RHODE ISLAND COMMERCE CORPORATION

AGENDA

November 20, 2017

Call to order and opening remarks.

TAB 1: To consider the meeting minutes for the meeting held October 30, 2017.

TAB 2: To consider the application of Gotham Greens Holdings, LLC for incentives under the Qualified Jobs Incentive Tax Credit program and the Rebuild Rhode Island Tax Credit program.*

TAB 3: To consider applicants for awards under the Network Matching Grant program.*

TAB 4: To consider a grant to the URI Foundation to support collaboration on economic development initiatives.

TAB 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 this Agenda item.

TAB 1

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

November 20, 2017

APPROVED

VOTED: To approve the public meeting minutes for the meeting held October 30, 2017 as presented to the Board.

RHODE ISLAND COMMERCE CORPORATION

MEETING OF DIRECTORS
PUBLIC SESSION
October 30, 2017

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on October 30, 2017, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, Rhode Island 02908, pursuant to the public notice of meeting, a copy of which is attached hereto as **Exhibit A,** as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Gina M. Raimondo, Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Directors absent were: Bernard Buonanno, III, Mary Lovejoy, Michael F. McNally, and Donna Sams.

Also present were: Secretary of Commerce Stefan Pryor, Darin Early, and Thomas Carlotto, Esq.

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

Governor Raimondo called the meeting to order at 5:01 p.m., indicating that a quorum was present.

2. **TO CONSIDER FOR APPROVAL THE PUBLIC SESSION MINUTES FOR THE MEETING HELD ON SEPTEMBER 5, 2017.**

Upon motion duly made by Ms. Toledo-Vickers and seconded by Mr. O'Hanley, the following vote was adopted:

VOTED: To approve the Public Session minutes for the meeting held September 5, 2017 as presented to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

Mr. Early explained that Xeros, Inc. ("Xeros") is a British publicly traded technology company that utilizes polymer technology to reduce the amount of energy used in commercial

laundry settings. He stated that Xeros is comprised of a tanning division, a textile division, and a cleaning division, which has a technology subdivision. He explained that the technology subdivision has a commercial laundry research and development center located in southeast Massachusetts, which has decided to expand to Rhode Island after a competitive relocation process. Mr. Early noted that under the proposed incentive package, Xeros has committed to creating a minimum of twenty-five new jobs, which are anticipated to have an annual salary of $75,000. Additionally, Mr. Early stated that Xeros has the ability to obtain additional tax credits for the creation of up to forty new jobs, and explained that the value of the incentive package is between $785,000 and $1.1 million over a ten-year term.

Upon motion duly made by Mr. O'Hanley and seconded by Ms. Toledo-Vickers, the following vote was adopted:

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

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

4. **TO CONSIDER THE APPLICATION OF ALLIANCE PAPER COMPANY, INC. FOR INCENTIVES UNDER THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM.**

Mr. Early stated that Alliance Paper Company, Inc. ("Alliance Paper") is a privately held manufacturer and converter of paper, tissue, and towel products that currently employs twenty-two employees at its location in Fall River, Massachusetts. Mr. Early explained that after a competitive process and analysis regarding its expansion and possible relocation, Alliance Paper has decided to relocate to Pawtucket, Rhode Island. Mr. Early stated that under the proposed incentive package, Alliance Paper has committed to creating a minimum of twenty jobs with anticipated median annual salaries of approximately $33,000. He further stated that Alliance Paper may obtain additional incentives for up to thirty newly created jobs. Mr. Early noted that because Alliance Paper is a manufacturer, the staff is recommending that the Board exempt it from the annual medial income requirement in the Qualified Jobs enabling statute. Mr. Early explained that the anticipated value of the proposed incentive package is between $300,000 and $400,000.

In response to a question by Mr. Wadensten, Jeff Jones from Alliance Paper stated that their paper products are from roll stock, which is then converted to industrial products. The Governor inquired as to what types of jobs will be created, and Mr. Jones stated that machine operations, administrators, and production workers will fill the newly created positions. Mr. Nee noted the disparity between the wages paid and the incentives offered. Ms. Toledo-Vickers responded to Mr. Nee's comment that such jobs will fill a need for job seekers in the state.

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

VOTED: To approve Alliance Paper Company, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

5. **TO CONSIDER AN AMENDMENT TO THE AWARD FOR WALDORF CAPITAL PARTNERS, LLC UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM.**

Mr. Early stated that in 2016, the Board approved $2.9 million in Rebuild Rhode Island tax incentives to Waldorf Capital Partners, LLC ("Waldorf"), which is building a $33 million mixed-use project consisting of residential, rental, parking, and retail space. Mr. Early stated that construction costs were nominally higher than what the Board approved in 2016 and the land upon which the project will be built will be subject to a Tax Stabilization Agreement ("TSA") with the City of Providence. He explained that due to conservative estimating by lenders as to the value of the TSA, there still exists a $1 million financing gap to provide adequate returns to investors on the project. Mr. Early explained that the Corporation's investment committee reviewed Waldorf's request and recommended that the Board grant an additional $500,000 in tax credits.

Mr. Wadensten commented on the number of projects seeking amendments to their incentive package. Mr. Early noted that while sponsors seek amendments to their incentive packages, the Corporation's staff ensures that the project has no other reasonable source for financing. Secretary Pryor explained that each project is assessed as to its actual expense; therefore, if costs are inflated, there is an adjustment to the payout of incentives at the time the actual project costs are vetted. As to Waldorf's request, Secretary Pryor noted that the Investment Committee identified some expense line items that could provide potential savings, which is why it is recommending approval of $500,000, not the requested $1 million.

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

VOTED: To approve the amendment to the award for Waldorf Capital Partners, LLC under the Rebuild Rhode Island Tax Credit program pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

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

6. **TO CONSIDER APPLICANTS FOR AWARDS UNDER THE INNOVATION VOUCHER PROGRAM.**

Ms. Smith stated that three candidates were before the Board for approval of funds under the Innovation Voucher program ("Innovation Program") totaling approximately $148,000. She noted that all three companies will be working with the University of Rhode Island either in its chemical engineering, chemistry, or mechanical engineering departments. Ms. Smith explained that one of the applicants had previously applied and been awarded innovation vouchers to create a prototype/pre-production project, which it did and hired additional employees. She stated that its current application for funds to further develop that prototype product. Ms. Smith stated that the other two applicants are at an earlier stage, and are seeking funds to create a textile prototype and a proof of concept.

Including the applicants before the Board, Ms. Smith stated that the Innovation Program has awarded forty-three projects, which total approximately $2 million in awards, which is two-thirds of the program's budget. Secretary Pryor noted that twenty companies have been awarded incentives under the Qualified Jobs tax credit program, which is only half of the amount of companies awarded funds under the Innovation Program. He additionally noted that the Corporation has issued or facilitated approximately twenty-four small-business loans, which is also in excess of the number of companies awarded incentives under the Qualified Jobs tax credit program.

In response to a question by Dr. Carriuolo, Ms. Smith stated that the Corporation has adopted a "rolling" application process and the pipeline for applications is robust. Mr. Hebert inquired as to the number of applicants under the Innovation Program, and Ms. Smith responded that about eighty companies have applied. In response to a question by Ms. Toledo-Vickers, Ms. Smith stated that the remaining funds in the budget should allow for another twenty awards of $50,000. Mr. O'Hanley recommended additional marketing and media surrounding the Innovation Program, and Dr. Carriuolo agreed and recommended that such information be updated and placed on the Corporation's website.

Upon motion duly made by Mr. O'Hanley and seconded by Dr. Carriuolo, the following vote was adopted:

VOTED: To approve the awards to applicants for Innovation Vouchers pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as **Exhibit E**.

7. **TO CONSIDER AMENDMENTS TO THE RULES FOR THE INNOVATION VOUCHER PROGRAM.**

Ms. Smith stated that in the most recent session of the General Assembly, legislation was passed to expand the Innovation Program to include a new category of vouchers specific to funding internal research and development for manufactures. She noted that all other aspects of the Innovation Program will remain the same, including eligibility requirements, amounts of awards, and the application and review processes. Ms. Smith stated that before the Board was the amended rules and regulations to comply with the newly enacted legislation.

Secretary Pryor explained that the purpose of the legislation was to enable manufacturers to avail themselves of research and development resources, especially if they were unable to obtain a tax credit under the Tax Code, which only allows C-corporations to obtain such credit. Secretary Pryor stated that instead of amending the Tax Code, the rules and regulations were amended for internal research and development for manufactures. Ms. Smith noted that numerous companies are interested in the Innovation Program and that the Corporation's staff is working with Polaris to promote the Innovation Program.

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

VOTED: To adopt and approve for promulgation the amended Rules for the Innovation Voucher program as presented to the Board pursuant to the Administrative Procedures Act.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

The Governor thanked the Corporation's staff and commended their efforts in preparing and submitting the State's Amazon proposal. She also stated that Elizabeth Tanner has been promoted to Director of the Department of Business Regulation. The Governor left the meeting at 5:39 p.m. and the Vice Chair assumed the role of presiding officer.

8. **TO CONSIDER THE ISSUANCE OF THE CORPORATION'S MOTOR FUEL TAX REVENUE REFUNDING BONDS, SERIES 2017A.**

William Ash stated that before the Board for approval was the issuance of the Corporation's Motor Fuel Tax Revenue Bonds, Series 2017A, which are being issued to refund the outstanding Economic Development Corporation Motor Fuel Revenue Bonds, Series 2003,

2006, and 2009. He explained that the proceeds of the 2003, 2006, and 2009 bonds were used to fund four Department of Transportation projects, including the 195 relocation project, the freight rail improvement project, the Sakonnet River Bridge project, and the Route 403 project. Mr. Ash stated that after issuance, the refunding will result in a present value savings of approximately $5 million. He indicated that no new money bonds will be issued, and that the refunding bonds are secured solely by pledged revenues of two cents per gallon of the thirty-three cent motor fuel tax, which totaled approximately $380 million in 2017. Mr. Hebert stated that this transaction is similar to many done before, and the Access to Capital Subcommittee had recommended its approval by the Board.

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

VOTED: To approve the issuance of the Motor Fuel Tax Revenue Refunding Bonds, Series 2017A pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as **Exhibit F**.

9. **TO CONSIDER FOR APPROVAL THE CORPORATION'S ANNUAL BUDGET.**

Mr. Early stated that the fiscal year 2018 budget is similar to the fiscal year 2016 and fiscal year 2017 budgets. He explained that the Corporation's expenses are divided into two categories: (1) operating expenses, which are the costs of the Corporation's daily operations; and (2) programmatic expenses, which include the capital that the Corporation is putting into the economy. Mr. Early explained the Corporation's recommended budget to the Board accompanied by a detailed PowerPoint presentation. In response to a question by Mr. Hebert, Mr. Early stated that the Corporation has approximately seventy-five team members, including partners, of which about sixty are full time employees.

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

VOTED: To approve the Corporation's annual budget as presented to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the PowerPoint presentation is attached hereto as **Exhibit G**.

10. **TO CONSIDER FOR APPROVAL THE CORPORATION'S AUDITED FINANCIAL STATEMENTS.**

Lisa Lasky stated that the audited financials before the Board were approved by the Audit Committee, the State Auditor, and Auditor General. She noted some minor changes that would be made to the notes section related to completed litigation matters. Ms. Lasky indicated that as requested by the Board in prior years, the current financials are "year over year." She explained that in fiscal year 2017, the unrestricted cash balance increased from $5.5 million to $8.5 million, but there were corresponding expenses, so the net increase was zero. She also indicated that the unrestricted cash balance includes operating funds and hotel taxes collected and designated for the State's tourism campaign. Ms. Lasky noted an increase in restricted cash of $35 million due to State appropriations for funding of economic incentives. She explained that in fiscal year 2017, the Corporation had an operating loss of $12 million, which was offset for State appropriations for base funding and economic incentives, and other non-operating revenues, including the hotel tax proceeds of $5.1 million, which left a net gain of $39 million. Ms. Lasky stated that the auditors issued an unqualified opinion.

In response to a question by Mr. Hebert, Mr. O'Hanley responded that the financials are sometimes difficult because they involve multiple years where one year may seem high because the State's appropriations for incentives are taken in and will not decrease until the capital is expended. In response to a question by Mr. Wadensten, Ms. Lasky stated that the State timely funds its obligated appropriations.

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

VOTED: To approve the Corporation's audited financial statements in a form substantially similar to that submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

11. **TO CONSIDER THE AUTHORIZATION OF AN APPLICATION TO THE FOREIGN TRADE ZONE BOARD.**

Mr. Early stated that the Board was being asked to approve the Corporation submitting an application to the Foreign Trade Zone Board ("FTZB") to expand the State's designated foreign trade zones. If approved, Mr. Early stated that the expanded foreign trade zones will reduce, waive, or defer federal tariffs for goods that are finished, refined, or made into marketable products in the geographic location of the trade zone. Mr. Early explained that the Corporation will submit an application to the FTZB, and the FTZB will either approve or reject the application likely near the beginning of 2018.

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

VOTED: To approve the authorization of an application to the Foreign Trade Zone Board pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as **Exhibit H**.

12. **TO CONSIDER FOR APPROVAL THE CONTINUED FUNDING FOR THE POSITION OF RHODE ISLAND DEFENSE COMMERCIALIZATION DIRECTOR.**

Hillary Fagan stated that before the Board for approval was the continued funding of the Rhode Island Director of Defense Commercialization ("the Director"), a position that was created by the Corporation and the Naval Undersea Warfare College ("NUWC") as a result of the defense and ship building sectors being sectors identified in the State for economic growth. Ms. Fagan stated that on a national level, in fiscal year 2017, the defense-spending budget was approximately $523 billion. She explained that the Director is charged with bringing defense and maritime technology into the State's industry to help companies grow.

In response to a question by Mr. Wadensten, Ms. Fagan responded that the Director will be Tom Carroll. Mr. Kelly stated that he has met Mr. Carroll, and that Mr. Carroll is a thought-leader in the State for the blue-tech industry and economy. Ms. Toledo-Vickers questioned whether this position was co-funded by the Corporation and NUWC, and Mr. Early answered in the affirmative. In response to a question by Mr. Hebert, Ms. Fagan explained that she traveled to Washington, D.C. with Mr. Carroll, who spoke with a company looking to expand, and that company has visited the State and expressed interest in moving here. She further indicated that Mr. Carrol's expertise and interaction with the company was critical to developing a relationship that could potentially result in a company's expansion to Rhode Island.

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

VOTED: To approve the continued funding for the position of Rhode Island Defense Commercialization Director pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as **Exhibit I**.

13. **TO CONSIDER THE RENEWAL OF A CONTRACT WITH DUN & BRADSTREET.**

Dan Jennings stated that before the Board for approval was a renewal of the Corporation's agreement with Dun & Bradstreet for use of its online data platform for three consecutive one-year terms costing $160,000 per annum. Mr. Jennings explained that the Corporation's investment team uses the platform to check on the condition of companies applying for incentives; the Corporation's business development team uses the platform to identify and assess business prospects; and the Corporation's client services team uses the platform to understand the types of companies they are assisting. Mr. Jennings stated that the renewals for years two and three would be contingent upon funding and at the discretion of the Corporation.

In response to questions by Mr. Hebert, Mr. Jennings stated that the Corporation has been utilizing Dun & Bradstreet's database for approximately two years, and Mr. Early responded that the Corporation receives a preferred rate as a governmental entity.

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

VOTED: To approve the renewal of a contract with Dun & Bradstreet pursuant to the Resolution submitted to the Board.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Jo Kaplan, George Nee, Ronald O'Hanley, Vanessa Toledo-Vickers, and Karl Wadensten.

Voting against the foregoing were: none.

A copy of the Resolution is attached hereto as **Exhibit J**.

14. **TO RECEIVE AN UPDATE ON THE WAVEMAKER FELLOWSHIP PROGRAM.**

Ms. Smith stated that the Wavemaker Fellowship Program ("Wavemaker Program") was one of eleven programs that the Governor put forward in her first economic development package. She indicated that the Wavemaker Program now has two classes: one from 2016 and one from 2017. She stated that the 2016 cohort includes two hundred eight fellows, who represent one hundred ten employers and who are collectively receiving $1.6 million in tax credits over two years. Ms. Smith stated that the 2017 cohort consist of two hundred nineteen fellows, who represent one hundred twelve companies and who collectively receive an average award of $3,800. Ms. Smith noted that the purpose of the Wavemaker Program is to attract and retain talent by providing student loan tax credits to offset student loan liability.

Ms. Smith explained that under the Wavemaker Program, fellows can earn tax credit awards based upon their level of academic accomplishments: a $1,000 tax credit for receiving an Associates degree; a $4,000 tax credit for a Bachelors degree; and a $6,000 tax credit for a Masters degree. She stated that the Wavemaker Program targets those in the fields identified by the Brookings Institute report, and gave several examples of employers in such fields. Ms. Smith noted that thirty-four percent of the fellows are female, which is higher than the national average of twenty-four percent of females in this category of workforce. Additionally, Ms. Smith noted that fifty-four percent of fellows have graduated from academic institutions in the State, and ninety percent of fellows not only work in the State, but also live in the State. Ms. Smith indicated that cumulatively, the Wavemaker Program has four hundred twenty-seven fellows, representing one hundred eighty-two different companies, who are receiving $3.3 million in tax credits. Ms. Smith highlighted three fellows and their accomplishments.

Ms. Smith stated that the Corporation hired Jillian Butler as the Wavemaker Fellowship Program Director, who has focused keeping the fellows invested in the State by hosting professional development courses and networking session. By way of example, Ms. Smith noted that the Governor hosted a welcome reception for the fellows, and several fellows indicated that they were excited to connect with other fellows in the State. Secretary Pryor also noted that the Wavemaker Program has hosted home buying seminars for the fellows.

In response to a question by Mr. Hebert, Ms. Smith stated that the economic value of the fellows is tracked on their applications. In response to another question, Ms. Smith indicated that the staff is working with other institutions on broadened outreach to minority groups. Mr. Hebert questioned how the application process is conducted, and Ms. Smith responded that in order to apply to the Wavemaker Program, an applicant must be working in the State, or have a job offer from an employer within the State, and work in an eligible field.

A copy of the PowerPoint presentation for this agenda item is attached hereto as **Exhibit K**.

15. **TO RECEIVE AN UPDATE ON THE AIR SERVICE DEVELOPMENT FUND.**

Nick Autiello explained that last year, the Board created the Air Service Development Council ("ASDC"), which was required by the legislation that created the Air Service Development Fund (the "Fund"). He further explained that the Corporation delegated authority to the ASDC to use and distribute monies in the Fund consistent with the legislative purpose of the ASDC.

Mr. Autiello stated that the ASDC has utilized the Fund to offset airline-marketing efforts that market the State as a destination. He explained that an airline may be eligible for funds from the Fund up to $200,000 for the creation of a domestic route, and up to $750,000 for the creation of an international route.

Mr. Autiello explained that the ASDC has had a positive impact on airline route creation, which is evidenced by T.F. Green's growth from fourteen direct destinations to thirty-four. By

way of example, Mr. Autiello noted that Frontier Airlines is offering routes to Denver, Colorado; Allegiant Airline is expanding; OneJet Airline is offering daily service to Pittsburg, Pennsylvania; and Norwegian Airlines is opening six international routes and has hired approximately sixty employees. Mr. Autiello stated that based on such growth, T.F. Green will likely be the fastest growing airport in 2017.

In response to a question, Mr. Autiello responded that T.F. Green still has capacity for additional airlines and routes, and has plans for expanding the terminal to accommodate more flights. In response to several questions by several Board members, Mr. Autiello stated that the airlines conduct the marketing and submit copies of their ads to RIAC, and the customs at T.F. Green has been expanded to five customs stations. Mr. O'Hanley inquired as to who is conducting marketing for T.F. Green as a departure destination, and Mr. Autiello responded that T.F. Green recently issued a request for proposal in relation to additional marketing efforts.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 6:19 p.m., upon motion made by Mr. Wadensten and seconded by Ms. Toledo-Vickers.

_____
Thomas Carlotto, Secretary

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT A

RHODE ISLAND COMMERCE CORPORATION
PUBLIC NOTICE OF MEETING

A meeting of the Rhode Island Commerce Corporation Board of Directors will be held at the offices of the **Rhode Island Commerce Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island**, on **October 30, 2017**, beginning at **5:00 p.m.** for the following purposes:

PUBLIC SESSION

1. Call to order and opening remarks.
2. To consider the meeting minutes for the meeting held September 5, 2017.
3. To consider the application of Xeros, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program (See Exhibit 1, which follows, for additional detail).*
4. To consider the application of Alliance Paper Company, Inc., for incentives under the Qualified Jobs Incentive Tax Credit program (See Exhibit 1, which follows, for additional detail).*
5. To consider an amendment to the award for Waldorf Capital Partners, LLC under the Rebuild Rhode Island Tax Credit program (See Exhibit 1, which follows, for additional detail).*
6. To consider applicants for awards under the Innovation Voucher program (See Exhibit 1, which follows, for additional detail).*
7. To consider amendments to the rules for the Innovation Voucher program.
8. To consider the issuance of the Corporation's Motor Fuel Tax Revenue Refunding Bonds, Series 2017A.*
9. To consider for approval the Corporation's annual budget.*
10. To consider for approval the Corporation's audited financial statements.*
11. To consider the authorization of an application to the Foreign Trade Zone Board.
12. To consider for approval the continued funding for the position of Rhode Island Defense Commercialization Director.
13. To consider the renewal of a contract with Dun & Bradstreet.
14. To receive an update on the Wavemaker Fellowship program.
15. To receive an update on the Air Service Development Fund.
16. 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 discuss this Agenda item.

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

Shechtman Halperin Savage, LLP,
Counsel to the Corporation

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: October 28, 2017

EXHIBIT 1

Agenda Item 3

The applicant seeks incentives under the Qualified Jobs Incentive Tax Credit program in relation to the relocation of its Seekonk, Massachusetts-based operations to Rhode Island. Xeros, Inc., is the cleaning technology division of Xeros Technology Group, which is based in Sheffield England. The company's patented technology is used to reduce consumption in water-intensive operations such as commercial laundries.

Agenda Item 4

The applicant seeks incentives under the Qualified Jobs Incentive Tax Credit program in relation to the relocation of its operations to Rhode Island. Alliance Paper Company is a paper products manufacturer presently located in Fall River, Massachusetts.

Agenda Item 5

The applicant seeks an amendment to the award of incentives for a mixed-use development project consisting of 95 residential units and 5,900 +/- square feet of commercial space, located in Providence at Chestnut and Friendship Streets. The total development cost for the project is estimated at approximately $33.4 million, and the total requested tax credits are up to a maximum of approximately $3.5 million. The development sponsor on the application is Waldorf Capital Management, which manages real estate assets across Rhode Island and Massachusetts.

Agenda Item 6

The following applicants shall be considered for awards under the Innovation Voucher program in amounts of $50,000 or less:

Alcinous Pharmaceuticals, LLC
CBC, LLC
Modus Tech-Wear, LLC

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT B

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT
October 30, 2017

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

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

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

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

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

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

RESOLVED:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of the following incentives:

    a. Under the Act, tax credits to the Recipient up to the amount of forty (40) jobs not to exceed Seven Thousand Five Hundred Dollars ($7,500) per new full-time job annually; and

2. The authorization provided herein is subject to the following conditions:

    a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

b. The creation of not less than the minimum required new full-time jobs under the Act, which earn no less than the median hourly wage as most recently reported by the United States Bureau of Labor Statistics for the State of Rhode Island; and

c. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act;

4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).

5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the 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 Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents

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

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

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

9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

Xeros, Inc. Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to Xeros, Inc. ("the Company"), a Manchester, New Hampshire-based division of the UK-based Xeros Technology Group (XTG). XTG specializes in the development and commercialization of water- and energy-saving technology used in water-intensive industries such as tanning, textiles and commercial laundry services. Its U.S. division, Xeros, Inc, focuses on commercial laundry and other cleaning technologies.

The credits would be issued in connection with the Company's decision to relocate its research and development center from Seekonk, Massachusetts to leased space in Rhode Island, and to add quality control and warehousing operations at its new site. The Company would employ 25 people at its new facility by 2019, at a median salary of $73,000. Based on the relocation and retention of these employees, the Company is requesting Qualified Jobs Incentive tax credits with an estimated value of approximately $785,000 over ten years.

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

Jobs Analysis

The impact of building out newly-leased space

The Company expects to spend approximately $600,000 on leasehold improvements and the purchase of equipment for its new facility. Assuming for purposes of this analysis that half this total would be spent on leasehold improvements and half on equipment, and using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact studies), we estimate that this expenditure of $600,000 would directly and indirectly support:

- 2.5 person-years[1] of work in Rhode Island;
- Approximately $156,200 in earnings (in 2018 dollars);
- Approximately $448,700 in statewide economic output[2]; and

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

- A one-time increase of $241,700 in Rhode Island's GDP.

These impacts are summarized below in Table 1. 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 1: Direct and indirect annual impact of ongoing operations (employment in person-years; income, value-added and output in 2017 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	2	$120,100	$183,200	$351,900
Indirect Effect	0.5	36,100	58,500	96,800
Total Effect	**2.5**	**$156,200**	**$241,700**	**$448,700**

In addition to the impacts cited in Table 1, direct expenditures of $600,000 would directly and indirectly generate a projected one-time increase of approximately $22,000 in taxes paid to the State during construction. This increase would include approximately:

- $12,500 in state sales and use taxes paid on construction materials and fixtures, furniture and equipment;
- $6,000 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- $2,500 in state sales taxes paid on those workers' taxable household spending; and
- $1,000 in state business corporation taxes paid by companies directly or indirectly working on the project.

Most of the activity reflected in Table 1 is expected to occur in 2018-2019. Workers who fill these jobs are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

The impact of ongoing operations

As noted above, the Company intends to employ 25 people at its new location by 2019. Table 2 summarizes the categories in which these jobs will be created, and median earnings for each category.

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

Table 2: Projected employment in 2019

Position	Employees	Median Salary
Administration	2	$49,000
Engineering and technical	18	65,500
Management	5	110,000
Total jobs/median salary	**25**	**$73,000**

Based on data provided by the Company, and using the IMPLAN input-output modeling system Appleseed estimates that in 2019, ongoing operations associated with the 25 full-time jobs the Company would bring to and retain in Rhode Island will directly and indirectly support:

- 45 full-time-equivalent (FTE) jobs in Rhode Island;
- More than $3.1 million in annual earnings (in 2019 dollars);
- Nearly $9.1 million in statewide economic output; and
- An increase of $4.6 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 3.

Table 3: Direct and indirect annual impact of ongoing operations (employment in FTE; income, value-added and output in thousands of 2019 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	25	$1,948.9	$2,590.1	$5,806.5
Indirect Effect	20	1,184.8	$2,019.2	3,283.4
Total Effect	**45**	**$3,133.7**	**$4,609.3**	**$9,089.9**

In addition to the impacts on employment, earnings, output and state GDP cited in Table 3, in 2019 the Company's operations in its new location would generate a projected increase of approximately $184,000 in annual state tax revenues, including:

- $118,000 in state personal income taxes paid by workers employed by the Company at its new location, or by Rhode Island workers whose jobs are indirectly attributable to the Company's operations at that site;
- $51,000 in state sales taxes paid on those workers' taxable household spending; and
- $15,000 in state business corporation taxes.

Workers employed by the Company are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

Benefits

Xeros offers its employees a comprehensive Health and Welfare Benefits package, including medical, dental, vision, disability and life insurance, and a 401(k) program.

Hiring

Xeros posts all available positions on its own website and on other sites such as LinkedIn and Indeed.com. Third party search firms are also utilized to find candidates for some of the more highly technical positions. Received resumes are reviewed, and phone interviews are conducted with selected applicants. Those whom the hiring manager selects for further consideration will then be scheduled for a second interview. After the second interview, background checks are conducted, and offers are extended to the selected candidates.

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately $785,000 in foregone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of $4.6 million in 2019, the estimated associated job creation, and a gross increase of approximately $2.23 million in personal income, sales and business corporation tax revenues during the fit-out of the Company's new space and the twelve-year commitment period beginning in 2019 These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, the Company's proposed relocation would benefit Rhode Island in other ways, including:

- Creating the potential for further job growth at the Company's new facility
- Adding to the state's strengths as a center of applied scientific and technological research and development
- Highlighting Rhode Island's attractiveness as a U.S. location for international businesses
- Increasing local tangible personal property tax revenues

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. Various features of the program of the Qualified Jobs Incentive program mitigate risk to the state. In particular, Qualified Jobs Incentive tax credits will be determined on the basis of the number of people actually employed, and eligible salaries and wages actually paid.

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT C

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE QUALIFIED JOBS TAX CREDIT ACT
October 30, 2017

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

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

WHEREAS: The Corporation received an application for incentives under the Acts in relation to the relocation by Alliance Paper Company, Inc. (together with affiliates, successors and assigns, the "Recipient") to the State (the "Project"), which is anticipated to result in the creation of new full-time jobs in the State; and

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

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

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

RESOLVED:

1. To accomplish the purposes of the Enabling Act and the Act, the Corporation approves the issuance of the following incentives:

    a. Under the Act, tax credits to the Recipient up to the amount of thirty (30) jobs not to exceed Seven Thousand Five Hundred Dollars ($7,500) per new full-time job annually; and

2. The authorization provided herein is subject to the following conditions:

    a. The execution of an incentive agreement between the Corporation and the Recipient meeting the requirements of the Act in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer; and

b. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Act;

4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 1).

5. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the 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 Authorized Officers of the Corporation shall have no obligation to take any with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

6. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

7. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

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

9. This Resolution shall take effect immediately upon passage.

EXHIBIT 1

Rhode Island Commerce Corporation

Qualified Jobs Incentive Tax Credits – Economic Impact Analysis

Alliance Paper Company, Inc. Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Qualified Jobs Incentive tax credits to Alliance Paper Company, Inc. ("the Company"), a Fall River, Massachusetts-based manufacturer of paper towel and tissue products. The credits would be issued in connection with the Company's decision to relocate its operations to Rhode Island in 2018.

The Company would bring 20 jobs from Fall River to Pawtucket, where it plans to purchase an existing building. Based on the relocation and retention of these 20 jobs, the Company is requesting Qualified Jobs Incentive tax credits with an estimated value of approximately $297,000 over ten years.

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

Jobs Analysis

The impact of ongoing operations

As noted above, the Company intends to relocate 20 employees to its new location in 2018. Table 1 summarizes the categories in which these jobs will be created, and median earnings for each category.

Table 1: Projected employment in 2018

Position	Employees	Median Salary
Operators	16	$32,240
Management and support staff	4	50,000
Total jobs/median salary	**20**	**$33,280**

Based on data provided by the Company, and using the IMPLAN input-output modeling system (a modeling tool commonly used in economic impact studies), Appleseed estimates that in 2018, ongoing operations associated with the 20 full-time jobs the Company would relocate to Rhode Island would directly and indirectly support:

- 28 full-time-equivalent (FTE) jobs in Rhode Island;
- $1.386 million in annual earnings (in 2018 dollars);
- $6.338 million in statewide economic output[3]; and
- An increase of $1.85 million in Rhode Island's annual GDP.

These impacts are summarized below in Table 2. The project's *direct impact* is the impact of the Company's direct spending on payroll, purchasing and other expenses at its new location. Its *indirect impact* is the effect of spending by the Company's in-state suppliers and contractors for goods and services (rent, utilities, insurance, etc.) purchased from other Rhode Island businesses

Table 2: Direct and indirect annual impact of ongoing operations (employment in FTE; income, value-added and output in millions of 2018 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	20	$0.783	$0.947	$4.716
Indirect Effect	8	0.603	$0.903	1.622
Total Effect	**28**	**$1.386**	**$1.850**	**$6.338**

In addition to the impacts on employment, earnings, output and state GDP cited in Table 2, in 2018 the Company's operations in its new location would generate a projected increase of approximately $81,000 in annual state tax revenues, including:

- $52,000 in state personal income taxes paid by workers employed by the Company at its new location, or by Rhode Island workers whose jobs are indirectly attributable to the Company's operations at that site;
- $23,000 in state sales taxes paid on those workers' taxable household spending; and
- $6,000 in state business corporation taxes.

Workers employed by the Company are expected to be drawn primarily from the Providence-Warwick RI-MA New England City and Town Area (NECTA).

[3] Output is a measure of the total sales by Rhode Island companies (including the "sale" of labor by Rhode Island households) generated by the Company at its new location.

Benefits

The Company offers health insurance under Tufts Health Plan, and a 401(k) retirement plan.

Hiring

The Company posts all available positions on Indeed.com. Received resumes are reviewed, and phone interviews are conducted with selected applicants. Those whom the hiring manager selects for further consideration are then scheduled for a second interview. After the second interview, background checks are conducted, and offers are extended to the selected candidates. The Company also hires employees through "temp-to-perm" agencies.

Impact

The state fiscal impact of the requested tax credits is estimated to be approximately $297,000 in foregone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of $1.85 million in 2018, the estimated associated job creation, and a gross increase of approximately $972,000 in personal income, sales and business corporation tax revenues during the twelve-year commitment period beginning in 2018. These benefits are detailed in the foregoing analysis.

In addition to the economic and tax revenue impacts cited above, the Company's relocation to Pawtucket would benefit Rhode Island in other ways, including:

- The potential hiring of 10 additional employees in 2018 and 2019, for a total of 30.
- Diversification of Rhode Island's manufacturing base
- Increasing local tangible personal property tax revenues

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

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT D

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INCENTIVES
UNDER THE REBUILD RHODE ISLAND TAX CREDIT ACT
October 30, 2017

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 64.20 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 incentives, including loans, in relation to certain development projects in the State; and

WHEREAS: The Corporation promulgated rules and regulations (the "Rules") governing the issuance of incentives under 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: On December 19, 2016, the Corporation approved an application from Waldorf Capital Partners, LLC (together with its nominee or an assignee, the "Recipient") under the Rebuild RI Tax Credit Act in relation to a mixed-use project (the "Project") located at Chestnut and Friendship Streets, Providence, RI;

WHEREAS: After additional vetting and due diligence, the Recipient has provided the Corporation with information evidencing an increased financial gap;

WHEREAS: The Corporation's Investment Committee has voted to recommend to the Board of Directors (the "Board") of the Corporation the approval of additional tax credits; and

WHEREAS: The Board has received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the 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 in an amount not to exceed Three Million Nine Hundred Seventy-Five Thousand Three Hundred Fifty-Six Dollars ($3,475,356) and authorizes a sales and use tax exemption in addition to the tax credits of Five Hundred Seventy-Two Thousand Dollars ($572,000) with any sales

and use tax exemption exceeding said amount reducing the tax credits awarded hereunder dollar for dollar.

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, which agreement shall expressly provide, as applicable, that the Loan will not be a general obligation of the Corporation and shall otherwise be in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Authorized Officer;

   b. Verification by the Corporation of compliance with the Eligibility Requirements of Rule 6 of the Rules prior to issuance of Certification to the Recipient; and

   c. Such additional terms and conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient'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; (d) 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; (e) 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; (f) that the Chief Executive Officer of the Corporation has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (g) the Secretary of Commerce has provided written confirmation required by the Rebuild RI Tax Credit Act (a copy of which is annexed hereto as Exhibit 1); (h) 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 (i) the Recipient has demonstrated that it will otherwise satisfy the Eligibility Requirements of Rule 6 of the Rules for a Mixed-Use Project.

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 Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

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: Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
Darin Early, 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: October 30, 2017

The staff of the Rhode Island Commerce Corporation (the "Corporation") is recommending to the Board of Directors that it approve an award of incentives which will either take the form of tax credits or a loan pursuant to the Rebuild Rhode Island Tax Credit program. The recommendation is as follows:

- To consider the amended application of Waldorf Capital Partners, LLC for tax credits of $3,475,356 for a mixed-use project.

This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.20-6, of the following:

1. The Corporation staff has reviewed the application submitted 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.*

EXHIBIT 2

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

DEPARTMENT OF ADMINISTRATION

OFFICE of MANAGEMENT & BUDGET
One Capitol Hill
Providence, RI 02908-5890

Office: (401) 574-8430

From: Jonathan Womer, Director of the Office of Management and Budget

To: Board of Directors, Rhode Island Commerce Corporation

Re: Rebuild Rhode Island Tax Credit Applications

Date: October 30, 2017

The staff of the Rhode Island Commerce Corporation (the "Corporation") has informed the Office of Management and Budget ("OMB") that it intends to recommend to the Corporation's Board of Directors (the "Board") one amended project for the receipt of tax credits under the Rebuild Rhode Island Tax Credit in an amount not to exceed $3,475,356.00. That recommendation is as follows:

1. That the application submitted Waldorf Capital Partners LLC (a project formerly confirmed on December 19, 2016 as "Chestnut Commons") be amended from tax credits in a maximum amount of $2,975,356.00 to tax credits in a maximum amount of $3,475,356.00.

As of May 22, 2017, the Corporation had approved tax credits and/or loans under the program in the amount of $83,807,444.92. The approval of an amendment that adds $500,000.00 of tax credits would bring the cumulative total of approved credits and/or loans to $84,307,444.92. Currently thirty-eight and half million dollars have been appropriated into the Rebuild Rhode Island Tax Credit Fund. Additional funding is expected in future legislative sessions and section 42-64.20-5(f) of the Rhode Island General Laws authorized aggregate tax credits and/or loans under the Rebuild Rhode Island Tax Credit program in an amount not to exceed $150 million. Accordingly, the existing and anticipated revenue capacity for the Rebuild Rhode Island Tax Credit program exceeds the total amount of credits and/or loans that are proposed for approval. As a result, OMB confirms that the additional amount of credits and/or loans proposed above, i.e. $500,000.00, does not exceed the existing and anticipated revenue capacity of the state for the Rebuild Rhode Island Tax Credit program. In addition, OMB confirms that, with the approval of the proposed credits and/or loans, the aggregate credits and/or loans approved by the Corporation under the Rebuild Rhode Island program will not exceed the maximum aggregate credits and/or loans allowed under the program.

Furthermore, based on information provided by the Corporation staff concerning the anticipated completion schedule of the projects that are the subject of this applications and the likely distribution of credits and/or loan proceeds over the five-year payment period, OMB anticipates the budget impact to the state of the credits and/or loans, if approved, in the year of application and in subsequent years will be as set forth in the attached Exhibit A.

The memorandum constitutes OMB's written confirmation pursuant to RIGL § 42-64.20-6(a)(4) and pursuant to Rule 12(a)(3) of the Rules and Regulations for the Rebuild Rhode Island Tax Credit Program. Pursuant to RIGL § 42-64.20-5(m), any disbursements to support the redemption of tax credits for 90% of their value are subject to appropriations, and applicants should be notified accordingly.

