | \$10,000 | \$28,000 | \$20,000 | \$24,000 | \$131,000 | \$35,000 | \$10,000 | \$37,000 | \$6,000 | \$131,000 | \$145,000 | \$145,000 | \$386,000 |
| 2035 | \$9,000 | \$0 | \$3,000 | \$5,000 | \$150,000 | \$110,000 | \$167,000 | \$42,000 | \$48,000 | \$9,000 | \$26,000 | \$18,000 | \$22,000 | \$123,000 | \$33,000 | \$9,000 | \$35,000 | \$5,000 | \$123,000 | \$143,000 | \$143,000 | \$366,000 |
| 2036 | \$7,000 | \$0 | \$2,000 | \$4,000 | \$148,000 | \$109,000 | \$150,000 | \$40,000 | \$46,000 | \$8,000 | \$24,000 | \$16,000 | \$20,000 | \$115,000 | \$31,000 | \$8,000 | \$33,000 | \$4,000 | \$115,000 | \$141,000 | \$141,000 | \$346,000 |
| 2037 | \$5,000 | \$0 | \$1,000 | \$3,000 | \$146,000 | \$108,000 | \$133,000 | \$38,000 | \$44,000 | \$7,000 | \$22,000 | \$14,000 | \$18,000 | \$107,000 | \$29,000 | \$7,000 | \$31,000 | \$3,000 | \$107,000 | \$139,000 | \$139,000 | \$326,000 |
| 2038 | \$3,000 | \$0 | \$0 | \$2,000 | \$144,000 | \$107,000 | \$116,000 | \$36,000 | \$42,000 | \$6,000 | \$20,000 | \$12,000 | \$16,000 | \$99,000 | \$27,000 | \$6,000 | \$29,000 | \$2,000 | \$99,000 | \$137,000 | \$137,000 | \$306,000 |
| 2039 | \$1,000 | \$0 | \$0 | \$1,000 | \$142,000 | \$106,000 | \$99,000 | \$34,000 | \$40,000 | \$5,000 | \$18,000 | \$10,000 | \$14,000 | \$91,000 | \$25,000 | \$5,000 | \$27,000 | \$1,000 | \$91,000 | \$135,000 | \$135,000 | \$286,000 |
| 2040 | \$0 | \$0 | \$0 | \$0 | \$140,000 | \$105,000 | \$82,000 | \$32,000 | \$38,000 | \$4,000 | \$16,000 | \$8,000 | \$12,000 | \$83,000 | \$23,000 | \$4,000 | \$25,000 | \$0 | \$83,000 | \$133,000 | \$133,000 | \$266,000 |
| 2041 | \$0 | \$0 | \$0 | \$0 | \$138,000 | \$104,000 | \$65,000 | \$30,000 | \$36,000 | \$3,000 | \$14,000 | \$6,000 | \$10,000 | \$75,000 | \$21,000 | \$3,000 | \$23,000 | \$0 | \$75,000 | \$131,000 | \$131,000 | \$246,000 |
| 2042 | \$0 | \$0 | \$0 | \$0 | \$136,000 | \$103,000 | \$48,000 | \$28,000 | \$34,000 | \$2,000 | \$12,000 | \$4,000 | \$8,000 | \$67,000 | \$19,000 | \$2,000 | \$21,000 | \$0 | \$67,000 | \$129,000 | \$129,000 | \$226,000 |
| 2043 | \$0 | \$0 | \$0 | \$0 | \$134,000 | \$102,000 | \$31,000 | \$26,000 | \$32,000 | \$1,000 | \$10,000 | \$3,000 | \$6,000 | \$59,000 | \$17,000 | \$1,000 | \$19,000 | \$0 | \$59,000 | \$127,000 | \$127,000 | \$206,000 |
| 2044 | \$0 | \$0 | \$0 | \$0 | \$132,000 | \$101,000 | \$14,000 | \$24,000 | \$30,000 | \$0 | \$8,000 | \$2,000 | \$4,000 | \$51,000 | \$15,000 | \$0 | \$17,000 | \$0 | \$51,000 | \$125,000 | \$125,000 | \$186,000 |
| 2045 | \$0 | \$0 | \$0 | \$0 | \$130,000 | \$100,000 | \$0 | \$22,000 | \$28,000 | \$0 | \$6,000 | \$1,000 | \$2,000 | \$43,000 | \$13,000 | \$0 | \$15,000 | \$0 | \$43,000 | \$123,000 | \$123,000 | \$166,000 |
| 2046 | \$0 | \$0 | \$0 | \$0 | \$128,000 | \$99,000 | \$0 | \$20,000 | \$26,000 | \$0 | \$4,000 | \$0 | \$1,000 | \$35,000 | \$11,000 | \$0 | \$13,000 | \$0 | \$35,000 | \$121,000 | \$121,000 | \$146,000 |
| 2047 | \$0 | \$0 | \$0 | \$0 | \$126,000 | \$98,000 | \$0 | \$18,000 | \$24,000 | \$0 | \$2,000 | \$0 | \$0 | \$27,000 | \$9,000 | \$0 | \$11,000 | \$0 | \$27,000 | \$119,000 | \$119,000 | \$126,000 |
| 2048 | \$0 | \$0 | \$0 | \$0 | \$124,000 | \$97,000 | \$0 | \$16,000 | \$22,000 | \$0 | \$0 | \$0 | \$0 | \$19,000 | \$7,000 | \$0 | \$9,000 | \$0 | \$19,000 | \$117,000 | \$117,000 | \$106,000 |
| 2049 | \$0 | \$0 | \$0 | \$0 | \$122,000 | \$96,000 | \$0 | \$14,000 | \$20,000 | \$0 | \$0 | \$0 | \$0 | \$17,000 | \$5,000 | \$0 | \$7,000 | \$0 | \$17,000 | \$115,000 | \$115,000 | \$86,000 |
| 2050 | \$0 | \$0 | \$0 | \$0 | \$120,000 | \$95,000 | \$0 | \$12,000 | \$18,000 | \$0 | \$0 | \$0 | \$0 | \$15,000 | \$3,000 | \$0 | \$5,000 | \$0 | \$15,000 | \$113,000 | \$113,000 | \$56,000 |
| 2051 | \$0 | \$0 | \$0 | \$0 | \$118,000 | \$94,000 | \$0 | \$10,000 | \$16,000 | \$0 | \$0 | \$0 | \$0 | \$13,000 | \$1,000 | \$0 | \$3,000 | \$0 | \$13,000 | \$111,000 | \$111,000 | \$36,000 |
| 2052 | \$0 | \$0 | \$0 | \$0 | \$116,000 | \$93,000 | \$0 | \$8,000 | \$14,000 | \$0 | \$0 | \$0 | \$0 | \$11,000 | \$0 | \$0 | \$1,000 | \$0 | \$11,000 | \$109,000 | \$109,000 | \$16,000 |
| 2053 | \$0 | \$0 | \$0 | \$0 | \$114,000 | \$92,000 | \$0 | \$6,000 | \$12,000 | \$0 | \$0 | \$0 | \$0 | \$9,000 | \$0 | \$0 | \$0 | \$0 | \$9,000 | \$107,000 | \$107,000 | \$0 |
| AVERAGE ANNUAL | \$15,253 | \$0 | \$16,853 | \$19,339 | \$276,800 | \$189,500 | \$582,280 | \$109,600 | \$119,033 | \$33,033 | \$71,500 | \$58,800 | \$72,800 | \$349,133 | \$256,333 | \$33,833 | \$88,133 | \$10,833 | \$349,133 | \$256,333 | \$270,100 | \$1,041,133 |
| 10-YEAR CUMULATIVE | \$1,737,000 | \$0 | \$4,590,000 | \$10,000,000 | \$4,298,240 | \$5,925,000 | \$30,769,000 | \$3,168,000 | \$1,029,000 | \$2,145,000 | \$1,495,541 | \$1,774,000 | \$2,178,000 | \$10,774,000 | \$8,042,000 | \$1,074,000 | \$2,448,000 | \$10,000 | \$10,222,000 | \$8,103,000 | \$8,103,000 | \$31,243,000 |
| 10-YEAR NET PRESENT VALUE | \$2,148,117 | \$0 | \$2,838,519 | \$1,651,919 | \$1,861,614 | \$2,751,414 | \$13,347,343 | \$1,495,541 | \$177,071 | \$1,014,930 | \$1,495,541 | \$1,774,000 | \$2,178,000 | \$10,774,000 | \$8,042,000 | \$1,074,000 | \$2,448,000 | \$10,000 | \$10,222,000 | \$8,103,000 | \$8,103,000 | \$31,243,000 |

Tab 3

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

JULY 25, 2022

APPROVED

VOTED: To approve amendments to the Corporation's retirement and savings plan pursuant to the resolution submitted to the Board.

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

JULY 25, 2022

(Retirement & Savings Plan Restatement Resolution)

WHEREAS, the Board of Directors has received information and a presentation regarding certain required, technical amendments to the Corporation's retirement plan (the "Plan").

NOW, THEREFORE, be it resolved by the Corporation, acting by and through its Board of Directors, as follows:

Section 1: The restatement of the Plan annexed as Exhibit 1 hereto is approved;

Section 2: Any of the Chairman, Vice Chairman, Secretary of Commerce, President & COO or Chief Financial Officer (the "Authorized Officers"), acting individually, shall have the authority to adopt such technical amendments to the Corporation's Plan to ensure compliance with federal law, and to take such other actions as such Authorized Officers determine, in their discretion, is in the best interests of the Corporation to carry out the intent of this Resolution.

Section 3: This Resolution shall take effect immediately upon passage by the Corporation's Board of Directors.

EXHIBIT 1

RHODE ISLAND COMMERCE CORPORATION RETIREMENT & SAVINGS PLAN

TABLE OF CONTENTS

| | |
|--|----|
| EMPLOYER INFORMATION | 1 |
| PLAN INFORMATION..... | 1 |
| SECTION A. GENERAL INFORMATION..... | 1 |
| Plan Name/Effective Date..... | 1 |
| Plan Features | 2 |
| Compensation..... | 3 |
| Definitions | 4 |
| SECTION B. ELIGIBILITY | 4 |
| Exclusions..... | 4 |
| Eligibility Service Rules | 5 |
| Eligibility for All Contribution Types..... | 5 |
| Transfers/Rehires..... | 7 |
| SECTION C. CONTRIBUTIONS | 7 |
| Voluntary Contributions/Grandfathered 401(k) Contributions | 7 |
| Automatic Enrollment..... | 7 |
| Matching - Allocation Service..... | 8 |
| Matching Contribution- Formula..... | 9 |
| Non-Elective Contributions - Service | 10 |
| Non-Elective Contributions - Formula..... | 11 |
| Other Contributions | 12 |
| SECTION D. VESTING | 13 |
| Vesting Schedules..... | 13 |
| Vesting Service Rules..... | 14 |
| SECTION E. DISTRIBUTIONS | 16 |
| SECTION F. IN-SERVICE WITHDRAWALS..... | 17 |
| Retirement/Hardship/Age..... | 17 |
| Other Withdrawals..... | 19 |
| Grandfathered Roth 401(K) Contributions | 20 |
| SECTION G. PLAN OPERATIONS | 21 |
| SECTION H. MISCELLANEOUS | 22 |
| SECTION I. EXECUTION PAGE | 23 |
| CUSTOM LANGUAGE ADDENDUM | 24 |

**ADOPTION AGREEMENT #001
GOVERNMENTAL PROFIT SHARING NON-STANDARDIZED PLAN**

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a tax-exempt plan under Code section 401(a). The Plan is further intended to qualify as a governmental plan under Code section 414(d). The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #02, and any Addendum to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

NOTE: Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to governmental 401(k) plans adopted before May 6, 1986.

EMPLOYER INFORMATION

NOTE: An amendment is not required to change the responses in items 1-10 below.

NOTE: The Plan Sponsor must be an entity that is eligible to adopt a governmental plan as defined in Code section 414(d).

1. Name of adopting employer (Plan Sponsor): Rhode Island Commerce Corporation
2. Address: 315 Iron Horse Way, Suite 101
3. City: Providence
4. State: RI
5. Zip: 02908
6. Phone number: 401-278-9100
7. Fax number: 401-273-8270
8. Plan Sponsor EIN: 05-0356994
9. Plan Sponsor fiscal year end: June 30
10. State of organization of Plan Sponsor: Rhode Island

PLAN INFORMATION

SECTION A. GENERAL INFORMATION

Plan Name/Effective Date

1. Plan Number: 002
2. Plan name:
 - a. Rhode Island Commerce Corporation Retirement & Savings Plan
 - b. _____

NOTE: A.1 is optional.
3. **Effective Date**
 - a. Original effective date of Plan: January 1, 2006
 - b. This is a restatement of a previously-adopted plan. Effective date of Plan restatement: January 1, 2022

NOTE: The dates specified above in A.3a or A.3b may not be earlier than the first day of the Plan Year during which the Plan is adopted or amended and restated by the Plan Sponsor.
4. **Merger Information**
 - a. Other Plan name: _____
 - b. Merger effective date: _____
 - c. Additional merger information: _____
5. **Plan Year**
 - a. Plan Year means each consecutive 12-month period ending on December 31 (e.g. December 31)
 - b. The Plan has a Short Plan Year. The Short Plan Year begins _____ and ends _____
 - i. In the event of a Short Plan Year, service conditions will be pro-rated based on months for the following purposes:
 None
 All purposes (i.e., eligibility, allocation conditions, and vesting)

Other: _____

NOTE: The provisions of A.5b apply only in the event of an initial Plan Year. A Short Plan Year for reasons other than the initial Plan Year requires a Plan amendment.

6. Limitation Year means:

- a. Plan Year
 b. calendar year
 c. Other: _____

NOTE: If "Other" is selected, the Limitation Year must be a consecutive 12-month period.

7. Frozen Plan

- a. The Plan is frozen as to eligibility effective: _____
 b. The Plan is frozen as to benefit accruals effective: _____

Plan Features

8. Employee Contributions (Section 4.01)

a. Mandatory Employee Contributions (pick-up contributions) are permitted under the Plan:

- i. Yes, _____% of Plan Compensation
 ii. Yes, salary schedule according to the chart below:

| Salary Range | Mandatory Employee Contributions |
|--------------|----------------------------------|
| | |

 iii. Yes, other fixed method: _____
 iv. No

b. Voluntary (After-Tax) Contributions are permitted under the Plan:

- i. Yes
 ii. No
 iii. Formerly Allowed

c. Mandatory After-Tax Employee Contributions are permitted under the Plan:

- i. Yes, _____% of Plan Compensation
 ii. Yes, salary schedule according to the chart below:

| Salary Range | Mandatory After-Tax Employee Contributions |
|--------------|--|
| | |

 iii. Yes, other fixed method: _____
 iv. No

d. Grandfathered 401(k) Contributions adopted by the governmental entity before May 6, 1986 are permitted under the Plan

e. Grandfathered Roth 401(k) Contributions are permitted under the Plan

NOTE: If A.8a is "No", questions regarding Mandatory Employee Contributions are disregarded.

NOTE: If other method (A.8a.iii or A.8c.iii) is selected, the method must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

NOTE: The governmental entity adopting the 401(k) feature must be the same Employer as the Plan Sponsor within the meaning of Treas. Reg. section 1.410(b)-9. Code section 401(k)(4)(B)(ii) prohibits governmental employers from establishing new 401(k) plans. This provision does not apply to any 401(k) plan adopted before May 6, 1986.

NOTE: A.8e only applies if A.8d is selected.

9. Matching Contributions

Matching Contributions are permitted (Section 4.02):

Yes No

NOTE: If A.9 is "No", questions regarding Matching Contributions are disregarded.

10. Non-Elective Contributions

Non-Elective Contributions are permitted (Section 4.03):

Yes No

NOTE: If "No", questions regarding Non-Elective Contributions are disregarded.

11. Plan Features Effective Dates

- a. There is a special effective date for one or more features specified in A.8 through A.10. The special effective date(s) which occur after the Effective Date specified in A.3 is/are: _____
 b. A previous plan amendment eliminated one or more of the features specified in A.8 through A.10. Specify any provisions that apply to the eliminated Plan features: _____

NOTE: Mandatory Employee Contributions cannot be effective earlier than the date the arrangement was adopted.

Compensation

12. Statutory Compensation

- a. Definition of Statutory Compensation (as defined in Article 2 of the Basic Plan Document):
- i. Section 415 Compensation
 - ii. W-2 Compensation
 - iii. Withholding Compensation
 - iv. Section 415 Safe Harbor Option
- b. Include deemed Code section 125 compensation in definition of Statutory Compensation.
- c. Include Post Severance Compensation in definition of Statutory Compensation.
- d. Include Post Year End Compensation in definition of Statutory Compensation.

13. Plan Compensation

- a. Definition of Plan Compensation (as defined in Article 2 of the Basic Plan Document) for purposes of allocations will be Statutory Compensation with the following exclusions:

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|---|---------------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| i. No Exclusions | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ii. Pay earned before participation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | n/a |
| iii. Amounts which are contributed by the Employer pursuant to a salary reduction agreement and not includible in the gross income of the Participant under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| iv. All of the following benefits (even if includable in gross income): reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, deferred compensation, and welfare benefits (Treas. Reg. section 1.414(s)-1(c)(3)) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| v. Differential military pay as defined in Code section 3401(h)(2) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| vi. Final Paycheck Pay | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| vii. Post Severance Compensation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| viii. Post Year End Compensation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ix. Other adjustments (e.g., commissions, bonuses, etc.): <u>any program of deferred compensation or additional benefits payable other than in cash and overtime compensation</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

NOTE: If any exclusions are selected which do not meet the safe harbor exclusions as described under Section 414(s) Compensation, the definition of Plan Compensation will cause the Plan to fail to qualify for any contribution safe harbors, such as the permitted disparity allocation or safe harbor contributions.

NOTE: If "Other adjustments" is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

NOTE: See Section 4.01(c) for rules regarding elections for bonuses or other special pay.

SECTION A. GENERAL INFORMATION

- b. Plan Compensation is determined over the period specified below ending with or within the Plan Year:
- i. Plan Year
 - ii. calendar year
 - iii. Plan Sponsor Fiscal Year
 - iv. Limitation Year
 - v. Other 12-month period beginning on: _____ (enter month and day)

Definitions

14. Disability

Definition of Disability

- a. The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence.
- b. Under the Social Security Act. The determination by the Social Security Administration that the Participant is eligible to receive disability benefits under the Social Security Act.
- c. Inability to engage in comparable occupation. The Participant suffers from a physical or mental impairment that results in his inability to engage in any occupation comparable to that in which the Participant was engaged at the time of his disability. The permanence and degree of such impairment shall be supported by medical evidence.
- d. Pursuant to other Employer Disability Plan. The Participant is eligible to receive benefits under an Employer-sponsored disability plan.
- e. Under uniform rules established by the Plan Administrator. The Participant is mentally or physically disabled under a written policy.
- f. Other: _____

NOTE: If "Other" is selected, the definition provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

15. Choice of Law/State Law

- a. Name of state or commonwealth for choice of law (Section 12.05): the Employer's state of domicile
- b. Enter any state law provisions that apply to the Plan: _____

NOTE: Only state law and regulations may be entered in A.15b. The Plan may not violate applicable state law.

SECTION B. ELIGIBILITY

Exclusions

1. The term "Eligible Employee" shall not include (Check items as appropriate):

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|--|---------------------------|---------------------------|-------------------------------|---------------------------------------|
| a. No Exclusions | [] | [] | [] | [] |
| b. Union Employees | [] | [] | [] | [] |
| c. Leased Employees | [] | [X] | [X] | [] |
| d. Non-Resident Alien | [] | [] | [] | [] |
| e. Other Employees (Section 3.06(a)): | [] | [X] | [X] | [] |
| <p><u>(1) residents of Puerto Rico; (2) any employees hired by the Employer prior to January 1, 2006; (3) any employees classified as Student Interns; (3) any temporary employees who have not attained age 21 and who are not expected to complete at least 1,000 Hours of Service in 12 months and have not completed a Year of Service; and (4) any employees, hired prior to July 1, 2007, while they are included in a unit of employees</u></p> | | | | |

covered by a Collective Bargaining Agreement between the Employer and Local 877 under which retirement benefits were the subject of good faith bargaining (unless the collective bargaining agreement requires participation in this Plan). For this purpose, a Year of Service is the 12-month period beginning on date of hire, or any Plan Year beginning on or after date of hire, in which the individual is credited with at least 1,000 Hours of Service.

NOTE: If "Other Employees" is selected, the definition provided must be objectively determinable and may not name a specific individual or be specified in a manner that is subject to Employer discretion.

2. Opt-Out

An Employee may irrevocably elect not to participate in the Plan.

NOTE: If the Plan provides for Mandatory Employee Contributions (A.8a.iv is not selected), B.2 shall not apply to Mandatory Employee Contributions.