Exhibit A

Fiscal Year Impact of Proposed Rebuild Rhode Island Tax Credit Projects

Projects Confirmed as of 1/25/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
Bourne Capital Partners	$0	$0	$637,688.00	$641,518.00	$484,598.00	$484,598.00	$484,598.00	$0	$0	$0	$2,733,000.00
John M. Corcoran & Co.	$0	$0	$1,675,000.00	$977,083.33	$977,083.33	$977,083.33	$977,083.33	$0	$0	$0	$5,583,333.32
Subtotal:	$0	$0	$2,312,688.00	$1,618,601.33	$1,461,681.33	$1,461,681.33	$1,461,681.33	$0	$0	$0	$8,316,333.32

Projects Confirmed as of 2/22/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
Waldorf Capital Management	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Case Mead Association, LLC	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal:	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Projects Confirmed as of 3/28/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
Providence Capital III	$0	$0	$546,486	$910,810	$667,928	$455,404	$455,404	$0	$0	$0	$3,036,032.20
78 Fountain JV Owner, LLC	$0	$0	$1,223,024.00	$1,223,024.00	$1,223,024.00	$1,223,024.00	$1,223,023.00	$0	$0	$0	$6,115,119.00
WinnDevelopment and Omni Development	$0	$0	$1,097,280.00	$914,400.00	$548,640.00	$548,640.00	$548,640.00	$0	$0	$0	$3,657,600.00
Subtotal:	$0	$0	$2,866,789.60	$3,048,234.00	$2,439,591.80	$2,227,068.40	$2,227,067.40	$0	$0	$0	$12,808,751.2

Projects Confirmed as of 5/09/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
AT Cross Company	$0	$80,000.00	$80,000.00	$80,000.00	$80,000.00	$80,000.00	$0	$0	$0	$0	$400,000.00
Subtotal:	$0	$80,000.00	$80,000.00	$80,000.00	$80,000.00	$80,000.00	$0	$0	$0	$0	$400,000.00

Projects Confirmed as of 5/23/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
Union Mill LLC	$0	$0.00	$725,280.60	$725,280.60	$725,280.60	$725,280.60	$725,280.60	$0	$0	$0	$3,626,403.00
Subtotal:	$0	$0.00	$725,280.60	$725,280.60	$725,280.60	$725,280.60	$725,280.60	$0	$0	$0	$3,626,403.00

Projects Confirmed as 6/27/16	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**Total**
D'Ambra Warwick Hotel LLC	$0	$0	$273,399.00	$273,398.00	$273,398.00	$273,398.00	$273,398.00	$0	$0	$0	$1,366,991.00
Ocean State Jobbers, Inc.	$0	$0	$620,000.00	$620,000.00	$620,000.00	$620,000.00	$620,000.00	$0	$0	$0	$3,100,000.00
Subtotal:	$0	$0	$893,399.00	$893,398.00	$893,398.00	$893,398.00	$893,398.00	$0	$0	$0	$4,466,991.00

Projects Confirmed as 8/10/16	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Finlay Extracts & Ingredients USA, Inc.	$0	$0	$35,394.00	$35,394.00	$35,394.00	$55,394.00	$55,394.00	$20,000.00	$20,000.00	$20,000.00	$276,970.00
Subtotal:	$0	$0	$35,394.00	$35,394.00	$35,394.00	$55,394.00	$55,394.00	$20,000.00	$20,000.00	$20,000.00	$276,970.00

Projects Confirmed as 8/22/16	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Lippitt Mill LLC	$0	$0	$420,701.00	$420,700.00	$420,700.00	$420,700.00	$420,700.00	$0	$0	$0	$2,103,501.00
Subtotal:	$0	$0	$420,701.00	$420,700.00	$420,700.00	$420,700.00	$420,700.00	$0	$0	$0	$2,103,501.00

Projects Confirmed as 9/26/16	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Urban Smart Growth, LLC	$0	$0	$713,932.00	$713,932.00	$713,931.00	$713,931.00	$713,931.00	$0	$0	$0	$3,569,657.00
Royal Oaks Realty, LLC	$0	$0	$503,435.00	$503,435.00	$503,435.00	$503,435.00	$503,434.00	$0	$0	$0	$2,517,174.00
Subtotal:	$0	$0	$1,217,367.00	$1,217,367.00	$1,217,366.00	$1,217,366.00	$1,217,365.00	$0	$0	$0	$6,086,831.00

Projects Confirmed as 11/21/16	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
City of Newport	$0	$0	$638,437.00	$425,625.00	$425,625.00	$319,218.00	$319,218.00	$0	$0	$0	$2,128,123.00
Subtotal:	$0	$0	$638,437.00	$425,625.00	$425,625.00	$319,218.00	$319,218.00	$0	$0	$0	$2,128,123.00

Projects Confirmed as 12/19/16	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Chestnut Commons	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Virgin Pulse	$0	$301,924.80	$251,604.00	$150,962.40	$150,962.40	$821,216.40	$558,545.50	$335,127.30	$335,127.30	$335,127.30	$3,240,597.40
Subtotal:	$0	$301,924.80	$251,604.00	$150,962.40	$150,962.40	$821,216.40	$558,545.50	$335,127.30	$335,127.30	$335,127.30	$3,240,597.40

Projects Confirmed as 1/23/17	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Downcity	$0	$0	$2,196,151.00	$1,830,127.00	$1,098,076.00	$1,098,076.00	$1,098,076.00	$0	$0	$0	$7,320,506.00
Subtotal:	$0	$0	$2,196,151.00	$1,830,127.00	$1,098,076.00	$1,098,076.00	$1,098,076.00	$0	$0	$0	$7,320,506.00

Projects Confirmed as 2/27/17	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
SAT Development LLC	$0	$0	$0	$298,500.00	$248,750.00	$149,250.00	$149,250.00	$149,250.00	$0	$0	$995,000.00
Agoda Travel Operations USA Inc.	$0	$0	$203,675.00	$203,675.00	$203,675.00	$203,675.00	$203,674.00	$0	$0	$0	$1,018,374.00
Subtotal:	$0	$0	$203,675.00	$502,175.00	$452,425.00	$352,925.00	$352,924.00	$149,250.00	$0	$0	$2,013,374.00

Projects Confirmed as 5/1/17	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
SSL Partner, LLC	$0	$0	$0	$0	$3,000,000.00	$3,000,000.00	$3,000,000.00	$3,000,000.00	$3,000,000	$0	$15,000,000.00
Wexford Science & Technology, LLC [1]	$0	$0	$0	$1,670,982.00	$1,670,982.00	$1,670,982.00	$1,670,982.00	$1,670,982.00	$0	$0	$8,354,910.00
Case Mead Association, LLC [2]	$0	$0	$317,760.00	$317,760.00	$317,760.00	$317,759.00	$317,759.00	$0	$0	$0	$1,588,798.00
Subtotal:	$0	$0	$317,760.00	$1,988,742.00	$4,988,742.00	$4,988,741.00	$4,988,741.00	$4,670,982.00	$3,000,000.00	$0	$24,943,708.00

Projects Confirmed as 5/22/17	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
TPG 100 Sabin Hotel, LLC	$0	$0	$0	$20,000	$20,000.00	$20,000	$20,000.00	$20,000	$0	$0	$100,000.00
110 North Main, LLC and 110 North Main Management, LLC	$0	$0	$0	$600,000.00	$600,000.00	$600,000.00	$600,000.00	$600,000.00	$0	$0	$3,000,000.00
Subtotal:	$0	$0	$0	$620,000.00	$620,000.00	$620,000.00	$620,000.00	$620,000.00	$0	$0	$3,100,000.00

Projects Confirmed as 10/30/17	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
Waldorf Capital Partners LLC [2] [3]	$0	$0	$0	$695,072.00	$695,071.00	$695,071.00	$695,071.00	$695,071.00	$0	$0	$3,475,356.00
Subtotal:	$0	$0	$0	$695,072.00	$695,071.00	$695,071.00	$695,071.00	$695,071.00	$0	$0	$3,475,356.00

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total
ALL PROJECTS TOTAL:	$0	$381,924.80	$12,159,246.20	$14,251,678.33	$15,704,313.13	$15,976,135.73	$15,633,461.83	$6,490,430.30	$3,355,127.30	$355,127.30	$84,307,444.92

Notes

(1) River House

(2) Amended

(3) Chestnut Commons

EXHIBIT 3

Rhode Island Commerce Corporation

Rebuild Rhode Island Tax Credits – Economic Impact Analysis

Waldorf Capital Management LLC Application

Introduction

The Rhode Island Commerce Corporation (the "Corporation") may issue Rebuild Rhode Island tax credits to Waldorf Capital Management LLC (the "Sponsor"). The credits would be issued in connection with the Sponsor's decision to invest in the development of Chestnut Commons, a residential project to be located on Parcel 30 of the I-195 Redevelopment District in Providence. The project will include:

- 95 residential units in a newly-constructed seven-story building;
- 5,900 square feet of street-level retail and restaurant space;
- 55 covered parking spaces; and
- 5,000 square feet of public open space.

The total cost of the proposed project is estimated to be approximately $32.9 million. The Sponsor is requesting a Rebuild Rhode Island tax credit of $3,127,820 (net) and a sales and use tax exemption on eligible construction costs valued at $572,000.

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

Jobs Analysis

Construction

As shown in Table 1, the Sponsor's estimate of total project cost is approximately $32.9 million.

Table 1: Estimated total project cost (in $ millions)

Component	Estimated cost
Land and building acquisition	$1.5
Building construction (hard cost)	$25.7
Soft costs	$5.7
Total	**$32.9**

After excluding certain costs that for purposes of this analysis do not have a direct, current impact on Rhode Island's economy (such as land acquisition, interest costs and operating reserves), the remaining hard and soft costs total $30.3 million. Appleseed estimates that direct expenditures of $30.3 million will directly and indirectly generate:

- 245 person-years[1] of work in Rhode Island;
- $13.7 million in earnings (in 2018 dollars);
- Approximately $42.3 million in statewide economic output[2]; and
- A one-time increase of approximately $21.1 million in Rhode Island's GDP.

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

Table 2: Direct and indirect impact of construction spending (employment in person-years; income, value-added and output in millions of 2018 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	148	$9.2	$13.7	$30.2
Indirect Effect	97	4.5	7.4	12.1
Total Effect	**245**	**$13.7**	**$21.1**	**$42.3**

In addition to the impacts cited in Table 2, direct expenditures of $30.3 million would directly and indirectly generate a projected one-time increase of approximately $802,000 in taxes paid to the State during construction. These taxes would include approximately:

- $513,000 in state personal income taxes paid by Rhode Island workers employed on the project, or whose jobs are indirectly attributable to the project;
- $224,000 in state sales taxes paid on those workers' taxable household spending; and
- $65,000 in state business taxes paid by companies directly or indirectly working on the project.

Most of the activity reflected in Table 2 is expected to occur between early 2018 and mid- 2019. The anticipated wage rates for construction jobs are shown below in Table 3. Anticipated wage rates are the median hourly wage for these occupations in Rhode Island.

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

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

Table 3: Anticipated wages during construction

Occupation	RI median hourly wage[3]
Architect	$42.50
Construction manager	$50.86
Carpenter	$22.42
Electrician	$25.26
Plumber	$24.84
Painter	$18.69
Laborer	$18.68

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

Annual operations

After construction is completed, ongoing operations at Chestnut Commons will include:

- The operations of tenant businesses occupying the proposed 5,900 square feet of street-level commercial space, including a 1,700 square-foot restaurant and a 4,200 square-foot retail store, which we estimate will employ 22 people (on a full-time-equivalent basis);
- A fitness center employing 2 FTE's; and
- Management and maintenance of the new building.

Based on these assumptions, Appleseed projects (as shown below in Table 4), that when the project is completed and fully occupied (which for purposes of this analysis is assumed to occur in 2019), it will directly and indirectly account for:

- 35 FTE jobs in Rhode Island;
- Approximately $1.07 million in annual earnings (in 2019 dollars);
- Approximately $3.16 million in annual statewide economic output; and
- An increase of approximately $1.96 million in Rhode Island's annual GDP.

[3] Rhode Island Department of Labor and Training, Occupational Employment Statistics, 2016

Table 4: Direct and indirect annual impact of ongoing operations (employment in FTE; income, value-added and output in millions of 2019 dollars)

	Employment	Earnings	Value added	Output
Direct Effect	31[4]	$0.83	$1.51	$2.41
Indirect Effect	4	0.24	0.45	0.75
Total Effect	**35**	**$1.07**	**$1.96**	**$3.16**

In addition to the impacts cited in Table 4, ongoing operations at Chestnut Commons would directly and indirectly generate a projected increase of approximately $63,000 in taxes paid annually to the State. These taxes would include approximately:

- $40,000 in state personal income taxes paid by Rhode Island workers employed directly at Chestnut Commons, or whose jobs are indirectly attributable to tenant and building operations;
- $18,000 in state sales taxes paid on those workers' taxable household spending; and
- $5,000 in state business taxes directly or indirectly attributable to building and tenant company operations.

Workers who fill retail, restaurant, fitness and building services jobs at Chestnut Commons are expected to be drawn primarily from Providence or from other nearby communities.

Impact

The state fiscal impact of the requested tax credits and sales and use tax exemptions is up to approximately $3.7 million in foregone state revenue. Direct and indirect economic and fiscal benefits of the proposed project include the estimated increase in annual state GDP of $1.96 million, the estimated associated job creation, and the gross increase of nearly $1.56 million in state personal income, sales and business corporation tax revenues during the construction phase and during the twelve years following the completion of the project. These benefits are detailed in the foregoing analysis. In addition to the economic and tax revenue impacts cited above, the proposed project would benefit Rhode Island in several other ways.

- Increase the supply of housing in the I-195 Redevelopment District
- Expand retail and restaurant options in the District
- Create new, green open space in the District
- Increase local real property tax revenues

[4] In addition to retail, restaurant, and fitness employees, direct employment here includes both workers employed directly by the Sponsor in the management, maintenance and operation of the building and workers employed on-site by contract service providers.

Beyond the fiscal impact noted above, there is no anticipated financial exposure to the state. In addition, various features of the program mitigate risk to the state. In particular, the completion risk (i.e., the risk that the project is not completed) is mitigated by the fact that the tax credits will be payable only upon completion of the development. The risk of project cost overruns is mitigated by the fact that the tax credits are capped at the amount set forth above. In addition, if project costs come in lower than anticipated, the tax credits to be paid will be reduced accordingly.

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT E

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF INNOVATION VOUCHERS
UNDER THE INNOVATION INITIATIVE ACT
October 30, 2017

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 the applicants identified on Exhibit 1 (the "Recipients") for awards of Innovation Vouchers (the "Vouchers"); and

WHEREAS: The Board of Directors of the Corporation (the "Board") received a presentation detailing the Vouchers proposed to be granted to the Applicants together with a recommendation from the staff of the Corporation to approve the award of Vouchers to the Recipient 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 Vouchers to the Recipients in the amounts identified 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 each Recipient meeting the requirements of the Innovation Act and the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

    b. Verification by the Corporation of compliance with the Eligibility Requirements of 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 Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

4. All covenants, stipulations, and obligations and agreements of the Corporation contained in this Resolution and the documents authorized herein shall be deemed to be covenants, stipulations, obligations and agreements of the Corporation to the full extent authorized and permitted by law and such covenants, stipulations, obligations and agreements shall be binding upon any board or party to which any powers and duties affecting such covenants, stipulations, obligations and agreements shall be transferred by and in accordance with the law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Corporation or the members thereof, by the provisions of this Resolution and the documents authorized herein shall be exercised and performed by the Corporation, or by such members, officers, board or body as may be required by law to exercise such powers and perform such duties.

5. From and after the execution and delivery of the documents hereinabove authorized, any one of the Authorized Officers, acting singly, are hereby authorized, empowered and directed to do any and all such acts and things and to execute and deliver any and all such documents, including, but not limited to, any and all amendments to the documents, certificates, instruments and agreements hereinabove authorized, as may be necessary or convenient in connection with the transaction authorized herein.

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

7. This resolution shall take effect immediately upon adoption by the Board.

EXHIBIT 1

Recipient	Amount
Alcinous Pharmaceuticals, LLC	$50,000
CBC, LLC	$48,106
Modus Tech-Wear, LLC	$50,000

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT F

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT MORE THAN $45,000,000 OF MOTOR FUEL TAX REVENUE REFUNDING BONDS, SERIES 2017A OF THE RHODE ISLAND COMMERCE CORPORATION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL INDENTURE, BOND PURCHASE AGREEMENT, OFFICIAL STATEMENT, CONTINUING DISCLOSURE AGREEMENT, ONE OR MORE REFUNDING ESCROW AGREEMENTS, ANY APPROPRIATE AGREEMENTS WITH THE STATE OR ANY OF ITS AGENCIES, DEPARTMENTS OR OTHER POLITICAL SUBDIVISIONS OR INSTRUMENTALITIES AND THE FEDERAL GOVERNMENT, AND OTHER DOCUMENTS AND MATTERS IN CONNECTION THEREWITH

October 30, 2017

WHEREAS: The Rhode Island Commerce Corporation, formerly known as the Rhode Island Economic Development 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: Sections 8, 9 and 10 of Article 36 of Chapter 376 of the Public Laws of 2003 (the "Program Act"), among other things, (i) authorize the financing of certain highway, rail and bridge improvement projects as defined in the Program Act designated as the Route 195 Relocation, New Washington Bridge, New Sakonnet Bridge, Freight Rail Improvement Project and 403 Project (collectively, the "Highway Projects") and (ii) amend the Act by the addition of a new Section 42- 64-7(25) in order to authorize the Corporation to issue bonds or notes to finance the Highway Projects and to enter into such agreements, to deliver such instruments and to take such other actions as the Corporation shall deem necessary or desirable to effectuate the financing of the Highway Projects; and

WHEREAS: On September 22, 2003, the Corporation passed a resolution authorizing the issuance of one or more series of (i) bonds or notes to be payable primarily from federal transportation grants (the "GARVEE Bonds"), (ii) bonds or notes to be payable from $.02 of certain motor fuel taxes imposed by and within the State (the "Motor Fuel Tax Bonds") to provide required matching funds for the GARVEE Bonds as required by federal law, and (iii) the execution and delivery of a Master Trust Indenture dated November 1, 2003 between the Corporation and J.P. Morgan Trust Company, National Association, as Trustee, generally authorizing the issuance of the Motor Fuel Tax Bonds (the "Master Indenture") and the first series thereof of Motor Fuel Tax Bonds being hereinafter referred to as the "Series 2003 Motor Fuel Tax Bonds"; and

WHEREAS: On December 19, 2005, the Corporation passed a resolution authorizing the second series of GARVEE Bonds and Motor Fuel Tax Bonds in an amount not

more than $210,000,000 of GARVEE Bonds (Rhode Island Department of Transportation), Series 2006 and not more than $55,000,000 Rhode Island Motor Fuel Tax Revenue Bonds, Series 2006, such series of Motor Fuel Tax Bonds being hereinafter referred to as the "Series 2006 Motor Tax Fuel Bonds"; and

WHEREAS: On January 26, 2009, the Corporation passed a resolution authorizing the issuance of the third series of GARVEE Bonds and Motor Fuel Tax Bonds in an amount not more than $183,326,000 of GARVEE Bonds (Rhode Island Department of Transportation), Series 2009 and not more than $28,993,000 Rhode Island Motor Fuel Tax Revenue Bonds, Series 2009, such series of Motor Fuel Tax Bonds being hereinafter referred to as the "Series 2009 Motor Fuel Tax Bonds" and, together with the Series 2003 Motor Fuel Tax Bonds and the Series 2006 Motor Fuel Tax Bonds, being hereinafter referred to collectively as the "Motor Fuel Tax Bonds"; and

WHEREAS: The Act provides that the Corporation may issue bonds or notes for the purpose of refunding its bonds or notes then outstanding and the Master Indenture authorizes refunding bonds; and

WHEREAS: The Corporation hereby authorizes a series of refunding bonds (the "Series 2017A Bonds") to refund all or any portion of the outstanding Motor Fuel Tax Bonds (the "Refunded Bonds"); and

WHEREAS: The Series 2017A Bonds shall be issued to refund the Refunded Bonds (the "Refunding") and (i) the aggregate principal amount thereof shall not exceed the total principal amount limitations on both a per Highway Project and aggregate Highway Project basis, as set forth in the Program Act, exclusive of any original issue premium, (ii) the annual debt service payment for the Series 2017A Bonds in any year shall not exceed the annual debt service payment for the Refunded Bonds in the same year, and (iii) the Series 2017A Bonds shall not include any bonds that mature after the final maturity of the Refunded Bonds; and

WHEREAS: With respect to the Series 2017A Bonds, the Corporation proposes to enter into various financing documents (collectively, the "Financing Documents"), including: (a) a supplemental indenture authorizing the Series 2017A Bonds (the "Supplemental Indenture"), substantially in the form attached hereto as EXHIBIT A; (b) a preliminary official statement, substantially in the form attached hereto as EXHIBIT B, a final official statement or other offering documents or materials relating to the Series 2017A Bonds (the "Official Statement"); (c) any bond insurance and/or debt service reserve guarantee agreements or surety policies and related security documents deemed to be in the public interest; (d) a bond purchase agreement relating to the Series 2017A Bonds (the "Bond Purchase Agreement"); (e) a continuing disclosure agreement; (f) one or more refunding escrow agreements; and (g) such other agreements, instruments, certificates or documents as deemed necessary or

desirable. All such documents, instruments and agreements may be completed or revised as determined by the Authorized Officers referred to and in the manner set forth in paragraph 5 of this Resolution

WHEREAS: The Corporation desires to assist the State and the Rhode Island Department of Transportation in the refunding of the Motor Fuel Tax Bonds through the issuance of the Series 2017A Bonds pursuant to a Supplemental Indenture by and between the Corporation and The Bank of New York Mellon Trust Company, N.A., as successor trustee in interest to J.P. Morgan Trust Company, National Association (the "Trustee"); and

WHEREAS: The Highway Projects originally were financed in part with proceeds of the Motor Fuel Tax Bonds authorized under the Program Act; and

WHEREAS: The issue of the Series 2017A Bonds is authorized under the Act; and

WHEREAS: Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the senior managing underwriter (together with any other underwriters named in the Bond Purchase Agreement, the "Underwriters"), has submitted to the Corporation a proposal to sell the Series 2017 Bonds pursuant to the Bond Purchase Agreement; and

WHEREAS: The Series 2017A Bonds will be sold by the Underwriters pursuant to the Official Statement.

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

RESOLVED: 1. It has previously been found that (a) undertaking the Highway Projects will substantially improve the transportation facilities of the State and as a result will enhance economic activity in the State and will reduce unemployment or underemployment in the State and will generally benefit economic development in the State; (b) with respect to any real property acquired for the Highway Projects, the plans and specifications assure adequate light, air, sanitation and fire protection; (c) the Highway Projects are projects as defined in Section 42-64-7 (25) of the Rhode Island General Laws and Chapter 376 of the Public Laws of 2003; (d) the Highway Projects are in conformity with the applicable provisions of Chapter 23 of Title 46 of the Rhode Island General Laws, if any; (e) the Highway Projects are in conformity with the applicable provisions of the State Guide Plan, if any; and (f) adequate provision has been made for the payment of the specified costs of the acquisition and construction of all or a portion of the Highway Projects.

2. To accomplish the purposes of the Act and the Program Act, and to provide for the refunding of all or any portion of Motor Fuel Tax Bonds previously issued for the financing of the costs of the Highway Projects, the issuance of the Series 2017A Bonds is hereby authorized, subject to the provisions of this Resolution and the Master Indenture. The Series 2017A Bonds shall be dated as provided in the Supplemental Indenture, shall be in an aggregate principal amount not to

exceed $45,000,000 and shall be issued as fully registered obligations. Said Series 2017A Bonds shall bear such terms as are set forth in the Supplemental Indenture; provided, however, that (i) the aggregate principal amount thereof shall not exceed the total principal amount limitations on both a per Highway Project and aggregate Highway Project basis, as set forth in the Program Act, exclusive of any original issue premium, (ii) the annual debt service payment for the Series 2017A Bonds in any year shall not exceed the annual debt service payment for the Refunded Bonds in the same year, and (iii) the Series 2017A Bonds shall not include any bonds that mature after the final maturity of the Refunded Bonds.

3. The Corporation finds that:

(i) the issuance of the Series 2017A Bonds, and to the extent applicable to the Refunding, the acquisition or construction and operation of the Highway Projects will prevent, eliminate or reduce unemployment or underemployment in the State and will generally benefit economic development of the State;

(ii) to the extent applicable to the Refunding, 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 Highway Projects;

(iii) to the extent applicable to the Refunding, with respect to real property, the plans and specifications assure adequate light, air, sanitation and fire protection;

(iv) to the extent applicable to the Refunding, the Highway Projects remain in conformity with the applicable provisions of Chapter 23 of Title 46 of the Rhode Island General Laws;

(v) the Refunding is in conformity with the applicable provisions of the State Guide Plan; and

(vi) the Refunding to be effected by the issuance of the Series 2017A Bonds will be structured to provide a net benefit to the Rhode Island Department of Transportation.

4. As required by the Act, the Corporation shall prepare and publicly release an analysis of the impact that the proposed Refunding will or may have on the State prior to the execution of the Series 2017A Bonds.

5. The Authorized Officers of the Corporation for the purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the Treasurer, the President and Chief Operating Officer and the Managing Director of Financial Services (the "Authorized Officers"). The Authorized Officers of the Corporation are, and each of them acting singly hereby is, authorized to select the Underwriters for the Refunding, the Trustee, the escrow agent and the verification

agent, and to execute, acknowledge and deliver or cause to be executed, acknowledged or delivered any of the documents authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by said Authorized Officer, and such Authorized Officer's execution thereof shall be conclusive as to the authority of such Authorized Officer to act on behalf of the Corporation. The Secretary or Assistant Secretary of the Corporation, and each acting singly, is hereby authorized to affix a seal of the Corporation on the Series 2017A Bonds and on any of the documents authorized herein and to attest to the same.

6. The Series 2017A Bonds shall be special obligations of the Corporation payable solely from the revenues, funds or monies pledged therefor under the Master Indenture and Supplemental Indenture. Neither the State, nor any political subdivision, nor any municipality thereof, shall be obligated to pay the principal of, premium, if any, or interest on the Series 2017A Bonds. Neither the full faith and credit nor the taxing power of the State, the Corporation or any municipality thereof shall be pledged to the payment of principal, premium, if any, or interest on the Series 2017A Bonds.

7. The Series 2017A Bonds shall be issued on a tax-exempt or taxable basis. In connection with any issuance of the Series 2017A Bonds on a tax-exempt basis, each Authorized Officer is hereby authorized to take all lawful acts as necessary under the Internal Revenue Code of 1986, as amended (the "Code"), to ensure that the interest on the Series 2017A Bonds is exempt from federal income taxation to the extent provided in Section 103 of the Code, and to execute and deliver a tax certificate in connection with the foregoing.

8. The execution and delivery of the Financing Documents and all related ancillary documents deemed necessary and appropriate and in the best interest of the Corporation by an Authorized Officer are hereby authorized.

9. The Series 2017A Bonds are hereby authorized to be sold as provided in the Bond Purchase Agreement. The Authorized Officers are, and each acting singly hereby is, authorized to determine the formal designation of the Series 2017A Bonds, the aggregate principal amount of the Series 2017A Bonds to be sold, and to determine the maturity dates and any prepayment provisions and the other terms thereof, to make the Series 2017A Bonds conform to the Master Indenture and Supplemental Indenture as the same may be amended by the parties, all without exceeding the limitations on the aggregate principal amount and debt service with respect thereto and each Highway Project as set forth herein or in the Program Act.

10. The Series 2017A Bonds shall be executed in the manner provided in the Master Indenture and Supplemental Indenture and the same shall be delivered to the Trustee for proper authentication and deliver to the Underwriters upon special instructions to that effect.

11. All covenants, stipulations, obligations and agreements of the Corporation contained in this Resolution and the Financing Documents 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 or 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 Financing Documents 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.

12. The Authorized Officers of the Corporation are, and each acting singly hereby is, further directed to cause the proceeds from the sale of the Series 2017A Bonds to be applied as provided in the Financing Documents.

13. The Corporation hereby consents to the use and distribution of an Official Statement with such changes, insertions and omissions as may be necessary or desirable by an Authorized Officer for the use by the Underwriters in the sale of the Series 2017A Bonds in accordance with the Bond Purchase Agreement. The Corporation will not be responsible for any information set forth therein except as specifically set forth in the Bond Purchase Agreement.

14. To the extent not contrary to applicable law and at the discretion of the Chief Operating Officer of the Corporation, the Corporation shall collect from proceeds of the Series 2017A Bonds a one-time administrative fee and/or a recurring fee in such amounts as the Chief Operating Officer deems appropriate in his discretion.

15. All acts of the Authorized Officers which are in conformity with the purposes and intents of this Resolution and in furtherance of the Highway Projects and Refunding and the purposes of the Act and Program Act, and the execution, delivery and approval and performance of the documents, certificates, instruments and agreements hereinabove authorized are, in all respects, ratified, approved and confirmed.

16. The Corporation hereby consents to the execution and delivery of such other documents and instruments, and the taking of such other actions, deemed necessary or desirable by an Authorized Officer for the implementation of the purposes of this Resolution.

17. The Corporation hereby ratifies and approves in all respect the appointment of The Bank of New York Mellon Trust Company, N.A., as successor trustee to J.P. Morgan Trust Company, National Association, and as escrow agent in connection with the Refunding effected by issuance of the Series 2017A Bonds.

18. This Resolution shall take effect immediately.

_____

Thomas E. Carlotto, Secretary

EXHIBIT A

FORM OF SUPPLEMENTAL INDENTURE

DRAFT

SERIES 2017A SUPPLEMENTAL TRUST INDENTURE

between

Rhode Island Commerce Corporation

and

The Bank of New York Mellon Trust Company, N.A.,
as Trustee

authorizing

Motor Fuel Tax Revenue Refunding Bonds
Series 2017A
(Rhode Island Department of Transportation)

Dated as of November ___, 2017

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THIS SERIES 2017A SUPPLEMENTAL TRUST INDENTURE (this "Series 2017A Supplemental Indenture") is dated as of November 1, 2017 and is entered into by and between the Rhode Island Commerce Corporation, formerly known as the Rhode Island Economic Development Corporation (the "Issuer"), a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State"), and The Bank of New York Mellon Trust Company, N.A., as successor trustee to J.P. Morgan Trust Company, National Association (the "Trustee"), a financial institution duly authorized and validly existing under the laws of the United States, having power and authority to accept and execute trusts, as trustee, paying agent and registrar.

RECITALS

WHEREAS, the Issuer and the Trustee have entered into a Master Trust Indenture dated as of November 1, 2003 (the "Master Indenture"), which authorizes the issuance of Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation); and

WHEREAS, pursuant to the Master Indenture, certain terms of and other matters relating to each series of Motor Fuel Tax Revenue Refunding Bonds are to be specified in a Supplemental Indenture (defined in the Master Indenture); and

WHEREAS, this Series 2017A Supplemental Indenture is a Supplemental Indenture (as defined in the Master Indenture) that is being entered into to authorize and to set forth certain terms of and other matters relating to the Motor Fuel Tax Revenue Refunding Bonds, Series 2017A (Rhode Island Department of Transportation) (the "Series 2017A Bonds"); and

WHEREAS, the Issuer has full power pursuant to Chapter 64 of Title 42 of the Rhode Island General Laws (1956, 1998 Reenactment), as amended from time to time (the "Issuer Act"), and Sections 8 to 10 of Article 36 of Chapter 376 of the Rhode Island Public Laws of 2003, as amended from time to time (collectively, the "Program Act", and together with the Issuer Act, sometimes referred to collectively as, the "Act"), and the Master Indenture to enter into this Series 2017A Supplemental Indenture and to issue the Series 2017A Bonds; and

WHEREAS, the Issuer in conjunction with and at the request of RIDOT, has found and determined the issuance and sale of the Series 2017A Bonds to be in conformity with the purposes set forth in the Act and the Master Indenture and in the public interest and otherwise beneficial to the State; and

WHEREAS, the Trustee is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States, is duly qualified to do business in the State and is authorized, under its articles of association, action of its board of directors and applicable law, to enter into this Series 2017A Supplemental Indenture and to perform its obligations hereunder;

NOW, THEREFORE, for and in consideration of the mutual covenants, and the representations and warranties, set forth herein, the Issuer and the Trustee agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, terms defined in the Master Indenture shall have the meanings assigned to them in the Master Indenture, except that if any term is defined in both the Master Indenture and this Article, the definition set forth in this Article shall control for purposes of this Series 2017A Supplemental Indenture and the Series 2017A Bonds. For purposes of this Series 2017A Supplemental Indenture, the following capitalized terms shall have the following meanings unless the context otherwise requires:

"*Authorized Denomination*" means $5,000 in principal amount and any integral multiple thereof.

"*Bond Purchase Agreement*" means the Bond Purchase Agreement dated _____, 2017 between the Issuer and the Original Purchaser pursuant to which the Original Purchaser has agreed to purchase the Series 2017A Bonds from the Issuer.

"*Interest Payment Date*" means June 15 and December 15 of each calendar year, commencing December 15, 2017.

"*Master Indenture*" means the Master Trust Indenture dated as of November 1, 2003 between the Issuer, and the Trustee and any amendment thereto.

"*Original Purchaser*" means Merrill Lynch, Pierce, Fenner & Smith, Incorporated, as representative of the underwriting group composed of itself and the other underwriters named in the Bond Purchase Agreement.

"*Refunded Bonds*" means the Series 2003A Bonds, Series 2006A Bonds and Series 2009A Bonds listed in Appendix B hereto.

"*Refunding Escrow Agreement*" means the Refunding Escrow Agreement dated November _, 2017 between the Issuer and the Trustee.

"*Series 2003A Bonds*" means the Motor Fuel Tax Revenue Bonds, Series 2003A (Rhode Island Department of Transportation) that were authorized by the Series 2003A Supplemental Indenture.

"*Series 2003A Supplemental Indenture*" means the Series 2003A Supplemental Indenture dated as of November 1, 2003 between the Issuer, and the Trustee and any amendment thereto.

"*Series 2006A Bonds*" means the Motor Fuel Tax Revenue Bonds, Series 2006A (Rhode Island Department of Transportation) that were authorized by the Series 2006A Supplemental Indenture.

"*Series 2006A Supplemental Indenture*" means the Series 2006A Supplemental Trust Indenture dated as of March 1, 2006 between the Issuer, and the Trustee and any amendment thereto.

"*Series 2009A Bonds*" means the Motor Fuel Tax Revenue Bonds, Series 2009A (Rhode Island Department of Transportation) that were authorized by the Series 2009A Supplemental Indenture.

"*Series 2009A Supplemental Indenture*" means the Series 2009A Supplemental Trust Indenture dated as of April 1, 2009 between the Issuer, and the Trustee and any amendment thereto.

"*Series 2017A Bonds*" means the Motor Fuel Tax Revenue Refunding Bonds, Series 2017A (Rhode Island Department of Transportation) that are authorized by this Series 2017A Supplemental Indenture.

"*Series 2017A Supplemental Indenture*" means this Series 2017A Supplemental Indenture and any amendment hereto.

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS

Section 2.01. Authorization, Purpose and Name. Issuer hereby authorizes the issuance of the Series 2017A Bonds as Refunding Bonds for the purpose of refunding the Refunded Bonds in accordance with the Act. The Series 2017A Bonds shall be named "Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation), Series 2017A."

Section 2.02. Principal Amounts, Dated Dates, Maturity Dates and Interest.

(a) The aggregate principal amount of the Series 2017A Bonds shall be $_____.

(b) The Series 2017A Bonds issued on the date the Series 2017A Bonds are first issued shall be dated, and shall bear interest from _____, 2017. Any Series 2017A Bond issued upon transfer and exchange of another Series 2017A Bond shall be dated as of its date of authentication and shall bear interest from the Interest Payment Date next preceding its date of authentication, unless the date of authentication is an Interest Payment Date in which case such Bond shall bear interest from such Interest Payment Date or unless the date of authentication precedes the first Interest Payment Date in which case such Bond shall bear interest from _____, 2017.

(c) Interest on the Series 2017A Bonds shall be calculated based on a 360-day year consisting of twelve 30-day months.

(d) The Series 2017A Bonds shall mature on June 15 of the years and in the principal amounts, and shall bear interest at the per annum rates, set forth below:

Maturity Date (June 15)	**Principal Amount**	**Interest Rate**

(e) The Series 2017A Bonds shall be numbered consecutively from 1 upward with the prefix "17AR-" preceding such number.

Section 2.03. No Optional Redemption. The Series 2017A Bonds are not subject to optional redemption prior to maturity.

Section 2.04. Limited Obligations.

(a) The Bond Payments shall be payable solely from Pledged Revenues, subject to annual appropriation by the State, and moneys held in the Bond Payment Fund. The payment by the State to the Issuer of Pledged Revenues, as required by the Program Act, is subject to annual appropriation therefor by the State General Assembly. The Owners of the Series 2017A Bonds may not look to any other revenues of the Issuer, or the State or RIDOT for the payment of the Series 2017A Bonds.

(b) All financial obligations of the Issuer under the Master Indenture, this Series 2017A Supplemental Indenture and every other Supplemental Indenture, and the Series 2017A Bonds (i) are special limited obligations of the Issuer payable solely from the Trust Estate, and (ii) shall not be deemed or construed as creating a debt, liability or obligation of the State or of any political subdivision of the State, nor a pledge of the faith and credit of the State or any political subdivision of the State within the meaning of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness by the State or any political subdivision thereof.

Section 2.05. Form of Series 2017A Bonds. The Series 2017A Bonds shall be in substantially the form set forth in Appendix A hereto, with such changes thereto, not inconsistent with the Master Indenture and this Series 2017A Supplemental Indenture, as may be necessary or desirable and approved by an Authorized Issuer Representative whose signature appears thereon (and whose manual or facsimile signature thereon shall constitute conclusive evidence of such approval). All statements set forth in the Series 2017A Bonds are hereby approved and adopted as statements of the Issuer. Although attached as an appendix hereto for the convenience of the reader, Appendix A is an integral part of this Series 2017A Supplemental Indenture and is incorporated herein as if set forth in full in the body hereof.

Section 2.06. Application of Proceeds. Proceeds from the sale of the Series 2017A Bonds in the amount of $_____, together with any other available funds, shall be deposited in a Defeasance Escrow Account established by the Refunding Escrow Agreement and applied to the refunding of the Refunded Bonds.

The remaining proceeds from the sale of the Series 2017A Bonds in the amount of $_____ shall be deposited into the Series 2017A Account of the Construction Fund and by a written direction to the Trustee shall be held and applied to pay costs of issuance of the Series 2017A Bonds.

ARTICLE III

CERTIFICATIONS AND COVENANTS OF THE ISSUER AND RIDOT

Section 3.01. Findings, Determinations and Certifications. An Authorized Issuer Representative by executing this Series 2017A Supplemental Indenture on behalf of the Issuer hereby finds, determines and certifies that:

(a) The Series 2017A Bonds are authorized by the Act and the Master Indenture.

(b) As of the date of issuance of the Series 2017A Bonds, the conditions set forth in Section 3.02 of the Master Indenture have been satisfied.

(c) This Series 2017A Supplemental Indenture contains all information required to be included in a Supplemental Indenture authorizing a Series of Bonds under the Master Indenture.

(d) This Series 2017A Supplemental Indenture is being executed and delivered pursuant to and in accordance with Section 9.01 of the Master Indenture for the purpose of authorizing the issuance of the Series 2017A Bonds in accordance with Article III of the Master Indenture and will, as provided in Section 9.03 of the Master Indenture, become effective when (i) it has been executed by an Authorized Issuer Representative, and an authorized representative of the Trustee and (ii) Bond Counsel has delivered a written opinion to the effect that it complies with the provisions of Article IX of the Master Indenture.

(e) The Series 2017A Bonds will not be issued until Bond Counsel has delivered a written opinion to the effect (which may be subject to customary assumptions and limitations) that (i) the Series 2017A Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special, limited obligations of the Issuer, payable from the sources provided in the Master Indenture and this Series 2017A Supplemental Indenture; (ii) the Master Indenture creates a valid pledge of and lien on the Trust Estate, subject to the terms thereof; and (iii) the interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes.

(f) Except for actions to be taken pursuant to the terms hereof, all conditions to the execution and delivery of this Series 2017A Supplemental Indenture and the issuance of the Series 2017A Bonds have been satisfied.

(g) At the request of RIDOT and the Department of Administration and in order to (1) provide for the disbursement of all or a portion of the proceeds deposited under the Master Indenture in a timely manner for the appropriate purposes thereof and (2) secure the agreement of RIDOT and the Department of Administration to the terms and conditions of the Master Indenture, the Series 2017A Supplemental Indenture, the Series 2017A Supplemental Indenture and the Payment Agreement, the Issuer has determined that it is necessary, desirable, appropriate and in the best interests of the

Issuer (A) to invest any amounts held from time to time under the Indenture in any Permitted Investment set forth in the Master Indenture, as determined from time to time, (B) specifically with respect to all or any portion of amounts in the Construction Fund and the Debt Service Reserve Fund upon issuance of the Series 2017A Bonds or from time to time thereafter, to enter into, or cause the Trustee to enter into, one or more "Permitted Investments" as defined in the Master Indenture, and to take all necessary and desirable actions, or cause to be taken such actions, in order to establish the terms of such agreements, to select one or more counterparties and to effectuate the terms thereof. All actions in furtherance thereof previously taken are hereby ratified and any "Authorized Officer", within the meaning of the Issuer's resolution authorizing the Series 2017A Bonds adopted September _____, 2017 (the "Authorizing Resolution"), is hereby authorized to, or to cause the Trustee to, obtain any Permitted Investment and to execute and deliver any related agreement or contract, and any such agreement, contract or other Permitted Investment is deemed authorized by the Authorizing Resolution as though expressly identified therein. The authorization hereby granted shall not require any Authorized Officer to enter into, or cause the Trustee to enter into, any particular investment agreement or guaranteed investment contract not deemed by such Authorized Officer to be in the best interests of the Issuer, and if no such agreement or contract is found to be in the best interests of the Issuer, any Authorized Officer may, in consultation with RIDOT or the Department of Administration, provide for any other Permitted Investment of such funds.

Section 3.02. Representations, Covenants and Warranties. The Issuer and RIDOT represent, covenant and warrant as applicable, that:

(a) The execution, delivery and performance of this Series 2017A Supplemental Indenture and the issuance, execution, delivery and performance of the Series 2017A Bonds by the Issuer is authorized by the Act and, upon the execution and delivery of this Series 2017A Supplemental Indenture by the Trustee and an Authorized Issuer Representative, this Series 2017A Supplemental Indenture and the Series 2017A Bonds will be enforceable against the Issuer in accordance with their terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of the powers delegated to it by the Constitution of the United States.

(b) The execution, delivery and performance of its obligations under this Series 2017A Supplemental Indenture and the issuance, execution, delivery and performance of its obligations under the Series 2017A Bonds by the Issuer do not and will not conflict with or result in violation or a breach of any law or the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer or RIDOT are now a party or by which the Issuer or RIDOT are bound, or constitute a default under any of the foregoing, or, except as specifically provided in the Master Indenture or this Series 2017A Supplemental Indenture, result in the creation or imposition of any lien or encumbrance whatsoever upon any of the property or assets of the Issuer or RIDOT.