Eligibility Service Rules

3. Other Employer Service

Count service with employers other than the Employer for eligibility purposes. List other employers and indicate for what purposes (e.g. Mandatory Employee Contributions, Matching, etc.) the service applies along with any limitations: _____

4. Special Participation Date

a. Allow immediate participation for all Eligible Employees employed on a specific date. All Eligible Employees employed on _____ shall become eligible to participate in the Plan as of _____

b. The Plan provides conditions or limitations on immediate participation: _____

NOTE: Describe the conditions or limitations and indicate for what purposes (e.g. Mandatory Employee Contributions, Matching, etc.) the conditions or limitations apply. The conditions/limitations must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

Eligibility for All Contribution Types

5. Age Requirement for Plan Participation

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|--------------------|---------------------------|---------------------------|-------------------------------|---------------------------------------|
| a. Age Requirement | n/a | None | None | n/a |

6. Service Requirement for Plan Participation

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|---|---------------------------|---------------------------|-------------------------------|---------------------------------------|
| a. No Minimum Service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Completion of _____ Year(s) of Eligibility Service - Elapsed Time | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Completion of _____ Hours of Service (not to exceed 1,000) in a _____ month period (not to exceed 12; hours of service failsafe applies) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SECTION B. ELIGIBILITY

- | | | | | | |
|----|---|--------------------------|-------------------------------------|-------------------------------------|--------------------------|
| d. | Completion of _____ Hours of Service (not to exceed 1,000) within a 12-month period. The service requirement shall be deemed met at the time the specified number of Hours of Service are completed | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. | Completion of _____ month(s) of service - Elapsed Time | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. | Completion of <u>90</u> day(s) of service - Elapsed Time | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| g. | Other: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h. | Additional Requirements: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

NOTE: If "Other" is selected, the service requirements provided must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

NOTE: Any "Additional Requirements" provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

7. Entry Dates

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|--|-------------------------------|-------------------------------------|-------------------------------------|---|
| a. Immediate | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. First day of each payroll period | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. First day of the calendar month | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d. First day of each Plan quarter | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. First day of the first month and seventh month of the Plan Year | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. First day of the Plan Year | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Other: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

NOTE: If B. 7g is selected, the other entry date must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

8. Entry Timing for Plan Participation

An Eligible Employee shall become a Participant on the entry date that is:

| | Employee Contributions | Matching Contributions | Non-Elective Contributions | Grandfathered 401(k) Contributions |
|---|-------------------------------|-------------------------------------|-------------------------------------|---|
| a. Coincident with or next following the date the eligibility requirements are met | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b. Next following the date the eligibility requirements are met | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Coincident with or immediately preceding the date the eligibility requirements are met | n/a | <input type="checkbox"/> | <input type="checkbox"/> | n/a |
| d. Immediately preceding the date the eligibility requirements are met | n/a | <input type="checkbox"/> | <input type="checkbox"/> | n/a |
| e. Nearest to the date the eligibility requirements are met | n/a | <input type="checkbox"/> | <input type="checkbox"/> | n/a |

NOTE: If B. 7a is selected, an Eligible Employee shall become a Participant eligible to make Mandatory Employee Contributions/Voluntary Contributions/Mandatory After-tax Employee Contributions/Grandfathered 401(k) Contributions immediately upon meeting the eligibility requirements.

Transfers/Rehires**9. Transfers/Rehires**

- a. If an Employee either (1) upon rehire again qualifies as an Eligible Employee (2) or if not previously an Eligible Employee who due to a change in status becomes an Eligible Employee, he shall become a Participant with respect to the contributions for which the eligibility requirements have been satisfied (Section 3.05):
- i. as of the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3
 - ii. on the entry date as of the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3
- b. An individual who has satisfied the applicable eligibility requirements set forth in Article 3 before his rehire date, and who is subsequently reemployed by the Employer as an Eligible Employee shall resume or become a Participant (Section 3.05):
- i. immediately upon his rehire date with respect to the contributions for which the eligibility requirements of this Article 3 have been satisfied
 - ii. on the entry date coincident with or next following his rehire date with respect to the contributions for which the eligibility requirements of this Article 3 have been satisfied

SECTION C. CONTRIBUTIONS**Voluntary Contributions/Grandfathered 401(k) Contributions**

NOTE: If A.8b is "Yes" or A.8d is selected (Voluntary Contributions or Grandfathered 401(k) Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 shall be eligible to make Voluntary Contributions/Grandfathered 401(k) Contributions to the Plan as follows (Section 4.01):

1. Minimum and Maximum Employee Contributions**a. Voluntary Contributions**

- i. Minimum Voluntary Contribution: _____
- ii. Maximum Voluntary Contribution: _____
- iii. Other limits on Voluntary Contributions apply: _____

b. Grandfathered 401(k) Contributions

- i. Minimum Grandfathered 401(k) Contribution: _____% of Plan Compensation
- ii. Minimum Grandfathered 401(k) Contribution: \$_____ for the following period: _____
- iii. Maximum Grandfathered 401(k) Contribution: _____ of Plan Compensation
- iv. Other limitations on Grandfathered 401(k) Contributions (specify): _____

c. Allow Participants to make Catch-up Contributions in addition to Grandfathered 401(k) Contributions

NOTE: C.1a.i, C.1b.i, C.1a.ii and C.1b.iii may not be more than 100% of Plan Compensation.

NOTE: If C.1a.iii or C.1b.iv is selected the requirements provided must be objectively determinable and may not be specified in a manner that is subject to discretion.

NOTE: C.1b and C.1c shall not apply if A.8d is not selected (Grandfathered 401(k) Contributions are not permitted).

2. Modifications of Voluntary Contributions/Grandfathered 401(k) Contributions

- a. Participants modify/start/stop Grandfathered 401(k) Contributions/Voluntary Contribution elections:
- i. Each pay period
 - ii. Monthly
 - iii. Quarterly
 - iv. Semiannual
 - v. Annual
 - vi. Pursuant to Plan Administrator procedures (at least once each calendar year)
- b. Participants may stop an election to contribute at any time.

Automatic Enrollment**3. Grandfathered 401(k) - Automatic Enrollment**

- a. The Plan provides automatic enrollment (Section 4.01(g)) in the following manner:
- i. None
 - ii. Specified amount. The initial amount of the automatic enrollment (as a percentage of pay): _____

SECTION C. CONTRIBUTIONS

- iii. Administrative policy. Automatic enrollment amounts shall be determined according to a written administrative policy which is timely communicated to Participants so they have an effective opportunity to elect to receive cash or complete an affirmative election deferring a different amount or no amount.
- b. The amount specified in C.3a shall increase in the following manner (e.g., 1% per year to a maximum of 7% with increases occurring on the first day of each Plan Year): _____
- c. Delayed automatic enrollment. The traditional automatic enrollment will be deemed elected _____ after the initial satisfaction of the eligibility requirements of Article 3 with respect to Grandfathered 401(k) Contributions (and after effective date of the addition of an automatic enrollment feature for current Participants).
- d. Indicate who will be eligible to receive automatic contributions:
 - i. Eligible Employees who have not made a Grandfathered 401(k) Contribution election
 - ii. All Eligible Employees to the extent that no election was made or their Grandfathered 401(k) Contribution elections are less than the automatic enrollment amount
 - iii. Other: _____
- e. If the Plan provides for automatic enrollment and Grandfathered Roth 401(k) Contributions are allowed to the Plan, select whether automatic contributions will be pre- or post-tax:
 - i. Pre-tax. All Grandfathered 401(k) Contributions made under Section 4.01(g) shall be designated as Pre-tax Grandfathered 401(k) Contributions.
 - ii. Post-tax. All Grandfathered 401(k) Contributions made under Section 4.01(g) shall be designated as Grandfathered Roth 401(k) Contributions.

NOTE: For example, if the automatic enrollment amount is 3% for the first year and increases by 1% per year for five years, insert "3%" in the first blank (C.3a.i) and "increase by 1% in the second through sixth year to a maximum of 8%" in the second blank (C.3b).

NOTE: The Plan must provide that the initial default contribution is a uniform percentage of Plan Compensation; although the percentage may vary based on years of service.

NOTE: If the Plan is an EACA (C.4a is selected), the uniform percentage of Plan Compensation is determined after the aggregation/disaggregation rules in Treas. Reg. section 1.414(w)-1(b)(2)(iii), although the percentage may vary as permitted in Treas. Reg. section 1.414(w)-1(b)(2)(ii).

NOTE: C.3b is only applicable if C.3a.ii is selected.

NOTE: C.3c is only applicable if C.3a is selected. C.3c may contain a period of days (90 days, for example) or a specified date (first of the next calendar month, for example).

NOTE: C.3e only applies if A.8e is selected (Roth contributions are allowed to the Plan) and C.3a (automatic enrollment) is selected.

NOTE: If C.3d.iii is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

4. EACA

- a. The Plan intends to be an eligible automatic contribution arrangement (EACA) (Section 4.01(g)(4)(B))
- b. "Covered Employee" means:
 - i. All Employees who make an affirmative election shall remain covered Employees within the meaning of Treas. Reg. section 1.414(w)-1(e)(3)
 - ii. Only Eligible Employees who have not made a Grandfathered Roth 401(k) Contribution election
- c. Permissible withdrawals will be allowed, provided they are requested within _____ days after the date of the first contribution under an EACA (no fewer than 30 or more than 90)

NOTE: C.4 only applies if C.3 (automatic enrollment) is selected.

NOTE: C.4b only applies if C.3 (automatic enrollment) is selected and C.4a is selected.

NOTE: Covered Employees must receive the notice described in Section 4.01(g)(1).

Matching - Allocation Service

NOTE: If A.9 is "Yes" (Matching Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 and who has satisfied the following requirements shall be eligible to receive an allocation of Matching Contributions during the applicable Plan Year):

5. Allocation Service Requirements for Matching Contributions

- a. None
- b. In order to share in the allocation of Matching Contributions, a Participant is required to complete at least the following number of Hours of Service in the applicable Plan Year _____
- c. In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year

SECTION C. CONTRIBUTIONS

- d. In order to share in the allocation of Matching Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year or complete at least _____ Hours of Service in the applicable Plan Year

NOTE: C.5b and C.5c are inapplicable if C.5a or C.5d is selected.

6. Exceptions to Allocation Service Requirements for Matching Contributions

- a. A Participant whose employment terminates on the last day of the Plan Year is treated as being employed by the Employer on the last day of the Plan Year.
- b. Modify Hour of Service requirement or last day requirement for a Participant who Terminates employment with the Employer during the Plan Year due to:
- i. death
 - ii. Disability
 - iii. attainment of Normal Retirement Age
 - iv. attainment of Early Retirement Age
- c. Any Hour of Service requirement and last day requirement shall be modified as follows:
- i. Waive both the Hour of Service requirement and last day requirement
 - ii. Waive the Hour of Service requirement only
 - iii. Waive last day requirement only
- d. The following other modifications shall be made to the requirements specified in C.5-7c: _____

NOTE: Other modifications must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Employer discretion.

Matching Contribution- Formula

7. Matched Employee Contribution Inclusions

The following contributions are Matched Employee Contributions:

- a. Grandfathered 401(k) Contributions shall be included in the definition of Matched Employee Contributions
- b. Include a Participant's Catch-up Contributions in the definition of Matched Employee Contributions
- c. Voluntary Contributions shall be included in the definition of Matched Employee Contributions
- d. Mandatory Employee Contributions shall be included in the definition of Matched Employee Contributions
- e. Mandatory After-tax Employee Contributions shall be included in the definition of Matched Employee Contributions
- f. Contributions made under the following 403(b) or 457(b) plan(s) of the Employer shall be included in the definition of Matched Employee Contributions: Rhode Island Commerce Corporation 457 Plan

NOTE: If A.8b.i is not selected (Voluntary Contributions are not permitted), C.7c is not applicable; if A.8a.iv is selected (no Mandatory Employee Contributions), C.7d is not applicable; if A.8c.iv is selected (no Mandatory After-tax Employee Contributions), C.7e is not applicable, and if A.8d (Grandfathered 401(k) Contributions are not permitted) C.7a and C.7b are not applicable.

8. Matching Contribution Formula

- a. A discretionary amount. The amount will be allocated:
- i. as a uniform percentage of Matched Employee Contributions.
 - ii. as a flat dollar amount for each Participant.
 - iii. based on written instructions provided by the Employer to the Plan Administrator (or Trustee, if applicable) describing (1) how the discretionary Employer Matching Contribution formula will be allocated to Participants (e.g., a uniform percentage of Matched Employee Contributions or a flat dollar amount), (2) the computation period(s) to which the discretionary Employer Matching Contribution formula applies, and (3) if applicable, a description of each business location or business classification subject to separate discretionary Employer Matching Contribution allocation formulas. Such instructions must be provided no later than the date on which the discretionary Employer Matching Contribution is made to the Plan. A summary of these instructions must be communicated to Participants who receive discretionary Employer Matching Contributions. The summary must be communicated to Participants no later than 60 days following the date on which the last discretionary Employer Matching Contribution is made to the Plan for a Plan Year.
- b. Fixed rate. The Employer will contribute as a Matching Contribution an amount equal to i. _____% of the Participant's Matched Employee Contributions that are not in excess of ii. _____% of the Participant's Plan Compensation
- c. Years of service. See C.9 below
- d. Special schedule. Matching Contributions shall be made according to the following schedule: _____

NOTE: If B.8d is selected, the other schedule must describe a formula from the options already available or a combination thereof (e.g., discretionary rate formula applies to Group A; fixed rate formula applies to Group B), be objectively determinable and may not be specified in a manner that is subject to discretion.

9. Years of Service

- a. The Matching contribution will be made according to the schedule below:
- i. _____ Years of service _____% of Matched Employee Contributions
 - ii. _____ Years of service _____% of Matched Employee Contributions
 - iii. _____ Years of service _____% of Matched Employee Contributions
 - iv. _____ Years of service _____% of Matched Employee Contributions
- b. Only Matched Employee Contributions that are not in excess of _____% of the Participant's Plan Compensation shall be matched.
- c. In determining years of service in this C.9, the following service shall be used:
- i. Years of Eligibility Service
 - ii. Years of Vesting Service
- d. Enter the number of Hours of Service necessary to earn a year of service described in C.9a: _____

10. Maximum Allocations for Matching Contributions

- a. Plan limits Matching Contributions to the following in each Plan Year:
- i. Maximum percentage of Plan Compensation: _____%
 - ii. Maximum dollar amount: \$ _____
 - iii. Other: _____
 - iv. No Maximum
- b. Apply the dollar limit in C.10:
- i. On a Plan Year basis only
 - ii. Pro rata as of each period specified in C.11a

NOTE: If "Other" is selected the requirements provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

NOTE: C.10b shall only apply if a maximum dollar amount (C.10a.ii or C.10a.iii) is selected and End of Plan Year (C.11a.i) is not selected.

11. Allocation Times for Matching Contributions

- a. Fixed Matching Contributions are allocated to Participant Accounts at the following time(s):
- i. End of Plan Year
 - ii. Semi-annually
 - iii. Quarterly
 - iv. Each calendar month
 - v. Each pay period
 - vi. At such times as may be determined by the Employer

NOTE: Any service requirements specified in C.5 through C.6 shall be applied pro rata to the period selected in this C.11. Any last day rule specified in C.5 through C.6 shall be applied as of the end of each period selected in this C.11.

Non-Elective Contributions - Service

NOTE: If A.10 is "Yes" (Non-Elective Contributions are permitted), an Eligible Employee who has met the requirements of B.5 through B.7 and who has satisfied the following requirements shall be eligible to receive an allocation of Non-Elective Contributions during the applicable Plan Year.

12. Allocation Service Requirements for Non-Elective Contributions

- a. None
- b. In order to share in the allocation of Non-Elective Contributions, a Participant is required to complete at least the following number of Hours of Service in the applicable Plan Year _____
- c. In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year
- d. In order to share in the allocation of Non-Elective Contributions, a Participant is required to be employed by the Employer on the last day of Plan Year or complete at least _____ Hours of Service in the applicable Plan Year

13. Exceptions to Allocation Service Requirements for Non-Elective Contributions

- a. A Participant whose employment terminates on the last day of the Plan Year is treated as being employed by the Employer on the last day of the Plan Year.
- b. Modify Hour of Service requirement or last day requirement for a Participant who Terminates employment with the Employer during the Plan Year due to:
- i. death
 - ii. Disability
 - iii. attainment of Normal Retirement Date
 - iv. attainment of Early Retirement date

- c. Any Hour of Service requirement and last day requirement shall be modified as follows:
- i. Waive both the Hour of Service requirement and last day requirement
 - ii. Waive the Hour of Service requirement only
 - iii. Waive last day requirement only
- d. The following other modifications shall be made to the requirements specified in C.12-13b: _____
- NOTE: Other modifications must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

Non-Elective Contributions - Formula

14. Amount of Non-Elective Contributions

- a. Discretionary in an amount as determined by the Employer
- b. _____% of total Participant Plan Compensation for the Plan Year
- c. \$_____ for the Plan Year
- d. Other: _____

15. Non-Elective allocation formula. The Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 (Section 4.03):

- a. Pro rata. In the ratio that each Participant's Plan Compensation bears to the Plan Compensation of all eligible Participants.
- b. Points. See C.16.
- c. Fixed Amount. In an amount equal to the total Non-Elective Contribution divided by the number of Participants eligible to share in such contribution.
- d. Defined Groups. See C.17
- e. One Group per Participant. In an amount designated by the Employer to be allocated to each group. For purposes of this C.15e, there shall be one group created for each Participant eligible to receive allocations of Non-Elective Contributions. The contribution shall be allocated to each group in a manner determined by the Employer. The amount allocated to one group need not bear any relationship to amounts allocated to any other group. The Employer shall notify the Plan Administrator in writing of the amount of contributions allocated to each group.
- f. Other fixed formula: _____

NOTE: If B.15f is selected, the other fixed formula must describe a formula from the options already available or a combination thereof (e.g., pro rata formula applies to Group A; fixed amount applies to Group B), be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

16. Non-Elective Contribution - Points

If C.15b is selected, the Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 in the ratio that such Participant's points bears to the points of all eligible Participants.

Each Participant shall receive to the extent provided in C.16a: (a) the points described in C.16d for each year of age he has attained (as of his birthday during such Plan Year), (b) the points described in C.16c for each Plan Year, including the current Plan Year, during which he was eligible to participate in the Plan after meeting the requirements of Article 3 (regardless of any service or last day requirement in Article 4) applicable to Non-Elective Contributions, and (c) the points described in C.16b for each \$_____ of Plan Compensation he has earned for such Plan Year.

- a. Points will be computed on basis of:
 - i. Age, Service and Plan Compensation
 - ii. Age and Service
 - iii. Age and Plan Compensation
 - iv. Service and Plan Compensation
 - v. Age Only
 - vi. Service Only
- b. Points awarded for \$_____ of Plan Compensation: _____
- c. Points awarded for each year of participation: _____
- d. Points awarded for each year of age: _____

NOTE: C.16b, C.16c and C.16d apply to the extent that C.16a provides points for Plan Compensation, Years of Service or age; respectively.

17. Non-Elective Contribution - Defined Groups

If C.15d is selected, the Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.5 through B.7 and C.12 through C.13 in an amount designated by the Employer to be allocated to each group described in C.17. The contribution for a group shall then be further allocated to the members of such group who are eligible to receive allocations of Non-Elective Contributions in the method as specified in C.17 for such group. The amount allocated to one group need not bear any relationship to amounts allocated to any other group. The Employer shall notify the Plan Administrator in writing of the amount of contributions allocated to each group.

The groups and allocations shall be determined as follows:

- a. Group One: _____ An amount equal to:
- i. A percentage of Plan Compensation _____
 - ii. A fixed dollar amount _____
 - iii. the greater of i. or ii.

NOTE: Groups must be defined in a manner that is objectively determined with no Employer discretion. Groups may not be designed so that the permanency requirement of Treas. Reg. section 1.401-1(b)(2) is violated.

NOTE: See Section 3.06 for rules regarding eligibility requirements.

18. Determination Period for Non-Elective Contributions

- a. Non-Elective Contributions are determined at the following time(s):
- i. End of Plan Year
 - ii. Semi-annually
 - iii. Quarterly
 - iv. Each calendar month
 - v. Each pay period
- b. Minimum and Maximum Non-Elective Contributions
- i. Allocations of Non-Elective Contributions for a Participant shall be subject to a minimum amount: _____
 - ii. Allocations of Non-Elective Contributions for a Participant shall be subject to a maximum amount: _____

NOTE: Any service requirements specified in C.12 through C.13 shall be applied pro rata to the period selected in this C.18a. Any last day rule specified in C.12 through C.13 shall be applied as of the end of each period selected in this C.18a.

19. Paid Time Off

- a. The Employer will contribute a Participant's unused paid time off (vacation or sick leave) as a Non-Elective Contribution to the Plan. Unused paid time off shall be contributed to the Plan:
- i. Each Plan Year
 - ii. Upon Termination
- b. The following limitations/conditions shall apply: _____

NOTE: Any unused paid time off where the Participant has the right to request cash payment is not eligible for contribution to the Plan under this C.19.

NOTE: The unused paid time off contributions must be contributed by multiplication of the Participant's current daily rate of pay against the amount of accrued unpaid leave.

NOTE: Paid time off contributions must conform with Revenue Rulings 2009-31 and 2009-32.

20. Non-Elective Contributions - Disability

- Allocate Non-Elective Contributions to Disabled Participants who do not meet the allocation service requirements (Section 4.03(d)). Allocations to Disabled Participants end as of the earliest of: (i) the last day of the Plan Year in which occurs the _____ anniversary of the start of the Participant's Disability or (ii) such other time specified in Section 4.03(d).

21. Collective Bargaining Agreement

- a. In addition to the formula selected in C.15, an amount necessary to meet the Employer's requirements under an applicable collective bargaining agreement shall be allocated as follows: _____
- b. The collective bargaining allocations will offset other Employer contribution allocations that would otherwise be made to a Participant:
- i. Yes - Non-Elective Contributions only
 - ii. No
 - iii. Other: _____

NOTE: C.14-18 (amount, timing, maximum and minimum Non-Elective Contributions) will not apply to collectively bargained contributions. Collectively bargained contribution allocation timing, maximums and minimums will be determined under the collective bargaining agreement unless otherwise specified in C.21b.