(c) There is no litigation or proceeding pending or threatened against Issuer or any other Person affecting the right of the Issuer to execute, deliver or perform its obligations under this Series 2017A Supplemental Indenture or to issue, execute, deliver or perform its obligations under the Series 2017A Bonds.

ARTICLE IV

REPRESENTATIONS, COVENANTS AND WARRANTIES OF TRUSTEE

Section 4.01. Representations, Covenants and Warranties. The Trustee represents, covenants and warrants that:

(a) The Trustee (i) is a national banking association with full trust powers that is duly organized, validly existing and in good standing under the laws of the United States, (ii) is duly qualified to do business in the State and (iii) is authorized, under its articles of association, action of its board of directors and applicable law, to own and manage its properties, to conduct its affairs in the State, to execute, deliver and perform its obligations under this Series 2017A Supplemental Indenture and to authenticate and deliver the Series 2017A Bonds.

(b) The execution, delivery and performance of this Series 2017A Supplemental Indenture and the authentication and delivery of the Series 2017A Bonds by the Trustee have been duly authorized by the Trustee.

(c) This Series 2017A Supplemental Indenture is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of the powers delegated to it by the Constitution of the United States.

(d) The execution, delivery and performance of this Series 2017A Supplemental Indenture and the authentication and delivery of the Series 2017A Bonds by the Trustee do not and will not conflict with or result in a violation or a breach of any law or the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in the Master Indenture or this Series 2017A Supplemental Indenture, result in the creation or imposition of any lien or encumbrance whatsoever upon the Trust Estate or any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or threatened against the Trustee affecting the right of the Trustee to execute, deliver or perform its obligations under this Series 2017A Supplemental Indenture or to authenticate or deliver the Series 2017A Bonds.

(f) Except for actions to be taken pursuant to the terms hereof, all conditions to the execution and delivery of this Series 2017A Supplemental Indenture and the authentication and delivery of the Series 2017A Bonds by the Trustee have been satisfied.

ARTICLE V

MISCELLANEOUS

Section 5.01. Authority. This Series 2017A Supplemental Indenture is authorized by the Act and the Master Indenture. The Series 2017A Bonds are authorized by the Act and the Master Indenture.

Section 5.02. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Series 2017A Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Series 2017A Supplemental Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 5.03. Interpretation and Construction. This Series 2017A Supplemental Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Series 2017A Supplemental Indenture. For purposes of this Series 2017A Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Series 2017A Supplemental Indenture to designated "Articles," "Sections," "subsections," "paragraphs," "clauses" and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Series 2017A Supplemental Indenture. The words "herein," "hereof," "hereto," hereby," "hereunder" and other words of similar import refer to this Series 2017A Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in Article I hereof have the meanings assigned to them in that Article and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term "money" includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding."

Section 5.04. Further Assurances and Corrective Instruments. The Issuer and the Trustee agree that so long as this Series 2017A Supplemental Indenture is in full force and effect, the Issuer and the Trustee shall have full power to carry out the acts and agreements provided herein and they will, from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may be required for correcting any inadequate or incorrect description of the Trust Estate, or for otherwise carrying out the intention of or facilitating the performance of this Series 2017A Supplemental Indenture.

Section 5.05. Authorization of Officers and Employees. To the extent applicable, the officers and employees of the Issuer and the officers and employees of RIDOT are hereby authorized and directed to take all actions that are necessary, convenient and in conformity with the Act, the Constitution and other laws of the State, federal law, the Master Indenture and this Series 2017A Supplemental Indenture, to carry out the provisions of this Series 2017A Supplemental Indenture, to effect the refunding of the Refunded Bonds, and all such action previously taken by them is hereby ratified and approved. Such actions include, but shall not be limited to (a) execution and delivery of the Series 2017A Bonds; (b) execution and delivery of the DTC Letter of Representations; (c) execution, delivery and compliance with the terms of the Bond Purchase Agreement; (d) execution, delivery and compliance with the terms of the Arbitrage and Use of Proceeds Certificate for the Series 2017A Bonds; (e) preparation and authorization of the use of a Preliminary Official Statement and preparation, authorization of the use and execution of an Official Statement relating to the Series 2017A Bonds, and amendments and supplements thereto; (f) execution, delivery and compliance with the terms of a continuing disclosure undertaking with respect to the Series 2017A Bonds pursuant to Securities and Exchange Commission Rule 15c2-12; (g) execution, delivery and compliance with the terms of documents and instruments regarding the investment of proceeds of the Series 2017A Bonds and other moneys relating to the Series 2017A Bonds or the Refunded Bonds; (h) execution, delivery and compliance with the terms of the Refunding Escrow agreement as necessary to effectuate the refunding of the Refunded Bonds; and (i) appointment and retention of an escrow agent, verification agent, and any other experts deemed necessary for the purposes hereof.

Section 5.06. Parties Interested Herein. Except as otherwise provided in Article V hereof, this Series 2017A Supplemental Indenture shall be for the sole and exclusive benefit of the Issuer, the Trustee, RIDOT and the Owners and their respective successors and assigns. Except as otherwise provided in Article V hereof, nothing in this Series 2017A Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the Issuer, the Trustee, RIDOT and the Owners, any right, remedy or claim under or by reason of this Series 2017A Supplemental Indenture or any terms hereof.

Section 5.07. Severability. In the event that any provision of this Series 2017A Supplemental Indenture, other than the grant of the Trust Estate to the Trustee, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 5.08. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Series 2017A Supplemental Indenture.

Section 5.09. Execution in Counterparts. This Series 2017A Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Rhode Island Commerce Corporation has caused this Series 2017A Supplemental Indenture to be executed in its corporate name, and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be executed in its corporate name and its corporate seal to be affixed hereto and attested by its authorized officers, all as of the date first above written.

RHODE ISLAND COMMERCE CORPORATION

By _____
Authorized Issuer Representative

(Corporate Seal)

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Attest:

By: _____
Authorized Officer

_____
Title:

Acknowledged, Agreed and Approved,
including consent to the covenants of
RIDOT herein by:

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
acting by and through its
DEPARTMENT OF TRANSPORTATION

_____
Director, RIDOT

APPENDIX A

FORM OF SERIES 2017A BOND

THE RHODE ISLAND COMMERCE CORPORATION SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL, INTEREST OR PREMIUM, IF ANY, DUE UNDER THIS BOND EXCEPT TO THE EXTENT OF THE TRUST ESTATE PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING OR TAKING POWER OF THE STATE OF RHODE ISLAND OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE REPAYMENT OF ANY AMOUNTS DUE UNDER THIS BOND.

THE SERIES 2017A BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN A SPECIAL AND LIMITED OBLIGATION OF THE ISSUER) AND NEITHER THE FAITH AND CREDIT NOR THE TAKING OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE SERIES 2017A BONDS OR THE INTEREST THEREON. THE ISSUER HAS NO TAXING POWER.

No. 17AR-_____ $_____

RHODE ISLAND COMMERCE CORPORATION

MOTOR FUEL TAX REVENUE REFUNDING BOND
(RHODE ISLAND DEPARTMENT OF TRANSPORTATION)
SERIES 2017A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP NO.
%	June 15, ___	_____, 2017	762238___

REGISTERED OWNER: Cede & Co.

PRINCIPAL SUM: DOLLARS

The Rhode Island Commerce Corporation (the "Issuer"), a public corporation, governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State"), for value received, hereby promises to pay to the order of the registered owner named above, or registered assigns, the principal sum stated above on the maturity date stated above, with interest on such principal sum from the original dated date stated above at the interest rate per annum stated above (calculated based on a 360-day year of twelve 30-day months), payable on June 15 and December 15 of each year, commencing [December 15, 2017]. The principal and Redemption Price of this Motor Fuel Tax Revenue Refunding Bond (this "Bond") are payable to the registered owner hereof upon maturity or prior redemption hereof and upon presentation and surrender of this Bond at the operations center of The Bank of New York Mellon Trust Company, N.A., as successor trustee to J.P. Morgan Trust Company, National

Association (the "Trustee"). Interest on this Bond (other than interest paid as part of the Redemption Price of this Bond) shall be paid by check or draft of the Trustee mailed, on or before each Interest Payment Date, to the registered owner hereof at such registered owner's address as it appears on the Trustee's registration records on the Record Date for such Interest Payment Date. Notwithstanding the foregoing, so long as Cede & Co. is the registered owner of this Bond, the Bond Payments on and Redemption Price of this Bond shall be paid by wire transfer to Cede & Co. Any payment of Bond Payments on or Redemption Price of this Bond that is due on a day that is not a Business Day (as defined in the Master Indenture, defined below) shall be made on the next succeeding day that is a Business Day with the same effect as if made on the day on which it was originally scheduled to be made and no interest shall accrue for the period after such originally scheduled day for payment.

This Bond is part of a series of Motor Fuel Tax Bonds of the Issuer designated as "Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation), Series 2017A," issued in the aggregate principal amount of $_____ (the "Series 2017A Bonds") for the purpose of refunding the Refunded Bonds (as defined in the Series 2017A Supplemental Indenture). The Series 2017A Bonds have been issued pursuant to, under the authority of, and in full conformity with, the Constitution and the laws of the State, including Chapter 64 of Title 42 of the Rhode Island General Laws (1956, 1998 Reenactment), as amended from time to time (the "Issuer Act") and Sections 8 to 10 of Article 36 of Chapter 376 of the Laws of Rhode Island Public Laws of 2003, as amended from time to time (collectively, the "Program Act", and together with the Issuer Act, sometimes referred to collectively as, the "Act"), and the Master Trust Indenture dated as of November 1, 2003 (the "Master Indenture") between the Issuer and the Trustee, as supplemented by the Series 2017A Supplemental Trust Indenture dated as of _____, 2017 (the "Series 2017A Supplemental Indenture") between the Issuer and the Trustee (the Master Indenture and the Series 2017A Supplemental Indenture, collectively, are referred to as the "Indenture"). Capitalized terms used but not defined in this Bond have the meaning assigned to them in the Indenture.

THE INDENTURE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE ISSUER. THIS OBLIGATION IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE INDENTURE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

The Bond Payments shall be payable solely from Pledged Revenues and moneys held in the Bond Payment Fund, the Debt Service Reserve Fund and the Residual Fund. The payment by the State to the Issuer of Pledged Revenues, as required by the Program Act, is subject to annual appropriation therefor by the State General Assembly. The registered owners and holders of the Series 2017A Bonds may not look to any other revenues of the Issuer, the State or RIDOT for the payment of the Series 2017A Bonds. Neither the faith and credit of the State or of the Issuer nor the taxing power of the State is pledged to such payment. The Issuer has no taxing power. A failure by the General Assembly to make an appropriation of Pledged Revenues does not constitute a default under the Master Indenture.

FINANCIAL OBLIGATIONS OF THE ISSUER UNDER THE MASTER INDENTURE, EVERY SUPPLEMENTAL INDENTURE AND THE SERIES 2017A

BONDS (I) ARE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE, AND (II) SHALL NOT BE DEEMED OR CONSTRUED AS CREATING A DEBT, LIABILITY, OR OBLIGATION OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

No covenant or agreement contained in the Indenture or the Bonds shall be deemed to be the covenant or agreement of any director, officer, attorney, agent or employee of the Issuer in an individual capacity. No recourse shall be had for the payment of the principal of, the premium (if any) or the interest on, the Bonds or any claim based thereon against any officer, director, agent, attorney or employee of the Issuer past, present or future, or its successors or assigns, as such either directly or through the Issuer, or any such successor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all of such liability of such directors, officers, agents, attorneys or employees being hereby released as a condition of and as a consideration for the execution and delivery of the Indenture and the Bonds.

Copies of the Indenture are on file at the office of the Issuer in the City of Providence, Rhode Island, and at the Corporate Trust Department of the Trustee and reference to the Indenture and any supplements thereto and to the Act is made for a description of the pledge securing the Bonds and covenants relating thereto, the manner of enforcement of the pledge, the rights and remedies of the Owners of the Series 2017A Bonds with respect thereto, the terms and conditions upon which the Series 2017A Bonds are issued and under which additional Bonds may be issued thereunder in the future, the conditions upon which the Indenture may be amended with or without the consent of the Owners, and the terms upon which Series 2017A Bonds may no longer be secured by the Indenture.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, to take any action with respect to an Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

The Series 2017A Bonds are not subject to optional redemption prior to maturity.

Notice of the call for any redemption, identifying the Series 2017A Bonds or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States certified or registered first-class mail, at least 30 days prior to the date fixed for redemption, to the registered owner of each Series 2017A Bond to be redeemed at the address shown on the registration books maintained by the Trustee; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings of any Series 2017A Bonds as to which no such failure has occurred.

Any notice mailed as provided in the preceding paragraph shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice.

If at the time of mailing of notice of any redemption of Series 2017A Bonds at the option of the Issuer there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2017A Bonds called for redemption, which moneys are or will be available for redemption of Series 2017A Bonds, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

The Trustee shall keep, on behalf of Issuer, the records for the registration and transfer of the Series 2017A Bonds, and shall transfer the Series 2017A Bonds in authorized denominations of $5,000 in principal amount or any integral multiples thereof as provided in the Indenture. The Trustee may require the payment, by the registered owner of any Series 2017A Bond requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer. The Trustee shall not be required to transfer or exchange (i) all or any portion of any Series 2017A Bond during the period beginning at the opening of business 15 days before the day of the mailing by the Trustee of notice calling any the Series 2017A Bonds for prior redemption and ending at the close of business on the day of such mailing, or (ii) all or any portion of a Series 2017A Bond after the mailing of notice calling such Series 2017A Bond or any portion thereof for prior redemption.

Additional Motor Fuel Tax Bonds, that are payable from the Trust Estate on a parity with any Motor Fuel Tax Bonds previously issued and Outstanding and the Series 2017A Bonds, may be issued without the consent of the Owners of the Series 2017A Bonds as provided in the Indenture. Also, the Indenture may be amended or supplemented from time-to-time with or without the consent of the Owners of the Series 2017A Bonds as provided in the Indenture.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that the issuance and delivery of this Bond is duly authorized by the Constitution and laws of the State of Rhode Island and Providence Plantations; that all acts and conditions required to be performed precedent to and in connection with the issuance and delivery of this Bond pursuant to the Indenture have been performed in due time, form and manner as required by law; and that the issuance and delivery of this Bond and of the other Series 2017A Bonds does not exceed or violate any Constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the Certificate of Authentication hereon shall have been executed by the Trustee.

IN WITNESS WHEREOF, the Rhode Island Commerce Corporation has caused this Bond to be executed in its name by the manual or facsimile signature of an Authorized Issuer Representative and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and countersigned by the manual or facsimile signature of an Authorized Issuer Representative.

(SEAL)

RHODE ISLAND COMMERCE CORPORATION

By _____

Authorized Issuer Representative

Countersigned:

By _____

Authorized Issuer Representative

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2017A Bonds described in the within-mentioned Indenture of the Rhode Island Commerce Corporation.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By _____

Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto:

_____

(Please print or type name and address of assignee)

_____

(Insert social security number or tax identification number of assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ Attorney, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

SIGNATURE OF ASSIGNOR:

_____

Notice: This signature must correspond with the name of the assignor as it appears on the face of the within Bond in every particular.
SIGNATURE GUARANTEED BY:

_____

Notice: Signature must be guaranteed by a national bank or trust company; by a brokerage firm having a membership in one of the major stock exchanges; or by a member firm of a Medallion Signature Program.

TRANSFER FEE MAY BE REQUIRED

APPENDIX B

LIST OF REFUNDED BONDS

	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2003A					
Series 2006A:					
Series 2009A:					

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 31, 2017

REFUNDING ISSUE –Book-Entry Only **RATINGS: (See "RATINGS" herein)**

In the opinion of Co-Bond Counsel to the Issuer, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2017A Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2017A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; such interest, however, is included in the adjusted current earnings of certain corporations for purposes of calculating the alternative minimum tax imposed on such corporations. See "TAX MATTERS" herein. In addition, in the opinion of Co-Bond Counsel, under existing statutes, interest on the Series 2017A Bonds is exempt from Rhode Island personal income taxes.

$37,310,000*
RHODE ISLAND COMMERCE CORPORATION
Rhode Island Motor Fuel Tax Revenue Refunding Bonds
(Rhode Island Department of Transportation), Series 2017A

Dated: Date of Delivery **Due: June 15**
as shown on the inside cover

The Rhode Island Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation), Series 2017A (the "Series 2017A Bonds") are being issued by the Rhode Island Commerce Corporation (the "Issuer") pursuant to Chapter 376, Article 36, Sections 8, 9 and 10 of the Rhode Island Public Laws of 2003, (the "Program Act"), and the Rhode Island Commerce Corporation Act, Title 42, Chapter 64 of the Rhode Island General Laws, as amended from time to time (the "Issuer Act", and together with the Program Act, the "Act"), and a Master Trust Indenture, dated as of November 1, 2003 (the "Master Indenture"), as amended and supplemented, including as amended and supplemented by the Series 2017A Supplemental Trust Indenture, dated as of November 1, 2017 (the "Series 2017A Supplemental Indenture" and together with the Master Indenture, the "Indenture"). The Indenture is by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee (the "Trustee"), with certain provisions thereof acknowledged, agreed to and approved by the State of Rhode Island and Providence Plantations (the "State"), acting by and through the Rhode Island Department of Transportation (the "Department").

The Series 2017A Bonds will be issued as fully registered bonds of single maturities in denominations of $5,000 each or any integral multiple thereof. Ownership of the Series 2017A Bonds will be registered initially in the name of Cede & Co., as registered Holder and nominee of The Depository Trust Company, New York, New York ("DTC"), as securities depository for the Series 2017A Bonds. Unless and until the book-entry system with respect to the Series 2017A Bonds is terminated by DTC or the Issuer, beneficial ownership interests in the Series 2017A Bonds may be acquired in book-entry form only in the principal amount of $5,000 or any integral multiple thereof within a single maturity and will not be evidenced by individual bond certificates. (See Appendix D – "BOOK-ENTRY-ONLY-SYSTEM" attached hereto.

Interest on the Series 2017A Bonds is payable semi-annually on June 15 and December 15 of each year, commencing December 15, 2017. So long as the Series 2017A Bonds are registered in the name of DTC, or its nominee, payments of the principal of and interest on the Series 2017A Bonds will be made directly by The Bank of New York Mellon Trust Company, N.A., as Paying Agent, to DTC which, in turn, is obligated to remit such payments to its participants for subsequent distribution to beneficial owners of the Series 2017A Bonds, as described herein. The Series 2017A Bonds are being issued by the Issuer to refund all of the outstanding Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation), Series 2003A (the "Series 2003A Bonds"), the Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation), Series 2006A (the "Series 2006A Bonds"), and the Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation), Series 2009A (the "Series 2009A Bonds", and together with the Series 2003A Bonds and the Series 2006A Bonds, the "Refunded Bonds"). The proceeds of the Refunded Bonds were used to finance the costs incurred by the Department for four specific transportation infrastructure projects described herein. The maturities, interest rates and yields of the Series 2017A Bonds are shown on the inside cover hereof. The Series 2017A Bonds are NOT subject to optional redemption prior to their respective maturity dates as described herein.

The Series 2017A Bonds are special and limited obligations of the Issuer. The Refunded Bonds, the Series 2017A Bonds and any additional Rhode Island Motor Fuel Tax Revenue Bonds (the "Additional Bonds") that are subsequently issued on a parity therewith (collectively, the "Bonds"), are payable from, and secured solely by a pledge of, the Trust Estate (as defined herein), which consists primarily of the Pledged Revenues (as defined herein) that are paid to the Issuer or Trustee in accordance with the Program Act, Title 31, Chapter 36 of the State of Rhode Island General Laws, as amended (the "Motor Fuel Tax Act") and the Payment Agreement (as defined herein) and amounts on deposit in the Bond Payment Fund, the Debt Service Reserve Fund and the Residual Fund created under the Indenture and held by the Trustee. The State will be required, pursuant to the Payment Agreement and subject to annual appropriation by the Rhode Island General Assembly, to transfer an amount equal to two cents ($.02) per gallon of the thirty-three cents ($.33) per gallon Motor Fuel Tax (defined herein) imposed under the Motor Fuel Tax Act on a monthly basis to the Trustee.

THE SERIES 2017A BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN A SPECIAL AND LIMITED OBLIGATION OF THE ISSUER) AND NEITHER THE FAITH AND CREDIT NOR THE TAKING OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OR MUNICIPALITY THEREOF IS PLEDGED TO THE PAYMENT OF THE SERIES 2017A BONDS OR THE INTEREST THEREON. THE ISSUER HAS NO TAXING POWER. THE OBLIGATION OF THE STATE TO MAKE PAYMENTS TO THE TRUSTEE FOR DEPOSIT IN THE BOND PAYMENT FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE STATE GENERAL ASSEMBLY.

This cover page contains only a brief description of the Series 2017A Bonds and the security therefor. It is not a summary of material information with respect to the Series 2017A Bonds. Investors should read the entire Official Statement to obtain information necessary to make an informed investment decision.

The Series 2017A Bonds are offered when, as and if issued, subject to the approval of legality by Hawkins Delafield & Wood LLP, Co-Bond Counsel, New York, New York, and Shechtman Halperin Savage, LLP, Co-Bond Counsel, Pawtucket, Rhode Island, and certain other conditions. Certain legal matters will be passed on for the Underwriters by Pannone Lopes Devereaux & O'Gara LLC, Johnston, Rhode Island. Certain legal matters will be passed on for the Issuer by its General Counsel, Shechtman Halperin Savage, LLP, Pawtucket, Rhode Island. Certain legal matters will be passed upon for the State by the Attorney General and by its Special Counsel, Partridge Snow & Hahn LLP, Providence, Rhode Island. It is expected that the Series 2017A Bonds in book-entry form will be available for delivery at DTC in New York, New York, on or about November 30, 2017.

BofA Merrill Lynch

Morgan Stanley **Oppenheimer & Co.**

November ___, 2017

* Preliminary, subject to change.

$37,310,000*

RHODE ISLAND COMMERCE CORPORATION

Rhode Island Motor Fuel Tax Revenue Refunding Bonds
(Rhode Island Department of Transportation), Series 2017A

Maturity June 15	Principal Amount	Interest Rate	Yield	Price	CUSIP Number±
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					

* Preliminary, subject to change.

± CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Capital IQ. The CUSIP numbers listed above are being provided solely for the convenience of the holders of Series 2017A Bonds only at the time of issuance of the Series 2017A Bonds and the Issuer, the State, the Trustee, and the Underwriters do not make any representation with respect to such CUSIP numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP numbers are subject to being changed after the issuance of the Series 2017A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2017A Bonds or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that may be applicable to all or a portion of the Series 2017A Bonds.

RHODE ISLAND COMMERCE CORPORATION
BOARD OF DIRECTORS

Her Excellency Gina M. Raimondo, Chair
Ronald P. O'Hanley, Vice Chair
Karl Wadensten, Treasurer
Bernard V. Buonanno III
Nancy Carriuolo, Ph.D.
Oscar T. Hebert
Mary Jo Kaplan
Jason Kelly
Mary Lovejoy
Michael F. McNally
George Nee
Donna M. Sams
Vanessa Toledo-Vickers

Stefan Pryor, Chief Executive Officer
Darin Early, President & Chief Operating Officer
Lisa Lasky, Chief Financial Officer
William Ash, Managing Director of Financial Services
Thomas E. Carlotto, Esq., Secretary

RHODE ISLAND DEPARTMENT OF TRANSPORTATION

Peter Alviti, Jr., P.E., Director
Shoshana M. Lew, Chief Operating Officer
Meredith E. Brady, Department Budget Administrator
Loren Doyle, Chief Financial Officer

COUNSEL AND CONSULTANTS

Co-Bond Counsel to Issuer
Hawkins Delafield & Wood LLP, New York, New York
Shechtman Halperin Savage, LLP, Pawtucket, Rhode Island

General Counsel to the Issuer
Shechtman Halperin Savage, LLP, Pawtucket, Rhode Island

Special Counsel to Rhode Island Department of Transportation
Partridge Snow & Hahn LLP, Providence, Rhode Island

Financial Advisor to Issuer
PFM Financial Advisors LLC
Providence, Rhode Island

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representation must not be relied upon as having been authorized by the State, the Issuer, the Department or the Underwriters. This Official Statement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities other than the securities offered hereby or an offer to sell or solicitation of offers to buy, nor shall there be any sale of the Series 2017A Bonds by any person in any jurisdiction where such offer or solicitation or sale would be unlawful.

The information contained in this Official Statement has been obtained from the Issuer, the Department, the State and other sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by, any of the foregoing. The presentation of such information, including tables of Motor Fuel Tax receipts, is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representation of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the State, the Issuer or the Department since the date hereof.

The statements contained in this Official Statement and the Appendices hereto that are not purely historical are forward-looking statements. Such forward-looking statements can be identified, in some cases, by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "projects," "predicts," "potential," "illustrate," "example," and "continue," or the singular, plural, negative or other derivations of these or other comparable terms. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to such parties on the date of this Official Statement, and neither the State, the Issuer nor the Department assumes any obligation to update any such forward-looking statements. The forward-looking statements included herein are necessarily based on various assumptions, legislative authorizations, and estimates and are inherently subject to various risks and uncertainties, including, but not limited to, risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in various important factors. Accordingly, actual results may vary from the projections, forecasts and estimates contained in this Official Statement and such variations may be material, which could affect the ability to fulfill some or all of the obligations under the Series 2017A Bonds.

THE FINANCIAL ADVISOR AND THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, THEIR RESPECTIVE RESPONSIBILITIES UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE FINANCIAL ADVISOR AND THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN**.**

THE SERIES 2017A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SECTION 3(A)(2) OF SUCH ACT. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2017A BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF THE JURISDICTIONS IN WHICH THE SERIES 2017A BONDS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED, IF ANY, SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2017A BONDS AS AN INVESTMENT OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The State has undertaken to provide continuing disclosure with respect to the Series 2017A Bonds as required by Rule 15c2-12 of the Securities and Exchange Commission.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2017A BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY WITHOUT NOTICE BE DISCONTINUED AT ANY TIME, AND, IF DISCONTINUED, MAY BE RECOMMENCED AT ANY TIME.

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PRELIMINARY OFFICIAL STATEMENT

relating to

$37,310,000[*]
Rhode Island Commerce Corporation
Rhode Island Motor Fuel Tax Revenue Refunding Bonds
(Rhode Island Department of Transportation), Series 2017A

INTRODUCTION

This Preliminary Official Statement (including the cover page, inside cover page, and Appendices attached hereto) provides certain information in connection with the issuance by the Rhode Island Commerce Corporation (the "Issuer") of its Rhode Island Commerce Corporation Rhode Island Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation), Series 2017A (the "Series 2017A Bonds") in the aggregate principal amount of $37,310,000*. The Series 2017A Bonds are being issued pursuant to Chapter 376, Article 36, Sections 8, 9 and 10 of the Rhode Island Public Laws of 2003, (the "Program Act"), the Rhode Island Commerce Corporation Act, Title 42, Chapter 64 of the Rhode Island General Laws, as amended from time to time (the "Issuer Act", and together the Program Act, the "Act"), and under and pursuant to a Master Trust Indenture, dated as of November 1, 2003, as amended and supplemented (the "Indenture"), including as amended and supplemented by the Series 2017A Supplemental Trust Indenture, dated as of November 1, 2017 (the "Series 2017A Supplemental Indenture"). The Issuer was formerly known as the Rhode Island Economic Development Corporation and issued the heretofore referenced Refunded Bonds under that name. The Indenture is by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee (the "Trustee"), with certain provisions thereof acknowledged, agreed to and approved by the State of Rhode Island and Providence Plantations (the "State"), acting by and through the Rhode Island Department of Transportation (the "Department").

Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" hereto.

Pursuant to the Act, subject to certain limitations, the Issuer may issue bonds and notes to finance the projects described below which constitute portions of the State highway program administered by the Department. Under the Act, the Issuer is authorized to issue bonds and notes secured by revenues received by the Trustee in the amount of two cents ($.02) per gallon of the thirty-three cents ($.33) per gallon Motor Fuel Tax (defined herein) imposed under Title 31, Chapter 36 of the State of Rhode Island General Laws, as amended and supplemented from time to time and any successor or replacement provision of law (the "Motor Fuel Tax Act"). The Department has entered into a certain memorandum of agreement and certain supplements attached and supplemented from time to time as schedules thereto (collectively the "Federal Aid Agreements"), with the Federal Highway Administration ("FHWA") relating to the design and construction by the Department of the Route 195 Relocation Project, the Freight Rail Improvement Project, the New Washington Bridge, the New Sakonnet Bridge and the Route 403 Project (each as described herein), and improvements related thereto (collectively, the Route 195 Relocation Project, the Freight Rail Improvement Project, the New Sakonnet Bridge and the Route 403 Project are referred to herein as the "Refunded Bond Construction Projects" and, together with the New Washington Bridge, the "Construction Projects"). Each of the Refunded Bond Construction Projects is a Qualified Federal Aid Transportation Project (as defined in the Indenture). The Series 2003A Bonds, the Series 2006A Bonds and the Series 2009A Bonds (each defined below) were issued for the purpose of paying a portion of the costs (*i.e.*, the State Matching Funds, as defined in the Indenture) of one or more of the Refunded Bond Construction Projects (no State Matching Funds are authorized for the New Washington Bridge). The Series 2017A Bonds are being issued for the purpose of refunding all of the outstanding Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation), Series 2003A (the "Series 2003A Bonds"), the Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of

[*] Preliminary, subject to change.

Transportation), Series 2006A (the "Series 2006A Bonds"), and the Rhode Island Economic Development Corporation Rhode Island Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation), Series 2009A (the "Series 2009A Bonds", and together with the Series 2003A Bonds and the Series 2006A Bonds, the "Refunded Bonds"), and to pay the costs of issuing the Series 2017A Bonds. See "APPENDIX F – REFUNDED BONDS." The Refunded Bonds were issued in order to finance a portion of the costs related to the design and construction by the Department of the Refunded Bond Construction Projects (each as described herein), and improvements related thereto. See "THE CONSTRUCTION PROJECTS."

Under a Payment Agreement by and among the Governor, the General Treasurer, the State Department of Administration, the Department and the Issuer dated as of November 1, 2003 (the "Payment Agreement"), (i) the Governor will be required to include in each State Fiscal Year's proposed budget submitted to the General Assembly the annual appropriation of an amount equal to two cents ($.02) per gallon of the State's thirty-three cents ($.33) per gallon Motor Fuel Tax imposed on motor fuel purchases net of refunds and exemptions (the "Allocated Funds") to be utilized each year toward making Bond Payments for so long as any Bonds remain Outstanding, and (ii) the State, subject to appropriation by the General Assembly, has agreed to make payments to the Trustee of such Allocated Funds on a monthly basis. See "STATE MOTOR FUEL TAX." When received by the Trustee, the Allocated Funds shall be the "Pledged Revenues." The Trustee shall use such Pledged Revenues to pay the debt service (the "Bond Payments") on the Series 2017A Bonds. The Trustee has been designated as an intended third party beneficiary of the Payment Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Payment Agreement."

The Bond Payments on the Series 2017A Bonds and any additional Rhode Island Motor Fuel Tax Revenue Bonds (the "Additional Bonds") that may be subsequently issued by the Issuer on a parity with the Series 2017A Bonds (collectively, the "Bonds"), are payable from and secured solely by a pledge of the Trust Estate (as defined herein), which consists primarily of (i) the Pledged Revenues that are paid to the Issuer or Trustee in accordance with the Act, the Motor Fuel Tax Act and the Payment Agreement, (ii) amounts on deposit in the Motor Fuel Tax Bond Payment Fund (the "Bond Payment Fund") created under the Indenture and held by the Trustee, (iii) amounts on deposit in the Debt Service Reserve Fund and (iv) amounts on deposit in the Residual Fund (collectively, the "Trust Estate"). See "APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Provisions Relating to the Series 2017A Bonds." The Series 2017A Bonds are special and limited obligations of the Issuer. The Payment Agreement requires the State to transfer all Allocated Funds to the Trustee, which shall deposit such revenues into the Bond Payment Fund, which Fund shall only be used to pay Bond Payments on and Redemption Price of the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS." Any transfer of Allocated Funds by the State to the Issuer or Trustee for the payment of Bond Payments on the Series 2017A Bonds is subject to annual appropriation by the General Assembly of the State. See "THE CONSTRUCTION PROJECTS" and "SECURITY AND SOURCES OF PAYMENT ON THE BONDS - The Payment Agreement."

THE SERIES 2017A BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN A SPECIAL AND LIMITED OBLIGATION OF THE ISSUER) AND NEITHER THE FAITH AND CREDIT NOR THE TAKING OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OR MUNICIPALITY THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS OR THE INTEREST THEREON. THE ISSUER HAS NO TAXING POWER. THE OBLIGATION OF THE STATE TO MAKE PAYMENTS TO THE TRUSTEE FOR DEPOSIT IN THE BOND PAYMENT FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE STATE GENERAL ASSEMBLY.

This Official Statement describes the terms of and security for the Series 2017A Bonds and the use of proceeds of the Series 2017A Bonds. Also included are summaries of certain provisions of the Indenture and provisions of the Issuer Act, the Program Act, the Payment Agreement and the Motor Fuel Tax Act. These descriptions and summaries do not purport to be comprehensive or definitive. All references herein to the Indenture and the Payment Agreement are qualified in their entirety by reference to the definitive forms thereof, all references to the Issuer Act, Program Act and the Motor Fuel Tax Act are qualified in their entirety by reference to the complete statutes, regulations and published interpretations by State officials, and all references to the Series 2017A Bonds are qualified by the forms thereof contained in the Indenture and are further qualified in their entirety by reference to laws and principles of equity relating to or affecting the enforceability of creditors' rights and the

exercise of judicial discretion in appropriate cases. Copies of the Indenture may be obtained as set forth under "MISCELLANEOUS."

INVESTMENT CONSIDERATIONS

The Issuer's ability to pay principal of and interest on the Series 2017A Bonds depends upon numerous factors, many of which are not subject to the control of the Issuer or the Department. Described below are certain factors that could affect the ability of the Issuer to pay debt service on the Series 2017A Bonds.

The Series 2017A Bonds are special and limited obligations of the Issuer and are payable from the Trust Estate under the Indenture. The Series 2017A Bonds and the payment of Bond Payments thereon are not general obligations of the Issuer, and are secured solely by the Pledged Revenues under the Indenture. The payment of the Series 2017A Bonds is not payable out of any moneys of the Issuer or the Department other than the Trust Estate under the Indenture. The Series 2017A Bonds are not obligations, general, special or otherwise, of the State, do not constitute a legal debt of the State, are not enforceable against the State, nor shall payment thereof be made out of any moneys of the State. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and Appendix B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" for a further discussion of limitations as to the source for payment of the Series 2017A Bonds.

Default and Remedies

The Indenture does not provide for acceleration of the Series 2017A Bonds if an Event of Default occurs. The rights of the Owners of the Series 2017A Bonds and the enforceability of the Series 2017A Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its political subdivisions of the police power inherent in the sovereignty of the State, and by the exercise by the United States of the powers delegated to it by the United States Constitution.

Factors Affecting Motor Fuel Revenues

A number of factors could impact the level of Motor Fuel Tax receipts. The level of Motor Fuel Tax receipts is directly related to the consumption of Motor Fuel in the State. Future consumption of Motor Fuel may be affected by many factors beyond the control of the State including, but not limited to, the level of employment, the price of Motor Fuel, the fuel efficiency of motor vehicles, the availability and cost of alternative motor fuels, and the availability and cost of alternative modes of surface transportation. Therefore, there can be no assurance that historical experience with collections of the Motor Fuel Tax will be indicative of future receipts. See "STATE MOTOR FUEL TAX - Historical Information Regarding Motor Fuel Tax" herein. The Motor Fuel Tax Act does not restrict the right of the General Assembly to amend, repeal, modify, or otherwise alter the Motor Fuel Tax.

THE CONSTRUCTION PROJECTS

The Refunded Bonds were issued to provide State Matching Funds necessary to receive Federal Aid from the FHWA related to the Construction Projects. The Construction Projects[*] consist of the design and construction by the Department of the following projects:

- The Route 195 Relocation Project. The Route 195 Relocation Project involved the relocation of a nearly 50-year-old 1.0-mile stretch of Interstate 195 (I-195) and an adjacent 0.8-mile portion of Interstate 95 (I-95) through Providence. The freeway was relocated 2,000 feet to the south of its current alignment and outside the barrier which protects the 350 year old city from hurricane flooding. The project included fourteen new bridges with a 1,250 foot long mainline bridge over the Providence River (erected in 2006), 25 lane-miles of new interstate, a new interchange with I-

[*] The total cost estimates set forth herein for each of the Construction Projects described below are preliminary, subject to change.

95, five miles of new city streets, and 4100 feet of new pedestrian river walks. In addition, removal of the existing interstate helped free up 20 acres of prime downtown real estate. The project complements the river relocation, Waterplace Park and Memorial Boulevard projects that have revitalized downtown Providence.

The new interstate mainline highway was fully open to traffic in 2009 with significant completion, including demolition of the existing facility and reconnection of city streets, reaching substantial completion in 2016. The project consisted of five building demolition contracts and fifteen construction contracts. Ten of these fifteen construction contracts were financed by the Refunded Bonds, and five of the construction contracts have been or will be funded with other funds legally available to the Department. The total project design and construction cost is presently estimated at $614 million, of which $69 million came from Motor Fuel Tax revenue bond proceeds.

- The New Washington Bridge. The Washington Bridge (Bridge No. 200) carries multiple eastbound lanes of I-195 and U.S. Routes 6 and 44 over the Seekonk River between the cities of Providence and East Providence, Rhode Island. Bridge No. 200 is immediately south of the 1970-built Washington Bridge North (Bridge No. 700). The new Washington Bridge No. 200 has been realigned within a vacant area between the two bridges, thus allowing the construction of a completely new bridge using the existing foundations. The new bridge consists of five 12-foot travel lanes and two 4 foot shoulders. Construction was phased to allow the new bridge to be built while existing I-195 traffic is maintained within the southerly portion of the existing Washington Bridge No. 200. Because the existing bridge is on the National Register of Historic Bridges, a concept was advanced that retained the existing southerly portion of the existing bridge and converted it to a bike path, pedestrian way, and linear park which provides the highest form of historical mitigation.

  The project was divided into two contracts, consisting of the main line bridge and the Linear Park bridge. The first contract for the main line bridge has been substantially completed and is open to traffic. The Linear Park bridge reached substantial completion in late 2014 and opened to the public in 2015. The full project cost estimate including the main line bridge, the Linear Park bridge and project oversight costs is $71.7 million, all of which came from Grant Anticipation Bond proceeds. No Motor Fuel Tax revenue bonds are authorized to finance the costs of the New Washington Bridge because federal matching requirements have been satisfied.

- The Route 403 Project. The Route 403 Project constructed a new freeway that connects the existing Route 4 freeway in East Greenwich with the Quonset Davisville Port and Commerce Park (the "Quonset Industrial Park") in North Kingstown (the "Route 403 Project"). This 4.5 mile, 4-lane, controlled-access facility was implemented by the Department to provide improved highway access to Quonset Industrial Park. The new freeway contains three interchanges, a total of 14.8 miles of roadways (including the main freeway and the ramps), 14 new bridges, two bridge rehabilitations, an extensive storm drainage and water quality treatment system, and environmental mitigation improvements. The total project design and construction cost is estimated at $201 million, of which $20 million came from Motor Fuel Tax revenue bond proceeds.

- The Freight Rail Improvement Project. The Freight Rail Improvement Project (the "FRIP") is a 22-mile long project located within Amtrak's Northeast Corridor between milepost 168 (West Davisville) to milepost 190 (Central Falls). This project involved constructing a Freight Dedicated Track (3rd Track) along Amtrak's mainline tracks, linking Quonset/Davisville to the Boston Switch at Central Falls and out to western markets. The track modernization plays a vital role in attracting new commercial and industrial development, both along the Northeast Corridor and to the Quonset Point/Davisville Industrial Park. In addition, this project improved the operational efficiency and flexibility of freight rail service to existing industry and areas designated for future economic development. The project was substantially completed in 2013.

The total project design and construction cost is estimated at $235 million, of which $7 million came from Motor Fuel Tax revenue bond proceeds.

- New Sakonnet Bridge. The New Sakonnet Bridge project involved the replacement of the existing Sakonnet River Bridge (RI Bridge No. 250) with a new structure on a new alignment immediately south of the old bridge. The crossing carries Rhode Island State Route 24 (RI 24) over the Sakonnet River, a tidal passage separating the Town of Portsmouth on Aquidneck Island to the west and the Town of Tiverton on the mainland to the east. The crossing is an integral part of RI 24 which is a key link in the transportation system connecting Massachusetts to Rhode Island and the Aquidneck Island communities. The bridge is located in Newport County, Rhode Island just to the south of where the Sakonnet River opens into Mount Hope Bay.

  The New Sakonnet Bridge is substantially complete and open to traffic. The demolition of the existing highway bridge was advertised in September 2016 and the contract was awarded in February 2017. The demolition work is currently underway and is anticipated to be completed in July 2018. Currently, $9.6 million in Grant Anticipation Bond proceeds are available for the demolition contract on the old Sakonnet River Bridge. The total project cost is estimated to be $227.9 million, of which $11 million came from Motor Fuel Tax revenue bond proceeds. Pursuant to Article 20 of the FY2013 Budget as enacted (codified in Title 24, Chapter 12 of the State of Rhode Island General Laws), the State transferred custody, control, and supervision of the land and improvements for the Sakonnet River Bridge to the Rhode Island Turnpike and Bridge Authority (RITBA). The Rhode Island Department of Transportation received no payments or any form of reimbursement from RITBA, however, RITBA assumed responsibility for all maintenance and operations costs of the Sakonnet River Bridge.

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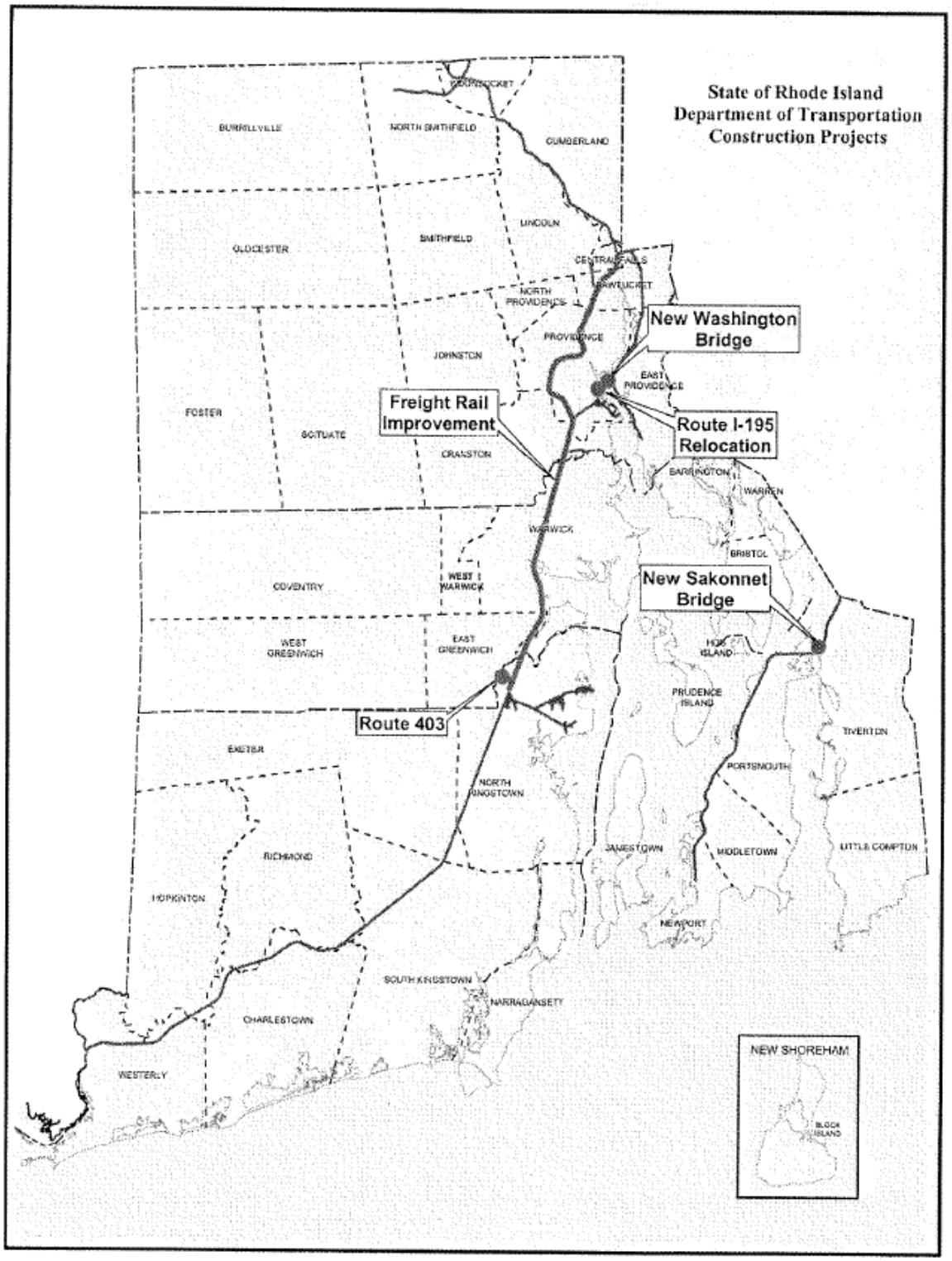
Below is a map of the State of Rhode Island that shows the location of each of the Construction Projects:



PLAN OF FINANCE

The Program Act Plan of Finance

The Series 2017A Bonds are being issued as part of a statutory plan of finance specifically authorized by the Program Act to accelerate the funding and construction of the Refunded Bond Construction Projects described herein.

Bonds to Provide State Matching Funds

The Refunded Bonds were issued pursuant to the Program Act in 2003, 2006 and 2009 to provide State Matching Funds required for the State to receive grants under the federal aid highway program for the Construction Projects, For each Refunded Bond Construction Project, the Program Act authorized the Issuer to issue not more than a specified amount of Bonds to provide a portion of the additional State Matching Funds required by the federal aid highway program for each such project. The Program Act further limited the total amount of debt service that may be incurred on such Bonds with respect to each of the Construction Projects. The Series 2017A Bonds are being issued to refund the Refunded Bonds.

Statutory Caps on Total Bond Par and Total Debt Service

The Program Act limits the par amount of Bonds that may be issued by the Issuer to not more than $124.838 million and provides statutory limits within this total for each of the Construction Projects. The table below specifies the statutory limits for each Construction Project, the par amount of each series of Bonds allocated to each Construction Project (after giving effect to certain reallocations described therein).

Summary of Issuance by Construction Project for the Bonds
(in thousands)

	Route 195 Relocation	Route 403	Freight Rail Improvement	New Sakonnet Bridge	New Washington Bridge	Total
Legislative Maximum Par Amount of the Bonds (1)	$69,657	$21,433	$8,500	$25,248	$0	$124,838
Series 2003A Bonds Par Amount Issued	29,530	15,555	7,945	0	0	53,030
Series 2006A Bonds Par Amount Issued (2)	35,470	5,500	0	1,845	0	42,815
Series 2009A Bonds Par Amount Issued	3,690	0	0	8,720	0	12,410
Total Par Amount Issued	$68,690	$21,055	$7,945	$10,565	$0	$108,255

Notes:
(1) Legislative Maximum provided in the Program Act.
(2) After giving effect to the reallocation of $8,957,000 from the New Sakonnet Bridge to the Route 195 Relocation Project.

The Program Act also limits the total debt service on such Bonds to not more than $185,208,800 and provides statutory limits within this total for each of the Construction Projects. The table below specifies the statutory debt service limits for each Construction Project and the debt service amounts of each series of Bonds allocated to each Construction Project.

Summary of Debt Service by Construction Project for the Motor Fuel Tax Revenue Bonds						
	Route 195 Relocation	**Route 403**	**Freight Rail Improvement**	**New Sakonnet Bridge**	**New Washington Bridge**	**Total**
Series 2003A Bonds (1)	$31,418,569	$16,546,930	$8,453,027	$0	$0	$56,418,526
Series 2006A Bonds (1)	29,490,593	4,576,668	0	1,534,391	0	35,601,652
Series 2009A Bonds (1)	2,013,386	0	0	6,268,823	0	8,282,209
Series 2017A Bonds						
Total (2)	$	$	$	$	$0	$
Legislative Maximum	$103,344,000	$31,798,800	$12,608,000	$37,458,000	$0	$ 185,208,800

Notes:
(1) Numbers represent debt service paid up until the respective redemption dates of each maturity of Refunded Bonds.
(2) Numbers may not add up to the total due to rounding.

Sources and Uses of Proceeds of the Series 2017A Bonds

The Issuer is issuing the Series 2017A Bonds to refund all of the Refunded Bonds remaining outstanding and to pay the costs of issuing the Series 2017A Bonds. The sources and uses of the proceeds of the Series 2017A Bonds are as follows:

Sources:	
Par Amount of Series 2017A Bonds	$
Net Original Issue Premium/Discount	
Prior Issue Debt Service Fund	
Interest Set-Aside	
Residual Fund	
Prior Issue Debt Service Reserve Fund	
Total Sources	$
Uses:	
Deposit to Escrow Account	$
Debt Service Reserve Fund Deposit	
Residual Fund Deposit	
Costs of issuance (including underwriters' discount)	
Total Uses	$

Plan of Refunding

The 2018 and 2019 maturities of the Series 2009A Bonds are not subject to redemption, but will be refunded and defeased upon issuance of the Series 2017A Bonds. All maturities of the Refunded Bonds will be refunded and defeased upon issuance of the Series 2017A Bonds and redeemed on the first optional redemption date thereof or paid at maturity by amounts held in accounts established in connection with the issuance of the Series 2017A Bonds pursuant to a Refunding Escrow Agreement to be dated the date of issuance of the Series 2017A Bonds, by and between the Issuer and the Trustee (the "Refunding Escrow Agreement").

Proceeds of the Series 2017A Bonds to pay debt service on and the redemption price of the Refunded Bonds will be deposited in the account established by the Refunding Escrow Agreement (the "Escrow Account")

and invested in Defeasance Securities maturing at the times and in the amounts and bearing interest at the rates and payable at the times that will be sufficient, with cash held in such Escrow Account, to pay and discharge or redeem the Refunded Bonds.

Verification of the Mathematical Calculations

Grant Thornton LLP, of Minneapolis, Minnesota, will deliver an independent verification report stating that the Defeasance Securities held by the Trustee in the Escrow Account with interest to be earned thereon, plus the cash held in the Escrow Account, will be sufficient to pay interest on and principal of the Refunded Bonds when due and the redemption price of the Refunded Bonds on the respective redemption dates. The verification report will also confirm the correctness of the mathematical computations supporting the conclusion of Co-Bond Counsel that the Series 2017A Bonds are not "arbitrage bonds" as described in Section 148 of the Internal Revenue Code of 1986, as amended.

THE SERIES 2017A BONDS

General Description

The Series 2017A Bonds will be issued in the principal amounts and with maturity dates shown on the inside cover page of this Official Statement. The Series 2017A Bonds will be dated as of the date of delivery thereof and shall bear interest from such date, payable semi-annually on June 15 and December 15 of each year, commencing December 15, 2017. Interest shall be calculated based on a year of 360 days and twelve 30-day months.

As described in "APPENDIX D – BOOK-ENTRY-ONLY SYSTEM," the Series 2017A Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of the Series 2017A Bonds may be made in book-entry form only, in the principal amount of $5,000 and integral multiples thereof. When the Series 2017A Bonds are issued, ownership interests will be available to purchasers only through a book-entry system (the "Book-Entry System") maintained by DTC or such other depository institution designated by the Issuer, the Department and the State pursuant to the resolution adopted by the Board of Directors of the Issuer on October [30], 2017 (the "Resolution"). See APPENDIX D to this Official Statement for further information about the Book-Entry System. The information presented in APPENDIX D was obtained from DTC and the Issuer, the State, and the Underwriters do not make any representation as to the accuracy or completeness thereof. If the Series 2017A Bonds are removed from the Book-Entry System and delivered to the person named as the registered owner of the Series 2017A Bonds on the bond registration books maintained by the Bond Registrar in physical form, as described in APPENDIX D, the discussion therein of the Book-Entry System will not apply.

The principal of the Series 2017A Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent. The Bank of New York Mellon Trust Company, N.A., will initially serve as paying agent and registrar for the Series 2017A Bonds. Payment of the interest on any Series 2017A Bonds shall be made to the person whose name appears on the bond registration books of the Trustee as the registered owner thereof (the "Owner") as of the close of business on the first day of the month of the Interest Payment Date (the "Record Date"). Interest will be paid by check or draft mailed to the Owner at the address shown on such registration books. As long as the DTC book-entry system is in effect, Cede & Co. is the Owner and will receive all payments of Bond Payments.

Any such interest not so punctually paid or duly provided for shall cease to be payable to the Owner on such Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the paying agent, notice whereof being given to the Owners not less than 10 days prior to such Special Record Date.

No Optional Redemption

The Series 2017A Bonds are not subject to redemption prior to maturity.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Nature of Obligations and Authority

Pursuant to the Act, the Issuer is authorized to issue Bonds, including the Series 2017A Bonds, to refund the Refunded Bonds which were previously issued in order to provide the State Matching Funds necessary to pay a portion of the Construction Costs of the Construction Projects. The Bonds are special and limited obligations of the Issuer and are payable from the Trust Estate as specified in the Indenture. The Bonds and the payment of Bond Payments thereon are not general obligations of the Issuer and are secured solely by the Trust Estate, including the Pledged Revenues. The Pledged Revenues are comprised of revenues in the amount of two cents ($.02) per gallon of the thirty-three cents ($.33) per gallon Motor Fuel Tax imposed by the Motor Fuel Tax Act. The Bonds shall not be payable out of any moneys of the Issuer other than the Trust Estate. The Bonds are not obligations, general, special or otherwise, of the State, do not constitute a debt of the State, are not enforceable against the State, nor shall payment thereof be enforceable out of any moneys of the State.

THE BONDS AND THE INTEREST THEREON DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN A SPECIAL AND LIMITED OBLIGATION OF THE ISSUER) AND NEITHER THE FAITH AND CREDIT NOR THE TAKING OR TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OR MUNICIPALITY THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS OR THE INTEREST THEREON. THE ISSUER HAS NO TAXING POWER. THE OBLIGATION OF THE STATE TO MAKE PAYMENTS TO THE TRUSTEE FOR DEPOSIT IN THE BOND PAYMENT FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE STATE GENERAL ASSEMBLY.

Payment by the State to the Trustee of the Allocated Funds is subject to the process described in the Payment Agreement, including annual appropriation by the General Assembly of funds credited to the ISTF. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - The Payment Agreement." The Act has expressly authorized the Governor, the Director of the Department, the Director of the Department of Administration or the Executive Director of the Issuer to enter into an indenture or other obligations or contracts or agreements and to take such other actions as each such official shall deem necessary or appropriate to issue the Bonds, including without limitation any action to pledge, assign or otherwise transfer the right to receive the Allocated Funds to secure payments (*i.e.*, the Bond Payments) on such Bonds. The General Assembly, however, is not legally bound to make an annual appropriation of the Allocated Funds to the Trustee, and the Act does not restrict the right of the General Assembly to amend, repeal, modify or otherwise alter the Act or the use of the Allocated Funds. The Issuer can give no legal assurance that the General Assembly will annually appropriate the Allocated Funds. The Issuer believes, however, that any failure by the General Assembly to make such appropriations would have a serious impact on the ability of the State and its authorities to raise funds in the public capital markets.

No assurance can be given that Motor Fuel (as defined herein) sales will in fact occur at a level sufficient to generate any particular level of Motor Fuel Tax receipts to meet the payment obligations under the Indenture or in connection with the issuance of Additional Bonds. See "Additional Bonds" below. Generation of such Motor Fuel Tax receipts depends upon several factors, including but not limited to, the level of employment, the price of Motor Fuel, the fuel efficiency of motor vehicles and the availability of alternative fuels. In addition, no assurance can be given that the General Assembly will not in the future modify the basis upon which Motor Fuel taxes in the State are to be collected, including the amount thereof and the rate applied to Motor Fuel sales, or the amount due to other state funds or agencies, in a manner that will adversely affect payment of the Series 2017A Bonds. See "DEBT SERVICE REQUIREMENTS FOR THE SERIES 2017A BONDS."

The Payment Agreement

The Governor, the General Treasurer, the State Department of Administration, the Department and the Issuer entered into the Payment Agreement dated as of November 1, 2003 pursuant to which in each State Fiscal Year in which any of the Bonds remain outstanding, among other matters, (i) the Governor covenants and agrees to include in the Governor's proposed budget of revenues and appropriations submitted to the General Assembly, an amount equal to the gross appropriation of all Allocated Funds anticipated to be received by the State in each State Fiscal Year; and (ii) state officials agree to follow specific procedures to facilitate the payment on a monthly basis of the Allocated Funds to the Trustee. The Payment Agreement may not be amended without the consent of the parties thereto; provided however, (a) that it may not be amended in any way that will materially and adversely impair the ability of the Trustee to make Bond Payments from Pledged Revenues or the Security provided for the Bonds under the Indenture; (b) that any amendment may be made with the consent of not less than a majority in aggregate principal amount of the Bonds then Outstanding obtained in accordance with the terms of the Indenture; and (c) that in no event shall a change in the Payment Agreement (i) to provide for the payment of Additional Bonds or other obligations of the Issuer issued in accordance with the Indenture or (ii) to conform to provisions of State law respecting the provisions for appropriations or the organization of the government of the State, in either case, be deemed to be materially adverse. The Payment Agreement will not be amended and will continue to operate pursuant to its terms upon the issuance of the Series 2017A Bonds. See "APPENDIX C - PAYMENT AGREEMENT."

Agreement of the State

In accordance with the Act, under the Indenture, the Issuer includes the pledge and agreement of the State with the Owners of the Bonds that the State will not limit or alter the rights vested in the Issuer by the Act to fulfill the terms of any agreement made with such Owners until such agreements and Bonds with such Owners and interest payment obligations related thereto are fully met and discharged.

Creation of Trust Estate

The Indenture shall constitute a contract between the Issuer and the Owners from time to time of the Bonds, and the pledge, covenants and agreements of the Issuer and Department set forth in the Indenture shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other Bond, except as expressly provided in or permitted by the Indenture. The pledge by the Issuer of the Trust Estate, which consists of the Pledged Revenues paid to the Issuer or the Trustee in accordance with the Program Act and the Payment Agreement and amounts on deposit in the Bond Payment Fund, the Debt Service Reserve Fund and the Residual Fund is irrevocable so long as any Bonds are Outstanding under the terms of the Indenture.

Under the Indenture, the Issuer establishes the Bond Payment Fund as a separate account held by the Trustee.

The Issuer pledges in the Indenture to the payment of the Bond Payments on the Bonds and any Additional Bonds that may be subsequently issued by the Issuer on a parity therewith (see "Additional Bonds" below), funds on deposit in the Bond Payment Fund (such deposits being primarily the Pledged Revenues), the Debt Service Reserve Fund and the Residual Fund. The funds in the Bond Payment Fund, the Debt Service Reserve Fund and the Residual Fund shall only be used to pay Bond Payments on and Redemption Price of the Bonds.

The failure of the Trustee to make full payment of Bond Payments due on the Bonds is an Event of Default under the Indenture gives rise under the Indenture to certain remedial rights of the holders of the requisite percentage of the Bonds. See "APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE - Events of Default" and "Remedies." However, no assurance can be given that the amount realized from the taking of such actions will be sufficient to pay the principal of and interest on the Bonds.

The remedies available to the Trustee and the owners of the Bonds or upon an Event of Default (as defined in the Indenture) do not include the right to declare all amounts immediately due and payable and are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Such remedies may also not be readily available or may be limited and the legal opinions rendered in connection with this financing will be qualified to the extent that enforceability of provisions of such agreements are affected by such limitations, including as such enforceability may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights.

Funds and Accounts

The Indenture creates the Bond Payment Fund, the Construction Fund and an Earnings Account within the Construction Fund, a Debt Service Reserve Fund, and a Rebate Fund and a Residual Fund. The Bond Payment Fund, the Debt Service Reserve Fund, the Residual Fund and amounts on deposit in those funds are part of the Trust Estate, but the Construction Fund (including the Earnings Account), the Rebate Fund and amounts on deposit in those funds and accounts are not part of the Trust Estate and, therefore, are not pledged to the payment of the Bonds.

Bond Payment Fund. The Trustee is required to create and maintain separate accounts identified by the appropriate series designation within the Bond Payment Fund to account for the receipt of moneys to pay, and the payment of, the Bond Payments on and Redemption Price of each series of Bonds, but such separate accounts shall not affect the rights of the Owners of the Bonds with respect to money in the Bond Payment Fund. The Trustee is required to pay out of the Bond Payment Fund to the Paying Agent:

(1) on or before each Interest Payment Date for any Bonds, an amount required for the interest payable on such date; and

(2) on or before each Principal Payment Date for any Bonds, an amount required for the principal payment on such date; and

(3) on or before any optional redemption date for any Bonds, an amount required for the payment of the redemption price on the Bonds then to be optionally redeemed.

Construction Fund. Proceeds of each Series of Bonds are to be deposited into the Construction Fund and amounts on deposit in the Construction Fund (including the Earnings Account) may be applied by the Issuer to pay costs of issuance and, so long as no payment default has occurred with respect to the Bonds, may be requisitioned by the Department for Construction Costs in the manner provided by the Payment Agreement and the Indenture. In the event of a payment default with respect to the Bonds, the Director of the Department or the Director of Administration may direct, in his or her discretion, that amounts in the Construction Fund (including the Earnings Account) be transferred to the Bond Payment Fund, but no such transfers are required.

Rebate Fund. Amounts may be deposited into the Rebate Fund from Pledged Revenues, from amounts in the funds and accounts held under the Indenture or from any other legally available source and, to the extent necessary, are to be applied to make rebate payments to the United States in accordance with the Tax Certificates. Any excess in the Rebate Fund may be transferred to the Bond Payment Fund, the Construction Fund or to the Department.

Debt Service Reserve Fund. The Indenture requires the Trustee to maintain separate accounts for each Series secured by the Debt Service Reserve Fund, but the separate accounts do not affect the rights of the Owners of the Bonds secured by it to moneys in the Debt Service Reserve Fund. To the extent provided by a Supplemental Indenture authorizing any variable interest rate Bonds, put Bonds or bank Bonds, any such Bonds may be secured by a separate account in the Debt Service Reserve Fund, another debt service reserve fund or no debt service reserve fund, in which case any such account or other debt service reserve fund will not secure Bonds other than the specified Bonds and any related payments to the providers of Credit Facilities for which it is established and the specified Bonds will not be secured by the other accounts in the Debt Service Reserve Fund or, as applicable, by the Debt Service Reserve Fund. No payments in connection with an Interest Rate Exchange Agreement may be secured by or payable from any account in the Debt Service Reserve Fund.

The Issuer agrees that upon the issuance of any Bonds secured by the Debt Service Reserve Fund, it will deposit in the Debt Service Reserve Fund the amount, if any, required to make the amount on deposit equal to the Debt Service Reserve Fund Requirement. The Debt Service Reserve Fund Requirement, as of any date of calculation, (a) with respect to all Outstanding Bonds other than Bonds which at their date of issuance are or are deemed under the Indenture to be for any period variable interest rate Bonds, put Bonds or bank Bonds, an amount equal to one-half of the greatest amount of Bond Payments with respect to such Outstanding Bonds for the then current or any future State Fiscal Year, except that as a result of the issuance of any Series of Bonds the interest on which is excluded from gross income for Federal income tax purposes the amount required to be on deposit to satisfy the Debt Service Reserve Fund Requirement will not exceed the sum of the amount on deposit in the Debt Service Reserve Fund immediately prior to the issuance of that Series plus 10% of the proceeds from the sale of that Series, and (b) with respect to Bonds which at their date of issuance are or are deemed hereunder to be for any period variable interest rate Bonds, put Bonds or bank Bonds, the amount set forth in or determined pursuant to the Supplemental Indenture authorizing such Bonds as the Debt Service Reserve Fund Requirement for such Bonds. Despite the foregoing, the amount of the Debt Service Reserve Fund Requirement may be reduced to $0 (i) if the amount of Pledged Revenues for any three consecutive State Fiscal Years exceeds by at least two times (2x) the maximum amount of Bond Payments coming due in any State Fiscal Year during which Bonds will be Outstanding and (ii) if and to the extent described in the following sentence hereof, shall be adjusted upward in monthly increments, but only to the extent Pledged Revenues are available therefor, following any such reduction to $0. If the Debt Service Reserve Fund Requirement is reduced to $0, the Department shall calculate, within ninety (90) days of the end of each ensuing State Fiscal Year, the ratio of Pledged Revenues for such State Fiscal Year to the maximum amount of Bond Payments coming due in that or any ensuing State Fiscal Year, and, if such ratio is less than two times (2x), the Department shall notify the Issuer and the Trustee that an amount equal to 1/18th of the Debt Service Reserve Fund Requirement determined in accordance with clause (a) above, shall be deposited in the Debt Service Reserve Fund during each ensuring month (but only if and to the extent Pledged Revenues applied in accordance with the flow of funds are sufficient therefor) until the amount on deposit in the Debt Service Reserve Fund equals the amount required by such clause (a).

If on the Business Day preceding any Bond Payment Date, the amounts on deposit in the Bond Payment Fund are not sufficient to make all such payments due on that payment date for Bonds secured thereby, the Trustee will immediately transfer the amount necessary from any account or accounts securing those Bonds to the Bond Payment Fund to the extent amounts on deposit in the Debt Service Reserve Fund are available. Any excess in the Debt Service Reserve Fund may be withdrawn from the Debt Service Reserve Fund and deposited in the Bond Payment Fund or may, in the discretion of the Issuer, be withdrawn from the Debt Service Reserve Fund and deposited into the Rebate Fund, the Construction Fund (if the excess originally constituted Bond proceeds) or the Earnings Account (if the excess constitutes investment earnings or Pledged Revenues) or paid over to the Department, in each case free and clear of any lien, pledge or claim under the Indenture as required or permitted by law. No such withdrawal may be made unless, at the time of the withdrawal, there exists no deficiency in any other fund or account pledged to the payment of Bonds.

In lieu of the required transfers or deposits of money to the Debt Service Reserve Fund, or as a replacement or substitution for any moneys or Permitted Investments then on deposit in the Debt Service Reserve Fund, the Issuer may at any time cause to be deposited into the Debt Service Reserve Fund a Reserve Fund Credit Facility for the benefit of the holders of the specified Bonds. Subject to the maintenance of the Debt Service Reserve Fund Requirement, amounts in the Debt Service Reserve Fund may, if required by the terms of any Reserve Fund Credit Facility, be used to repay any drawings on a Reserve Fund Credit Facility, but only if such repayment will result in a reinstatement of the amount available to be drawn under the Reserve Fund Credit Facility in an amount at least equal to the amount of the repayment.

In the event of the refunding of any Bonds, the Issuer may withdraw from the Debt Service Reserve Fund all or any portion of the amounts accumulated with respect to the Bonds being refunded and deposit those amounts with the Trustee to be held for the payment of the principal or Redemption Price, if applicable, of and interest on the Bonds being refunded or apply those amounts to pay the costs of issuance of the Refunding Bonds.

Upon issuance of the Series 2017A Bonds, the Debt Service Reserve Fund Requirement will be $_____. The Debt Service Reserve Requirement will be fully funded from the transfer of a portion of the assets currently held in the Debt Service Reserve Fund for the Refunded Bonds.

Application of Pledged Revenues; Residual Fund

The assignment and pledge of Pledged Revenues to the Trustee for the benefit of the Owners of the Bonds under the Indenture constitutes a first lien on the Pledged Revenues received by the Issuer or the Trustee. The Pledged Revenues received by the Issuer or the Trustee are required by the Indenture to be deposited and used only in the manner and order of priority specified below.

Deposits are first made into the Bond Payment Fund, and amounts on deposit in an account of the Bond Payment Fund may be used only to pay Bond Payments and Redemption Price on the Bonds and for other purposes expressly provided by the Indenture. Moneys on deposit in the Bond Payment Fund are used to make the following payments or for the following purposes:

Interest Component. To pay the next maturing interest payment on the Bonds;

Principal Payments. To pay the next maturing principal payment on the Bonds.

Redemption Price. To pay the Redemption Price of the Bonds next coming due pursuant to redemption prior to maturity.

Deposits are next made, as necessary, into the Debt Service Reserve Fund and then the Rebate Fund.

Pledged Revenues may then be used to pay debt service or any other obligations that do not have a lien on Pledged Revenues equal to the lien securing Bonds; provided, however, that Pledged Revenues shall not be so used if there exists a deficiency as to the amount required to be on deposit in the Bond Payment Fund, the Debt Service Reserve Fund or the Residual Fund as of the date of any such payment or transfer.

Any remaining Pledged Revenues will then be deposited into the Residual Fund, and amounts in the Residual Fund will be transferred, in the following order, to the Bond Payment Fund, the Debt Service Reserve Fund or the Rebate Fund to the extent necessary to meet the requirements of any such fund. To the extent that (i) the amount on deposit in the Bond Payment Fund is sufficient to meet Current Payments, (ii) there is no continuing payment default with respect to any Bonds, (iii) there are no deficiencies in the Debt Service Reserve Fund or the Rebate Fund, and (iv) as provided in a certificate of the RIDOT Director approved by the Director of Administration, any amounts to be released from the Residual Fund are not expected to be needed to make any subsequent Bond Payments, then any amount on deposit in the Residual Fund in excess of an amount equal to at least one-half of the maximum amount of Bond Payments coming due in any State Fiscal Year during which Bonds would then be scheduled to remain Outstanding may be released free and clear of the lien of the Indenture for any lawful and authorized purpose, including the payment or redemption of Bonds.

Except as described above and for amounts held for the payment of Bonds not then deemed Outstanding, Pledged Revenues need not be retained for any use or in any account described in this Section in excess of the Pledged Revenues required for Current Payments.

Covenants Concerning the Pledged Revenues

In the Indenture, the Department covenants, among other matters, (i) that so long as the Bonds remain Outstanding, it will take no action that would cause the Pledged Revenues or the Allocated Funds authorized by the Program Act to be paid other than in accordance with the Indenture, and (ii) it shall comply with the Act, the regulations promulgated thereunder, all other Federal laws and regulations, the State Constitution and all other state laws relating to the Bonds, the Construction Costs and the subject matter of the Indenture and each Supplemental Indenture. In the Indenture, among other matters, the Issuer covenants that so long as the Bonds are Outstanding, the pledge by the Issuer of the Pledged Revenues for the payment of Bond Payments shall be irrevocable until all Bond Payments have been paid in full.

Additional Bonds

The Issuer shall not issue any notes, bonds, debentures, or other evidence of indebtedness that are payable out of, or secured by a pledge of, the Trust Estate on a basis senior to the Refunded Bonds and the Series 2017A Bonds.

The Issuer may issue, from time to time, one or more series of Additional Bonds in limited principal amounts for any lawful purpose permitted under the Act, which are payable from and secured by the Trust Estate on a parity with the outstanding Series 2017A Bonds and any series of Additional Bonds that may be subsequently issued, upon satisfaction of the requirements of the Indenture before such issuance. No series of Additional Bonds may be issued unless an authorized officer of the Issuer certify that as of the delivery of such series of Additional Bonds, no Event of Default will have happened and then will be continuing. In addition, the Department must certify (i) the amount of Pledged Revenues received by the State for each month during the most recent eighteen-month period for which reliable data is available preceding the month of the authentication and delivery of such series of Additional Bonds then proposed to be issued; (ii) the maximum annual Bond Payments for the Outstanding Bonds in the current and each future State Fiscal Year including the series of Additional Bonds proposed to be issued, but in the case of a series of Additional Bonds for refunding purposes, excluding the Bond Payments on the Bonds to be refunded; and (iii) that the amount of Pledged Revenues for any twelve consecutive months during the eighteen-month period described above in (i) was not less than 125% of the maximum annual Bond Payments for each State Fiscal Year set forth in (ii) above.

The Issuer may also issue Additional Bonds without complying with the paragraph above for the purpose of refunding in whole or in part any Series 2017A Bonds Outstanding under the Indenture, provided that the Issuer certifies that the annual Bond Payments for all Bonds Outstanding immediately after the issuance of such proposed Refunding Bonds (including Bond Payments on the Refunding Bonds but excluding Bond Payments on refunded Bonds) for the current and each future State Fiscal Year to and including the State Fiscal Year of the latest maturity on any Series 2017A Bonds then Outstanding is no greater than the annual Bond Payments for all Bonds Outstanding immediately prior to such issuance during the same State Fiscal Years. If the Issuer cannot satisfy the requirement of the preceding sentence, the Issuer may nevertheless issue Additional Bonds for the purpose of refunding Series 2017A Bonds upon compliance with the test described in the preceding paragraph.

For further discussion of issuance of Additional Bonds, see "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Additional Bonds."

Credit Facilities and Interest Rate Exchange Agreements

Notwithstanding any other provision of the Indenture, (i) the Issuer may purchase or arrange for a Credit Facility to secure any Bonds and may agree to reimburse the provider for any draws to make Bond Payments on a parity with or on a basis subordinate to the payment of Bond Payments and (ii) to the extent permitted by law, the Issuer may purchase or arrange for an Interest Rate Exchange Agreement with respect to any Bonds and may agree to make payments to the provider of an Interest Rate Exchange Agreement, which may be on a parity with or on a basis subordinate to the payment of Bond Payments.

Defeasance

If the Issuer pays or causes to be paid, or there is otherwise paid, to the Owners of all outstanding Bonds or Bonds of a particular maturity or a particular Bond within a maturity, the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds or Bond, as applicable, will cease to be entitled to any pledge, benefit or security under the Indenture, and all covenants, agreements and obligations of the Issuer to the Owners of such Bonds or Bond, as applicable will thereupon cease, terminate and become void and be discharged and satisfied.

Subject to the provisions of the Indenture, any outstanding Bonds will be deemed to have been paid within the meaning and with the effect expressed in the foregoing paragraph if there has been deposited with an escrow agent appointed for such purpose either money in an amount which will be sufficient, or Defeasance Securities as

prescribed in the Indenture, the principal of and the interest on which, when due, will provide money which, together with the money, if any, deposited with the escrow agent at the same time, will be sufficient to pay when due the principal and interest due and to become due on such Bonds on or prior to the maturity date thereof. See "Defeasance" in "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

THE RHODE ISLAND COMMERCE CORPORATION

General

The Issuer was authorized, created and established by the General Assembly of the State as a public corporation, governmental agency and public instrumentality having a distinct legal existence from the State and not constituting a department of State government pursuant to the Act. The Issuer is empowered, among other things, to issue its bonds and notes, if deemed advisable, and to loan the proceeds thereof to various borrowers in the State, including to the Department for the Construction Projects, for the acquisition, ownership, operation, construction, reconstruction, rehabilitation, improvement, development, sale, lease, or other disposition of, or the provision of financing for, any real or personal property, of any facility to promote the economic development of the State and the general welfare of its citizens. In 2013, the Rhode Island General Assembly passed legislation intended to develop an integrated system of economic development activities by which the enabling act of the Rhode Island Economic Development Corporation ("RIEDC") was amended resulting in the change of the RIEDC's name to the Rhode Island Commerce Corporation and the creation of the Executive Office of Commerce as the State's lead agency for economic development throughout Rhode Island. The Executive Office of Commerce is headed by the Secretary of Commerce who also acts as the Chief Executive Officer of the Issuer.

The Issuer Act declares that it is the policy of the State to promote a vigorous and growing economy, to prevent economic stagnation and to encourage the creation of new jobs in order to ameliorate the hazards of unemployment and underemployment, reduce the level of public assistance, increase revenues to the state and its municipalities and achieve a stable and diversified economy.

Certain State laws require information be provided to the General Assembly concerning bond issues by the Issuer, including the issuance of the Series 2017A Bonds. The Issuer and the Department have obtained, or prior to the delivery of the Series 2017A Bonds, will have obtained all required approvals under such laws for the issuance of the Series 2017A Bonds.

The Series 2017A Bonds are being issued in full compliance with the Act. The Issuer is authorized to enter into the Indenture to issue the Series 2017A Bonds and to secure the Series 2017A Bonds by a pledge of the Trust Estate.

The Issuer Act provides that all of the powers of the Issuer are vested in a Board of Directors consisting of thirteen (13) members. The Governor serves as a member of the Board and as chairperson, ex-officio (who shall vote only in the event of a tie). In addition to the Governor, the membership of the Board consists of twelve (12) public members to be appointed by the Governor, with the advice and consent of the Senate. Accordingly, in addition to the Governor, there are currently twelve (12) public members. Generally, the members serve for four-year terms. The Chairperson designates a Vice Chairperson who serves at the pleasure of the Chairperson. The Secretary of Commerce serves as the Chief Executive Officer of Issuer. The Board of Directors appoints a Secretary who need not be a member of the Board of Directors. All members serve without compensation but are entitled to reimbursement for necessary expenses incurred in performance of their duties related to the Issuer Act.

Directors and Officers

The Directors and Officers of the Issuer are:

Her Excellency Gina M. Raimondo. Governor Raimondo serves as Chair of the Board of Directors, ex-officio.

Ronald P. O'Hanley. Mr. O'Hanley serves as Vice Chair of the Board of Directors. His appointment as a member was through February 1, 2017, and he serves until his successor is appointed and qualified. Mr. O'Hanley is the President & Chief Executive Officer of State Street Global Advisors.

Karl Wadensten. Mr. Wadensten serves as Treasurer of the Board of Directors. His appointment as a member is through February 1, 2018, and he serves until his successor is appointed and qualified. Mr. Wadensten is President of VIBCO, in Wyoming, Rhode Island.

Bernard V. Buonanno III. Mr. Buonanno has been appointed as a member of the Board of Directors for a term expiring February 1, 2019, and he serves until his successor is appointed and qualified. Mr. Buonanno is the Managing Director of Nautic Partners in Providence, Rhode Island.

Nancy Carriuolo, PhD. Dr. Carriuolo has been appointed as a member of the Board of Directors for a term expiring February 1, 2017, and she serves until her successor is appointed and qualified. Dr. Carriuolo is Vice President for Advancement at New England Institute of Technology.

Oscar T. Hebert. Mr. Hebert has been appointed as a member of the Board through February 1, 2018, and he serves until his successor is appointed and qualified. Mr. Hebert is Chief Client Officer at Carousel Industries.

Mary Jo Kaplan. Ms. Kaplan has been appointed as a member of the Board of Directors for a term expiring February 1, 2019, and she serves until her successor is appointed and qualified. Ms. Kaplan is an executive at Loomio in Providence, Rhode Island.

Jason Kelly. Mr. Kelly has been appointed as a member of the Board through February 1, 2016, and he serves until his successor is appointed and qualified. Mr. Kelly is an Executive Vice President of Moran Shipping Agencies, in Providence, Rhode Island.

Mary Lovejoy. Ms. Lovejoy has been appointed as a member of the Board of Directors for a term expiring February 1, 2016, and she serves until her successor is appointed and qualified. Ms. Lovejoy is an executive at Textron in Providence, Rhode Island.

Michael F. McNally. Mr. McNally has been appointed as a member of the Board of Directors for a term expiring February 1, 2019, and he serves until his successor is appointed and qualified. Mr. McNally is retired.

George Nee. Mr. Nee has been appointed a member of the Board through February 1, 2016, and he serves until his successor is appointed and qualified. Mr. Nee is President of Rhode Island AFL-CIO.

Donna M. Sams. Ms. Sams has been appointed as a member of the Board of Directors for a term expiring February 1, 2017, and she serves until her successor is appointed and qualified. Ms. Sams is the owner of Centered Change, LLC.

Vanessa Toledo-Vickers. Ms. Toledo-Vickers has been appointed as a member of the Board of Directors for a term expiring February 1, 2018, and she serves until her successor is appointed and qualified. Ms. Toledo-Vickers is the Director of Operations at the Academy of Career for Exploration in Providence, Rhode Island.

Other officers and managers of the Issuer are:

Stefan Pryor, Chief Executive Officer
Darin Early, President & Chief Operating Officer
Lisa Lasky, Chief Financial Officer
William Ash, Managing Director of Financial Services
Thomas Carlotto, Esq., Secretary

Other Indebtedness

Certain of the bonds of the Issuer other than the Series 2017A Bonds may be secured, in addition to a pledge of revenues, by a capital reserve fund established by the Issuer. Neither the revenues pledged to secure other bonds of the Issuer nor the capital reserve fund established by the Issuer for other Issuer bonds secures the Series 2017A Bonds; nor does the Trust Estate secure any other bonds of the Issuer.

STATE MOTOR FUEL TAX

The following summary does not purport to be complete and, accordingly, is qualified by reference to Title 31, Chapter 36 of the Rhode Island General Laws, the "Motor Fuel Tax Act". The General Assembly has altered and may in the future alter the Motor Fuel Tax Act. See "Legislation" below.