Other Contributions

22. Prevailing Wage

- a. The Employer will make a prevailing wage contribution for each Participant who performs an hour or more of service under a public contract subject to the Davis-Bacon Act. The formula for allocating prevailing wage contributions shall be specified in the Prevailing Wage Addendum to the Adoption Agreement. The contribution allocated will be dependent on the Participant's job classification and the hourly rate established:
- i. by the applicable federal, state, or municipal prevailing wage laws.
 - ii. in the Prevailing Wage Addendum to the Adoption Agreement.

- b. Offset of other contributions:
 - i. Any other employer contribution allocations that would otherwise be made to a Participant
 - ii. Other: _____

NOTE: If C.22a.ii is selected, the Prevailing Wage Addendum entry should include job classifications and applicable hourly rates. To the extent the hourly rates established in the Prevailing Wage Addendum result in a smaller contribution than is required under the applicable federal, state, or municipal prevailing wage laws, the Plan Administrator retains the discretion to make the larger contribution as the prevailing wage contribution.

23. Rollovers

Rollover Contributions are permitted (Section 4.04):

- a. No
- b. Yes - All Eligible Employees may make a Rollover Contribution even if not yet a Participant in the Plan
- c. Yes - Only active Participants may make a Rollover Contribution
- d. Yes - _____ Participants may make a Rollover Contribution

NOTE: The Plan Administrator must use its discretion in a consistent and nondiscriminatory manner.

24. Deemed IRAs

The Plan may accept voluntary contributions to deemed IRAs (Section 4.08)

25. Death or Disability During Qualified Military Service

For benefit accrual purposes, a Participant that dies or becomes Disabled while performing qualified military service will be treated as if he had been employed by the Employer on the day preceding death or Disability and terminated employment on the day of death or Disability pursuant to Code section 414(u)(9) (Section 6.02).

26. 415 Additional Language

Additional language necessary to satisfy Code section 415 because of the required aggregation of multiple plans: _____.

SECTION D. VESTING

Vesting Schedules

1. Matching Contribution Account

Vesting Schedule for Matching Contributions:

- a. 100%
- b. 2 year cliff
- c. Other:
 - i. Other Match Schedule - less than 1 year: _____%
 - ii. Other Match Schedule - 1 years but less than 2 years: _____%
 - iii. Other Match Schedule - 2 years but less than 3 years: _____%
 - iv. Other Match Schedule - 3 years but less than 4 years: _____%
 - v. Other Match Schedule - 4 years but less than 5 years: _____%
 - vi. Other Match Schedule - 5 years but less than 6 years: _____%
 - vii. Other Match Schedule - 6 years but less than 7 years: _____%
 - viii. Other Match Schedule - 7 years but less than 8 years: _____%
 - ix. Other Match Schedule - 8 years but less than 9 years: _____%
 - x. Other Match Schedule - 9 years but less than 10 years: _____%
 - xi. Other Match Schedule - 10 years but less than 11 years: _____%
 - xii. Other Match Schedule - 11 years but less than 12 years: _____%
 - xiii. Other Match Schedule - 12 years but less than 13 years: _____%
 - xiv. Other Match Schedule - 13 years but less than 14 years: _____%
 - xv. Other Match Schedule - 14 years but less than 15 years: _____%
 - xvi. Other Match Schedule - 15 years but less than 16 years: _____%
 - xvii. Other Match Schedule - 16 years but less than 17 years: _____%
 - xviii. Other Match Schedule - 17 years but less than 18 years: _____%
 - xix. Other Match Schedule - 18 years but less than 19 years: _____%
 - xx. Other Match Schedule - 19 years but less than 20 years: _____%
 - xxi. Other Match Schedule - 20 years: 100%

NOTE: D.1 does not apply if the Plan does not provide for Matching Contributions (A.9 is "No").

NOTE: A cliff vesting schedule means no vesting is provided until the participant meets the number of Years of Vesting Service provided in D.1b.

NOTE: D.1b and D.1c may not be completed with a cliff vesting schedule of more than 15. However, if substantially all Participants are qualified public safety employees within the meaning of Code section 72(t)(10)(B) the limit is increased to 20.

NOTE: D.1c may provide for a graded vesting schedule of up to 5 to 20 years.

2. Non-Elective

- a. 100%
- b. 2 year cliff
- c. Other:
- | | |
|--|---|
| i. Other Non-Elective Schedule - less than 1 year: _____% | xii. Other Non-Elective Schedule - 11 years but less than 12 years: _____% |
| ii. Other Non-Elective Schedule - 1 years but less than 2 years: _____% | xiii. Other Non-Elective Schedule - 12 years but less than 13 years: _____% |
| iii. Other Non-Elective Schedule - 2 years but less than 3 years: _____% | xiv. Other Non-Elective Schedule - 13 years but less than 14 years: _____% |
| iv. Other Non-Elective Schedule - 3 years but less than 4 years: _____% | xv. Other Non-Elective Schedule - 14 years but less than 15 years: _____% |
| v. Other Non-Elective Schedule - 4 years but less than 5 years: _____% | xvi. Other Non-Elective Schedule - 15 years but less than 16 years: _____% |
| vi. Other Non-Elective Schedule - 5 years but less than 6 years: _____% | xvii. Other Non-Elective Schedule - 16 years but less than 17 years: _____% |
| vii. Other Non-Elective Schedule - 6 years but less than 7 years: _____% | xviii. Other Non-Elective Schedule - 17 years but less than 18 years: _____% |
| viii. Other Non-Elective Schedule - 7 years but less than 8 years: _____% | xix. Other Non-Elective Schedule - 18 years but less than 19 years: _____% |
| ix. Other Non-Elective Schedule - 8 years but less than 9 years: _____% | xx. Other Non-Elective Schedule - 19 years but less than 20 years: _____% |
| x. Other Non-Elective Schedule - 9 years but less than 10 years: _____% | xxi. Other Non-Elective Schedule - 20 years: 100% |
| xi. Other Non-Elective Schedule - 10 years but less than 11 years: _____% | |

NOTE: D.2 does not apply if the Plan does not provide for Non-Elective Contributions (A.10 is "No").

NOTE: A cliff vesting schedule means no vesting is provided until the participant meets the number of Years of Vesting Service provided in D.2b.

NOTE: D.2b and D.2c may not be completed with a cliff vesting schedule of more than 15. However, if substantially all Participants are qualified public safety employees within the meaning of Code section 72(t)(10)(B) the limit is increased to 20.

NOTE: D.2c may provide for a graded vesting schedule of up to 5 to 20 years.

3. Other Vesting Schedule

The Plan has another vesting schedule: The following vesting schedule will apply for any Participant who was not credited with at least one Hour of Service on or after January 1, 2009: A 5-year graded vesting schedule (20% vesting after 1 year of service, 20% for each additional year of service and 100% vesting after 5 years of service).

NOTE: The vesting schedule in D.3 is in addition to the vesting schedules in D.1. through D.2

NOTE: The other vesting schedule must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

Vesting Service Rules

NOTE: If D.1a and D.2a are selected (or D.1 or D.2 do not apply) and D.3 is not selected, the remaining options in section D.4-8 are inapplicable.

4. Vesting Computation Period

- a. Calendar year
- b. Plan Year
- c. The consecutive 12-month period commencing on the date the Employee first performs an Hour of Service; each subsequent consecutive 12-month period shall commence on the anniversary of such date

d. Other: _____

NOTE: D.Ad must be based on creditable years of service.

5. Other Employer Service

Count service with employers other than the Employer for vesting purposes. List other employers for which the service applies along with any limitations: _____

6. Vesting Exceptions (Section 6.02)

- a. Death. Provide for full vesting for a Participant who Terminates employment with the Employer due to death while an Employee.
- b. Disability. Provide for full vesting for a Participant who Terminates employment with the Employer due to Disability while an Employee.
- c. Early Retirement. Provide for 100% vesting upon the attainment of Early Retirement Age while an Employee.

7. Vesting Exclusions

- a. Exclude Years of Vesting Service earned before age 18.
- b. Exclude Years of Vesting Service earned before the Employer maintained this Plan or a predecessor plan.

8. Vesting Forfeitures

- a. Upon termination, nonvested account balances shall be forfeited
 - i. as soon as administratively feasible
 - ii. other timeframe: _____
- b. Upon receiving a distribution, the nonvested portion of the account shall be forfeited
 - i. as soon as administratively feasible
 - ii. other timeframe: _____

NOTE: The other timeframes must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

9. Forfeitures and Re-employment

- a. forfeited account balances shall be restored and continue to vest (select any of the following if applicable)
 - i. only if the period of severance was less than or equal to the following period The nonvested portion of a Participant's Account shall be forfeited as of the earlier of the date on which the Participant receives a complete distribution of his vested Account or the last day of the Plan Year in which the Participant incurs five (5) consecutive Breaks in Service.

If the Participant returns to the employment of the Employer prior to incurring five (5) consecutive Breaks in Service and prior to receiving a distribution of his entire vested Account the nonvested portion shall be restored. However, if the nonvested portion of the Participant's Account was allocated as a forfeiture as the result of the Participant receiving a distribution of his entire vested Account balance, the nonvested portion shall be restored if:

(a) the Participant resumes employment prior to incurring five (5) consecutive Breaks in Service; and

(b) the Participant repays to the Plan, as of the earlier of (i) the date which is five (5) years after his reemployment date or (ii) the date which is the last day of the period in which the Participant incurs five (5) consecutive Breaks in Service, an amount equal to the total distribution derived from Employer contributions.

The nonvested amount shall be restored to the Participant's Account, without interest or adjustment for interim Trust valuation experience, by a special Employer contribution or from the next succeeding Employer contribution and forfeitures, as appropriate.

A zero percent vested Participant shall be considered to have received a complete distribution of his vested Account as of the date of his first Break in Service, and if he returns to the employment of the Employer prior to incurring five (5) consecutive Breaks in Service, he shall be considered to have repaid such distribution as of his completion of one Year of Service after his resumption of employment.

An Employee who separates from Service with the Employer and is reemployed by the Employer prior to incurring a Break in Service shall continue to vest in his Account, commencing with the vested percentage he had at the time of his separation from Service.

- ii. only to the extent the vested account balance was not distributed
- iii. only to the extent the vested distributed account balance is restored to the Plan
- b. forfeited account balances shall not be restored

10. Use of Forfeitures

Forfeitures will be used in the following manner (Articles 5 and 6):

- a. Any permissible method described in Section 6.03(d)
 b. Other: _____

NOTE: If D.10a is selected, forfeitures may be allocated in any manner at the discretion of the Plan Administrator.

NOTE: D.10b is limited to one or a combination of the options described in D.10a, may be used to further restrict the uses of forfeitures, and must be applied in a consistent and nondiscriminatory manner.

11. Special Vesting Provisions

Provide for special vesting provisions (e.g., 100% vesting as of a certain date, or to set a different vesting schedule for employees based on division): _____

NOTE: The special vesting provisions must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

SECTION E. DISTRIBUTIONS**1. Normal Retirement**

Normal Retirement Age means:

- a. Attainment of age (not to exceed 65): _____
 b. Later of attainment of age 65 or the fifth anniversary of Plan participation.
 c. Other: _____

NOTE: Effective Plan Years beginning on or after the later of (1) January 1, 2015 or (2) the close of the first regular legislative session of the legislative body with the authority to amend the Plan that begins on or after the date that is 3 months after the final regulations are published in the Federal Register, the definition of Normal Retirement Age must satisfy Treas. Reg. section 1.401(a)-1(b) pursuant to IRS Notice 2012-29.

2. Early Retirement

Early Retirement Age means:

- a. None. The Plan does not have an early retirement feature.
 b. Attainment of age _____
 c. Later of attainment of age _____ or _____ service.
 d. Other: _____

3. Time of Payment (Other than Death)

Distributions after Termination of Employment for reasons other than death shall commence (Section 7.02):

- a. Immediate. As soon as administratively feasible with a final payment made consisting of any allocations occurring after such Termination of Employment.
 b. End of Plan Year. As soon as administratively feasible after all contributions have been allocated relating to the Plan Year in which the Participant's Account balance becomes distributable.
 c. Normal Retirement Age. When the Participant attains Normal Retirement Age.
 d. Other: _____

NOTE: Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02(e) and other requirements of Article 7.

4. Form of Payment (Other than Death)

Medium of distribution from the Plan:

- a. Cash only
 b. Cash or in-kind
 c. Other: _____

5. Default Form of Payment (Other than Death)

a. Unless otherwise elected by the Participant, distributions shall be made in the form of:

- i. Lump sum only
 ii. Other: _____

b. In addition to the form described in E.5a, distributions from the Plan after Termination for reasons other than death may be made in the following forms (select all that apply):

- i. Lump sum only
 ii. Lump sum payment or substantially equal annual, or more frequent installments over a period not to exceed the joint life expectancy of the Participant and his Beneficiary
 iii. Partial withdrawals - a Participant may withdraw such amounts at such times as he shall elect
 iv. Other: _____

SECTION E. DISTRIBUTIONS

NOTE: Any entry in E.5a.ii or E.5b.iv must comply with Code section 401(a)(9), Section 7.02(e) and other requirements of Article 7.

6. Permit Distributions as an Annuity

Permit distributions in the form of an annuity

NOTE: If E.6 is selected, a Participant/Beneficiary may elect to have the Plan Administrator apply his entire vested Account toward the purchase of an annuity contract, which shall be distributed to the Participant/Beneficiary. The terms of such annuity contract shall comply with the provisions of this Plan and any annuity contract shall be nontransferable.

7. Payment upon Participant's Death

Distributions on account of the death of the Participant shall be made in accordance with the following:

- a. Pay entire Account balance by end of fifth year for all Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) only
- b. Pay entire Account balance no later than the 60th day following the end of Plan Year in which the Participant dies
- c. Allow extended payments for all Beneficiaries in accordance with Sections 7.02(b)(1)(A), (B) and (C) and 7.02(b)(2)(A) and (B)
- d. Pay entire Account balance by end of fifth year for Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) and allow extended payments in accordance with Sections 7.02(b)(1)(B) and (C) and 7.02(b)(2)(B) only if the Participant's spouse is the Participant's sole primary Beneficiary
- e. Other: _____

NOTE: Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02(b) and other requirements of Article 7.

8. Beneficiaries

a. Death benefits when there is no designated beneficiary:

- i. In accordance with Section 7.04(b)
- ii. Other: _____

b. A beneficiary designation to a spouse shall be automatically revoked upon the legal divorce of the Participant and the spouse.

NOTE: If "Other" is selected, must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

9. Force-Out Provisions

a. Maximum force-out amount for purposes of Section 7.03 (not to exceed \$5,000): \$1000

- i. Exclude amounts attributable to Rollover Contributions in determining the value of the Participant's nonforfeitable account balance
- ii. Force-outs will be subject to the automatic rollover provisions of 7.06(c) if over: \$1000

b. Force-out of a terminated Participant's Account balance is deferred under Section 7.03(b) until:

- i. Later of age 62 or Normal Retirement Age - payment made in a lump sum only
- ii. Required Beginning Date - Participant may elect payment in a lump sum or installments
- iii. Required Beginning Date - payment made in a lump sum only

NOTE: If E.9a is less than \$1,000, E.9a.i may not be selected.

10. Required Beginning Date

Required Beginning Date for a Participant:

- a. Retirement. April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70-1/2 or retires
- b. Age 70-1/2. April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2
- c. Election. The option provided in E.10a; provided that a Participant may elect to commence distributions pursuant to either E.10a or E.10b

SECTION F. IN-SERVICE WITHDRAWALS

NOTE: See Section 8.05 for limits on in-service distributions.

Retirement/Hardship/Age

1. Normal/Early Retirement

a. Allow in-service distributions after attainment of Normal Retirement Age (Section 7.01(b)) from the following Accounts: all Accounts

b. Allow in-service distributions after attainment of Early Retirement Age (Section 7.01(a)) from the following Accounts: _____

NOTE: If the Normal Retirement Age or Early Retirement Age is less than age 59-1/2 and in-service is selected, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.

2. Hardship

Hardship withdrawals are allowed as follows (Section 8.01):

- a. None
- b. All Accounts.
- c. Selected Accounts
 - i. Mandatory Employee Contribution Account
 - ii. Mandatory After-tax Employee Contribution Account
 - iii. Matching Account
 - iv. Non-Elective Contribution Account
 - v. Grandfathered 401(k) Contribution Account
 - vi. Voluntary Contribution Account
 - vii. Rollover Contribution Account
 - viii. Transfer Account
 - ix. Other: _____
- d. The criteria used in determining whether a Participant is entitled to receive a Hardship withdrawal:
 - i. Safe Harbor criteria set forth in Section 8.01(b)
 - ii. Non Safe Harbor criteria set forth in Section 8.01(c)
- e. More flexible Hardship criteria applies to permitted Account(s)
 - i. Use criteria specified in Section 8.01(c)
 - ii. Use criteria specified in Section 8.01(c) with the following additional criteria or modifications: _____
- f. Expand the Hardship criteria to include the Beneficiary of the Participant
- g. If a Participant may receive a Hardship withdrawal from his Grandfathered 401(k) Contribution Account, permit Hardship withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
 - i. Yes
 - ii. Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
 - iii. No
- h. Other limitations on Hardship withdrawals: _____

NOTE: If F.2a is selected, F.2b through F.2h do not apply.

NOTE: F.2e only applies if Hardship withdrawals are permitted from Accounts not subject to Treas. Reg. 1.401(k)-1(d) (Accounts specified in F.2cii-vi to the extent applicable and selected above). If F.2e is selected, the requirements of Section 8.01(b)(2) shall not apply, the amount of the hardship distribution may not exceed the Participant's vested interest under the applicable Account and the requirements of Revenue Ruling 71-224 and any superseding guidance shall apply.

NOTE: F.2f only applies if the Plan provides for in-service withdrawals on account of Hardship and uses the safe harbor criteria for Hardship determinations. If F.2f is selected, Hardship distributions may be made for a primary Beneficiary for expenses described in Treas. Reg. sections 1.401(k)-1(d)(3)(iii)(B)(1), (3), or (5) (relating to medical, tuition, and funeral expenses, respectively). A "primary Beneficiary" is an individual who is named as a Beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's Account Balance upon the death of the Participant.

NOTE: F.2g only applies if A.8d or A.8e is selected, (Grandfathered Roth 401(k) Contributions are permitted).

NOTE: Any limitations in F.2h (such as limits on the number of withdrawals per year or minimum amount of distributions) must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

3. Specified Age and Service

- a. In-service withdrawals are allowed on attainment of age _____ and _____ service (Section 8.02):
 - i. None
 - ii. All Accounts
 - iii. Selected Accounts
- b. If Selected Accounts is selected, specified age and service withdrawals may be made from the following Accounts:
 - i. Mandatory Employee Contribution Account
 - ii. Mandatory After-tax Employee Contribution Account
 - iii. Matching Account
 - iv. Non-Elective Contribution Account
 - v. Grandfathered 401(k) Contribution Account
 - vi. Voluntary Contribution Account
 - vii. Rollover Contribution Account
 - viii. Transfer Account

- ix. Other: _____
- c. If a Participant may receive a withdrawal upon the attainment of a specified age and service from his Grandfathered 401(k) Contribution Account, permit such withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
- i. Yes
- ii. Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
- iii. No

NOTE: F.3b only applies if F.3a.iii is selected.

NOTE: If F.3a is less than age 59-1/2, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.

NOTE: F.3c only applies if A.8e is selected (Grandfathered Roth 401(k) Contributions are permitted) and F.3a.ii or F.3a.iii and F.3b.v is selected.

4. Specified Age

- a. In-service withdrawals are allowed on attainment of age _____(Section 8.02):
- i. None
- ii. All Accounts
- iii. Selected Accounts
- b. If Selected Accounts is selected, specified age withdrawals may be made from the following Accounts:
- i. Mandatory Employee Contribution Account
- ii. Mandatory After-tax Employee Contribution Account
- iii. Matching Account
- iv. Non-Elective Contribution Account
- v. Grandfathered 401(k) Contribution Account
- vi. Voluntary Contribution Account
- vii. Rollover Contribution Account
- viii. Transfer Account
- ix. Other: _____
- c. If a Participant may receive a withdrawal upon the attainment of a specified age from his Grandfathered 401(k) Contribution Account, permit such withdrawals from the Participant's Grandfathered Roth 401(k) Contribution Account subject to the same terms and conditions as apply to the Participant's Grandfathered 401(k) Contribution Account:
- i. Yes
- ii. Yes - only if the withdrawal from the Grandfathered Roth 401(k) Contribution Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
- iii. No

NOTE: F.4b only applies if F.4a.iii is selected.

NOTE: If F.4a is less than age 59-1/2, Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2.

NOTE: F.4c only applies if A.8e is selected (Grandfathered Roth 401(k) Contributions are permitted) and F.4a.ii or F.4a.iii and F.4b.v is selected.

Other Withdrawals

5. Withdrawals After Period of Participation

- a. Matching Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Matching Contribution Account after _____ years of Participation
- b. Non-Elective Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account after _____ years of Participation

NOTE: F.5a-b may not be less than five.

6. Withdrawals After Period of Accumulation

- a. Matching Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Matching Contribution Account on funds held for _____ years.
- b. Non-Elective Contributions (Section 8.03(a)). In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account on funds held for _____ years.

NOTE: F.6a-b may not be less than two.

7. **At Any Time (Section 8.03(b))**

In-service withdrawals are allowed from the following Accounts at any time:

- a. Voluntary Contribution Account
- b. Rollover Contribution Account

8. **Military Distributions**

- Qualified Reservist Distributions are permitted (Section 8.03(c))
- Deemed Severance Distributions are permitted (Section 8.03(d))

NOTE: F.8 only applies to Grandfathered 401(k) Contributions.