The Trust Estate includes the Pledged Revenues paid to the Trustee by the State under the Motor Fuel Tax Act and the Payment Agreement. Upon transfer from the State, the Pledged Revenues consist of two cents ($.02) per gallon of the Motor Fuel Tax (defined below) receipts, net of refunds and adjustments as determined by the State. Refunds and adjustments relate to payments made by distributors for fuels which are later sold out of state and refunds for exempt uses (such as in commercial fishing) where the tax is initially paid and then refunded upon application. Such adjustments are made on a monthly basis and are provided for in the Payment Agreement. See "STATE MOTOR FUEL TAX - Crediting of Receipts" and "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Creation of Trust Estate" and "Deposits of State Transportation Funds as Pledged Funds." For purposes of this Official Statement, the term "Motor Fuel Tax" means the tax applied under the Motor Fuel Tax Act to Motor Fuel (as defined below).

General

The State has imposed a tax on motor fuel since 1925. "Fuels", as defined in the Motor Fuel Tax Act, are generally limited to fuels used in propelling motor vehicles using internal combustion engines over the highways of the State, and includes gasoline and certain diesel fuel (collectively, "Motor Fuel"). The term "Fuels" as defined in the Motor Fuel Tax Act does not include diesel fuels for the propulsion of marine craft, airplane fuels, oils used for heating purposes, or manufactured biodiesel fuel. Under the Motor Fuel Tax Act, certain users of Motor Fuel are either exempt from paying the Motor Fuel Tax or may be entitled to a refund from the State for payment of the Motor Fuel Tax. See "STATE MOTOR FUEL TAX - Exemptions, Refunds and Abatements from the Motor Fuel Tax."

Motor Fuel Tax Rate

The tax rate (the "Motor Fuel Tax Rate") under the Motor Fuel Tax Act is currently thirty-three cents ($.33) per gallon of Motor Fuel.

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Comparison of Motor Fuel Tax Rates
For Contiguous States

The table below lists gasoline and diesel tax rates effective as of January 1, 2017, exclusive of local taxes, license and inspection fees of the State, Connecticut and Massachusetts.[1]

	Gasoline	Diesel
Rhode Island	33.0¢	33.0¢
Connecticut*	25.0	41.7
Massachusetts**	24.0	24.0

* Connecticut also imposes a tax of 8.1 percent on the gross earnings from the first sale within the state of a petroleum product including gasoline, effective July 1, 2013. Connecticut Department of Revenue Services Special Notice 2013(3). Connecticut Department of Revenue Services Special Notice 2012(3) states the applicability of the petroleum products gross earnings tax is capped at $3.00 per gallon. According to the American Petroleum Institute, all Connecticut state taxes for gasoline total 38.25 cents per gallon as of July 1, 2017.
**According to the Massachusetts Department of Revenue, in addition to the 24.0 cents per gallon motor fuel excise tax, Massachusetts also imposes an underground storage tank delivery fee, which is currently at a rate of 2.5715 cents per gallon.
Notes: Pursuant to Connecticut Department of Revenue Services Announcement 2016(5), the diesel fuel tax rate changed from 50.3¢ to 41.7¢ effective July 1, 2016. The petroleum products gross earnings tax does not apply to diesel fuel.

SOURCES: American Petroleum Institute; Federation of Tax Administrators; Massachusetts Department of Revenue.

Motor Fuel Tax Collection Procedure

Any person, firm, or corporation that imports or causes to be imported Motor Fuel (collectively referred to as "Distributors") or who produces, refines, manufactures or compounds Motor Fuel must register to conduct such activities with the State Tax Administrator and deposit a surety bond based upon estimated sales of Motor Fuel Tax liability pursuant to Rhode Island General Laws § 31-36-3. Each such Distributor must file Motor Fuel Tax returns with the State Tax Administrator by the twentieth day of each month and simultaneously submit payments for taxable gallons of Motor Fuel sold during the preceding calendar month. Distributors must keep complete and accurate records of all sales of Motor Fuel including the name and address of the purchaser (except in the case of retail sales through filling stations operated by the Distributor), the place and date of delivery, the gross receipts and number of gallons for each type of Motor Fuel sold or used by such Distributor. Purchasers of Motor Fuel pay the Motor Fuel Tax to a Distributor when they purchase Motor Fuel. There are currently fewer than 100 Distributors who file Motor Fuel Tax returns with the State Tax Administrator.

Crediting of Receipts

Motor Fuel Tax receipts are credited to the State Intermodal Surface Transportation Fund (the "ISTF"). Approximately ninety-five percent (95%) of such receipts are received by the State Tax Administrator by Electronic Funds Transfer. Within twenty-four hours of receipt, the State Tax Administrator is required to make the following transfers from the ISTF: nine and twenty-five hundredths cents ($0.0925) per gallon of the Motor Fuel Tax receipts are transferred to the Rhode Island Public Transit Authority[2]; one cent ($0.01) per gallon of the Motor Fuel Tax receipts is transferred to the Elderly Disabled Transportation Program of the Rhode Island Department of Human Services; three and one-half cents ($0.035) of the Motor Fuel Tax receipts are transferred to the Rhode Island Turnpike and Bridge Authority; and two cents ($0.02) per gallon of the Motor Fuel Tax receipts net of refunds and exemptions (the "Allocated Funds") will be, subject to annual appropriations by the General Assembly, transferred to the Trustee for deposit in the Bond Payment Fund. All other funds in the Intermodal Surface Transportation Fund are dedicated to the Department, subject to annual appropriation by the General Assembly.

[1] Pursuant to Title 46, Chapter 12.9 of the Rhode Island General Laws, as amended, wholesalers in Rhode Island collect an additional 1 cent per gallon fee (on gasoline and diesel fuel) when the product is sold to owners and/or operators of underground storage tanks, and remit such fee to the State Tax Administrator. This amount is deposited in the Rhode Island Underground Storage Tank Financial Responsibility Fund. For purposes of this Official Statement, this additional fee is not a component of the Motor Fuel Tax, and no portion of this additional fee is pledged as security for the Bonds.

[2] An additional one-half cent ($0.005) per gallon that is derived from the Underground Storage Tank fee established pursuant to Title 46, Chapter 12.9 of the Rhode Island General Laws is also transferred to the to the Rhode Island Public Transit Authority. For purposes of this Official Statement, this additional fee is not a component of the Motor Fuel Tax, and no portion of this additional fee is pledged as security for the Bonds.

Exemptions, Refunds and Abatements from the Motor Fuel Tax

Sales of Motor Fuel to the federal government and to those entities which use Motor Fuel for the operation of railroad transportation on fixed rail tracks are exempt from the Motor Fuel Tax. In addition to these exemptions, Motor Fuel used by the Rhode Island Public Transit Authority for public passenger transportation services is exempt. Certain persons or entities that pay the Motor Fuel Tax and that use the Motor Fuel for certain exempt purposes may apply for a refund of the Motor Fuel Tax paid by supplying the original invoices for the purchase of such Motor Fuel and attesting, by affidavit filed with the State Tax Administrator, that the Motor Fuel was consumed for an exempt purpose. These persons or entities and related uses include, but are not limited to, sales between licensed Distributors or sales by a licensed Distributor to a person or entity outside the State, farmers, lumbermen and water well drillers who use Motor Fuel in stationary engines, tractors or motor vehicles not registered for use or used on public highways, commercial fishing operators and ferry operators who use Motor Fuel in the operation of their businesses, manufacturers who use diesel engine fuel for the manufacture of power and who use fuels other than gasoline and diesel engine fuel as industrial raw material and municipalities and sewer commissions using Motor Fuel in the operation of vehicles not registered for use on public highways. The State Tax Administrator estimates that, on average, less than 0.5% of annual Motor Fuel Tax receipts are refunded.

Legislation

The General Assembly has previously amended and may in the future amend (l) the imposition of the Motor Fuel Tax on Motor Fuel, including its imposition on different or alternative motor fuels; (2) the Motor Fuel Tax Rate; and (3) the allocation of Motor Fuel Tax receipts between the various State operating funds, including the ISTF. The 2009 General Assembly passed into law, effective July 16, 2009, an exclusion from the Motor Fuel Tax for the manufactured biodiesel portion of any gallon of blended biodiesel and petroleum diesel fuel provided that the manufactured biodiesel consists of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, the production of which resulted in employment in Rhode Island at a fixed location manufacturing facility for biodiesel fuel. Based on data provided by the Division of Taxation, for the period July 2016 through June 2017, the exclusion of the manufactured biodiesel portion of any blended biodiesel and petroleum diesel fuel resulted in 4,502,202 gallons of blended biodiesel fuel being fully exempted from the State's Motor Fuel Tax. The 2014 General Assembly included in Article 21 of the FY 2015 enacted budget a provision that indexes State's Motor Fuel Tax to the Consumer Price Index for All Urban Consumers (CPI-U) effective July 1, 2014. The indexation is on a biennial basis, increasing the State's Motor Fuel Tax Rate by $0.01 per gallon (to the current rate of $0.33 per gallon) at the beginning of FY 2016, and is expected to increase the State's Motor Fuel Tax Rate by $0.01 per gallon at the beginning of FY 2020 and FY 2022.

Motor Fuel Tax receipts earned in FY 2017 were approximately $145.8 million. The share of the Underground Storage Tank fee of $0.01 per gallon that is allocated to the Rhode Island Public Transit Authority generated an additional $2.2 million in FY 2017; thus, the total amount of Motor Fuel Tax receipts and the Underground Storage Tank Financial Responsibility Fund ("USTFRF") surcharge that was devoted to transportation totaled approximately $147.9 million. See "STATE MOTOR FUEL TAX- Crediting of Receipts" herein.

Historical Information Regarding Motor Fuel Tax

The level of Motor Fuel Tax receipts are directly related to the consumption of Motor Fuel in the State. Future consumption of Motor Fuel may be affected by many factors beyond the control of the State including, but not limited to, the level of employment, the price of Motor Fuel, the fuel efficiency of motor vehicles, and the availability and cost of alternative motor fuels or alternative propulsion mechanisms such as, for example, electric motors for vehicles, and the availability and cost of alternative modes of surface transportation, and therefore there can be no assurance that historical experience with collections of the Motor Fuel Tax will be indicative of future receipts. The Motor Fuel Tax Act does not restrict the right of the General Assembly to amend, repeal, modify, or otherwise alter the Motor Fuel Tax.

The State has increased the Motor Fuel Tax Rate several times since 1990, including the most recent increase effective July 1, 2015. The State's Fiscal Year commences on July 1 in each calendar year and ends on the last day of June of the next succeeding year; the abbreviation "FY" is used to describe a State Fiscal Year herein. The FY 1992 Appropriations Act increased the Motor Fuel Tax Rate from twenty cents per gallon to twenty-six

cents per gallon; the FY 1994 Appropriations Act increased the Motor Fuel Tax Rate to twenty-eight cents per gallon; the FY 2003 Appropriations Act increased the Motor Fuel Tax Rate to thirty cents per gallon; the FY 2010 Appropriations Act increased the Motor Fuel Tax Rate to thirty-two cents per gallon; and the FY 2015 Appropriations Act enacted the indexing requirement, which increased the Motor Fuel Tax Rate to thirty-three cents per gallon effective July 1, 2015 and is expected to increase the Motor Fuel Tax Rate by $0.01 at the beginning of FY 2020 and FY 2022. Throughout this period, the State budgets as enacted varied the allocation of Motor Fuel Tax receipts for various state funds. The current allocation of the Motor Fuel Tax receipts is described in "STATE MOTOR FUEL TAX - Crediting of Receipts."

The following tables set forth certain information regarding historical gasoline sales and collections of the Motor Fuel Tax.

State of Rhode Island
Historical Motor Fuel Sales

Fiscal Year	Average Price of Gasoline (1)	Taxable Gasoline (2) (millions of gallons)	Taxable Diesel (3) (millions of gallons)	Non-Agricultural Employment (4) (thousands)
2017	$2.288	379.7	60.3	493.1
2016	2.245	385.1	62.3	488.1
2015	2.875	375.6	68.8	482.0
2014	3.617	363.6	64.3	474.9
2013	3.705	360.9	58.1	468.0
2012	3.700	367.5	57.2	462.9
2011	3.226	369.5	61.2	459.2
2010	2.723	383.4	57.2	456.7
2009	2.581	392.2	60.4	469.6
2008	3.146	398.8	58.3	487.7
2007	2.583	399.4	65.4	494.0
2006	2.554	405.5	62.1	491.8
2005	2.018	395.1	62.6	490.0
2004	1.737	412.9	59.0	486.6
2003	1.542	405.0	56.2	481.4
2002	1.352	409.0	57.2	478.1
2001	1.620	405.0	56.4	479.2
2000	1.444	410.6	55.3	471.9
1999	1.071	402.0	53.7	461.1
1998	1.204	393.1	48.5	454.2

SOURCES: "Average Price of Gasoline," Rhode Island State Energy Office and "Non-Agricultural Employment," U.S. Bureau of Labor Statistics. "Motor Fuel Tax Consumption Analysis," State Tax Administrator.

(1) Average retail price of self-serve regular unleaded gasoline for each fiscal year including all applicable taxes.
(2) Net of tax-free gallons. See "Exemptions, Refunds and Abatements from the Motor Fuel Tax."
(3) Net of tax-free gallons. See "Exemptions, Refunds and Abatements from the Motor Fuel Tax."
(4) Seasonally adjusted. Calculated as fiscal year average of monthly employment.

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State of Rhode Island
Historical Annual Collection of Motor Fuel Tax

Fiscal Year	Average Motor Fuel Tax Rate [1] (cents per gallon)	Motor Fuel Tax Receipts [2],[3] (in thousands)	Percentage Change	One Cent of Motor Fuel Tax (in thousands)[4]	Percentage Change
2017	33¢	147,946	-1.38%	$4,417	-1.38%
2016	33	150,018	4.93	4,479	1.89
2015	32	142,966	3.94	4,396	3.77
2014	32	137,542	2.29	4,236	2.39
2013	32	134,465	-1.60	4,138	-1.62
2012	32	136,646	-0.12	4,206	-0.10
2011	32	136,811	-1.84	4,210	-1.84
2010	32	139,368	5.53	4,289	-0.89
2009	30	132,069	-2.47	4,328	-4.12
2008	30	135,412	-4.06	4,514	-4.06
2007	30	141,138	-0.89	4,705	-0.89
2006	30	142,410	-0.20	4,747	-0.20
2005	30	142,696	0.15	4,757	0.15
2004	30	142,487	2.17	4,750	2.17
2003	30	139,458	7.28	4,649	0.12
2002	28	130,000	1.47	4,643	1.47
2001	28	128,115	-1.13	4,576	-1.13
2000	28	129,582	9.18	4,628	9.18
1999	28	118,683	-5.04	4,239	-5.04
1998	28	124,986	4.25	4,464	4.25

SOURCE: State Controller: Office of Revenue Analysis and State Tax Administrator.

(1) Average of Motor Fuel Tax Rate in effect during each fiscal year.
(2) Includes all Motor Fuel Tax collected by the State and credited to various budgeted funds. Motor Fuel Tax Receipts from 2009–2017 include RIPTA's share of USTFRF surcharge of $0.01 per gallon in addition to the 30-33¢ per gallon Motor Fuel Tax. See "STATE MOTOR FUEL TAX - Crediting of Receipts." Net of refunds and abatements from Motor Fuel Tax. See "STATE MOTOR FUEL TAX - Exemptions, Refunds and Abatements from the Motor Fuel Tax."
(3) Information for Fiscal Years 1999 and 1998 reflect cash receipts as provided by the State Tax Administrator. All other fiscal years are audited figures provided by the State Controller.
(4) Calculation for 2009–2017 does not include USTFRF surcharge funds.

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Historical Monthly Collection of Motor Fuel Tax
Most Recent 24 Months Ending June 2017

Month	Motor Fuel Tax Receipts (in thousands) [1]	One Cent of Motor Fuel Tax (in thousands)
July 2015	11,940	373.1
August 2015	12,886	390.5
September 2015	12,254	371.3
October 2015	12,105	366.8
November 2015	12,868	389.9
December 2015	12,067	365.7
January 2016	11,761	356.4
February 2016	11,799	357.6
March 2016	11,510	348.8
April 2016	11,923	361.3
May 2016	12,737	386.0
June 2016	13,103	397.1
July 2016	13,144	398.3
August 2016	12,930	391.8
September 2016	13,168	399.0
October 2016	12,408	376.0
November 2016	11,137	337.5
December 2016	12,108	366.9
January 2017	12,551	380.1
February 2017	11,869	359.9
March 2017	10,848	309.6
April 2017	11,347	363.0
May 2017	11,828	358.4
June 2017	12,353	374.3

SOURCE: State Tax Administrator. Receipts reflect the prior month's motor fuel sales tax return.

[1] Net of refunds and abatements from Motor Fuel Tax. See "STATE MOTOR FUEL TAX — Exemptions, Refunds and Abatements from the Motor Fuel Tax."

Projected Collection of Gasoline Tax and Motor Fuel Tax Pledged Revenues

Under Title 35, Chapter 16 of Rhode Island General Laws, as amended, the State has established Revenue Estimating Conferences. The principals of the Revenue Estimating Conferences are the fiscal advisor to the House of Representatives, the fiscal advisor to the Senate and the State Budget Officer. The purpose of the Revenue Estimating Conferences is to develop a consensus economic forecast, to forecast revenue estimates and to review current collections under current tax law. The Revenue Estimating Conferences forecasts State tax revenues in November and May of each year; the Governor's budget proposal is submitted to the General Assembly in January of each year. In the FY 2010 budget, the General Assembly allocated the last $0.01 of the Motor Fuel Tax that was designated for general purposes to the Department of Transportation. As a result, the principals of the Revenue Estimating Conference no longer estimate the per penny yield of the Motor Fuel Tax. Since November 2011, the Department of Revenue's Office of Revenue Analysis has projected the per penny yield of the State's Motor Fuel Tax on a twice-yearly basis (November and May). These projections are intended for use by Motor Fuel Tax

recipients for the development of budgets and do not constitute official projections of the State. Revenue estimates for the per penny yield of the Motor Fuel Tax in FY 2018 and FY 2019 based on actual receipts through April 2017 reported by the Office of Revenue Analysis in May 2017 were $4,435,486 and $4,403,804 respectively. These per penny yield amounts are the same as the per penny yields included in the FY 2018 enacted budget.

DEBT SERVICE REQUIREMENTS FOR THE SERIES 2017A BONDS

The following table shows the debt service requirements for the Series 2017A Bonds.[1]

Fiscal Year	Principal	Interest	Total Debt Service on Series 2017A Bonds
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
TOTAL*			

[1] All outstanding maturities of the Refunded Bonds are being refunded and defeased by the Series 2017A Bonds.
* Numbers may not add up to the total due to rounding.

MANAGEMENT OF STATE HIGHWAY PROGRAM

State Planning Council

Pursuant to Title 42, Chapter 11, Section 10, of the Rhode Island General Laws, as amended, the State Planning Council ("SPC") is responsible for adopting strategic plans and the long-range state guide plan, including the TIP. The SPC consists of twenty-seven (27) members and is chaired by the Director of the Department of Administration. Each of the Construction Projects has been included in the TIP as approved by the SPC. The FFY 2017-2025 TIP was adopted by the State Planning Council in September of 2016 and has been certified by FHWA and the Federal Transit Administration as satisfying all regulations for the obligation of Federal-aid highway funds and Federal transit funds. This TIP includes the use of Motor Fuel Tax receipts for debt service payments on the Bonds. In an effort to improve project planning and delivery, the Department of Transportation has adopted a ten-year planning approach, with updates and re-adoption of the TIP every year, instead of every four years. This approach increases the frequency of public participation in the transportation planning process and allows transportation agencies throughout the state to more accurately plan their work. See "INFORMATION CONCERNING THE FUNDING OF FEDERAL-AID HIGHWAYS."

Department of Transportation

The Department is responsible for the integration of all modes of transportation into a single transportation system. The Department is organized to carry out its responsibilities for the construction and maintenance of all State roads, bridges, transportation facilities (other than those operated and maintained by the Rhode Island Turnpike and Bridge Authority), and the administration of State and Federal highway construction assistance programs.

The Department administers the State highway system. The Department's responsibilities include road construction, road maintenance, mass transit and planning activities. Beginning in FY 1994, the State established the ISTF, in partial fulfillment of a plan to join the remaining states in funding transportation expenditures from dedicated user-related revenue series. This highway fund concept has the advantage of relating the funding of transportation projects to those who utilize the services provided by those projects, by means of financing mechanisms paid directly by those end-users. The concept is also intended to provide a fairly stable revenue stream to enable transportation projects to be eventually financed on a pay-as-you-go basis.

The ISTF is supported by 33.5 cents of the State's 34 cents per gallon motor fuel tax (including the Underground Storage Tank fee of 1.0 cent), of which 9.75 cents ($.0975) per gallon is transferred to the Rhode Island Public Transit Authority, 3.5 cents ($.0350) per gallon is transferred to the Rhode Island Turnpike and Bridge Authority and 1.0 cent ($.01) is transferred to the Rhode Island Department of Human Services for an elderly services transportation program through a relationship with RIPTA. Beginning July 1, 2015 and every other year thereafter, the Motor Fuel Tax shall be adjusted by the percentage in the Consumer Price Index for all Urban Consumers (CPI-U) designed to keep up with inflation. The adjustment will then be rounded to the nearest 1.0 cent increment. Under recent transportation funding reforms through the State Budget process, Rhode Island has modified its transportation financing system. The Rhode Island Highway Maintenance Account was created under Title 39, Chapter 18 of the State of Rhode Island General Laws as a means of providing additional resources for state projects. The Rhode Island Highway Maintenance Account was created as a special account within the ISTF which dedicates the collection of vehicle registration fees, surcharges and other driver user fees towards transportation purposes; designed to eliminate structural deficiencies of the State's bridge, road and maintenance systems and infrastructure. In addition to the Motor Fuel Tax and the Rhode Island Highway Maintenance Account generated revenues, the State's appropriated Capital Improvement Plan dedicates Rhode Island Capital Plan Funds to the Department's Highway Improvement Program (HSIP). Typically, the Department has used funds legally available in the ISTF to provide state matching funds for federal transportation projects.

Furthermore, the Rhode Island Bridge, Reconstruction and Maintenance Fund Act of 2016, also known as the RhodeWorks legislation, which passed in February 2016, provides more funding for bridge replacement, reconstruction and maintenance. The RhodeWorks program allows the Department to establish and collect tolls on large commercial trucks traveling on Rhode Island bridges and allows for the issuance of new Grant Anticipation Bonds, not to exceed $300 million, which was effectuated by the issuance of the Rhode Island Commerce Corporation Grant Anticipation Bonds (Rhode Island Department of Transportation), Series 2016B (the "Series 2016B GARVEE Bonds"). The RhodeWorks plan also includes refinancing and restructuring of existing Grant Anticipation Bonds, which refinancing and restructuring was effectuated by the issuance of the Rhode Island Commerce Corporation Grant Anticipation Refunding Bonds (Rhode Island Department of Transportation), Series 2016A (the "Series 2016A GARVEE Bonds"). The program is made possible by the Fixing America's Surface Transportation (FAST) Act, which authorizes Federal highway, highway safety, transit, and rail programs for five years from Federal fiscal years 2016 through 2020. The FAST Act represents the first long-term comprehensive surface transportation legislation since the SAFETEA-LU Act in 2005. The FAST Act provides a moderate increase in funding compared to the previous federal authorization, adjusting for inflation, while continuing to distribute the FAHP contract authority to states through formula programs. The Department estimates that per the FAST Act, the Department expects to receive $1.1 billion in Federal Highway funds or an additional $102.7 million over the next five years of the authorization. The Department's ten-year plan does not assume any increases in federal funding after FFY 2020.

The Director of the Department serves as the Chief Administrative Officer of the Department. The Director is appointed by the Governor and confirmed by the Senate, and is directly responsible to the Governor. The Department is organized into four divisions.

LITIGATION

There is no litigation pending in any court or, to the best knowledge of the Issuer threatened, questioning the corporate existence of the Issuer, or the title of the present Directors or Officers of the Issuer to their respective offices. There is no litigation or administrative action pending in any court or, to the best knowledge of the Department and the Issuer, threatened, which would restrain or enjoin the issuance, sale or delivery of the Series

2017A Bonds or in any way contest or affect the validity of the Series 2017A Bonds, or which concerns the proceedings of the Issuer taken in connection with the issuance and sale of the Series 2017A Bonds or the execution, delivery and performance of the Federal Aid Agreements or the Payment Agreement, or the pledge and application of any funds pursuant to the Indenture provided for the payment of the Series 2017A Bonds, or which contests the powers of the State, including the Department, and the Issuer, with respect to the foregoing.

The Attorney General of the State will provide an opinion in connection with the issuance of the Series 2017A Bonds that, to the best of his knowledge, there is no pending or threatened litigation against the State or the Issuer contesting the validity of the Issuer Act or the Program Act, or seeking to enjoin the issuance of the Series 2017A Bonds by the Issuer or the entering into of the Payment Agreement by the Governor, the Treasurer, the Director of the Department of Administration or the Director of the Department.

On March 7, 2016, the United States Securities and Exchange Commission ("SEC") filed a complaint in the United States District Court for the District of Rhode Island charging the Issuer and Wells Fargo Securities with defrauding investors in the 38 Studios bond offering and certain individuals, including an employee of Wells Fargo and the former Executive Director and Deputy Director of the Issuer, with aiding and abetting the fraud. According to an SEC news release, the former employees of the Issuer agreed to settle the charges without admitting or denying the allegations and must each pay a $25,000 penalty. The Issuer reached a settlement with the SEC without admitting or denying the allegations contained in the complaint. As part of the conditions of the settlement, the Issuer is permanently enjoined from violating Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 (the "Securities Act") in the offer or sale of any securities and has agreed to pay a civil penalty in the amount of $50,000 pursuant to Section 20(d) of the Securities Act. The settlement was approved by the U.S. District Court for the District of Rhode Island by entry of final judgment on April 3, 2017.

TAX MATTERS

Opinion of Co-Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP and Shechtman Halperin Savage, LLP, Co-Bond Counsel to the Issuer, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2017A Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2017A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; such interest, however, is included in the adjusted current earnings of certain corporations for purposes of calculating the alternative minimum tax imposed on such corporations. In rendering each of their opinions, Co-Bond Counsel have relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Issuer and the Department in connection with the Series 2017A Bonds, and Co-Bond Counsel have assumed compliance by the Issuer and the Department with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Series 2017A Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Co-Bond Counsel to the Issuer, under existing statutes, interest on the Series 2017A Bonds is exempt from Rhode Island personal income taxes.

Co-Bond Counsel express no opinion regarding any other Federal or state consequences with respect to the Series 2017A Bonds. Co-Bond Counsel render their opinions under existing statutes and court decisions as of the issue date, and assume no obligation to update, revise or supplement their opinions to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to their attention, or changes in law or in interpretations thereof that may hereafter occur, or for any other reason. Co-Bond Counsel express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for Federal income tax purposes of interest on the Series 2017A Bonds, or under state and local tax law.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Series 2017A Bonds in order that interest on the Series 2017A Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Series 2017A Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the Federal government. Noncompliance with such requirements may cause interest on the Series 2017A Bonds to become included in gross income for Federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Issuer and the Department have covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Series 2017A Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral Federal income tax matters with respect to the Series 2017A Bonds. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Series 2017A Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Series 2017A Bonds.

Prospective owners of the Series 2017A Bonds should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is not included in gross income for Federal income tax purposes. Interest on the Series 2017A Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Series 2017A Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity means the first price at which a substantial amount of the Series 2017A Bonds of that maturity was sold (excluding sales to bond houses, brokers, or similar persons acting in the capacity as underwriters, placement agents, or wholesalers). In general, the issue price for each maturity of Series 2017A Bonds is expected to be the initial public offering price set forth on the inside cover page of this Official Statement. Co-Bond Counsel further are of the opinion that, for any Series 2017A Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for Federal income tax purposes to the same extent as other interest on the Series 2017A Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for Federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a Series 2017A Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Series 2017A Bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that Series 2017A Bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond, determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for Federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Series 2017A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2017A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2017A Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Series 2017A Bonds under Federal or state law or otherwise prevent beneficial owners of the Series 2017A Bonds from realizing the full current benefits of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Series 2017A Bonds. Prospective purchasers of the Series 2017A Bonds should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the State will execute a written Continuing Disclosure Agreement, dated the date of delivery of the Series 2017A Bonds (the "Disclosure Agreement"), substantially in the form set

forth as "APPENDIX E – PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT," wherein the State will agree, for the benefit of the beneficial owners of the Series 2017A Bonds, to provide, or cause to be provided, certain annual financial information that is generally consistent with the information contained under the heading "STATE MOTOR FUEL TAX" herein for the prior Federal Fiscal Year, and notice of the occurrence of certain events or failures to take certain required actions with respect to the Series 2017A Bonds.

The State may from time to time choose to provide notice of the occurrence of other events, in addition to those required in the Disclosure Agreement, but the State does not undertake to commit to provide any notice of the occurrence of any event except those events listed in the Disclosure Agreement.

The obligations of the State described in the Disclosure Agreement will remain in effect until the Series 2017A Bonds are no longer Outstanding or the Rule no longer applies to the Series 2017A Bonds. The Disclosure Agreement may be amended or waived upon receipt by the State of an opinion of independent counsel to the effect that the amendment or waiver would not, in and of itself, cause the Disclosure Agreement to violate the Rule.

A beneficial owner of a Series 2017A Bond may seek to enforce the undertakings of the State in the Disclosure Agreement by an action for specific performance in any court of competent jurisdiction in Providence, Rhode Island after providing the State with 30 days' prior written notice of its failure to perform. Any failure of the State to comply with any of its obligations in the Disclosure Agreement shall not be a default or Event of Default with respect to the Series 2017A Bonds under the Indenture.

Except as described below, the Issuer has complied in all material respects with all continuing disclosure agreements made by it in accordance with the Rule. During the period from November 2010 through 2014, the Issuer inadvertently failed to file notices of changes in the financial strength ratings issued by the rating agencies for Assured Guaranty Municipal Corporation, which provided insurance in relation to bonds issued by the Issuer in November 2010. The Issuer plans to regularly review the effectiveness of its procedures for the timely filing of such information on a going forward basis, and to take prompt action to remedy any deficiencies of which it becomes aware.

The Issuer also participated in the Municipalities Continuing Disclosure Cooperation Initiative in relation to the filing of rating downgrades by the Rhode Island Airport Corporation, an obligor under certain bond issuances of the Issuer, which filings may not have been made in a timely manner.

Except as described below, the State has complied in all material respects with all continuing disclosure agreements made by it in accordance with the Rule for the past five years.

The State has been filing from time to time notices regarding changes in the financial strength ratings issued by the Rating Agencies during the period from 2009 through 2014 for those national bond insurers who have provided bond insurance on certain bonds and lease participation certificates for which the State has a continuing disclosure obligation under the Rule. Although the State believes it has complied in all material respects with its obligations to file notices of material rating changes with respect to such rating changes, it cannot rule out the possibility that determinations made by the State might be open to interpretation as to whether certain rating changes in connection with such bond insurers were material or not material or what constituted "timely" filing. The State has instituted policies and procedures designed to ensure compliance with the new reporting obligations under the Rule that were effective as of December 1, 2010, that now require filing notices of rating changes in connection with new bond issues within 10 business days of such occurrence regardless of materiality. However, the State inadvertently failed to file a notice of rating change occurring on September 23, 2013 related to the Series 2003A Bonds, the Series 2006A Bonds and the Series 2009A Bonds through the Rhode Island Commerce Corporation (formerly known as the Rhode Island Economic Development Corporation). At this time, such information has been filed. The State also failed to file a notice of rating change occurring on June 16, 2014 related to the Series 2006A GARVEE Bonds and the Series 2009A GARVEE Bonds; such notice was filed on May 3, 2016. Additionally, the State failed to file its Annual Information Report due on February 1, 2016 and relating to the Series 2006A GARVEE Bonds, the Series 2009A GARVEE Bonds and the Series 2003A Bonds, the Series 2006A Bonds and the Series 2009A Bonds. Notices of such failures were filed on February 2, 2016 and the Annual Information Reports were filed on February 3, 2016 and February 5, 2016, respectively. The State also failed to file notices of rating changes occurring on September 12, 2012 and November 14, 2012 relating to the Series 2003A GARVEE Bonds

and the Series 2006A GARVEE Bonds. Notice of the failure to file a notice and the notice of the rating change with respect to the Series 2006A GARVEE Bonds, however, a notice of such rating changes was timely filed for the Series 2009A GARVEE Bonds. Such notices were filed for the Series 2006A GARVEE Bonds on May 25, 2016 (the Series 2003A GARVEE Bonds have since matured and been paid). The State also failed to file its Audited Financial Statements promptly when they became publicly available, and the State failed to file its Annual Information Report due on February 1, 2017, both relating to the Series 2016A GARVEE Bonds and the Series 2016B GARVEE Bonds. Notices of such failures, as well as the Audited Financial Statements and Annual Information Report, were filed on February 28, 2017. The State plans to regularly review the effectiveness of its policies and procedures and take prompt action to remedy any deficiencies of which it becomes aware.

In addition, the State may be deemed to have failed to file in a timely manner a notice regarding an unintentional principal payment delinquency relating to the State's Lease Participation Certificates (School of the Deaf Project - 2009 Series C). The State discovered on July 2, 2015 and notified the trustee for the certificates that a mandatory sinking fund payment was due on April 1, 2015 from a review of the certificate documents after having been previously advised by the trustee for the certificates that no payment was due on April 1, 2015. Notice of the unintentional delinquent payment was filed by the State on July 6, 2015, four days after the delinquent payment was discovered by the State but three months after the unintentional delinquency actually occurred under the certificate documents. The payment had been appropriated by the State in the FY 2015 budget but not made because of the incorrect information from the trustee for the certificates that no payment was due on April 1, 2015. The payment was made by the State to the trustee on July 13, 2015. The redemption occurred on August 3, 2015.

RATINGS

S&P Global Ratings ("S&P") and Moody's Investors Service ("Moody's") have assigned ratings of "A+" and "A2", respectively, on the Series 2017A Bonds.

No application was made to any other rating agency for the purpose of obtaining an additional rating on the Series 2017A Bonds. Such ratings reflect only the views of the respective rating agency at the time the rating is issued and do not constitute a recommendation to buy, sell or hold securities or address all material risks relating to an investment in the Series 2017A Bonds. An explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. The Issuer and the Department have furnished to the rating agencies certain information and materials, some of which have not been included in this Official Statement. Generally, a rating agency bases its rating on such information and materials and on its own investigations, studies and assumptions furnished to, obtained and made by the rating agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2017A Bonds.

UNDERWRITING

The Underwriters have designated Merrill Lynch, Pierce, Fenner & Smith Incorporated (Bank of America Merrill Lynch), as their Representative. The Underwriters have jointly and severally agreed, subject to certain conditions, to purchase all of the Series 2017A Bonds from the Issuer at a price of $_____ (being the aggregate principal amount of $_____, plus net original issue premium of $_____ and less an Underwriters' discount of $_____). The public offering prices may be changed from time to time by the Underwriters. The Underwriters may offer and sell the Series 2017A Bonds to dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than such initial public offering prices. The Underwriters will be obligated to purchase all of the Series 2017A Bonds if any are purchased.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their respective affiliates may have certain creditor and/or other rights against the Issuer or the State in connection with such activities. In the

various courses of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and State (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and State. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the issuance and sale of the Series 2017A Bonds and the tax treatment of interest on the Series 2017A Bonds are subject to the legal opinion of Hawkins Delafield & Wood LLP, New York, New York, and Shechtman Halperin Savage, LLP, Pawtucket, Rhode Island, Co-Bond Counsel, the substantially final form of which is attached hereto as "APPENDIX A – PROPOSED FORM OF OPINION OF CO-BOND COUNSEL." Certain legal matters will be passed upon for the Underwriters by their counsel, Pannone Lopes Devereaux & O'Gara LLC, Johnston, Rhode Island. Certain legal matters will be passed on for the Issuer by its General Counsel, Shechtman Halperin Savage, LLP, Pawtucket, Rhode Island. Certain legal matters will be passed upon for the State by the Attorney General and by its Special Counsel, Partridge Snow & Hahn LLP, Providence, Rhode Island.

FINANCIAL ADVISOR

PFM Financial Advisors LLC ("PFM") has served as financial advisor to the Issuer for the issuance of the Series 2017A Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in the Official Statement. PFM is an independent financial advisory firm and is not engaged in the business of underwriting, trading, or distributing public securities.

MISCELLANEOUS

The Department and the Issuer have furnished the information in this Official Statement relating to the Department and the Issuer.

Copies of the Indenture and the Federal Aid Agreements discussed herein may be obtained from the Department's Chief Financial Officer, located at Two Capitol Hill, Providence, Rhode Island 02903 (telephone: 401-222-6590).

All statements in this Official Statement involving matters of opinion, estimates, forecasts, projections, or the like, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such opinions or the like will be realized. The agreements of the Issuer and the Department are fully set forth in the Indenture in accordance with the Act and this Official Statement is not to be construed as a contract or agreement between the Issuer or the Department and the purchasers or Owners of any of the Series 2017A Bonds.

This Official Statement is submitted in connection with the sale of the Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. Concurrently with the delivery of the Series 2017A Bonds, the Issuer and the Department will furnish a certificate executed on behalf of the Issuer and the Department to the effect that this Official Statement, as of the date of this Official Statement and as of the date of delivery of the Series 2017A Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. This Official

Statement has been duly authorized and approved by the Issuer and the State and duly executed and delivered on its behalf by the official signing below.

RHODE ISLAND COMMERCE CORPORATION

By: _____
Stefan Pryor, Chief Executive Officer

Date: November __, 2017

APPENDIX A

PROPOSED FORM OF OPINION OF CO-BOND COUNSEL

Upon delivery of the Series 2017A Bonds in definitive form, Co-Bond Counsel to the Issuer, propose to render their final approving opinion in substantially the following form:

DATE OF CLOSING

Board of Directors
Rhode Island Commerce Corporation
315 Iron Horse Way, Suite 101
Providence, Rhode Island 02908

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of $___,___,___ Rhode Island Motor Fuel Tax Revenue Refunding Bonds (Rhode Island Department of Transportation), Series 2017A (the "Series 2017A Bonds") of Rhode Island Commerce Corporation (the "Issuer"), a public corporation, formerly known as the Rhode Island Economic Development Corporation, constituting a governmental agency and public instrumentality of the State of Rhode Island and Providence Plantations (the "State"), created and existing under and by virtue of Chapter 64 of Title 42 of the Rhode Island General Laws, the Rhode Island Commerce Corporation Act, as amended from time to time (the "Issuer Act").

All terms defined in the Indenture (hereinafter defined) and used herein shall have the meanings assigned in the Indenture, except where the context hereof requires otherwise.

The Series 2017A Bonds are issued under and pursuant to the Issuer Act and Sections 8 to 10 of Article 36 of Chapter 03-376 of the Public Laws of Rhode Island, as amended from time to time (the "Program Act", and together with the Issuer Act, referred to collectively as, the "Act"), and under and pursuant to a Master Trust Indenture authorizing Motor Fuel Tax Revenue Bonds entered into by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee (the "Trustee"), dated as of November 1, 2003 (the "Master Trust Indenture"), as supplemented, including as supplemented by a Series 2017A Supplemental Trust Indenture entered into between the Issuer and the Trustee, dated as of November 1, 2017 (the "Supplemental Indenture", and the Master Trust Indenture as so supplemented, is referred to as, the "Indenture").

The Series 2017A Bonds are dated, mature, are payable, bear interest and are subject to redemption, all as provided in the Indenture.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2017A Bonds in order that interest on the Series 2017A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. We have examined the Arbitrage and Use of Proceeds Certificate of the Issuer and the Rhode Island Department of Transportation (the "Department"), dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which the Issuer and the Department have made representations, statements of intention and reasonable expectation, certifications of fact and covenants relating to the federal tax status of interest on the Series 2017A Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2017A Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates the Issuer and the Department to take certain actions necessary to cause interest on the Series 2017A Bonds to be excluded from

gross income pursuant to Section 103 of the Code. Noncompliance with the requirements of the Code may cause interest on the Series 2017A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance, irrespective of the date on which such noncompliance occurs or is ascertained. The Issuer and the Department have covenanted in the Indenture to maintain the exclusion of the interest on the Series 2017A Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 3 hereof, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectation and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion from gross income for federal income tax purposes pursuant to Section 103 of the Code of interest on the Series 2017A Bonds, and (ii) compliance by the Issuer and the Department with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

We have also examined one of said Series 2017A Bonds as executed and, in our opinion, the form of said Series 2017A Bond and its execution are regular and proper.

The Series 2017A Bonds are issued for the purpose of refunding portions of the Issuer's Outstanding Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation) Series 2003A (the "Series 2003A Bonds"), Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation) Series 2006A (the "Series 2006A Bonds"), and Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation) Series 2009A (together with the Series 2003A Bonds and Series 2006A Bonds, the "Refunded Bonds").

A portion of the proceeds of the Series 2017A Bonds (the "Defeasance Deposit") has been used to purchase Defeasance Securities in an aggregate amount sufficient, together with any amounts held uninvested, to pay when due the Bond Payments or Redemption Price, as applicable, due and to become due on the Refunded Bonds on and prior to the redemption date or maturity date thereof, as the case may be (the "Defeasance Requirement"). Such Defeasance Deposit is being held in trust under the Refunding Escrow Agreement dated the date hereof (the "Escrow Agreement"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as escrow agent thereunder and as Trustee. The Issuer has given the Trustee, in form satisfactory to it, instructions to give notice in accordance with the Indenture of the redemption of the Refunded Bonds and the deposit of the Defeasance Deposit. Grant Thornton LLP has prepared a report stating that they have reviewed the accuracy of the mathematical computations of the adequacy of the Defeasance Deposit, as invested, to pay in full the Defeasance Requirement when due. We have undertaken no independent verification of the adequacy of the Defeasance Deposit.

The Issuer reserves the right to issue additional Bonds on the terms and for the purposes stated in the Indenture. Under the provisions of the Indenture, such Bonds, together with any Bonds previously issued and Outstanding, will rank equally with the Series 2017A Bonds as to security and payment from the Trust Estate.

We are of the opinion that:

1. The Issuer has the right and power under the Act to enter into the Indenture, and the Indenture has been duly and lawfully entered into by the Issuer, is in full force and effect and is valid and binding upon the Issuer and enforceable in accordance with its terms, and no other authorization for the Indenture is required. The Indenture creates the valid pledge of and lien on the Trust Estate (as defined in the Indenture), subject to the terms of the Indenture.

2. The Series 2017A Bonds are valid and binding special, limited obligations of the Issuer payable solely from the Trust Estate (subject to annual appropriation by the State of Allocated Funds) and have been duly authorized and issued in accordance with the Act and the Indenture. The Series 2017A Bonds do not give rise to a pecuniary liability or a charge against the general credit of the Issuer or the State and are not (and shall not be deemed or construed to be or to create) a debt, liability or obligation of the State or any political subdivision of the State, nor a pledge of the faith and credit of the State or any political subdivision of the State, within the meaning of the Constitution or laws of the State concerning or limiting the creation of indebtedness by the State or any political

subdivision of the State. Neither the State nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Series 2017A Bonds, and the owners of the Series 2017A Bonds shall have no right to make any claim against the State or any of its political subdivisions.

3. Under existing statutes and court decisions (i) interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2017A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code and is not included in the adjusted current earnings of corporations for purposes of calculating the alternative minimum tax.

Bond Counsel further is of the opinion that, for any Series 2017A Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Series 2017A Bonds.

4. Interest on the Series 2017A Bonds is exempt from State personal income taxes.

5. The Escrow Agreement has been duly authorized, executed and delivered by the Issuer and, assuming the due authorization, execution and delivery by the Trustee, is a valid and binding obligation of the Issuer, enforceable in accordance with its terms. The Refunded Bonds have been paid within the meaning and with the effect expressed in the Indenture, and the covenants, agreements and other obligations of the Issuer to the holders of the Refunded Bonds have been discharged and satisfied.

The opinions expressed in paragraphs 1 and 2 above are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 3 and 4, we express no opinion regarding any other federal, state, local or foreign tax consequences with respect to the Series 2017A Bonds. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2017A Bonds, or under state, local and foreign tax law.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2017A Bonds.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

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APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

Following are descriptions of certain terms used in the Trust Indenture and this Official Statement and brief summaries of certain provisions of the Trust Indenture. The descriptions and summaries do not purport to be complete or definitive and are subject in all respects to the provisions of, and each is qualified in its entirety by reference to, the respective documents to which they relate, copies of which are available, upon request, from the Issuer. All headings and references to "Sections," "Articles" and other subdivisions in or following the summaries of certain provisions of the Trust Indenture are provided solely for convenience of reference and shall not affect the meaning, construction, or effect of the Trust Indenture.

Certain Defined Terms (Section 1.01)

Accreted Value means any amount defined as such in a Supplemental Indenture for purposes of determining the Redemption Price of, certain rights of the Owner of or certain other matters with respect to a Capital Appreciation Bond.

Accretion Date means any date defined as such in a Supplemental Indenture for purposes of determining the Accreted Value or Maturity Value of a Capital Appreciation Bond.

Act means the Issuer Act and the Program Act, as such terms are defined in the Master Indenture.

Allocated Funds shall have the meaning provided by the Payment Agreement.

Authorized Denomination means the denomination or denominations defined as such in a Supplemental Indenture for purposes of determining the denominations of a Series of Bonds.

Authorized Issuer Representative means the Chairman, Vice Chairman, Executive Director, Deputy Director, Associate Director of Financial Services, Secretary, Assistant Secretary or Treasurer of the Issuer or the person at the time designated to act on behalf of the Issuer by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its Chairman, Vice Chairman, Executive Director, Deputy Director, Associate Director of Financial Services, Secretary, Assistant Secretary or Treasurer. Such certificate may designate an alternate or alternates.

Authorized State Transportation Projects means the Program Act Projects that may be funded from the proceeds of Bonds.

Bond Counsel means (a) as of the date of issuance of the first Series of Bonds, Hawkins Delafield & Wood LLP and Hinckley, Allen & Snyder LLP, and (b) as of any other date, Hawkins Delafield & Wood LLP and Hinckley, Allen & Snyder LLP or other attorneys selected by the Issuer who have nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

Bond Payment Date means each date on which Bond Payments are due and includes, but is not limited to, the maturity date of any Bond; each Interest Payment Date on each Current Interest Bond; and the mandatory sinking fund redemption dates of term Bonds that are subject to mandatory sinking fund redemption in accordance with a mandatory sinking fund redemption schedule set forth in a Supplemental Indenture.

Bond Payment Fund means the special fund created by the Master Indenture.

Bond Payments means (a) with respect to a Current Interest Bond, the interest due on such Bond on each Interest Payment Date and the principal and interest due on such Bond at maturity; (b) with respect to a Capital Appreciation Bond, the Maturity Value due on such Bond at maturity; and (c) with respect to term Bonds that are subject to mandatory sinking fund redemption in accordance with a schedule set forth in a Supplemental Indenture, the principal and interest or the Accreted Value payable on such Bonds on the date on which they are subject to

mandatory sinking fund redemption in accordance with such schedule. "*Bond Payments*" does not include the Redemption Price of any Bond.

For purposes of this definition:

(i) Bond Payments due on any Interest Payment Date that are payable from accrued interest or capitalized interest held in the Bond Payment Fund pursuant to the Master Indenture will be excluded in determining the amount of Bond Payments due in the State Fiscal Year in which such Interest Payment Date occurs for purposes of determining (A) the maximum annual Bond Payments for the certificate required by the Master Indenture; and (B) the amount of Pledged Revenues pursuant to the Master Indenture.

(ii) If any Bonds bear interest at an adjustable or variable interest rate such that the Bond Payments due in a State Fiscal Year or on a Bond Payment Date cannot be determined with certainty on the date on which Pledged Revenues are to be paid to the Trustee pursuant to the Master Indenture, or in determining the amount of Bond Payments becoming due during a State Fiscal Year for purposes of preparing the certificate required by the Master Indenture, the amount of interest included in the Bond Payments due on such Bonds in such State Fiscal Year or on such Bond Payment Date shall be based on the interest rate estimated by the Issuer, or as stated in any Supplemental Indenture relating thereto.

(iii) If the Issuer purchases or arranges for a Credit Facility or an Interest Rate Exchange Agreement with respect to any Bonds pursuant to the Master Indenture, (A) moneys paid or payable to the provider of the Credit Facility to reimburse the provider for moneys paid by the provider that are used to make Bond Payments (as defined in the first two sentences of this definition) and (B) moneys paid or payable to the provider of the Interest Rate Exchange Agreement for moneys paid by the provider that are used to make Bond Payments (as defined in the first two sentences of this definition) may, but in each case if and to the extent provided in a Supplemental Indenture or in a separate agreement between the Issuer and the Credit Facility or Interest Rate Exchange Agreement provider entered into pursuant to the Master Indenture, be treated as Bond Payments on the Bonds to which the Credit Facility or Interest Rate Exchange Agreement relates.

Bonds means the motor fuel tax revenue bonds, notes or other obligations authorized pursuant to the Master Indenture.

Business Day means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, Providence, Rhode Island or any city identified in a Supplemental Indenture are authorized by law to remain closed.

Capital Appreciation Bond means a Bond on which no payments are due until maturity or redemption prior to maturity.

Code means the Internal Revenue Code of 1986, as amended, and regulations thereunder.

Construction Costs means all costs and expenses paid or incurred or to be paid or incurred (including the reimbursement of RIDOT for any of such costs and expenses originally paid or incurred by RIDOT) in connection with:

(a) State Matching Funds, or the design of, acquisition of right-of-way for, construction of and improvements made as part of the Authorized State Transportation Projects;

(b) financing costs, including, but not limited to, costs and expenses that the Issuer deems necessary or advantageous in connection with the sale of the Bonds and the administration of the Bonds, the Trust Estate, the Master Indenture and any Supplemental Indenture, including, but not limited to, costs and expenses relating to the engagement of consultants, financial advisors, underwriters, bond insurers, letter of credit banks, rating agencies, attorneys, trustees, paying agents, registrars, other agents and other Persons in connection with the issuance of the Bonds, the Trust Estate, the Master Indenture or any Supplemental Indenture;

(c) payment of interest on the Bonds;

(d) costs and expenses relating to any Credit Facility entered into in accordance with the Master Indenture, including the reimbursement of the provider of any Credit Facility as provided in the Master Indenture;

(e) costs and expenses relating to any Interest Rate Exchange Agreement entered into in accordance with the Master Indenture; and

(f) amounts required to be deposited into the Rebate Fund pursuant to the Master Indenture and the Tax Certificates.

Construction Fund means the special fund created by the Master Indenture.

Construction Project means any Qualified Federal Aid Transportation Project (a) that is approved by RIDOT from time to time, and (b) with respect to which a Federal Aid Agreement is in full force and effect.

Credit Facility means any letter of credit, insurance, stand-by credit or liquidity agreement or other forms of credit ensuring timely payment of any Bonds, including the Bond Payments on or the Redemption Price or purchase price of such Bonds, that is entered into in accordance with the Master Indenture, including any Reserve Credit Facility. References to "Credit Facility" with respect to any Series of Bonds shall be ineffective when such Bonds are not supported by a Credit Facility.

Current Interest Bond means a Bond on which interest is payable on Interest Payment Dates prior to maturity or redemption prior to maturity.

Current Payments means all payments required to be made from Pledged Revenues for the payment of all Bond Payments and Program Costs, which become due during the current State Fiscal Year.

Debt Service Reserve Fund means the special fund created by the Master Indenture.

Debt Service Reserve Fund Requirement means as of any date of calculation, (a) with respect to all Outstanding Bonds other than Bonds which at their date of issuance are or are deemed under the Master Indenture to be for any period variable interest rate Bonds, put Bonds or bank Bonds, an amount equal to at least one-half of the greatest amount of Bond Payments with respect to such Outstanding Bonds for the then current or any future State Fiscal Year; *provided, however, that* as a result of the issuance of any Series of Bonds the interest on which is excluded from gross income for Federal income tax purposes the amount required to be on deposit to satisfy the Debt Service Reserve Fund Requirement shall not exceed the sum of the amount on deposit in the Debt Service Reserve Fund Requirement immediately prior to the issuance of such Series plus 10% of the proceeds from the sale of such Series, and (b) with respect to Bonds which at their date of issuance are or are deemed under the Master Indenture to be for any period variable interest rate Bonds, put Bonds or bank Bonds, the amount set forth in or determined pursuant to the Supplemental Indenture authorizing such Bonds as the Debt Service Reserve Fund Requirement for such Bonds; *provided further* that the amount of the Debt Service Reserve Fund Requirement (i) may be reduced to $0 upon the satisfaction of certain conditions set forth in the Master Indenture and (ii) if and to the extent required by the Master Indenture, shall be adjusted upward in monthly increments, but only to the extent Pledged Revenues are available therefor, following any such reduction to $0. For purposes of this definition, "proceeds" shall have the meaning given such term for purposes of Section 148(d) of the Code.

Defeasance Escrow Account means any trust account into which money and/or Defeasance Securities are deposited for the purpose of defeasing any Bonds in accordance with the Master Indenture.

Defeasance Securities means money and the following to the extent permitted by law (a) non-callable (at the option of the obligor) direct obligations of the United States of America, non-callable (at the option of the obligor) and non-prepayable direct federal agency obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by the United States of America, non-callable (at the option of the obligor) direct obligations of the United States of America which have been stripped by the United States Treasury itself or by any Federal Reserve Bank (not including "CATS," "TIGRS" and "TRS" unless the Issuer obtains Rating Confirmation with respect thereto) and the interest components of REFCORP bonds for which the underlying bond is non-callable (at the option of the obligor) (or non-callable by the obligor before the due date of such interest

component) for which separation of principal and interest is made by request to the Federal Reserve Bank of New York in book-entry form, and shall exclude investments in mutual funds and unit investment trusts;

(b) non-callable (at the option of the obligor) obligations timely maturing and bearing interest (but only to the extent that the full faith and credit of the United States of America are pledged to the timely payment thereof);

(c) certificates evidencing ownership of the right to the payment of the principal of and interest on obligations described in clause (b), provided, that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee in a segregated trust account in the trust department separate from the general assets of such custodian;

(d) bonds or other obligations of any state of the United States of America or any agency, instrumentality or local governmental unit of any such state (i) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, and (ii) timely payment of which is fully secured by a fund consisting only of cash or obligations of the character described in clause (a), (b) or (c) which fund may be applied only to the payment when due of such bonds or other obligations; and

(e) direct obligations of, or obligations guaranteed as to timely payment of principal and interest by, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, any Federal Home Loan Bank, the Export-Import Bank of the United States, the Federal Financing Bank, the Government National Mortgage Association, the Farmers' Home Administration, the Federal Home Loan Mortgage Company, the Federal Housing Administration, the Private Export Funding Corporation, the Federal Farm Credit Bank, the Resolution Trust Company, the Student Loan Marketing Association, or the Federal Farm Credit System.

Department of Administration means the Department of Administration of the State, established pursuant to Chapter 42-11 of the Rhode Island General Laws (1956), as amended, its successors and assigns.

Director of Administration means the Director of Administration of the State, his or her successors, assigns and designees.

Director of RIDOT means the Director of RIDOT, his or her successors, assigns and designees.

Earnings Account means the earnings account within the Construction Fund created by the Master Indenture.

Event of Default means an event described in the Master Indenture.

Federal Aid Agreement means one or more agreements or memoranda of understanding between RIDOT and FHWA pursuant to which FHWA agrees to pay Federal Transportation Funds to pay or to reimburse RIDOT or the Trustee for Bond Payments, as such agreement or agreements may be amended or modified or replaced by another agreement or instrument regarding the payment of Federal Transportation Funds by FHWA to pay or to reimburse RIDOT or the Trustee for Bond Payments.

Federal Transportation Funds means federal aid revenues received by or on behalf of, or available to, RIDOT pursuant to Title 23 that are legally available for the payment of obligations issued or incurred under the GARVEE Master Indenture.

Fitch means Fitch Ratings and its successors.

Indenture means the Master Indenture and any Supplemental Indentures.

Interest Payment Date means any date defined as such in a Supplemental Indenture for purposes of paying the interest on a Series of Current Interest Bonds.

Interest Rate Exchange Agreement means any interest rate exchange agreement authorized by law and entered into with respect to the Bonds or any portion of the Trust Estate that is entered into in accordance with the Master Indenture.

IST Fund means the Intermodal Surface Transportation Fund created by Section 31-36-20 of the Rhode Island General Laws, as amended or supplemented from time to time, including any successor fund.

Letter of Representations means the Letter of Representations between the Issuer and The Depository Trust Company, New York, New York, or any successor depository with respect to the book-entry registration system for the Bonds, or any other similar writing or writings.

Master Indenture means the Master Trust Indenture and any amendment thereto.

Maturity Value means any amount defined as such in a Supplemental Indenture for purposes of determining the amount payable to the Owner of a Capital Appreciation Bond at the maturity of such Capital Appreciation Bond.

Moody's means Moody's Investors Service and its successors.

New Money Bonds means Bonds issued for the purpose of financing the Construction Costs.

Operations Center means the operations center of the Trustee located in Providence, Rhode Island or at such other location as the Trustee may designate from time to time by written notice to the Issuer, RIDOT and the Department of Administration.

Original Principal Amount means any amount defined as such in a Supplemental Indenture for purposes of determining certain rights of the Owner of, or certain other matters with respect to, a Capital Appreciation Bond.

Original Purchaser means the Person defined as such in a Supplemental Indenture for purposes of purchasing a Series of Bonds from the Issuer.

Outstanding means all Bonds that have been executed and delivered, except:

(a) any Bond on which all Bond Payments due or to become due have been paid at maturity;

(b) any Bond on which the Redemption Price due or to become due has been paid in accordance with the redemption provisions applicable to such Bond;

(c) Bonds in lieu of which other Bonds have been executed and delivered pursuant to the provisions of the Master Indenture or any Supplemental Indenture relating to the transfer and exchange of Bonds or the replacement of mutilated, lost, stolen or destroyed Bonds;

(d) Bonds that have been canceled by the Trustee or that have been surrendered to the Trustee for cancellation;

(e) Bonds on which all Bond Payments or the Redemption Price is due and for which the Trustee holds moneys sufficient to pay the Bond Payments or Redemption Price for the benefit of the Owner thereof pursuant to the Master Indenture; and

(f) Bonds that have been defeased pursuant to the Master Indenture.

Owner of a Bond means the registered owner of such Bond as shown in the registration records of the Trustee.

Payment Agreement means the Payment Agreement relating to the Pledged Revenues entered into as of November 1, 2003, by and among the Issuer, RIDOT, the Governor of the State, the General Treasurer of the State, and the Director of Administration.

Permitted Investments means with respect to the investment of any fund created under the Master Indenture, the following to the extent permitted by law:

(a) Defeasance Securities;

(b) demand and time deposits in or certificates of deposit of, or bankers' acceptances issued by, any bank or trust company, savings and loan association or savings bank, payable on demand or on a specified date no more than three months after the date of issuance thereof, if such deposits or instruments are rated any two of at least A-1 by S&P, P-1 by Moody's and Fl by Fitch;

(c) certificates, notes, warrants, bonds, obligations or other evidences of indebtedness of a state or a political subdivision thereof receiving one of the two highest long term unsecured debt ratings (without regard to rating subcategories) by any two of S&P, Moody's and Fitch;

(d) commercial or finance company paper (including both non-interest-bearing discount obligations and interest bearing obligations payable on demand or on a specified date not more than three months after the date of issuance thereof) that is rated any two of A-1 by S&P, P-1 by Moody's and Fl by Fitch;

(e) repurchase obligations with respect to any security described in clause (a) above entered into with a primary dealer, depository institution or trust company (acting as principal) rated at least A-1 by S&P, P-1 by Moody's and Fl by Fitch (if then rated by Fitch) (if payable on demand or on a specified date no more than three months after the date of issuance thereof), or rated at least A3 by Moody's and in one of the three highest long-term rating categories by S&P and Fitch (if then rated by Fitch), or collateralized by securities described in clause (a) above with any registered broker/dealer or with any domestic commercial bank whose long-term debt obligations are rated "investment grade" by each Rating Agency; provided, that (1) a specific written agreement governs the transaction, (2) the securities are held, free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (i) a Federal Reserve Bank, or (ii) a member of the Federal Deposit Insurance Corporation that has combined surplus and undivided profits of not less than $25 million, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee, (3) the agreement has a term of thirty days or less, or the Trustee will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within five Business Days of such valuation, and (4) the fair market value of the collateral securities in relation to the amount of the obligation, including principal and interest, is equal to at least 102%;

(f) securities bearing interest or sold at a discount (payable on demand or on a specified date no more than three months after the date of issuance thereof) that are issued by any corporation incorporated under the laws of the United States of America or any state thereof and rated at least P-1 by Moody's, A-1 by S&P and F1 by Fitch (if then rated by Fitch) at the time of such investment or contractual commitment providing for such investment; provided, that securities issued by any such corporation will not be Permitted Investments to the extent that investment under the Master Indenture would cause the then outstanding principal amount of securities issued by such corporation that are then held to exceed 20% of the aggregate principal amount of all Permitted Investments then held;

(g) units of taxable money market funds which funds are regulated investment companies and seek to maintain a constant net asset value per share and have been rated at least Aal by Moody's and at least AAm or AAm-G by S&P and at least AA by Fitch (if then rated by Fitch), including if so rated any such fund which the Trustee or an affiliate of the Trustee serves as an investment advisor, administrator, shareholder, servicing agent and/or custodian or sub-custodian, notwithstanding that (x) the Trustee or an affiliate of the Trustee charges and collects fees and expenses (not exceeding current income) from such funds for services rendered, (y) the Trustee charges and collects fees and expenses for services rendered pursuant to the Master Indenture, and (z) services performed for such funds and pursuant to the Master Indenture may converge at any time (the Issuer specifically authorizes the Trustee or an affiliate of the Trustee to charge and collect all fees and expenses from such funds for services rendered to such funds, in

addition to any fees and expenses the Trustee may charge and collect for services rendered pursuant to the Master Indenture);

(h) investment agreements or guaranteed investment contracts rated, or with any financial institution or corporation whose senior long-term debt obligations are rated, or guaranteed by a financial institution whose senior long-term debt obligations are rated, at the time such agreement or contract is entered into, at least A3/P1 by Moody's and in one of the three highest long-term rating categories by S&P and Fitch (if then rated by Fitch) if the Issuer or Trustee has an option to terminate such agreement in the event that such rating is downgraded below the rating on the Bonds, or if not so rated, then collateralized by securities described in clause (a) above with any registered broker/dealer or with any domestic commercial bank whose long-term debt obligations are rated "investment grade" by each Rating Agency; provided, that (1) a specific written agreement governs the transaction, (2) the securities are held, free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (i) a Federal Reserve Bank, or (ii) a member of the Federal Deposit Insurance Corporation that has combined surplus and undivided profits of not less than $25 million, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee, (3) the agreement has a term of thirty days or less, or the Trustee will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within five Business Days of such valuation, and (4) the fair market value of the collateral securities in relation to the amount of the obligation, including principal and interest, is equal to at least 102%; and

(i) other obligations or securities that are non-callable and that are acceptable to each Rating Agency;

provided, that no Permitted Investment may (a) except for Defeasance Securities, evidence the right to receive only interest with respect to the obligations underlying such instrument or (b) be purchased at a price greater than par if such instrument may be prepaid or called at a price less than its purchase price prior to its stated maturity.

Person means any natural person, firm, corporation, partnership, limited liability company, state, political subdivision of any state, other public body or other organization or association.

Pledged Revenues means the Allocated Funds authorized, appropriated and transferred to the Trustee pursuant to the Program Act to secure the Bonds (which amount shall be net of any amounts deemed necessary for refunds), together with any other revenues, if any, made available therefor and appropriated by the General Assembly of the State.

Principal Amount means (a) with respect to any Outstanding Current Interest Bond, the principal amount of such Bond; (b) with respect to any Outstanding Capital Appreciation Bond, the Accreted Value of such Bond as of the date on which the Bond is being determined; and (c) with respect to all the Outstanding Bonds together, the sum of the amounts determined pursuant to clauses (a) and (b).

Program Act Projects means the projects authorized pursuant to the Program Act.

Program Costs means the costs and expenses set forth in items (b) through (f) included in the definition of Construction Costs.

Qualified Federal Aid Transportation Project means any project that may be financed, in whole or in part, with Pledged Revenues and authorized under the Program Act.

Rating Agency means, with respect to the Bonds, each nationally recognized securities rating service that has, at the request of the Issuer, a rating then in effect for the enhanced Bonds.

Rating Confirmation means, with respect to the Bonds, written evidence from a Rating Agency that no underlying Bond rating then in effect from such Rating Agency will be withdrawn, reduced or suspended solely as a result of an action to be taken under the Master Indenture.

Rebate Fund means the special fund created by the Master Indenture.

Record Date means (a) with respect to any Interest Payment Date that is the first day of a month, the fifteenth day of the month (whether or not a Business Day) preceding the month in which the Interest Payment Date occurs; (b) with respect to any Interest Payment Date that is the fifteenth day of a month, the first day of such month (whether or not a Business Day); and (c) with respect to any other Interest Payment Date, the date designated as the Record Date for such Interest Payment Date in a Supplemental Indenture.

Redemption Price means the amount due on a Bond on the date on which it is redeemed prior to maturity pursuant to the redemption provisions applicable to such Bond. Such term does not include the principal and interest or Accreted Value due on term Bonds on the dates such Bonds are to be redeemed in accordance with a mandatory sinking fund redemption schedule set forth in a Supplemental Indenture.

Refunding Bonds means Bonds issued for the purpose of refunding, and proceeds of which are used to refund, New Money Bonds or other Refunding Bonds.

Reserve Fund Credit Facility means (i) any irrevocable, unconditional letter of credit issued by a bank or savings and loan association whose long-term uncollateralized debt obligations are rated in one of the two highest Rating Categories by each nationally recognized rating agency then rating any Series of Bonds at the request of the Issuer, or if no Series of Bonds is then rated, by any nationally recognized rating agency, and (ii) any insurance policy providing substantially equivalent liquidity as an irrevocable, unconditional letter of credit, and which is issued by a municipal bond or other insurance company, obligations insured by which are rated in one of the two highest Rating Categories by each nationally recognized rating agency then rating any Series of Bonds at the request of the Issuer, or if no Series of Bonds is then rated, by any nationally recognized rating agency and which is used, to the extent permitted under applicable law, including the Act, to fund all or a portion of the Debt Service Reserve Fund Requirement.

Residual Fund means the special fund created by the Master Indenture.

RIDOT means the State of Rhode Island and Providence Plantations, acting by and through Rhode Island Department of Transportation created pursuant to Chapter 42-12 of the Rhode Island General Laws, as amended, its successors and assigns.

RIDOT Representative means (a) the Director of RIDOT; (b) the Deputy Director of RIDOT; (c) the Assistant Director of Finance of RIDOT; or (d) any other officer or employee of RIDOT authorized by law or by a writing signed by the Director to act as a RIDOT Representative under the Master Indenture or any Supplemental Indenture.

Series means the Bonds designated as a separate series in a Supplemental Indenture and any Bonds authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Master Indenture or any Supplemental Indenture.

S&P means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., and its successors.

Special Record Date means a special date fixed to determine the names and addresses of Owners of Bonds for purposes of paying defaulted interest on Current Interest Bonds in accordance with the Master Indenture.

State means the State of Rhode Island and Providence Plantations.

State Fiscal Year means the fiscal year of the State consisting of a 12-month period ending on the last day of June in each year, as the same may be lawfully modified from time to time.

Supplemental Indenture means any indenture supplementing or amending the Master Indenture that is adopted pursuant to the Master Indenture.

Tax Certificate means, with respect to each Series of Bonds on which the Issuer intends the interest to be excluded from gross income for federal income tax purposes, (a) the arbitrage and use of proceeds certificate or

other instrument that sets forth the Issuer's expectations regarding the investment and use of proceeds of such Bonds and other matters relating to Bond Counsel's opinion regarding the federal income tax treatment of interest on such Bonds, including any instructions delivered by Bond Counsel in connection with such certificate, instrument or opinion; and (b) any amendment or modification of any such certificate, instrument or instructions that is accompanied by an opinion of Bond Counsel stating that the amendment or modification will not adversely affect the exclusion of interest on such Bonds from gross income for federal income tax purposes.

Title 23 means Chapter 1 of Title 23, United States Code, Highways, as amended and supplemented from time to time and any successor or replacement provision of law.

Trust Estate means the property granted to the Trustee pursuant to the Master Indenture.

Trustee means The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, acting in its capacity as trustee under the Master Indenture, and any successor thereto appointed under the Master Indenture.

Trustee Representative means any officer in the corporate trust department of the Trustee and any other person authorized by a writing signed by an officer of the Trustee to act as a Trustee Representative under the Master Indenture or any Supplemental Indenture.

Grant of Trust Estate (Section 2.01)

The Issuer, in consideration of the premises, the purchase of the Bonds by the Owners and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, in order to secure the payment of the Bond Payments on all Bonds at any time Outstanding under the Master Indenture, to secure the performance and observance of all the covenants and conditions set forth in the Bonds, the Master Indenture and any Supplemental Indenture, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, has executed and delivered the Master Indenture and has granted, assigned, pledged, bargained, sold, alienated, remised, released, conveyed, set over and confirmed, and by the Master Indenture does grant, assign, pledge, bargain, sell, alienate, remise, release, convey, set over and confirm unto the Trustee and to its successors and assigns forever, all and singular the following described property, franchises and income, including any title or interest therein acquired after the Master Indenture (referred to in the Master Indenture as the "Trust Estate"):

(a) all Pledged Revenues that are paid to the Issuer or the Trustee and available in accordance with the Act for payment of the Bond Payments and Program Costs, together with the right of the Issuer to receive such funds;

(b) all money from time to time held by the Trustee under the Master Indenture or any Supplemental Indenture in the Bond Payment Fund, the Debt Service Reserve Fund, the Residual Fund or any other fund or account other than (i) the Rebate Fund, (ii) the Construction Fund, (iii) any Defeasance Escrow Account and (iv) any fund or account created by a Supplemental Indenture that is expressly excluded from the Trust Estate; and

(c) any and all other property, revenues or funds from time to time hereafter by delivery or by writing of any kind specially granted, assigned or pledged as and for additional security under the Master Indenture, by the Issuer, the State or anyone else, in favor of the Trustee, which is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Master Indenture.

Effect of Pledge (Section 2.02)

(a) the proceeds from the issuance of Bonds that are pledged pursuant to the Master Indenture shall be used only for the purpose or purposes for which such revenues are pledged;

(b) the Issuer Act provides that such pledge of Pledged Revenues shall be valid and binding from the time such funds are transferred to the Trustee or the Issuer, and any pledge of the proceeds of any Bonds pursuant to the Master Indenture shall be valid and binding from the date of issuance of such Bonds;

(c) the Issuer Act provides that all such pledges shall create a valid security interest, and such revenues shall immediately be subject to the lien of the pledge and security interest without any physical delivery or further act, and the lien of the pledge and security interest shall be valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the pledging party irrespective of whether such claiming party has notice of such lien; and

(d) the Issuer Act provides that the instrument by which the pledge and security interest is created need not be recorded or filed in order to perfect such pledge and security interest.

Bonds Secured on a Parity Unless Otherwise Provided (Section 2.04)

The Trust Estate shall be held by the Trustee for the equal and proportionate benefit of the Owners of all Outstanding Bonds, and any of them, without preference, priority or distinction as to lien or otherwise, except as expressly set forth in the Master Indenture or any Supplemental Indenture.

Limited Obligations (Section 2.05)

Notwithstanding any other provision of the Master Indenture:

(a) The Bond Payments shall be payable solely from Pledged Revenues, subject to annual appropriation by the State, received by the Issuer or the Trustee and moneys held in the Bond Payment Fund, Debt Service Reserve Fund and any other accounts pledged therefor. The Owners and holders of the Bonds may not look to any other revenues of the Issuer, the State or RIDOT for the payment of the Bonds.

(b) All financial obligations of the Issuer under the Master Indenture, every Supplemental Indenture and the Bonds (i) are special, limited obligations of the Issuer payable solely from the Trust Estate (subject to annual appropriation by the State of Pledged Revenues) and shall not constitute nor give rise to a pecuniary liability or a charge against the general credit of the Issuer, or the State, and (ii) shall not be deemed or construed as creating a debt, liability or obligation of the State, or any political subdivision of the State (other than the Issuer), nor a pledge of the faith and credit of the State or any political subdivision or municipality of the State within the meaning of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness by the State or any political subdivision of the State.

(c) The provisions under this heading are thereby expressly incorporated into each Supplemental Indenture. The Bonds shall contain statements substantially to the effect of subsections (a) and (b) of this heading.

Indenture Constitutes a Contract; Obligation of Indenture and Bonds (Section 2.06)

In consideration of the purchase and acceptance of any and all of the Bonds authorized from time to time to be issued under the Master Indenture, as amended or supplemented, by those who shall hold the same from time to time: the Master Indenture shall be deemed to be and shall constitute a contract among the Issuer, the Trustee, the Owners from time to time of the Bonds and, with respect to certain provisions of the Master Indenture, RIDOT; the pledge of certain funds, accounts, revenues and other moneys, rights and interests made in the Master Indenture and the covenants and agreements set forth in the Master Indenture to be performed by and on behalf of the Issuer, including the covenants of RIDOT in the Master Indenture, shall be for the equal and ratable benefit, protection and security of the Owners of any and all of the Bonds, all of which regardless of the time or times of their issue or maturity shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or permitted by the Master Indenture; and the Bonds shall be special, limited obligations of the Issuer payable solely from the Trust Estate as provided in the Master Indenture. Pursuant to Section 42-64-17 of the Issuer Act, the rights and remedies provided by Section 42-64-25 of the Issuer Act are abrogated.

Authorization, Purpose, Name (Section 3.01)

The Issuer authorizes the issuance of motor fuel tax obligations pursuant to the Act (the "Bonds") for the purpose of financing the Construction Costs or Refunding Bonds that were issued to finance the Construction Costs.

The Bonds may be issued in one or more separate Series pursuant to one or more Supplemental Indentures and shall be named "Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds (Rhode Island Department of Transportation)." The Bonds of each Series may also include the name of, or other information identifying, the Series of which they are a part, together with such further or different designations as may be deemed appropriate, as provided by the Supplemental Indenture. The aggregate principal amount of Bonds which may be issued shall not be limited except as provided in the Master Indenture or as may be limited by law provided that the aggregate principal amount of Bonds of each Series shall not exceed the amount specified in the Supplemental Indenture authorizing each such Series of Bonds. Bonds may only be issued in accordance with the Master Indenture and the Act.

Additional Bonds (Section 3.02)

No Series of Bonds may be issued unless each of the following conditions applicable thereto have been satisfied:

(a) Before any Series of Bonds constituting New Money Bonds are issued or incurred, it shall be determined that:

(i) All accumulations required to be made into the Bond Payment Fund and the Debt Service Reserve Fund, or other similar account for Outstanding Bonds, are current.

(ii) A certificate of an Authorized Issuer Representative and of a RIDOT Representative to the effect that (i) to the best of his or her knowledge, no Event of Default exists in connection with any of the covenants or requirements of the Indenture and (ii) the issuance of all Bonds issued through and including the date thereof and application of the proceeds thereof in accordance with the terms of the Indenture, taking into account the actual application of proceeds through the date thereof, will not violate any limitation set forth in the Program Act.

(iii) A certificate has been delivered showing compliance with all applicable provisions of Title 23 and any other applicable law necessary on the date of the delivery of a Series of Bonds to receive and continue to receive federal aid highway funds for the payment of the Bonds pursuant to Title 23 without penalty.

(iv) A certificate of a RIDOT Representative has been delivered, dated the date of issuance, setting forth:

(w) the amount of Pledged Revenues received by the State for each month during the most recent eighteen-month period for which reliable data is available preceding the month of the authentication and delivery of the Series of additional Bonds then proposed to be issued;

(x) the maximum annual Bond Payments for the Outstanding Bonds in the current and each future State Fiscal Year including the Series of additional Bonds proposed to be issued, but in the case of a Series of additional Bonds for refunding purposes, excluding the Bond Payments on the Bonds to be refunded; and

(y) showing the amount of Pledged Revenues for any twelve consecutive months during the eighteen-month period described in (w) is not less than 125% of the maximum annual Bond Payments for each State Fiscal Year set forth in (x).

(b) A written certification or opinion by an Authorized Issuer Representative that the requirements under this heading have been satisfied shall be conclusively presumed to be accurate in determining the right to authorize, issue, sell and deliver the Series of Bonds proposed to be issued.

(c) Until all Bond Payments and Program Costs are paid in full and while any Bonds are Outstanding, no bonds, notes, debentures or other obligations shall be issued or incurred having a lien on the Trust Estate prior and superior to the lien thereon of the Bonds.

(d) Before any Series of Bonds constituting Refunding Bonds are issued, all of the following additional conditions shall be satisfied:

(i) Either the requirements of subsection (a)(iv) under this heading shall have been met (as and if in effect on such date) or a certificate of an Authorized Issuer Representative shall state that following the issuance of the Refunding Bonds (including Bond Payments with respect to the Refunding Bonds, but excluding Bond Payments with respect to the refunded Bonds), the aggregate amount of Bond Payments due in any State Fiscal Year, through and including the latest maturity of any Bonds then Outstanding, shall be no greater than immediately prior to the issuance of such Refunding Bonds.

(ii) If any of the Bonds to be refunded are to be redeemed prior to their scheduled maturity date, an Authorized Issuer Representative has directed the Trustee to deliver redemption notices and to redeem the Bonds to be refunded in accordance with the provisions of the Master Indenture and any applicable provisions of any Supplemental Indenture.

(e) If the additional Series of Bonds are not part of the first Series of Bonds, an Authorized Issuer Representative certifies that as of the date of issuance of the additional Bonds, either:

(i) there is no Event of Default under the Master Indenture; or

(ii) if there is an Event of Default under the Master Indenture, the Event of Default will be cured upon the issuance of the additional Bonds and the application of the proceeds of the additional Bonds in accordance with the Supplemental Indenture authorizing the issuance of the additional Bonds.

(f) An Authorized Issuer Representative and the Trustee enter into a Supplemental Indenture authorizing the issuance of the additional Series of Bonds, which Supplemental Indenture specifies the following:

(i) The Series designation, the name, the aggregate principal amount, the Authorized Denominations, the dated date, the maturity date or dates and the form of the additional Bonds, as bonds or notes, and, if the additional Bonds are Capital Appreciation Bonds, the aggregate Original Principal Amount of each Series and of each Authorized Denomination of such Series.

(ii) If the additional Bonds are Current Interest Bonds, the interest rate or rates, if any, or the method for determining the interest rate or rates on the additional Bonds, which rates may be fixed, adjustable or variable or any combination thereof, and, if any such rate is adjustable or variable, the standard, index, method or formula to be used to determine the interest rate and the maximum interest rate applicable to the additional Bonds; whether any such Bonds shall be variable interest rate Bonds, put Bonds or bank Bonds and with respect thereto, if applicable, provisions relating to the establishment of a separate account or subaccount for such Series in the Debt Service Reserve Fund or a separate debt service reserve fund; and the Interest Payment Date or Dates for the payment of such interest.

(iii) If the additional Bonds are Capital Appreciation Bonds, the Maturity Value, Accreted Value and Accretion Dates, or the manner of determining the same, for the additional Bonds.

(iv) The redemption provisions, if any, for the additional Bonds.

(v) The form of the additional Bonds.

(vi) The manner in which the proceeds of the additional Bonds are to be applied, including the amounts if any required to be deposited in the Debt Service Reserve Fund.

(vii) Any variations from the terms set forth in the Master Indenture with respect to the additional Bonds, including to the extent applicable any provisions relating to any Credit Facility, Interest Rate Exchange Agreement or Reserve Fund Credit Facility and the obligations payable under the Master Indenture.

(viii) Any other provisions deemed by an Authorized Issuer Representative to be advisable or desirable to be included in such Supplemental Indenture that do not violate and are not in conflict with the Master Indenture or any previous Supplemental Indenture.

(g) Bond Counsel has delivered a written opinion to the effect (which may be subject to customary assumptions and limitations) that (i) the additional Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special, limited obligations of the Issuer, payable from the sources provided in the Master Indenture and the applicable Supplemental Indenture; (ii) the Master Indenture creates a valid pledge of and lien on the Trust Estate, subject to the terms of the Master Indenture; and (iii) if the interest on the additional Bonds is intended by the Issuer to be excluded from gross income for federal income tax purposes, interest on the additional Bonds is excluded from gross income for federal income tax purposes.

Delivery of Bonds and Application of Proceeds (Section 3.04)

Upon the execution and delivery to the Trustee of an originally signed counterpart of the Master Indenture prior to the issuance of the first Series of Bonds and the execution and delivery to the Trustee of an originally signed counterpart of a Supplemental Indenture relating to such Series of Bonds, the Trustee shall deliver the Bonds of the Series authorized by such Supplemental Indenture to the Original Purchaser in exchange for the purchase price thereof and the purchase price shall be applied as provided in the Supplemental Indenture relating to such Series of Bonds.

Optional Redemption Payments (Section 4.09)

Unless otherwise provided by the Supplemental Indenture:

(a) On or prior to the Business Day immediately preceding the date fixed for redemption of any Bonds at the option of the Issuer, the Issuer shall pay or cause to be paid to either (i) to the Trustee for deposit into the Bond Payment Fund created for such purpose, moneys which, together with other moneys then on deposit in the Bond Payment Fund that are not required to pay Bond Payments due in such State Fiscal Year on Bonds that are not being redeemed, are sufficient to pay the Redemption Price of the Bonds to be redeemed on the date fixed for redemption or (ii) to an escrow agent for deposit into an escrow fund (including a Defeasance Escrow Account) created for such purpose, moneys which are sufficient, together with other moneys then available, are sufficient to pay the Redemption Price of the Bonds to be redeemed on the date fixed for redemption. The Issuer may make such payment from any legally available moneys. The Trustee shall use the moneys paid to it for such purpose and such other available moneys in the Bond Payment Fund to pay the Redemption Price due on the Bonds to be redeemed on the date fixed for redemption. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to the Master Indenture or an escrow deposit agreement, interest and Accreted Value on the Bonds or portions thereof thus called for redemption shall no longer accrue or accrete after the date fixed for redemption.