9. **Disability**

Allow distributions upon Disability.

NOTE: If distributions upon Disability is selected, the Grandfathered 401(k) Contribution Accounts may not be distributed unless a severe disability equivalent to A.14a. has occurred. A severe disability equivalent to A.14a is as follows: the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence.

10. **Other (Section 8.03(e))**

Other in-service distributions are permitted as follows: _____

NOTE: The other in-service distributions described must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.

11. **Vesting Status for In-service Withdrawals**

In-service withdrawals otherwise permitted under Section F are allowed only if the distributing Account is fully vested.

12. **Other Conditions/Limitations**

The following limitations, conditions or special rules apply to in-service withdrawals: _____

NOTE: Unless otherwise specified, the limitations will apply to all in-service withdrawals (F.1 through F.10).

Grandfathered Roth 401(k) Rollovers and Transfers13. **In-Plan Roth Rollovers**

a. If the Plan allows for Grandfathered Roth 401(k) Contributions, In-Plan Roth Rollovers are permitted (Section 4.04(b)):

- i. No
- ii. Yes - no limitations
- iii. Yes - only if the Plan otherwise allows for the distribution/in-service withdrawal
- iv. Yes - all distributions/in-service withdrawals permitted under the Code even if not otherwise provided under the Plan and upon the attainment of age: _____
- v. Yes - limitations or conditions apply: _____

b. In-Plan Roth Rollovers are permitted from partially vested accounts

c. Indicate method of preserving Code section 411(d)(6) protected benefits:

- i. Distributions from the In-Plan Roth Rollover Account are permitted at any time
- ii. Preserve existing distributions/in-service withdrawals rights for each Account
- iii. Other: _____

NOTE: To prevent terminated Employees from taking an In-Plan Roth Rollover or to limit In-Plan Roth Rollovers to a nondiscriminatory class, choose "limitations or conditions apply" and describe the circumstances under which Participants can take an In-Plan Roth Rollover.

NOTE: In-Plan Roth Rollovers may only be permitted for eligible distributions that are also eligible rollover distributions (as defined in Code section 402(c)(4)).

NOTE: Grandfathered 401(k) Contributions shall not be eligible for withdrawal until the Participant attains age 59-1/2 irrespective of F.13a.iii, an age entered under F.13a.iv, or other limitation under F.13a.v.

14. **In-Plan Roth Transfers**

If the Plan allows for Roth contributions, In-Plan Roth Transfers are permitted (Section 4.04(c)):

- a. No
- b. Yes
- c. Yes - limitations or conditions apply: _____

NOTE: Assets included in an In-Plan Roth Transfer will retain the restrictions on distribution the assets had before such transfer.

NOTE: Any limitations or conditions in F.14c must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.

SECTION G. PLAN OPERATIONS**1. Permitted Investments**

- a. Plan may invest in life insurance (Section 9.06)
 b. Participants may invest in a Qualifying Longevity Annuity Contract (Section 9.07)

2. Participant Self-Direction

- a. Specify the extent to which the Plan permits Participant self-direction (Section 9.02):
 i. All Accounts
 ii. Some Accounts
 iii. None
- b. If "Some Accounts" is selected, a Participant may self-direct the following Accounts:
 i. Mandatory Employee Contribution Account
 ii. Mandatory After-tax Employee Contribution Account
 iii. Matching Account
 iv. Non-Elective Contribution Account
 v. Grandfathered 401(k) Contribution Account
 vi. Voluntary Contribution Account
 vii. Rollover Contribution Account
 viii. Transfer Account
 ix. Other: _____
- c. Participants may also establish individual brokerage accounts.
 d. Participants may exercise voting rights with respect to investments (Section 9.05)

3. Valuation Date

Enter Valuation Date:

- a. Last day of Plan Year
 b. Last day of each Plan quarter
 c. Last day of each month
 d. Each business day
 e. Other: _____ (Must be at least annually).

4. Plan Administration

- a. Designation of Plan Administrator (Section 10.01):
 i. Plan Sponsor
 ii. Committee appointed by Plan Sponsor
 iii. Other: _____
- b. Establishment of procedures for the Plan Administrator and the Investment Fiduciary (Sections 10.01(c) and 10.02(c)):
 i. Plan Administrator and Investment Fiduciary adopt own procedures
 ii. Governing body of the Plan Sponsor sets procedures for Plan Administrator and Investment Fiduciary
- c. The Trustee is also the Investment Fiduciary (Section 10.02):
 i. Yes
 ii. No. The Investment Fiduciary is: the individual(s) designated by the Plan Administrator
- d. Type of indemnification for the Plan Administrator and Investment Fiduciary:
 i. Nonc - the Employer will not indemnify the Plan Administrator or the Investment Fiduciary
 ii. Standard according to Section 10.06
 iii. Provided pursuant to an outside agreement
- e. The following modifications shall be made to the duties of the applicable parties: _____

SECTION H. MISCELLANEOUS

Failure to properly fill out the Adoption Agreement may result in disqualification of the Plan.

The Plan shall consist of this Adoption Agreement #001, its related Basic Plan Document #02, and any Addendum to the Adoption Agreement.

The adopting Employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the Plan is qualified under Code section 401 only to the extent provided in Revenue Procedure 2017-41 and any superseding guidance. The Employer may not rely on the opinion letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the opinion letter issued with respect to the Plan and in Revenue Procedure 2017-41 and any superseding guidance. In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service. The Pre-Approved Plan Provider will inform the adopting Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. The Pre-Approved Plan Provider, The Angell Pension Group may be contacted at 88 Boyd Ave., East Providence, RI 02914; 401-438-9250.

SECTION I. EXECUTION PAGE

The undersigned agrees to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledges receipt of same. The Employer has caused this Plan to be executed this _____ day of July, 2022.

RHODE ISLAND COMMERCE CORPORATION:

Signature: _____

Print Name: _____

Title/Position: _____

CUSTOM LANGUAGE ADDENDUM

If a 411(d)(6) protected benefit in the Plan or a plan merged into the Plan is not either: (i) available as a provision through the Pre-Approved Plan, or (ii) the subject of a prior determination, advisory, or opinion letter, the Employer cannot rely on the Pre-Approved Plan Provider's opinion letter for qualification with respect to such benefit. If a 411(d)(6) protected benefit in the plan or a plan being merged into the Plan is not permitted in a pre-approved plan, as described in Section 6.03 of Revenue Procedure 2017-41, such provision must be discontinued no later than the date the Employer adopts this Pre-Approved Plan, in the case of a merger, the merger date shall apply only to the extent required under Code Section 411(d)(6).

A Year of Vesting Service is a Plan Year in which the Employee is credited with at least 1,000 Hours of Service.

Tab 4

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

JULY 25, 2022

APPROVED

VOTED: To approve the retention of a consultant for on-call financial advisory services pursuant to the resolution submitted to the Board.

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

July 25, 2022

(With Respect to Financial Advisory Consultant Services)

WHEREAS, the Rhode Island Commerce Corporation (the "Corporation") issued a request for proposals in relation to financial advisory services (the "Services"); and

WHEREAS, the applicants were properly reviewed and qualifications considered, and a recommendation was made to the Board of the Corporation to retain Jones Lang LaSalle Americas, Inc. and Real Estate Solutions Group, LLC (collectively, "Vendors") to provide the Services.

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, President and COO, and/or Chief Financial Officer acting singly, shall have the authority to negotiate and execute any and all documents in connection with the retention of the Vendors for on-call financial advisory consultant services at the rates specified in their proposals, plus out of pocket expenses at the discretion of such officer:

Section 2: The Authorized Officers may provide for an initial term of up to three years, with an option to extend the term for up to three additional one-year terms.

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

Tab 5

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

July 25, 2022

APPROVED

VOTED: To approve the appointments to the Air Service Development Council pursuant to the resolution submitted to the Board.

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

July 25, 2022

(With Respect to Appointments to the Air Service Development Council)

WHEREAS, on September 26, 2016, the Board of Directors (the "Board") of the Rhode Island Commerce Corporation ("Corporation") established the Air Service Development Council ("Council");

WHEREAS, pursuant to R.I. Gen. Laws § 42-64.32-3, the Board is empowered to make appointments to the Council; and

WHEREAS, the Council currently has two vacancies, and the Board has received a recommendation from the staff of the Corporation relative to appointments to the Council to fill the vacancies.

NOW THEREFORE, be it resolved by the Corporation, acting through its Board of Directors, as follows:

Section 1: The Board hereby appoints Jeffrey Roy and Eric Salander to the Council.

Section 2: All other provisions of the resolution adopted by the Board on September 26, 2016 relative to the Council shall remain unchanged.

Section 3: This resolution shall take effect upon passage.

Tab 6

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

July 25, 2022

APPROVED

VOTED: To approve amendments to the rules and regulations for the Main Street Rhode Island Streetscape Improvement Fund pursuant to the resolution submitted to the Board.

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

July 25, 2022

**(With Respect to Amendments to the Rules and Regulations for the Main Street Rhode
Island Streetscape Improvement Fund)**

WHEREAS, R.I. Gen. Laws § 42-64.27-1, et seq. (“Act”) created the main street RI streetscape improvement fund (“Fund”) within the Rhode Island Commerce Corporation (“Corporation”);

WHEREAS, the Act authorizes the Corporation, within available appropriations, to award loans, matching grants, and other forms of financing to facilitate improvement of streetscapes such as but not limited to (1) enhanced sidewalks, (2) new wayfinding signage, (3) upgraded building facades, and (4) improved street and public space lighting, in support of creating an attractive environment for small business development and commerce;

WHEREAS, the Act authorizes the Corporation to promulgate such rules and regulations as are necessary to fulfill the purposes of the Act, including the criteria by which grant or loan applications will be judged and awarded;

WHEREAS, the Corporation previously promulgated rules and regulations relative to the Fund and has received draft amendments to those rules and regulations; and

WHEREAS, the Corporation’s Board of Directors has reviewed and considered the content of the amendments to the rules and regulations.

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

Section 1: The Corporation hereby authorizes the Chief Executive Officer and/or the President and Chief Operating Officer, acting singly, (the “Authorized Officers”) to promulgate amended rules and regulations (the “Rules”) attached hereto as Exhibit 1 for the Fund and to undertake any actions as may be required pursuant to applicable law in connection with the Corporation’s adoption of the Rules including, but not limited to, fulfilling the requirements of the Administrative Procedures Act, Chapter 35 of Title 42 of the General Laws.

Section 2: The Authorized Officers shall have the authority to take such actions as deemed necessary or appropriate to promulgate the Rules, inclusive of any amendments thereto in response to any State agency and/or public comment and the filing of the Rules with the Secretary of State.

Section 3: After compliance with the requirements of Sections 1 and 2 of this Resolution, the President and COO or his designee shall be authorized to file the final Rules with the Secretary of State and upon such filing, the Rules (as may be amended in compliance with this Resolution) shall be deemed adopted by the Corporation.

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

EXHIBIT 1

870-RICR-20-00-6

TITLE 870 – RHODE ISLAND COMMERCE CORPORATION

CHAPTER 20 – Loans and Grants

SUBCHAPTER 00 – N/A

PART 6 – The Main Street Rhode Island Streetscape Improvement Fund

6.1 Purpose

These rules and regulations (the “Rules”) are promulgated to set forth the principles, policies and practices of the Rhode Island Commerce Corporation in implementing and administering R.I. Gen. Laws Chapter 42-64.27, the Main Street Rhode Island Streetscape Improvement Fund Act (the “Act”).

6.2 Authority

These Rules are promulgated pursuant to R.I. Gen. Laws Chapter 42-64.27. These Rules have been prepared in accordance with the requirements of the Rhode Island Administrative Procedures Act, R.I. Gen. Laws Chapter 42-35.

6.3 Scope

These Rules shall apply to any application received by the Rhode Island Commerce Corporation for funding under the Act. Notwithstanding anything contained in these Rules to the contrary, the Rhode Island Commerce Corporation shall have and may exercise all general powers set forth in the Act that are necessary or convenient to effect its purposes and these Rules shall be liberally construed so as to permit the Rhode Island Commerce Corporation to effectuate the purposes of the Act, the public interest, and other applicable state laws and regulations. The Rhode Island Commerce Corporation, upon an affirmative vote of its board of directors, may provide exemption from the application of such portion of these Rules as may be warranted by extenuating circumstances arising from such application, based upon the written recommendation of the staff of the Rhode Island Commerce Corporation delineating the reasons for such exemption.

6.4 Severability

If any provision of these Rules, or the application thereof to any person or circumstance, is held invalid by a court of competent jurisdiction, the validity of the remainder of the Rules shall not be affected thereby.

6.5 Definitions

- A. The following words and terms, when used in these Rules, shall have the following meanings, unless the context clearly indicates otherwise.
1. "Act" means R.I. Gen. Laws Chapter 42-64.27 known as the Main Street Rhode Island Streetscape Improvement Fund.
 2. "Agreement" means the contract between the Applicant and the Corporation, which sets forth the terms and conditions under which the Applicant shall be eligible to receive funding under the Act.
 3. "Applicant" means a municipality, a political subdivision of a municipality, or an Economic Development Organization that applies for funding under the Act and these Rules.
 4. "Application" means the application, promulgated by the Corporation, which must be completed and submitted by an Applicant pursuant to the requirements of the Act and these Rules.
 5. "Award" means the approval of an Application for funding under the Act by the Board.
 6. "Board" means the board of directors of the Corporation.
 7. "Committed match" means a match for a Streetscape Improvement Project with a value of not less than thirty percent (30%) of the total project cost that is committed prior to the receipt of funds pursuant to the Act. The match shall be in the form of cash or the appraised value of any real estate necessary for the project that is contributed in order to construct the project; provided that a match comprised of real estate shall require the submission of an appraisal not older than one year from the date of Application. A Committed Match may include funds expended within six months prior to the date of the Application for engineering, design, investigations, environmental assessment or studies, legal fees, or costs incurred in obtaining necessary municipal approvals; provided that no funds expended or obligated to be paid prior to July 1, 2015 shall qualify as part of the Committed Match. A Committed Match shall not include funds expended on general overhead, salary, or other such expenses that are not incurred directly and exclusively for the Streetscape Improvement Project.
 8. "Corporation" means the Rhode Island Commerce Corporation established pursuant to R.I. Gen. Laws Chapter 42-64.
 9. "Economic development organization" means a nonprofit corporation, quasi-public corporation, association of businesses, or other entity whose

purpose includes the enhancement of economic conditions or quality of life within its community or the State.

10. "Political subdivision" means a separate agency or unit of local government created or established by law.
11. "Streetscape improvement project" means a project that creates a physical improvement to a streetscape, such as, but not limited to, enhanced sidewalks and sidewalk amenities, new street furniture, new wayfinding signage, upgraded building facades, or improved street and public space lighting.
12. "State" means the State of Rhode Island and Providence Plantations.

6.6 Eligibility

- A. The following conditions must be met to be eligible for an Award under the Act:
 1. the Applicant must be a municipality, a political subdivision of a municipality, or an Economic Development Organization;
 2. the Applicant must have a Committed Match;
 3. the Streetscape Improvement Project must be located in an area that is walkable, compact mix of land uses suitable for small business development and commerce and that attracts residents and visitors to frequent the activities located in the area;
 4. the requested Award must not exceed ~~\$300,000~~ \$750,000; and
 5. the requested Award must only be for expenses incurred directly and exclusively for the construction of the Streetscape Improvement Project.
- B. If the Applicant is other than a municipality, the Applicant must secure a letter of support for the Streetscape Improvement Project from the mayor or elected city or town administrator of the municipality where the project is located or, in the absence of these officials, from either the city or town council president or the appointed city or town manager.
- C. Commencement of construction work on the Streetscape Improvement Project prior to the filing of the Application will result in the project being ineligible for funding; provided that a Streetscape Improvement Project that is a distant phase of a larger, multiphase project shall not be ineligible for funding by virtue of the fact that construction on a different phase of the project commenced prior to the filing of the Application.

6.7 Application

- A. The Application promulgated by the Corporation shall require submission of the following information from each Applicant:
1. the name of the Applicant and contact information for the individual(s) primarily responsible for oversight and management of the Application;
 2. if the Applicant is an Economic Development Organization, a brief description of the organization, its governance structure, its members, and its activities, as well as appropriate evidence demonstrating that the Applicant has the organizational capacity to undertake and complete the Streetscape Improvement Project;
 3. a detailed description of the Streetscape Improvement Project, which shall include its specific location, a map delineating the project area, conceptual drawings, and an anticipated construction schedule;
 4. a budget for the Streetscape Improvement Project supported by project cost estimates for the work to be performed on the project; such budget shall reflect compliance with the requirements of R.I. Gen. Laws Chapter 37-13 in the event such chapter applies to the Streetscape Improvement Project;
 5. a detailed schedule of the sources and uses of funds for the Streetscape Improvement Project;
 6. evidence of the Committed Match;
 7. a plan for the maintenance or upkeep of the Streetscape Improvement Project after completion, including the identification of sources of funds;
 8. a description of the economic benefits of the Streetscape Improvement Project, including a discussion of how the project is consistent with existing and planned economic development investment (both public and private) in the area;
 9. a delineation of all approvals necessary to complete the Streetscape Improvement Project and evidence that such approvals have been obtained or the anticipated time-frame for the issuance of such approvals; and
 10. any other necessary and relevant information as determined and/or requested by the Corporation.

6.8 Application Review

- A. The Corporation shall conduct a review of the Applications received on a rolling basis, which may include periodic deadlines that will be published on the Corporation's web site from time to time, until such time as well as available funds under the Act have been committed, at which point the Corporation will cease reviewing Applications until such time as additional funding is available.
- B. Each Application shall be reviewed to confirm compliance with the Act and these Rules, and the Corporation may reject any incomplete or deficient Application.
- C. The Corporation may require the submission of additional information in connection with any Application or the revision of an Application, and may permit the resubmission of an Application rejected as being incomplete or deficient.
- D. After submission of a complete Application and review by the Corporation in accordance with the requirements of the Act and these Rules, the Corporation will determine whether to recommend to the Board that it make an Award to the Applicant. Factors considered in formulation of the recommendation may include:
 - 1. the economic conditions of the municipality where the Streetscape Improvement Project is located;
 - 2. the economic benefits of the project;
 - 3. consistency with local and statewide planning;
 - 4. technical and financial feasibility of the project;
 - 5. level of the Committed Match ~~above the minimum 30% required;~~
 - 6. amount of the Committed Match allocated to direct construction costs, as opposed to soft costs;
 - 7. amount of the Committed Match, if any, coming from the municipality;
 - 8. firmness of the commitment of the funds constituting the Committed Match;
 - 9. the capital efficiency of the project;
 - 10. project readiness;
 - 11. any benefits to public transportation and/or bicycle transportation;
 - 12. energy efficient of the project; and
 - 13. operational sustainability.

- E. If the Corporation determines that it will not recommend a complete Application to the Board for approval, it shall notify the Applicant in writing of such decision.

6.9 Board Approval

- A. The Corporation shall not make any Award without Board approval.
- B. The Board approval shall indicate whether the Award is made as a grant or a loan.
- C. In addition to those findings required under R.I. Gen. Laws § 42-64-10, the Board shall make a finding in connection with approval of any Award that the Streetscape Improvement Project will create an attractive environment for small business development and commerce in the area in which it is located.

6.10 Agreement

- A. Upon approval of an Award by the Board, the Corporation and the Applicant will enter into an Agreement prior to any funding to the Applicant.
- B. In order to safeguard the expenditure of public funds and ensure that the disbursement of funds further the objectives of the Act, the Agreement shall include, among others, the following terms:
 - 1. the maximum amount of the Award;
 - 2. the anticipated deadline for completion of the Streetscape Improvement Project;
 - 3. a schedule and conditions for the disbursement of the Award;
 - 4. a procedure for the certification and auditing of project costs;
 - 5. a provision that the failure to adhere to a certain timeline or to certain conditions may result in forfeiture of the all or a portion of the Award;
 - 6. if the Applicant is not a municipality or political subdivision thereof, representations and warranties that the Applicant is in good standing with the Secretary of State and Division of Taxation at the time of execution of the Agreement and will remain so through the duration of the Agreement; good standing with the Division of Taxation means that the Applicant is current on all taxes or that the Applicant is current on a workout agreement with the Division of Taxation;
 - 7. indemnification requirements;
 - 8. default and remedies including events other than those set forth above, if any, that would trigger forfeiture or revocation of the Award; and

9. reporting requirements including, but not limited to, any requirements under the Act.

6.11 Discretion and Judicial Review

- A. The Corporation shall not have any obligation to make any Award or grant any benefits under the Act or these Rules, and may decline to make Awards to any project with respect to which the Corporation has received a completed Application that meets the eligibility requirements of § 6.5 of this Part.
- B. A review of an Application shall not constitute a “contested case” under the Administrative Procedures Act, R.I. Gen. Laws § 42-35-9, and no opportunity to object to an Application shall be afforded, nor shall judicial review be available from a decision rendered by the Board in connection with any Application.

6.12 Administration and Examination of Records

The Corporation may examine any books, papers, records or memoranda bearing upon the approval of any grant awarded under the Act, and may require the attendance of any person executing any application, report or other statement, or the attendance of any other person, and may examine such person under oath respecting any matter which the Corporation deems pertinent or material in determining eligibility for Awards claimed under the Act.

6.13 Inspection Rights

The Corporation shall have the right at reasonable times to make an inspection and to enter upon any property that is the subject of an Application during the Application process or term of an Agreement to verify compliance with the Act, these Rules and such other conditions imposed in the Agreement or by the Corporation.