(b) The Trustee shall pay to the Owners of Bonds so redeemed, the amounts due on their respective Bonds, at the Operations Center of the Trustee upon presentation and surrender of the Bonds.

State Redemption (Section 4.13)

To the extent required by the Issuer Act, the State may, upon furnishing sufficient funds, require the Issuer to redeem, prior to maturity, as a whole, the Bonds of any Series on any Interest Payment Date not less than 20 years after the date of such Bonds at one hundred five percent (105%) of their face value and accrued interest or any lower redemption price as may be provided in the Bonds in case of the redemption of the Bonds as a whole on the redemption date.

Bond Payment Fund (Section 5.01)

(a) Creation of Bond Payment Fund. A special fund is created with the Trustee to be designated the Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bond Payment Fund (the "Bond Payment Fund"), which shall be used to pay the Bond Payments on and Redemption Price of the Bonds. The Trustee shall create and maintain separate accounts identified by the appropriate Series designation within the Bond Payment Fund to account for the receipt of moneys to pay, and the payment of, the Bond Payments on and Redemption Price of each Series of Bonds, but such separate accounts shall not affect the rights of the Owners of the Bonds with respect to moneys in the Bond Payment Fund.

(b) Deposits into Bond Payment Fund. There shall be deposited into the Bond Payment Fund (i) all accrued interest received at the time of the issuance of any Bonds; (ii) any capitalized interest from the proceeds of a Series of Bonds unless deposited in the Construction Fund pursuant to a Supplemental Indenture; (iii) amounts paid to the Trustee pursuant to the Master Indenture from Pledged Revenues to the extent needed to pay the Current Payments; (iv) any moneys paid by the Issuer with respect to the Redemption Price of Bonds pursuant to the Master Indenture; (v) any moneys transferred to the Bond Payment Fund from the Debt Service Reserve Fund, the Construction Fund or the Residual Fund pursuant to, respectively, the Master Indenture; (vi) moneys deposited into the Bond Payment Fund pursuant to the Master Indenture following an Event of Default; (vii) moneys deposited into the Bond Payment Fund pursuant to the Master Indenture; and (viii) all other moneys received by the Trustee accompanied by directions that such moneys are to be deposited into the Bond Payment Fund.

(c) Use of Moneys in Bond Payment Fund. Moneys in the Bond Payment Fund shall be used, as further provided in the Master Indenture, solely for the payment of the Bond Payments on and Redemption Price of the Bonds and, solely to the extent such payments have been determined to be on a parity with Bond Payments in accordance with the Master Indenture, to make payments to the providers of Credit Facilities and Interest Rate Exchange Agreements; provided that (i) moneys representing accrued interest received at the time of the issuance of any Series of Bonds shall be used to pay the first interest payment due on such Bonds; (ii) moneys paid by the Issuer with respect to the Redemption Price of Bonds pursuant to the Master Indenture shall be used to pay the Redemption Price of the Bonds to be redeemed; and (iii) moneys held in the Bond Payment Fund following an Event of Default shall be used as provided in the Master Indenture.

Construction Fund (Section 5.02)

(a) Creation of Construction Fund. A special fund is created with the Trustee to be designated the Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds Construction Fund (the "Construction Fund"). The Trustee shall create and maintain separate accounts identified by the appropriate Series designation within the Construction Fund to account for the receipt and disbursement of proceeds of each Series of Bonds and shall create and maintain a separate account identified as the Earnings Account (the "Earnings Account").

(b) Deposits into Construction Fund. There shall be deposited into the appropriate account of the Construction Fund, proceeds of each Series of Bonds as provided in the applicable Supplemental Indenture.

(c) Use of Moneys in Construction Fund. Upon the written direction of an Authorized Issuer Representative, any amounts on deposit in the Construction Fund shall be transferred to or upon the order of the Issuer for the payment of, or reimbursement for, costs of issuance relating to any Bonds. So long as no Event of Default described in the Master Indenture then exists, moneys held in the Construction Fund (including the Earnings Account) shall be disbursed to RIDOT (or the payee indicated by RIDOT) to pay Construction Costs, or reimburse such costs, upon receipt of a requisition signed by the RIDOT Representative in substantially the form attached to the Master Indenture as Appendix A; *provided, however*, *that* requisitions of amounts in the Earnings Accounts shall not require the information set forth in columns (e), (f), (g) and (h) unless the Payment Agreement provides otherwise. Moneys held in the Construction Fund following such an Event of Default may be transferred at the direction of the Director of RIDOT or the Director of Administration to the Bond Payment Fund in accordance with the Master

Indenture. In the event of a transfer pursuant to the preceding sentence followed by the availability of sufficient amounts from Pledged Revenues or other sources in excess of any amount necessary to make any Bond Payments then due, such excess amount up to the amount transferred from the Construction Fund to the Bond Payment Fund shall be transferred to the Construction Fund upon the direction of the Director of RIDOT or the Director of Administration. Upon the receipt by the Trustee and the Issuer of a certificate from the Director of RIDOT stating that all the Authorized State Transportation Projects to be paid from the proceeds of Bonds have been completed and all required amounts have been deposited into the Rebate Fund, the remaining moneys in the Construction Fund, minus any amount estimated by the Director of RIDOT necessary to pay Construction Costs that have not yet been paid, shall be transferred by the Trustee to RIDOT.

Debt Service Reserve Fund (Section 5.03)

(a) Creation of Debt Service Reserve Fund. Pursuant to the Master Indenture, a special fund is created with the Trustee to be designated the Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bond Debt Service Reserve Fund (the "Debt Service Reserve Fund"), which if necessary shall be transferred to the Bond Payments Fund to pay the Bond Payments on and Redemption Price of the Bonds. The Trustee shall create and maintain separate accounts identified by the appropriate Series designation within the Debt Service Reserve Fund to account for the receipt of moneys from different Series of Bonds, but such separate accounts shall not affect the rights of the Owners of the Bonds with respect to moneys in the Debt Service Reserve Fund, except to the extent expressly provided by Supplemental Indenture with respect to any variable interest rate Bonds, put Bonds or bank Bonds. To the extent provided in the related Supplemental Indenture, the Trustee shall establish a separate account and related subaccounts in the Debt Service Reserve Fund or a separate debt service reserve fund or establish that there shall be no debt service reserve fund securing such Bonds pursuant to a Supplemental Indenture in connection with the authorization and issuance of any one or more Series of variable interest rate Bonds, put Bonds or bank Bonds and any related payments to the providers of Credit Facilities; provided, however, that any such accounts and subaccounts or other debt service reserve fund shall not secure Bonds other than the Bonds and any related payments to the providers of Credit Facilities for which it is established and any such Bonds shall not be secured by the other accounts or subaccounts in the Debt Service Reserve Fund or, as applicable, by the Debt Service Reserve Fund. No payments in connection with an Interest Rate Exchange Agreement may be secured by or payable from any such account or subaccount in the Debt Service Reserve Fund.

(b) Deposits into Debt Service Reserve Fund. The Issuer covenants that (i) upon the issuance of any Bonds under the Master Indenture, subject to the provisions of the Master Indenture, to deposit in the Debt Service Reserve Fund the amount, if any, required to make the amount on deposit equal to the Debt Service Reserve Fund Requirement and (ii) from time to time, subject to the provisions of the Master Indenture, to deposit in the Debt Service Reserve Fund the amount, if any, transferred for such purpose pursuant to the Master Indenture.

(c) Withdrawals from Debt Service Reserve Fund. If on the Business Day preceding any Bond Payment Date, the amounts on deposit in the Bond Payment Fund are not sufficient to make all such payments due on such date with respect to Bonds secured thereby, the Trustee shall immediately transfer the amount necessary from any account or accounts securing such Bonds to the Bond Payment Fund to the extent amounts on deposit in the Debt Service Reserve Fund are available. If, after applying all amounts on deposit in the related accounts and subaccounts of the Debt Service Reserve Fund, there are insufficient amounts to pay the Bond Payments due on such date, the Trustee shall immediately notify the Issuer of such fact and of the amount so applied and the amount of the deficiency. If at any time the amount on deposit in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Fund Requirement (such excess being determined (i) after giving effect to any Reserve Fund Credit Facility deposited in such Fund and (ii) assuming the Debt Service Reserve Fund Requirement is adjusted to give effect to any interest payments made and to the payment (or deemed payment in accordance with the Master Indenture) of any Bonds), such excess shall be withdrawn from the Debt Service Reserve Fund and deposited in the Bond Payment Fund, or may, in the discretion of the Issuer, be withdrawn from the Debt Service Reserve Fund and deposited into the Rebate Fund, the Construction Fund (if such excess originally constituted Bond

proceeds) or the Earnings Account (if such excess constitutes investment earnings or Pledged Revenues) or paid over to RIDOT, in each case free and clear of any lien, pledge or claim under the Indenture as required or permitted by law, provided that such withdrawal shall not be made unless, at the time of such withdrawal, there shall exist no deficiency in any other fund or account pledged to the payment of Bonds.

(d) Reserve Fund Credit Facility. In lieu of the required transfers or deposits of money to the Debt Service Reserve Fund, or as a replacement or substitution for any moneys or Permitted Investments then on deposit in the Debt Service Reserve Fund, the Issuer may at any time cause to be deposited into the Debt Service Reserve Fund a Reserve Fund Credit Facility for the benefit of the holders of the specified Bonds and payments to the providers of Credit Facilities. If a disbursement is made pursuant to a Reserve Fund Credit Facility provided pursuant to the Master Indenture, the Issuer shall be obligated, but only from the sources of payment specified in the Master Indenture, either (i) to promptly reinstate the maximum limits of such Reserve Fund Credit Facility, or (ii) to deposit into the Debt Service Reserve Fund at the times provided in the Master Indenture, funds in the amount of the disbursement made under such Reserve Fund Credit Facility, or (iii) to promptly deposit into the Debt Service Reserve Fund a different Reserve Fund Credit Facility having a maximum limit equal to the amount of the disbursement made under the existing Reserve Fund Credit Facility, or (iv) to utilize any combination of the alternatives set forth in clauses (i), (ii) or (iii) above as shall provide that the amount in the Debt Service Reserve Fund equals the Debt Service Reserve Fund Requirement. Subject to the maintenance of the Debt Service Reserve Fund Requirement, moneys and Permitted Investments on deposit in the Debt Service Reserve Fund may, if required by the terms of any Reserve Fund Credit Facility, be utilized by the Issuer to repay any drawings on such Reserve Fund Credit Facility, but only if such repayment will result in a reinstatement of the amount available to be drawn under such Reserve Fund Credit Facility in an amount at least equal to the amount of such repayment.

(e) Refundings. In the event of the refunding of any Bonds, the Issuer may withdraw from the Debt Service Reserve Fund all or any portion of the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts with the Trustee to be held for the payment of the principal or Redemption Price, if applicable, of and interest on the Bonds being refunded or apply such amounts to pay the costs of issuance of the Refunding Bonds, or, if not so applied, such amounts shall be applied in the same manner as provided for excess amounts in the Debt Service Reserve Fund in accordance with this heading; *provided, however, that* such withdrawal shall not be made unless (i) upon such refunding, the Bonds being refunded shall be deemed to have been paid within the meaning and with the effect provided in the Master Indenture, (ii) the amount remaining in the Debt Service Reserve Fund, after giving effect to any Reserve Fund Credit Facility deposited in such fund, shall not be less than the Debt Service Reserve Fund Requirement, and (iii) at the time of such withdrawal, there shall exist no deficiency in any fund or account pledged to the payment of Bonds established under the Indenture.

Rebate Fund (Section 5.04)

(a) Creation of Rebate Fund. Pursuant to the Master Indenture, a special fund is created with the Trustee to be designated Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds Rebate Fund (the "Rebate Fund"). The Trustee shall create and maintain separate accounts identified by the appropriate Series designation within the Rebate Fund to account for rebate payments due on each Series of Bonds.

(b) Deposits into Rebate Fund. There shall be deposited into the appropriate account of the Rebate Fund moneys paid to the Trustee pursuant to the Master Indenture.

(c) Use of Moneys in Rebate Fund. The Trustee at the direction of and on behalf of an Authorized Issuer Representative shall use moneys in the Rebate Fund to make rebate payments to the United States in accordance with the Tax Certificates. If the amount on deposit in the Rebate Fund at any time is greater than the amount required under the Tax Certificates, the excess shall be transferred to the Bond Payment Fund, to the Construction Fund or to RIDOT, as directed by an Authorized Issuer Representative, unless an Event of Default has occurred and is continuing, in which case the excess shall be transferred to the Bond Payment Fund.

(d) *Administration of Rebate Fund*. The Trustee at the direction of an Authorized Issuer Representative shall invest the Rebate Fund in accordance with the Tax Certificates and shall deposit earnings from the investment of moneys in the Rebate Fund into the Rebate Fund immediately upon receipt thereof. Records with respect to the deposits to, payments from and administration of the Rebate Fund shall be retained by the Issuer and the Trustee until six State Fiscal Years after the final retirement of the Bonds.

Moneys to be Held in Trust (Section 5.05)

The Bond Payment Fund, the Debt Service Reserve Fund, the Residual Fund and, except for the Construction Fund and the Rebate Fund, any other fund or account created pursuant to the Master Indenture that is not expressly excluded from the Trust Estate shall be held by the Trustee, for the benefit of the Owners as specified in the Master Indenture, subject to the terms of the Master Indenture and any Supplemental Indenture. The Construction Fund shall be held for the purposes specified therefor, including payments, if any, to the Bond Payment Fund as directed by the Director of RIDOT or the Director of Administration, and the Rebate Fund shall be held by the Trustee for the purpose of making payments to the United States pursuant to the Master Indenture. Any Defeasance Escrow Account shall be held for the benefit of the Owners of the Bonds to be paid therefrom as provided in the agreement governing such Defeasance Escrow Account.

Investment of Moneys *(Section 5.06)*

(a) RIDOT, the Issuer and the Trustee agree that all moneys held as part of any fund or account created pursuant to the Master Indenture shall be deposited or invested and reinvested by the Trustee, at the written direction of an Authorized Issuer Representative, in any Permitted Investments.

(b) Earnings and losses from the investment of moneys held in the Construction Fund or any account thereof shall be deposited into or charged against the Construction Fund, with any earnings being deposited into the Earnings Account thereof unless, and except to the extent, an Authorized Issuer Representative directs the Trustee to deposit any such earnings into the Bond Payment Fund.

(c) Earnings and losses from the investment of moneys held in the Bond Payment Fund or any account thereof shall, except as otherwise provided by Supplemental Indenture, be deposited into or charged against the fund or account in which realized.

(d) Earnings and losses from the investment of moneys held in the Debt Service Reserve Fund or any account thereof shall, except as otherwise provided by Supplemental Indenture and unless and except to the extent an Authorized Issuer Representative directs the Trustee to deposit any such earnings into the Bond Payment Fund, be deposited into or charged against the fund or account in which realized.

(e) Earnings and losses from the investment of moneys held in any account of the Rebate Fund or any account thereof shall, except as otherwise provided in the Tax Certificates, be deposited into or shall be charged against the account in which realized.

(f) Earnings and losses from the investment of moneys held in any Defeasance Escrow Account shall be deposited or charged as provided in the escrow agreement governing such account.

(g) The Trustee shall, when and as directed by an Authorized Issuer Representative, sell and reduce to cash a sufficient amount of the investments held in any fund or account whenever the cash balance therein is insufficient to make any payment to be made therefrom.

(h) In computing the amount in any fund or account for any purpose pursuant to the Master Indenture, investments shall be valued at cost (exclusive of accrued interest) or par, whichever is less.

Application of Pledged Revenues; Residual Fund (Section 5.07)

The assignment and pledge of Pledged Revenues to the Trustee for the benefit of the Owners of the Bonds under the Master Indenture is intended to and shall constitute a first lien on such Pledged Revenues received by the Issuer or the Trustee. All Pledged Revenues received by the Issuer or the Trustee shall constitute Pledged Revenues

which shall be subject to the assignment and lien under the Master Indenture upon receipt thereof by Issuer or the Trustee, as applicable.

Amounts received by the Issuer or the Trustee pursuant to the Master Indenture shall be deposited and used only in the manner and order of priority specified below.

(a) Deposits shall be made into the Bond Payment Fund, as set forth in the Master Indenture in an amount sufficient to pay the Current Payments. Amounts on deposit in an account of the Bond Payment Fund shall be used only to pay Bond Payments on and Redemption Price of the Bonds and for the purposes permitted by the Master Indenture. Moneys on deposit in the Bond Payment Fund shall be used to make the following payments or for the following purposes:

(i) *Interest Component*. To pay the next maturing interest payment on the Bonds;

(ii) *Principal Payments*. To pay the next maturing principal payment on the Bonds, including amounts due pursuant to mandatory sinking fund redemption.

(iii) *Redemption Price*. To pay the Redemption Price of the Bonds next coming due pursuant to optional redemption prior to maturity.

(b) Pledged Revenues shall be deposited in the Debt Service Reserve Fund, as necessary to make the amount on deposit therein (after giving effect to any Reserve Fund Credit Facility deposited therein pursuant to the Master Indenture) at least equal to the Debt Service Reserve Fund Requirement.

(c) Pledged Revenues shall be deposited, as necessary, in the Rebate Fund as required by the Master Indenture.

(d) Pledged Revenues may be used to pay or provide for debt service or any other obligations without a lien on Pledged Revenues equal to the lien thereon of Bonds; *provided, however*, that Pledged Revenues shall not be so used if there exists a deficiency as to the amount required to be on deposit in the Bond Payment Fund, the Debt Service Reserve Fund or the Residual Fund as of the date of such payment or transfer.

(e) Subject to the Master Indenture, any remaining Pledged Revenues shall be deposited into the Residual Fund which, pursuant to the Master Indenture, is created with the Trustee to be designated Rhode Island Economic Development Corporation Motor Fuel Tax Revenue Bonds Residual Fund (the "Residual Fund").

(f) Amounts in the Residual Fund shall be transferred, in the following order, to the Bond Payment Fund, the Debt Service Reserve Fund or the Rebate Fund to the extent necessary to meet the requirements of any such fund or account therein. To the extent that (i) the amount on deposit in the Bond Payment Fund is sufficient to meet Current Payments, (ii) there is no continuing Event of Default pursuant to the Master Indenture, (iii) there are no deficiencies in the Debt Service Reserve Fund or the Rebate Fund, and (iv) as provided in a certificate of the RIDOT Director approved by the Director of Administration, any amounts to be released from the Residual Fund are not expected to be needed to make any subsequent Bond Payments, then any amount on deposit in the Residual Fund in excess of an amount equal to one-half of the maximum amount of Bond Payments coming due in the current or any future State Fiscal Year during which Bonds would then be scheduled to remain Outstanding may be released free and clear of the lien of the Master Indenture for any lawful and authorized purpose, including the payment or redemption of Bonds. Except as expressly required by this heading and for amounts held for the payment of Bonds not then deemed Outstanding, Pledged Revenues need not be retained for any use or in any account described in this heading in excess of the Pledged Revenues required for Current Payments.

Representations, Covenants and Warranties (Sections 6.01 through 6.10)

The Issuer and RIDOT represent, covenant and warrant as indicated in the Master Indenture that:

(a) The execution, delivery and performance of the Master Indenture by the Issuer, and the agreement with, acknowledgment and approval thereof and consent thereto by RIDOT, are authorized by the Act and, upon the execution and delivery of the Master Indenture by the Trustee and an Authorized Issuer Representative, and the agreement with, acknowledgment and approval thereof and consent thereto by RIDOT, the Master Indenture will be enforceable against the Issuer and, to the extent applicable, RIDOT, in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of the powers delegated to it by the Constitution of the United States.

(b) The Director of RIDOT is authorized by the Program Act to direct, with the approval of the Director of Administration, but subject to annual appropriation by the State, the transfer of the Allocated Funds provided by the Program Act to the Trustee, and pursuant to the Payment Agreement the Director of RIDOT, with the approval of the Director of Administration, but subject to annual appropriation by the State, has lawfully and irrevocably directed such transfers to be made directly from the IST Fund to the Trustee for so long as Bonds remain Outstanding.

(c) The execution, delivery and performance of their respective obligations under the Master Indenture by the Issuer and RIDOT, as applicable, do not and will not conflict with or result in violation or a breach of any law or the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer or RIDOT are now a party or by which the Issuer or RIDOT are bound, or constitute a default under any of the foregoing, or, except as specifically provided in the Master Indenture, result in the creation or imposition of any lien or encumbrance whatsoever upon any of the property or assets of either the Issuer or RIDOT.

(d) The amount of funds borrowed pursuant to each Supplemental Indenture will not exceed the sum of (i) the Construction Costs to be financed, including an amount necessary to pay any applicable Program Costs.

(e) The execution and delivery of the Master Indenture, the fulfillment of or compliance with the terms and conditions in the Master Indenture and the consummation of the transactions contemplated in the Master Indenture do not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer is a party or by which the Issuer is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Issuer or its properties are subject or constitute a default under any of the foregoing.

(f) So long as Bonds are Outstanding, the pledge by the Issuer of the Pledged Revenues for the payment of Bond Payments shall be irrevocable until all Bond Payments have been paid in full.

(g) RIDOT covenants that so long as Bonds remain Outstanding it will take no action that would cause the Pledged Revenues or the Allocated Funds authorized by the Program Act to be paid other than in accordance with the Master Indenture.

(h) The payment of Bond Payments to the Trustee for the payment of the Bonds from Pledged Revenues, subject to annual appropriation by the State, is unconditional and neither the Issuer nor RIDOT is entitled to offset any such payment as a result of the failure to perform by any contractor of any of its obligations relating to the Construction Costs or for any other reason.

(i) RIDOT shall at all times comply with the Act and the provisions of Title 23, the regulations promulgated thereunder, all other federal laws and regulations, the State Constitution and all other State laws relating to the Bonds, the Construction Costs and the subject matter of the Master Indenture and each Supplemental Indenture.

(j) RIDOT covenants that it shall submit requisitions in substantially the form of Appendix A as such form may be revised from time to time by the Issuer, that such requisitions shall be true, correct and complete in all material respects, and that RIDOT shall not submit any requisition or otherwise apply proceeds of Bonds in a manner that would cause any limitation contained in the Program Act to be exceeded.

Payment of Bond Payments and Program Costs

(a) The Issuer covenants to pay, when due, solely from Pledged Revenues or other funds available in the Trust Estate, the Bond Payments. Nothing in the Master Indenture shall be construed as obligating the Issuer or RIDOT to pay Bond Payments from any general or other funds of the Issuer, the State or RIDOT other than Pledged Revenues. Nothing contained in the Master Indenture, however, shall be constituted as prohibiting the Issuer in its sole and absolute discretion, from making such payments from any other sources, to the extent legally available for that purpose.

(b) The Issuer shall promptly pay, when due, any Program Costs not otherwise paid. Any Program Costs payable to the Trustee and the Paying Agent shall be paid by the Issuer to the Trustee on or prior to the due dates thereof. Program Costs are payable solely from Pledged Revenues or the proceeds of Bonds. Nothing in the Master Indenture shall be construed as obligating the Issuer or RIDOT to pay Program Costs from any general or other fund of the Issuer, the State or RIDOT, other than Pledged Revenues. Nothing contained in the Master Indenture, however, shall be construed as prohibiting the Issuer or RIDOT in its sole and absolute discretion, from making such payments from other sources, to the extent legally available for that purpose.

(c) If and to the extent the entire amount of the Bonds Payments due on a Bond Payment Date is not on deposit in the Bond Payment Fund on the fifth Business Day preceding such Bond Payment Date, the Trustee shall immediately notify the Issuer and RIDOT, by telephone confirmed by telecopier, of the amount of any deficiency.

Payment of Pledged Revenues to Trustee

(a) The Payment Agreement requires that the Allocated Funds shall be transferred to the Trustee monthly. The Trustee shall deposit the Pledged Revenues and other revenues received by the Trustee as set forth in the Master Indenture.

(b) The Issuer and RIDOT shall (i) comply with their respective obligations under the Payment Agreement, and shall use their best efforts to cause each other party to the Payment Agreement to comply with their respective obligations thereunder, but only to the extent any failure to comply would be materially adverse to the pledge of Pledged Revenues or the amount of Pledged Revenues payable to the Trustee, including such actions as are necessary to cause Pledged Revenues to be appropriated for such purposes by the State; (ii) use their best efforts to take all actions reasonably necessary in their respective judgment to protect their respective rights under the Payment Agreement; and (iii) not consent to or participate in any amendment, alteration, modification or other change with respect to the Payment Agreement, but only to the extent that any such amendment, alteration, modification or other change, as of the date thereof, would be expected by the respective party to materially and adversely impair the pledge of the Pledged Revenues or the amount of Pledged Revenues payable to the Trustee or the Security provided for the Bonds under the Master Indenture; provided, however, that any amendment, alteration, modification or other change with respect to the Payment Agreement may be made with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, obtained in accordance with the Master Indenture; provided further that in no event shall a change to the Payment Agreement (i) to provide for the payment of additional Bonds or other obligations of the Issuer issued in accordance with this Indenture or (ii) to conform to provisions of State law respecting the process for appropriateness or the organization of the government of the State, in either case, be deemed to be materially adverse.

Rebate Payments by the Issuer

The Issuer shall pay to the Trustee, to the extent permitted by law, from moneys included in the Trust Estate or from moneys requisitioned from the Construction Fund pursuant to the Master Indenture, or pursuant to the Master Indenture or from any other fund or account under the Master Indenture, at the times and in the amounts required to make rebate payments due to the United States in accordance with the Master Indenture and the Tax Certificates.

Other Payments by RIDOT

Nothing in the Master Indenture shall be interpreted to restrict RIDOT' s right, to the extent permitted by law, (a) to make any payment due to the Trustee under the Master Indenture or any provision of any Supplemental Indenture from any Pledged Revenues or any other available moneys and (b) to reimburse RIDOT or the fund from which such payment is made from moneys that otherwise would have been used to make such payment.

Credit Facilities and Interest Rate Exchange Agreements

Notwithstanding any other provision of the Master Indenture:

(a) The Issuer may purchase or arrange for a Credit Facility with respect to any Bonds and may agree to reimburse the provider of such Credit Facility for moneys paid by the provider that are used to make Bond Payments on such Bonds, which reimbursement may be made from any moneys in the Trust Estate that are available for the payment of Bond Payments on such Bonds on a parity with or on a basis subordinate to the payment of such Bond Payments.

(b) To the extent permitted by law, the Issuer may purchase or arrange for an Interest Rate Exchange Agreement with respect to any Bonds and may agree to make payments to the provider of such Interest Rate Exchange Agreement, which may be made from any moneys in the Trust Estate that are available for payment of Bond Payments on such Bonds on a parity with or on a basis subordinate to the payment of such Bond Payments.

(c) All or any portion of the agreement between the Issuer and the provider of any Credit Facility or Interest Rate Exchange Agreement, or provisions to put into effect such an arrangement, may be included in any Supplemental Indenture or in a separate agreement between or among the Issuer, the Credit Facility or Interest Rate Exchange Agreement provider and/or the Trustee, and the Trustee is, pursuant to the Master Indenture, directed to agree to the provisions regarding such Credit Facility or Interest Rate Exchange Agreement contained in any Supplemental Indenture or separate agreement agreed to by the Issuer and the Credit Facility or Interest Rate Exchange Agreement provider.

Tax Covenant

Neither the Issuer nor RIDOT shall take any action or omit to take any action with respect to the Bonds, the proceeds of the Bonds, the Trust Estate, the Construction Projects or any other funds or property of the Issuer or RIDOT and, to the extent within its reasonable control, it will not permit any other Person to take any action or omit to take any action with respect to the Bonds, the Trust Estate, the Construction Projects or any other funds or property of the Issuer or RIDOT if such action or omission would cause interest on any of the Bonds to be included in gross income for federal income tax purposes or to be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except, with respect to corporations, as such interest is required to be taken into account in determining "adjusted net book earnings" for the purpose of computing the alternative minimum tax imposed on such corporations). Pursuant to the Master Indenture, each of the Issuer and RIDOT agree to comply with the procedures set forth in the Tax Certificates for each Series of Bonds. The covenants set forth in the Master Indenture shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all of Issuer or RIDOT obligations in fulfilling such covenants have been met. The covenants set forth in this heading shall not, however, apply to any Series of Bonds if, at the time of issuance, the Issuer intends the interest on such Series of Bonds to be subject to federal income tax or to the federal alternative minimum tax.

Defense of Trust Estate

The Issuer and RIDOT shall at all times, to the extent permitted by law, defend, preserve and protect title to the Trust Estate, the grant of the Trust Estate to the Trustee under the Master Indenture and all the rights of the Owners under the Master Indenture against all claims and demands of all Persons whomsoever.

Agreement of the State

In accordance with Section 42-62-22 of the Issuer Act, the Issuer does include the pledge and agreement of the State with the Owners of the Bonds that the State will not limit or alter the rights vested in the Issuer by the Issuer Act to fulfill the terms of any agreement made with such Owners until such agreements and Bonds with such Owners, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the Issuer is liable in connection with any action or proceeding by or on behalf of such Owners, are fully met and discharged.

Incremental Re-imposition of Debt Service Reserve Fund Requirement

If the Debt Service Reserve Fund Requirement is reduced to $0 pursuant to the Master Indenture, RIDOT shall calculate, within 90 days of the end of each ensuing State Fiscal Year, the ratio of Pledged Revenues for such State Fiscal Year to the maximum amount of Bond Payments coming due in that or any ensuing State Fiscal Year and, if such ratio is less than two times (2x), RIDOT shall notify the Issuer and the Trustee that an amount equal to 1/18th of the Debt Service Reserve Fund Requirement determined in accordance with clause (a) of the definition thereof shall be deposited in the Debt Service Reserve Fund during each ensuing month (to the extent Pledged Revenues applied in accordance with Section 5.07 of the Master Indenture are sufficient therefor) until the amount on deposit with Debt Service Reserve Fund equals the amount required by such clause (a).

Events of Default (Section 7.01)

Any of the following shall constitute an "Event of Default" under the Master Indenture:

(a) Default in the payment of any portion of the Bond Payments on, or Redemption Price of, any Bond when due.

(b) Failure by the Issuer or RIDOT to observe and perform any covenant, condition or agreement on its part to be observed or performed under the Indenture, other than as referred to in paragraph (a), for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied is given to the Issuer or RIDOT by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the owners of Bonds but cannot be cured within the applicable 60-day period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Issuer or RIDOT within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Issuer or RIDOT is unable to carry out the agreements on its part contained in the Master Indenture, the Issuer or RIDOT shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default).

Remedies (Sections 7.02 through 7.10)

(a) Upon the occurrence of any Event of Default described in the Master Indenture, (i) the Trustee shall, if and to the extent directed by either the Director of RIDOT or the Director of Administration and notwithstanding any other provision in the Master Indenture, transfer all or any moneys held in the Residual Fund or the Construction Fund to the Bond Payment Fund and (ii) any Owner of a Bond on which payment has not been paid when due shall have the right to institute any action permitted under State law to enforce such payment as provided in the Master Indenture, as supplemented.

(b) Upon the occurrence of any Event of Default, the Trustee may by mandamus or other action or proceeding or suit at law or in equity to enforce any rights under the Master Indenture against the

Issuer or RIDOT and compel the Issuer or RIDOT or any other party to the Payment Agreement to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained in the Master Indenture or in the Payment Agreement.

(c) Upon the occurrence of any Event of Default, the Trustee may take whatever action at law or in equity as may appear necessary or desirable to enforce the rights of the Owners and shall deposit any moneys received as a result of such action in the Bond Payment Fund.

(d) No right or remedy is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and in addition to any other remedy given in the Master Indenture or existing at law or in equity or by statute; provided, however, that neither the Trustee nor any Owners of Bonds shall have the right to declare all Bond Payments to be immediately due and payable.

(e) A judgment requiring a payment of money entered against the Issuer or RIDOT in connection with the Bonds and other obligations may be satisfied only from the Trust Estate.

Use of Moneys Received from Exercise of Remedies

Moneys received by the Trustee resulting from the exercise of remedies following an Event of Default shall be deposited in the Bond Payment Fund and shall, together with other moneys in the Bond Payment Fund and other moneys available for such purpose, be applied in the following order of priority:

(a) *First*, to the payment of the reasonable and proper fees and expenses of the Trustee determined in accordance with the Master Indenture.

(b) *Second*, to the payment of interest due on the Bonds, including interest on past due interest on any Bond at the interest rate borne by such Bond, compounded on each Interest Payment Date. If more than one installment of interest is due on the Bonds, such installments shall be paid in the order in which they were due, with the first installment being paid first. If the amount available is insufficient to pay all of any particular installment of interest due on the Bonds (including interest on the past due interest), the amount available shall be paid ratably, based on the ratio of the amount due on each such Bond to the amount due on all such Bonds. For purposes of this heading, the difference between the Original Principal Amount and the Accreted Value of a Capital Appreciation Bond shall be treated as interest, the Accretion Date for a Capital Appreciation Bond shall be treated as an Interest Payment Date and the interest rate determined by straight-line interpolation between Accretion Dates shall be treated as the interest rate on a Capital Appreciation Bond.

(c) *Third*, to the payment of principal due on the Bonds. If principal is due that was to have been paid on more than one date, the amount due on the earliest dates shall be paid first. If the amount available is insufficient to pay all the principal due on any particular date, the amount available shall be paid ratably, based on the ratio of the amount due on each such Bond to the amount due on all such Bonds. For purposes of this heading, the Original Principal Amount of a Capital Appreciation Bond shall be treated as principal.

Owners of Majority in Aggregate Principal Amount of Bonds May Control Proceedings

Notwithstanding any other provision of the Master Indenture, the Owners of a majority of in aggregate principal amount of Bonds shall always have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in pursuit of remedies following an Event of Default or otherwise in connection with the enforcement of the terms of the Master Indenture.

Limitations on Rights of Owners Acting Individually

No Owner shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any remedy under the Master Indenture or for the enforcement of the terms of the Master Indenture, unless an Event of Default under the Master Indenture has occurred and the Owners of not less than a majority in

aggregate principal amount of the Bonds then Outstanding have made a written request to the Trustee, have offered the Trustee indemnity satisfactory to it against its costs, expenses and liabilities reasonably anticipated to be incurred, and have given the Trustee a reasonable opportunity, to take such action in its capacity as Trustee. The purpose of the preceding sentence is to assure that no Owner or Owners shall have the right to affect, disturb or prejudice the lien of the Master Indenture by his, her, its or their action or to enforce any right under the Master Indenture except in the manner provided in the Master Indenture and that all proceedings at law or in equity shall be instituted and maintained in the manner provided in the Master Indenture and for the equal benefit of the Owners of all Outstanding Bonds. Nothing contained in the Master Indenture shall, however, affect or impair the right of any Owner to enforce the payment of the Bond Payments on or Redemption Price of any Bond at and after the date such payment is due.

Trustee May Enforce Rights Without Bonds

All rights of action and claims under the Master Indenture or any of the Outstanding Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto; any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants, any Owners; and any recovery of judgment shall be for the ratable benefit of the Owners, subject to the provisions of the Master Indenture.

Delay or Omission No Waiver

No delay or omission of the Trustee or of any Owner to exercise any remedy, right or power accruing upon any Event of Default or otherwise shall exhaust or impair any such remedy, right or power or be construed to be a waiver of any such Event of Default, or acquiescence therein; and every remedy, right and power given by the Master Indenture may be exercised from time to time and as often as may be deemed expedient.

Discontinuance of Proceedings on Event of Default; Position of Parties Restored

In case the Trustee or any Owner shall have proceeded to enforce any right under the Master Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee or such Owner, then and in every such case the Issuer, the Trustee and the Owners shall be restored to their former positions and rights, and all rights, remedies and powers of the Trustee and the Owner shall continue as if no such proceedings had been taken.

Waivers of Events of Default

The Trustee may in its discretion waive any Event of Default and its consequences, and notwithstanding anything else to the contrary contained in the Master Indenture shall do so upon the written request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that there shall not be waived without the consent of the Owners of 100% of the Bonds any Event of Default in the payment of the Bond Payments and Redemption Price when due, unless, prior to such waiver, all such amounts (with interest on amounts past due on any Bond at the interest rate on such Bond or, in the case of a Capital Appreciation Bond, the interest rate determined by straight-line interpolation between Accretion Dates) and all expenses of the Trustee in connection with such Event of Default have been paid or provided for. In case of any such waiver, then and in every such case the Issuer, the Trustee and the Owners shall be restored to their former positions and rights under the Master Indenture, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Duties of the Trustee (Section 8.02)

The Trustee accepts the trusts imposed upon it by the Master Indenture and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Master Indenture. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by the Master

Indenture, and use the same degree of care and skill in their exercise as a reasonable and prudent man would exercise or use under the circumstances in the conduct of the affairs of another.

(b) The Trustee may execute any of the trusts or powers under the Master Indenture and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to rely and act upon a written opinion of Bond Counsel concerning all matters of trust and the duties under the Master Indenture, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts under the Master Indenture.

(c) The Trustee shall not be responsible for any recital in the Master Indenture or in the Bonds, for the validity of the execution by the Issuer of the Master Indenture, any Supplemental Indenture or any instruments of further assurance, for the sufficiency of the security for the Bonds issued under the Master Indenture or intended to be secured thereby, or for the value of the Trust Estate. The Trustee shall have no obligation to perform any of the duties of the Issuer or RIDOT under the Master Indenture; and the Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it pursuant to instructions from an Authorized Issuer Representative in accordance with the Master Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds delivered to the Original Purchaser pursuant to the Master Indenture or any Supplemental Indenture. The Trustee may become the Owner of Bonds with the same rights which it would have if not Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to the Master Indenture upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the Owner of any Bond shall be conclusive and binding upon any Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Issuer Representative or such other person as may be designated for such purpose by the Issuer, as sufficient evidence of the facts therein contained.

(g) The permissive right of the Trustee to do things enumerated in the Master Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct, including without limitation a breach of fiduciary duty.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default under the Master Indenture except failure to pay Bond Payments or failure by the Issuer to make or cause to be made any of the payments to the Trustee required to be made pursuant to the Master Indenture, unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer or by the Owner of a Bond.

(i) All moneys received by the Trustee shall, until used or applied or invested as provided in the Master Indenture, be held in trust in the manner and for the purposes for which they were received and shall be segregated from all other funds held by the Trustee.

Resignation, Removal or Replacement of Trustee (Section 8.04)

(a) The present or any future Trustee may resign by giving written notice to the Issuer not less than 60 days before such resignation is to take effect. Such resignation shall take effect only upon the appointment of a successor qualified as provided in the Master Indenture. If no successor is appointed within 60 days following the date designated in the notice for the Trustee's resignation to take effect, the resigning Trustee may petition a court of competent jurisdiction for the appointment of a successor. The

present or any future Trustee may be removed at any time (i) by the Issuer, provided that the Trustee may not be removed during the pendency of an Event of Default without the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding; or (ii) by an instrument in writing executed by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, for any reason or for no reason.

(b) In case the present or any future Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the Issuer. Upon making any such appointment, the Issuer shall forthwith give notice thereof to each Owner, which notice may be given concurrently with the notice of resignation given by any resigning Trustee and shall include a description of the right of the Owners to object to the appointment. Any successor Trustee appointed by the Issuer pursuant to the Master Indenture shall be removed by the Issuer if the Owners of a majority in aggregate principal amount of the Bonds then Outstanding object to the appointment by an instrument or concurrent instruments signed by such Owners, or their duly appointed attorneys-in-fact, delivered to the Issuer within 60 days following the date of the Issuer's notice of the appointment of such successor. If the Owners of a majority in aggregate principal amount of the Bonds then Outstanding object to the appointment of a successor Trustee pursuant the Master Indenture, the Issuer shall appoint another successor Trustee and the Owners shall have the same right to object to the new successor Trustee.

(c) Every successor Trustee shall be a bank or trust company in good standing, duly authorized to exercise trust powers and subject to examination by federal or state authority, qualified to act under the Master Indenture, having a capital and surplus of not less than $50,000,000.

Conversion, Consolidation or Merger of Trustee (Section 8.05)

Any bank or trust company into which the Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business as a whole shall be the successor of the Trustee under the Master Indenture with the same rights, powers, duties and obligations and subject to the same restrictions, limitations and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties thereto, anything therein to the contrary notwithstanding. In case any of the Bonds shall have been executed, but not delivered, any successor Trustee may adopt the signature of any predecessor Trustee, and deliver the same as executed; and, in case any of such Bonds shall not have been executed, any successor Trustee may execute such Bonds in the name of such successor Trustee.

Intervention by Trustee (Section 8.06)

In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the Owners, the Trustee may intervene on behalf of the Owners and shall do so if requested in writing by the Owners of at least 10% in aggregate principal amount of the Bonds and offered indemnity satisfactory to it against expenses and liabilities reasonably anticipated to be incurred.

Supplemental Indentures Not Requiring Consent of Owners (Section 9.01)

The Issuer and the Trustee may, without the consent of, or notice to, the Owners, but with the acknowledgement and agreement of RIDOT, as applicable, with respect to (a) or (j) below, enter into a Supplemental Indenture to amend any provision of the Master Indenture or any Supplemental Indenture for any one or more or all of the following purposes:

(a) to add additional covenants to the covenants and agreements of the Issuer or RIDOT set forth in the Master Indenture or to add to the limitations and restrictions in the Master Indenture, other limitations and restriction to be observed by the Issuer or RIDOT which are not contrary to or inconsistent with the Master Indenture as theretofore in effect;

(b) to add additional revenues, properties or collateral to the Trust Estate;

(c) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in the Master Indenture;

(d) to amend any existing provision of the Master Indenture or to add additional provisions which, in the opinion of Bond Counsel, are necessary or advisable (i) to qualify, or to preserve the qualification of, the interest on any Bonds for exclusion from gross income for federal income tax purposes or for exclusion from federal alternative minimum tax; (ii) to qualify any Bonds for exemption from taxation and assessment in the State; (iii) to qualify, or to preserve the qualification of, the Master Indenture or any Supplemental Indenture under the federal Trust Indenture Act of 1939; or (iv) to qualify, or preserve the qualification of, any Bonds for an exemption from registration or other limitations under the laws of any state or territory of the United States;

(e) to amend any provision of the Master Indenture relating to the Rebate Fund if, in the opinion of Bond Counsel, such amendment does not adversely affect the exclusion of interest on any Bonds from gross income for federal income tax purposes;

(f) to provide for or eliminate book-entry registration of any of the Bonds;

(g) to obtain or maintain a rating of the Bonds by a nationally recognized securities rating agency;

(h) to authorize the issuance of any Series of Bonds in accordance with the Master Indenture;

(i) to facilitate the provision of a Credit Facility or an Interest Rate Exchange Agreement in accordance with the Master Indenture or the provision of a Reserve Credit Facility in accordance with the Master Indenture;

(j) to facilitate the receipt or use of Pledged Revenues to pay Bond Payments;

(k) to establish additional funds, accounts or subaccounts necessary or useful in connection with any Supplemental Indenture authorized by the Master Indenture;

(l) to make any amendment with Rating Confirmation from each Rating Agency then maintaining an uninsured, underlying rating on the Bonds, that such amendment will not, in itself, result in such uninsured, underlying rating on the Bonds following such amendment being lower than such rating on the Bonds immediately prior to such amendment;

(m) to modify any of the Master Indenture in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of each Series Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding and (ii) such Supplemental Indenture shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof;

(n) to modify the Debt Service Reserve Fund Requirement to zero, upon filing with the Trustee and each Rating Agency and provider of a Credit Facility of a certificate signed by the Issuer (and approved by the Director of RIDOT and the Director of the Department of Administration) demonstrating that the amount of Pledged Revenues for any three consecutive State Fiscal Years exceeds by at least two times (2x) the maximum amount of Bond Payments coming due in any State Fiscal Year during which Bonds will be Outstanding; or

(o) for any other purpose, provided that Bond Counsel has delivered a written opinion stating that the provisions of the Supplemental Indenture do not materially adversely affect the rights of the Owners of any Bonds.

Supplemental Indentures Requiring Consent of Owners (Section 9.02)

Except as expressly provided under the previous heading, the Issuer and the Trustee may not enter into a Supplemental Indenture without the written consent of the Owners of not less than a majority in aggregate principal amount of Bonds then Outstanding; provided, however, that no Supplemental Indenture described below may be entered into without the written consent of the Owner of each Bond affected thereby:

(a) a reduction of the interest rate, Bond Payments or Redemption Price payable on any Bond, a change in the maturity date of any Bond, a change in the Original Principal Amount of any Capital Appreciation Bond, a change in any Interest Payment Date for any Current Interest Bond or any Accretion Date for any Capital Appreciation Bond or a change in the redemption provisions applicable to any Bond;

(b) the deprivation of an Owner to the lien on the Trust Estate granted in the Master Indenture;

(c) the creation of a priority right in the Trust Estate of another Bond over the right of the affected Bond, except as permitted in the Master Indenture; or

(d) a reduction in the percentage of the aggregate principal amount of the Bonds required for consent to any Supplemental Indenture.

Conditions to Effectiveness of Supplemental Indentures (Section 9.03)

(a) No Supplemental Indenture shall be effective until (i) it has been executed by an Authorized Issuer Representative, and an authorized representative of the Trustee and (ii) Bond Counsel has delivered a written opinion to the effect that the Supplemental Indenture complies with the provisions of the Master Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Outstanding Bonds.

(b) No Supplemental Indenture entered into pursuant to the Master Indenture shall be effective until, in addition to the conditions set forth in subsection (a) above, (i) a notice has been mailed to the Owners of the Outstanding Bonds, at the addresses last shown on the registration records of the Trustee, which notice describes the nature of the proposed Supplemental Indenture and states that copies of it are on file at the office of the Trustee for inspection by the Owners of Outstanding Bonds and (ii) Owners of the required percentage in aggregate principal amount of the Bonds have consented to the Supplemental Indenture. Notwithstanding anything in this heading or the Master Indenture to the contrary, the consent of the Owners of any Series of additional Bonds to be issued under the Master Indenture shall be deemed irrevocably given if the Original Purchaser, thereof, whether or not for resale, consents in writing to any modification or amendment, and, if such Series of additional Bonds is expected to be resold, such modification or amendment, as well as such consent, is disclosed in the official statement or other offering document pursuant to which such Series of additional Bonds is sold.

Defeasance (Sections 10.01 through 10.03)

If 100% of the Bond Payments and Redemption Price due, or to become due, on all the Bonds and all amounts payable to the United States pursuant to the Master Indenture, have been paid, or provision shall have been made for the payment thereof in accordance with the Master Indenture and the fees and expenses due to the Trustee and all other amounts payable under the Master Indenture have been paid or provision for such payment shall have been made in a manner satisfactory to the Trustee, then (a) the right, title and interest of the Trustee in and to the Trust Estate shall terminate and be discharged (referred to in the Master Indenture as the "discharge" of the Master Indenture); (b) the Trustee shall transfer and convey to or upon the order of the Issuer all property that was part of the Trust Estate, including but not limited to any moneys held in any fund or account under the Master Indenture, except any escrow account created pursuant to the Master Indenture (which escrow account shall continue to be held in accordance with the agreement governing the administration thereof); and (c) the Trustee shall execute any instrument requested by the Issuer to evidence such discharge, transfer and conveyance.

Outstanding Bonds or Bond Payments or Redemption Price or any portions thereof for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee shall at the respective maturity or redemption dates thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this heading.

All or any portion of the Outstanding Bonds or Bond Payments shall be deemed to have been paid (referred to in the Master Indenture as "defeased") prior to their maturity or redemption if:

(i) if the defeased Bonds are to be redeemed prior to their maturity, an Authorized Issuer Representative has irrevocably instructed the Trustee to give notice of redemption of such Bonds in accordance with the Master Indenture and any applicable Supplemental Indenture;

(ii) there has been deposited in trust in a Defeasance Escrow Account either moneys in an amount which shall be sufficient, or Defeasance Securities, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited into or held in the Defeasance Escrow Account, shall be sufficient to pay when due the Bond Payments or Redemption Price, as applicable, due and to become due on the defeased Bonds on and prior to the redemption date or maturity date thereof, as the case may be; and

(iii) a certified public accountant or other nationally recognized expert respecting verification of escrows has delivered a verification report verifying the deposit described in clause (ii) above.

The Defeasance Securities and moneys deposited in a Defeasance Escrow Account pursuant to this heading and the principal and interest payments on such Defeasance Securities shall not be withdrawn or used for any purpose other than, and shall be held in trust solely for, the payment of the Bond Payments on and Redemption Price of the defeased Bonds; provided, however, that (i) any moneys received from principal and interest payments on such Defeasance Securities that are not required to pay the Bond Payments on or Redemption Price of the defeased Bonds on the date of receipt may, to the extent practicable, be reinvested in Defeasance Securities maturing at the times and in amounts sufficient to pay when due the Bond Payments on and Redemption Price to become due on the defeased Bonds on or prior to the redemption date or maturity date thereof, as the case may be; and (ii) any moneys or Defeasance Securities may be withdrawn from a Defeasance Escrow Account if (A) the moneys and Defeasance Securities that are on deposit in the Defeasance Escrow Account, including any moneys or Defeasance Securities that are substituted for the moneys or Defeasance Securities that are withdrawn from the Defeasance Escrow Account, satisfy the conditions stated in subsection (a)(ii) above, (B) a verification report is delivered that complies with subsection (a)(iii) above and (C) an opinion of Bond Counsel is delivered to the effect that such withdrawal or substitution complies with the Master Indenture and will not of itself adversely affect the federal tax status of interest on either the related Refunding Bonds or the Bonds being refunded.

Any Bonds that are defeased as provided in this heading shall no longer be secured by or entitled to any right, title or interest in or to the Trust Estate, and the Bond Payments on and Redemption Price thereof shall be paid solely from the Defeasance Securities and money held in the Defeasance Escrow Account.

If less than all the Bonds of any particular Series, any particular maturity of any Series or any particular interest rate within a maturity of a Series are defeased, the Trustee shall institute or cause to be instituted a system to preserve the identity of the individual Bonds or portions thereof that are defeased, regardless of changes in Bond numbers attributable to transfers and exchanges of Bonds.

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APPENDIX C

PAYMENT AGREEMENT

Relating to Motor Fuel Tax Bonds

This Payment Agreement is entered into as of November 1, 2003 by and among the Governor of the State of Rhode Island (the **"Governor")**, the General Treasurer of the State of Rhode Island (the **"Treasurer"),** the Rhode Island Economic Development Corporation (the "**EDC"),** the Rhode Island Department of Transportation **("DOT")** and the Rhode Island Department of Administration (the **"DOA").**

WHEREAS, the EDC 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 the Rhode Island Economic Development Corporation Act, Chapter 64 of Title 42 of the Rhode Island General Laws **("RIGL"),** as amended (the **"Act");** and

WHEREAS, Sections 8, 9 and 10 of Article 36 of Chapter 376 of the 2003 Public Laws of the State (the **"Program Act"),** among other things, (i) authorize the financing of certain highway, rail and bridge improvement projects as defined in the Program Act designated as the Route 195 relocation, Washington Bridge, Sakonnet River Bridge, Freight Rail Infrastructure Project and 403 Project (the **"Projects")**, (ii) amend the Act by the addition of new Section 42-67-7(25) in order to authorize the EDC to issue bonds or notes to finance the Projects and to enter into such agreements, to deliver such instruments and to take such other actions as the EDC shall deem necessary or desirable to effectuate the financing of the Projects and (iii) authorize the Governor, the Director of the DOT, the Director of the DOA, and the Executive Director of the EDC, acting singly, to enter into such agreements, documents or instruments as each such official shall deem necessary to carry out the provisions of the Program Act; and

WHEREAS, the bonds or notes to be issued by the EDC are expected to include one or more series of motor fuel tax revenue bonds or notes payable primarily from a portion of the Motor Fuel Tax (as defined herein) revenues pursuant to RIGL §31-36-20 (the **"Bonds")**; and

WHEREAS, certain Motor Fuel Tax revenues as received by the State are credited to the Intermodal Surface Transportation Fund (the **"ISTF")** pursuant to RIGL §35-4-11, and are subject to annual appropriation by the State General Assembly; and

WHEREAS, pursuant to the provisions of RIGL §31-36-20 and subject to annual appropriation, $0.02 per gallon of the Motor Fuel Tax (the **"Allocated Funds")** will be utilized each year toward making the Bond Payments for so long as any Bonds remain Outstanding; and

WHEREAS, the Allocated Funds for the State Fiscal Year 2004 (as defined herein) have been appropriated by the State General Assembly for the making of Bond Payments; and

WHEREAS, in order to facilitate payment of the Allocated Funds held in the ISTF to the Trustee while any of the Bonds remain Outstanding, the EDC seeks to enter into this Payment Agreement with the Governor, the Treasurer, the DOT and the DOA.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

Section 1. Definitions. All capitalized terms contained herein shall have the meanings as ascribed to them in the Master Trust Indenture (as defined below); provided that the following terms shall have the following meanings:

"Allocated Funds" shall have the meaning as ascribed to it in the Recitals.

"Allocated Funds Voucher" shall have the meaning as ascribed to it in Section 5.

"DOT Request" means the annual request by the DOT to be submitted to the State Budget Director for the gross appropriation of the Allocated Funds anticipated to be received by the State in each State Fiscal Year.

"Master Trust Indenture" means that certain Master Trust Indenture authorizing the issuance of the Bonds dated as of November l, 2003 between the EDC and the Trustee, as amended and supplemented from time to time.

"Motor Fuel Tax" means the tax imposed under RIGL Chapter 36 of Title 31, the proceeds of which are held in the ISTF pursuant to RIGL §31-36-20.

"State Controller" means the Controller for the State.

"State Fiscal Year" means the fiscal year of the State consisting of a 12 month period ending on the last day of June in each year, as the same may be lawfully modified from time to time.

"Tax Administrator" means the Tax Administrator for the State.

Section 2. Request for Payment and Recommendation to General Assembly. Beginning with the budget submission process for State Fiscal Year 2005, and for each State Fiscal Year thereafter in which any of the Bonds remain Outstanding, pursuant to RIGL §35-4-22.l, the DOT, in a timely fashion, shall submit the DOT Request for such State Fiscal Year to the State Budget Officer for recommendation to the Governor for inclusion in the Governor's proposed budget for such State Fiscal Year.

Section 3. Appropriation in State Budget. The Governor hereby covenants and agrees to include in the Governor's proposed budget of revenues and appropriations submitted to the General Assembly for the Stale Fiscal Year 2005, and for each State Fiscal Year thereafter during which any Bonds remain Outstanding, an amount equal to the DOT Request.

Attached hereto as Exhibit A is substantially the form of the provision to be included in each annual budget of revenues and appropriations submitted by the Governor.

Section 4. Collection by Tax Administrator. Commencing on the date hereof, and for so long as any of the Bonds remain Outstanding, the Tax Administrator shall on a monthly basis separate the Allocated Funds from the receipts of the Motor Fuel Tax and deposit such Allocated Funds in a discreet account within the ISTF for transfer to the Trustee upon direction from the State Controller, subject to adjustment as hereinafter permitted. Upon direction from the State Controller, the Tax Administrator further agrees to transfer to such discreet account the Allocated Funds received for the period July 1, 2003 to the end of the month immediately preceding the month in which this Payment Agreement is executed and delivered.

Section 5. Disbursements by State Controller. Beginning on the date hereof, and thereafter, for State Fiscal Year 2004 and in each subsequent State Fiscal Year in which any of the Bonds are Outstanding, upon enactment into law of a State budget including a DOT Request and upon deposit of the Allocated Funds in the ISTF, monthly, the Tax Administrator shall submit a voucher (the **"Allocated Funds Voucher")** to the State Controller requesting the payment of the Allocated Funds to the Trustee for deposit in the Bond Payment Fund. Upon receipt of the Allocated Funds Voucher and within seven (7) days, the State Controller shall forthwith issue directions in the proper fo1m and duly authenticated to the Treasurer directing the Treasurer to transfer from the ISTF, in immediately available funds, to the Trustee for deposit in the Bond Payment Fund, the amount set forth in the Allocated Funds Voucher. Upon receipt of each such voucher from the State Controller duly authenticated, the Treasurer shall, in accordance with the laws of the State, within three (3) business days transfer the amount set forth in the Allocated Funds Voucher to the Trustee.

Section 6. Requisitions & Other Obligations. The DOT shall submit requisitions for payment to contractors or reimbursement of expenses with respect to the Projects consistent with State law and

financial procedures established by the State Controller and in the manner and in the form required by the Master Trust Indenture; provided that no such requisition shall be submitted if the effect thereof when taken together with all prior requisitions would result in payments with respect to any Project exceeding the limitations contained in the Program Act with respect to total bonds issued or permitted total debt service with respect to any Project. The DOT shall provide to the EDC and the Trustee prior to the issuance of any series of Bonds, a certificate establishing the amount of the bond proceeds of such series. after giving effect to payments already made with respect to any Project, and amounts remaining available for such Project under any prior series of Bonds which may be used for each Project without exceeding the maximum total debt service or the total Bonds issued with respect to each such Project as permitted by the Program Act. In determining total debt service with respect to any Project, the EDC based on information provided by the DOT shall allocate all costs of issuance and the proceeds used to fund the Debt Service Reserve Fund and, except as otherwise provided in any Supplemental Indenture, each Bond Payment in the ratio that the total prior or anticipated payments with respect to any Project out of the proceeds of any one or more series of Bonds bears to all prior or anticipated payments with respect to all Projects from all such series. The DOT agrees to comply with and abide by all obligations imposed by the Master Trust Indenture.

Section 7. Prohibition on Other Uses. It is hereby recognized and agreed by all the parties hereto that, subject to annual appropriation by the State General Assembly, the Allocated Funds shall not be diverted from transfer to the Trustee for deposit under the Master Trust Indenture, and shall not be available for use for any other State purposes, including inter-fund borrowing, except as provided in Section 8 or as may be permitted, following such transfer to the Trustee, by the Master Trust Indenture and State law.

Section 8. Authorized Adjustments. The provisions above notwithstanding, the State Controller is hereby authorized to direct the Treasurer to make periodic adjustments to collected Motor Fuel Tax Funds for refunds, clerical errors, interest or penalty payments or other items required by law or deemed necessary by the Tax Administrator prior to transfer of the Allocated Funds to the Trustee for inclusion in the Bond Payment Fund; provided, however, the State Controller shall only direct that such authorized adjustments be made to the extent they are required: (i) to correct over-deposits or under-deposits to the ISTF caused by clerical error; (ii) to process refunds of the Motor Fuel Tax revenues; (iii) to account for Motor Fuel Tax interest or penalty payments; and (iv) to account for such other items required by law or deemed necessary by the Tax Administrator.

Section 9. Term. This Payment Agreement shall remain in full force and effect until such time as no Bonds remain Outstanding pursuant to the Master Trust Indenture.

Section 10. Trustee as Third-Party Beneficiary. The Trustee is hereby designated an intended third-party beneficiary of this Payment Agreement with a recognized and enforceable right to performance of its provisions.

Section 11. Failure of Parties to Perform. If any of the undersigned parties fail to perform or abide by their obligations established herein or in the Master Trust indenture, the EDC or the Trustee may petition a court of competent jurisdiction to issue a mandamus order to such party failing to perform to compel specific performance thereof, or take such other actions as they deem reasonable and necessary to enforce their rights hereunder.

Section 12. Miscellaneous.

12.l. Execution in Counterparts. This Payment Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which, taken together, shall constitute but one and the same instrument.

12.2 Governing Law. This Payment Agreement shall be governed by the laws of the State.

12.3. Amendments: Supplements; Termination; Non-Impairment. This Payment Agreement may not be amended, supplemented or terminated without the prior written consent of the parties hereto; provided, however, that, for so long as any Bonds remain Outstanding, this Payment Agreement shall not be amended other than in accordance with the provisions of Section 6.03(b) of the Master Trust Indenture.

12.4. Section Headings. Section headings contained herein are included for convenience of reference only and shall not constitute a part of this Payment Agreement for any other purpose.

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IN WITNESS WHEREOF, the parties hereto have executed this Payment Agreement by their duly authorized officers as of the date first written above.

GOVERNOR OF THE STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

By: /s/ Donald L. Carcieri
Name: Donald L. Carcieri

GENERAL TREASURER OF THE STATE OF RHODE ISLAND

By: /s/ Paul J. Tavares
Name: Paul J. Tavares

RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

By: /s/ Michael McMahon
Name: Michael McMahon
Title: Director

RHODE ISLAND DEPARTMENT OF TRANSPORTATION

By: /s/ James R. Capaldi
Name: James R. Capaldi
Title: Director

RHODE ISLAND DEPARTMENT OF ADMINISTRATION

By: /s/ Robert J. Higgins
Name: Robert J. Higgins
Title: Director

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APPENDIX D

BOOK-ENTRY-ONLY SYSTEM

This information concerning DTC and DTC's book-entry system has been obtained from DTC and the Issuer takes no responsibility for the accuracy thereof. The Owners should confirm this information with DTC or the DTC participants.

When the Series 2017A Bonds are issued, ownership interest will be available to purchasers only through a book-entry system (the "Book-Entry System") maintained by DTC or such other depository institution designated by the State pursuant to the Resolution. If the Series 2017A Bonds are removed from the Book-Entry System and delivered to the persons named as the registered owners of the Series 2017A Bonds on the registration records maintained by the Note Registrar (the "Registered Owners") in physical form, as described below, the discussion herein of the Book-Entry System will not apply. The following information has been provided by DTC, and the State makes no representation as to the accuracy or completeness thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized bookentry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such

other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is dated November __, 2017 and is executed and delivered by the State of Rhode Island and Providence Plantations (the "State"), in connection with the issuance of $___,___,___ aggregate principal amount of the Rhode Island Commerce Corporation Motor Fuel Tax Revenue Refunding Bonds, Series 2017A (the "Series 2017A Bonds"). The Series 2017A Bonds are being issued pursuant to a Master Trust Indenture, dated as of November 1, 2003 (the "Master Indenture"), as amended and supplemented, including as amended and supplemented by the Series 2017A Supplemental Trust Indenture, dated as of November 1, 2017 (the "Series 2017A Supplemental Indenture" and, together with the Master Indenture, the "Indenture"). The Indenture is by and between the Rhode Island Commerce Corporation (the "Corporation"), a public corporation of the State of Rhode Island and Providence Plantations, formerly known as the Rhode Island Economic Development Corporation, and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as trustee (the "Trustee"), with certain provisions thereof acknowledged, agreed to and approved by the State, acting by and through the Rhode Island Department of Transportation (the "Department"). For valuable consideration, the receipt of which is acknowledged, the State covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the State for the benefit of the Bondholders (defined below) and the beneficial owners of the Series 2017A Bonds, and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Information" means, for the most recent Fiscal Year, the type of financial information set forth under the heading "State Motor Fuel Tax" in the final Official Statement, dated November _, 2017, for the Series 2017A Bonds.

"Annual Report" shall mean any Annual Report provided by the State pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" means the audited financial statements of the State, prepared in conformity with generally accepted accounting principles, with certain exceptions permitted by Rhode Island law.

"Bondholder" or the term "Holder", when used with reference to a Series 2017A Bond or the Series 2017A Bonds, shall mean any person who shall be the registered owner of any Series 2017A Bond and any beneficial owner thereof as shown on the books of the Trustee.

"Filing Date" shall mean the first day of the eighth month following the end of the Fiscal Year (or the next succeeding business day if that day is not a business day), beginning February 1, 2018.

"Fiscal Year" means the 12-month period beginning on July 1 of each year or such other 12-month period as the State shall adopt as its fiscal year.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement.

"Participating Underwriters" shall mean any or all of the original underwriters of the Series 2017A Bonds required to comply with the Rule in connection with offering of the Series 2017A Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The State shall file, or caused to be filed, not later than the Filing Date, with the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. If for any reason the State anticipates that the Annual Report will not be filed by the Filing Date, the State shall file a notice, substantially in the form attached as **Exhibit A**, with the MSRB. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the Audited Financial Statements of the State may be submitted separately from the remaining portions of the Annual Report; and provided further that Audited Financial Statements of the State shall be submitted as soon as practicable after such Audited Financial Statements become available.

(b) promptly upon their public release, the State shall file with the MSRB the Audited Financial Statements of the State for the preceding Fiscal Year to the extent any such statements have been commissioned, prepared in accordance with generally accepted accounting principles, with certain exceptions permitted by State law.

SECTION 4. Content of Annual Reports.

(a) The Annual Report shall contain or incorporate by reference the following:

(i) to the extent not included in the State's audited financial statements, the Annual Information for the most recently concluded Fiscal Year for which such information is available, which information may be unaudited.

(b) Any or all of the items listed above may be incorporated by reference from other documents, including financial statements provided under (a) above, the original Official Statement for the Series 2017A Bonds, or other official statements of debt issues with respect to which the State is an "obligated person" (as defined by the Rule), which have been (i) made available to the public on the MSRB's Electronic Municipal Market Access (EMMA) System, the current internet web address of which is www.emma.msrb.org, or (ii) filed with the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The State shall clearly identify each such other document so incorporated by reference.

(c) If any part of the Annual Report can no longer be generated because the operations of the Department or the State have materially changed or been discontinued, such portion of the Annual Report need no longer be provided if the State includes in the Annual Report a statement to that effect; provided, however, if such operations have been replaced by other Department operations in respect of which data is not included in the Annual Report and the State determines that certain specified data regarding such replacement operations would be "material," as described below, then, from and after such determination, the Annual Report shall include such additional specified data regarding the replacement operations.

SECTION 5. Reporting of Listed Events.

(a) The State shall give, or shall cause to be given, notice of the occurrence of any of the following Listed Events relating to the Series 2017A Bonds to the MSRB in a timely manner not later than ten (10) Business Days after the occurrence of any such Listed Event:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2017A Bonds, or other material events affecting the tax status of the Series 2017A Bonds;

(7) modifications to the rights of holders of the Series 2017A Bonds, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Series 2017A Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the State or any obligated person;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person;

(13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a successor or additional trustee or the change of the name of the trustee, if material.

(b) Whenever the State obtains knowledge of the occurrence of a Listed Event set forth in clauses (2), (7), (8) (relating to bond calls only), (10), (13) or (14) of subsection (a) above, the State shall as soon as possible determine if such event would constitute material information for Bondholders, and if such event is determined by the State to be material, the State shall, or shall cause, notice of such event to be given to the MSRB not later than ten (10) Business Days after the occurrence of such event. As used herein, an event is "material" if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy or sell a Series 2017A Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement or information generally available to the public. Notwithstanding the foregoing sentence, an event is also "material" if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Series 2017A Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

SECTION 6. Termination of Reporting Obligation.

(a) The obligations of the State under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2017A Bonds.

(b) In addition, the obligations of the State under the provisions of this Disclosure Agreement shall terminate (in whole or in part, as the case may be) in the event that (1) the State delivers to the Trustee an opinion of nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the Trustee, to the effect that those portions of the Rule which require the provisions of this Disclosure Agreement, or any of such provisions, do not or no longer apply to the Series 2017A Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion (but such termination of the obligations of the State shall be effective only to the extent specifically addressed by such opinion), and (2) the State delivers copies of such opinion to (i) the MSRB, (ii) the Trustee, and (iii) Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Representative (the "Representative") of the Participating Underwriters.

SECTION 7. Dissemination Agent.

(a) The State may, from time to time, appoint or engage a dissemination agent to assist the State in carrying out its obligations under this Disclosure Agreement, and may discharge any such dissemination agent, with or without appointing a successor dissemination agent. If at any time there is not any other designated dissemination agent, the State shall be the dissemination agent.

(b) For purposes of this Disclosure Agreement, filing of the Annual Report or any notices required by or due hereunder by the State or any party designated by the State to make such filings, shall be interpreted as compliance by the State with the requirements of this Disclosure Agreement.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the State may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, (2) this Disclosure Agreement as so amended would have complied with the requirements of the Rule as of the date of this Disclosure Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the State shall have delivered an opinion of counsel, addressed to the Trustee, to the same effect as set forth in clause (2) above, (4) either (i) the State shall have delivered to the Trustee an opinion of counsel unaffiliated with the Corporation and the State (such as bond counsel) and acceptable to the State and the Trustee, to the effect that the amendment does not materially impair the interests of the Holders of the Series 2017A Bonds or (ii) the Holders of the Series 2017A Bonds consent to the amendment to this Disclosure Agreement pursuant to the same procedures as are required for amendments to the Indenture with consent of the Holders of the Series 2017A Bonds pursuant to the Indenture as in effect on the date of this Disclosure Agreement, and (5) the State shall have, or shall have cause to be, delivered copies of such opinion(s) and amendment to the MSRB.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the State from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of the occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the State chooses to include any information in any Annual Report or notice of the occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the State shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of the occurrence of a Listed Event. Nothing in this Disclosure Agreement shall be deemed to prevent the Trustee, or the Representative, from providing a notice or disclosure as they may deem appropriate.

SECTION 10. Default. In the event of a failure of the State to comply with any provision of this Disclosure Agreement, any party who can establish beneficial ownership of any of the Series 2017A Bonds, or any Bondholder may, after providing thirty (30) days written notice to the State to give the State an opportunity to comply within such thirty-day period, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the State to comply with its obligations under this Disclosure Agreement. Notices of such failures shall be given to (i) the State's Director of the Department of

Transportation, Two Capitol Hill, Providence, Rhode Island 02908, and (ii) the State's Budget Officer, State Administration Building, One Capitol Hill, Providence, Rhode Island 02908. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy available to any beneficial owners of the Series 2017A Bonds or the Bondholders under this Disclosure Agreement in the event of any failure of the State to comply with this Disclosure Agreement shall be an action to compel performance. Direct, indirect, consequential and punitive damages shall not be recoverable, however, for any default hereunder and are explicitly waived to the extent permitted by law.

SECTION 11. Transmission of Notices, Documents and Information. Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB pursuant to this Disclosure Agreement shall be provided to the MSRB's Electronic Municipal Market Access (EMMA) system, the current internet web address of which is www.emma.msrb.org.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Corporation, the Trustee, the State, the Participating Underwriters, parties who can establish beneficial ownership of the Series 2017A Bonds and the Holders from time to time of the Series 2017A Bonds, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The exchange of copies of this Disclosure Agreement and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Disclosure Agreement as to the parties hereto and may be used in lieu of the original Disclosure Agreement and signature pages for all purposes.

SECTION 14. Recordkeeping. The State shall maintain records of all Annual Reports and notices of Listed Events, including the content of such disclosures and the date of filing of such disclosures.

SECTION 15. Applicable Law. This Disclosure Agreement shall be governed by the laws of the State of Rhode Island and Providence Plantations, and by applicable federal laws.

(The next page is the signature page.)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

By: _____
Name:
Title:

EXHIBIT A
To Continuing Disclosure Agreement

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Rhode Island Commerce Corporation, a public corporation of the State of Rhode Island and Providence Plantations.
Name of Bond Issue:	$___,___,___ Rhode Island Commerce Corporation Motor Fuel Tax Revenue Refunding Bonds, Series 2017A (the "Series 2017A Bonds").
Date of Issuance:	November __, 2017.

NOTICE IS HEREBY GIVEN that the Annual Report with respect to the above-named Series 2017A Bonds as required by the Continuing Disclosure Agreement, dated November __, 2017, will not be available by the Filing Date. It is anticipated that the Annual Report will be filed by _____, 20___.

Dated:_____

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

By:_____
Name:
Title:

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APPENDIX F

REFUNDED BONDS*

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2003A Bonds:					
SERIAL	06/15/2018	4.250%	$2,165,000.00	12/21/2017	100.000
	06/15/2019	4.375	2,260,000.00	12/21/2017	100.000
	06/15/2020	4.500	1,615,000.00	12/21/2017	100.000
	06/15/2021	4.500	1,685,000.00	12/21/2017	100.000
	06/15/2022	4.625	1,255,000.00	12/21/2017	100.000
	06/15/2023	4.700	2,825,000.00	12/21/2017	100.000
			$11,805,000.00		
Series 2006A Bonds:					
SERIAL	06/15/2018	4.000%	$2,010,000.00	12/21/2017	100.000
	06/15/2019	5.000	2,090,000.00	12/21/2017	100.000
	06/15/2020	5.000	2,270,000.00	12/21/2017	100.000
	06/15/2021	4.125	85,000.00	12/21/2017	100.000
	06/15/2021	5.000	2,360,000.00	12/21/2017	100.000
	06/15/2022	5.000	3,235,000.00	12/21/2017	100.000
	06/15/2023	5.000	2,360,000.00	12/21/2017	100.000
	06/15/2024	5.000	4,120,000.00	12/21/2017	100.000
	06/15/2025	5.000	4,275,000.00	12/21/2017	100.000
	06/15/2026	4.350	85,000.00	12/21/2017	100.000
	06/15/2026	5.000	4,100,000.00	12/21/2017	100.000
			$26,990,000.00		
Series 2009A Bonds:					
SERIAL	06/15/2018	4.250%	$215,000.00	N/A	N/A
	06/15/2019	4.500	225,000.00	N/A	N/A
	06/15/2020	4.750	900,000.00	06/15/2019	100.000
	06/15/2021	4.800	885,000.00	06/15/2019	100.000
	06/15/2022	5.000	765,000.00	06/15/2019	100.000
	06/15/2023	5.000	330,000.00	06/15/2019	100.000
	06/15/2027	5.375	1,130,000.00	06/15/2019	100.000
TERM	06/15/2024	6.000	1,660,000.00	06/15/2019	100.000
	06/15/2025	6.000	1,335,000.00	06/15/2019	100.000
	06/15/2026	6.000	1,720,000.00	06/15/2019	100.000
	06/15/2027	6.000	1,805,000.00	06/15/2019	100.000
			$10,970,000.00		
			$49,765,000.00		

* Preliminary, subject to change

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OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT G

Rhode Island Commerce Corporation Budget

FY 2018 Operating Budget

Board Approval Request

Overview

- The Commerce Corporation's budget consists of the following categories:
  - Operating: Funds associated with managing/operating the Corporation (staff, overhead, etc.)
  - Programmatic: Funds associated with programing (incentives, grants, pass-throughs, etc.)

- FY 2018 funding originates from the following sources:
  - Annual Appropriations (State): Operating capital appropriated by the State
  - Hotel Tax (State): Operating capital specific to Tourism and Business Attraction
  - Federal Grants: Federally funded program specific reimbursements
  - Other Income: Unique specific funding streams and/or fees from project administration

- FY 2018 expenses consist of the following categories:
  - Personnel: Salaries/benefits of employees.
  - Overhead: General/administrative overhead
  - Advisory: Legal/consulting/other
  - Programmatic Expenditures: Funding available for direct economic investment

RHODE ISLAND
COMMERCE CORPORATION

Sources & Uses Overview

- The $46.3M FY 2018 budget is categorized as follows:
  - Sources: Approx. 92% of RICC FY 2018 capital is from state sources
  - Uses: Approx. 73% of RICC FY 2018 is for direct investment into RI's economy

2018 Consolidated Budget Summary

Revenues		
State		
RICC Base Allocation	7,470,000	16%
Programmatic	33,850,000	73%
Other (fees)	1,090,000	2%
Total State	42,410,000	*92%*
Federal		
Programmatic	3,920,000	8%
Total Sources	46,330,000	100%

Expenses		
Operating	10,230,500	27%
Programmatic	27,571,037	73%
Total Uses in FY'18	37,801,537	100%
Reserve Fund for future Obligations	8,528,463	
Total Current & Future Uses	46,330,000	

RHODE ISLAND COMMERCE CORPORATION

Revenue Detail

- FY 2018 funding originates from the following sources:
  - Annual Appropriations (State): $33.3M, Operating (18%)/Programmatic (72%)
  - Federal Proceeds: $3.9M (8%) in funding sourced by the federal government
  - Other Income: $9.1M (20%) Primarily Renewable Energy and Hotel tax

Revenues: Detailed Summary

Revenues	Appro.	Fed	Other	Total	% Tot.
Operating					
RICC Operations	7,470,000		1,090,000	8,560,000	18%
Programmatic					
WAVE Incentives	15,300,000			15,300,000	33%
SBLF (et al.)		2,020,000		2,020,000	4%
STAC	1,900,000			1,900,000	4%
REF			2,890,000	2,890,000	6%
Marketing/Tourism			5,100,000	5,100,000	11%
Pass-throughs & Other Federal Grants	8,660,000	1,900,000		10,560,000	23%
Total Sources	33,330,000	3,920,000	9,080,000	46,330,000	100%

RHODE ISLAND COMMERCE CORPORATION

Expense Detail

- FY 2018 expenses consist of the following categories:
  - Personnel: $6.3M (14%) of RICC's expense structure is salaries/benefits of staff
  - Overhead: $2.6M (6%) is general/administrative and overhead costs
  - Advisory: $1.3M (3%) is 3rd party legal/consulting/other costs
  - Programmatic Expenditures: $36.1M (78%) is projected for direct economic investment

Expenses	Appro.	Fed	Other	Total	% Tot.
Operating					
Personnel	5,090,000	660,000	580,000	6,330,000	14%
Overhead	2,060,000	250,000	270,000	2,580,000	6%
Advisory	1,196,500	45,000	79,000	1,320,500	3%
Total Operating	8,346,500	955,000	929,000	10,230,500	22%
Programmatic					
WAVE Incentives	6,526,379			6,526,379	14%
SBLF (et al.)		1,810,549		1,810,549	4%
STAC	1,792,249			1,792,249	4%
REF			2,650,000	2,650,000	6%
Marketing/Tourism	112,875		4,450,010	4,562,885	10%
Other Programs	255,940			255,940	1%
Pass-throughs & Other Federal Grants	8,661,200	1,311,836		9,973,036	22%
Total Programmatic	17,348,643	3,122,385	7,100,010	27,571,037	60%
Reserve Fund for future Obligations	8,528,463			8,528,463	18%
Grand Total	34,223,605	4,077,385	8,029,010	46,330,000	100%

RHODE ISLAND COMMERCE CORPORATION

2018 Expense Comparison

Expense Comparison	FY 2018	FY 2017	Delta
Operating			
Personnel	$6.3 M	$6.1 M	$0.2 M
Overhead	$2.6 M	$1.6 M	$1.0 M
Advisory	$1.3 M	$1.9 M	-$0.6 M
Total Operating	$10.2 M	$9.6 M	$0.6 M
Programmatic			
WAVE Incentives	$6.5 M	$13.7 M	-$7.2 M
SBLF (et al.)	$1.8 M	$2.2 M	-$0.4 M
STAC	$1.8 M	$2.9 M	-$1.1 M
REF	$2.7 M	$2.7 M	$0.0 M
Marketing/Tourism	$4.6 M	$4.2 M	$0.4 M
Other Programs	$0.2 M	$0.0 M	$0.2 M
Pass-throughs & Other Federal Grants	$10.0 M	$5.2 M	$4.8 M
Total Programmatic	$27.6 M	$30.9 M	-$3.3 M
Reserve Fund for future Obligations	$8.5 M	$25.2 M	$33.7 M
Grand Total	$46.3 M	$65.7 M	$24.2 M

RHODE ISLAND
COMMERCE CORPORATION

Appendix

FY 2018 Operating Budget

Expense Detail by Business Unit

Expenses	Operations	Financial Services	Client Services	Business Development	Branding & Marketing	Investments	Pass through	Total
Operating								
Personnel	2,280,000	570,000	700,000	690,000	1,130,000	960,000		6,330,000
Overhead	1,270,000	770,000	130,000	160,000	230,000	20,000		2,580,000
Advisory	716,500	99,000	0	125,000	0	380,000		1,320,500
Total Operating	4,266,500	1,439,000	830,000	975,000	1,360,000	1,360,000		10,230,500
Programmatic	1,402,776	4,460,549	100,000	65,000	4,562,885	8,318,628	8,661,200	27,571,037
Grand Total	5,669,276	5,899,549	930,000	1,040,000	5,922,885	9,678,628	8,661,200	37,801,537
Reserve Fund for future Obligations	-	-	-	-	-	8,528,463	-	8,528,463
Grand Total	5,669,276	5,899,549	930,000	1,040,000	5,922,885	18,207,091	8,661,200	46,330,000

RHODE ISLAND COMMERCE CORPORATION

Full-time Equivalents (FTE)

	FTE's RI Commerce Base	Funded by Sources	Total
OPERATIONS	16	1	17
FINANCIAL SERVICES	3	3	6
CLIENT SERVICES	6	5	11
BUSINESS DEVELOPMENT	5.5	0	5.5
BRANDING & MARKETING	7	5	12
INVESTMENTS	5.5	3.5	9
TOTAL FTE'S	43	17.5	60.5

RHODE ISLAND COMMERCE CORPORATION

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT H

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING AN APPLICATION
UNDER THE FOREIGN TRADE ZONE ACT

WHEREAS, on June 18, 1934 Congress approved an Act "to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States to expedite and encourage foreign commerce and for other purposes" (hereafter the Foreign-Trade Zones Act");

WHEREAS, in accordance with the Foreign-Trade Zones Act and regulations relating thereto, the Rhode Island Commerce Corporation did, on July 7, 1983 and published in 83 Fed. Reg. 19010 (July 14, 1983), apply to the Foreign Trade Zones Board ("Board") for a GRANT to establish, operate and maintain Foreign-Trade Zone No. 105 at Providence, Rhode Island; and

WHEREAS, Rhode Island Commerce Corporation has determined, in accordance with the Foreign-Trade Zones Act and regulations relating thereto, that it is desirable to create a Service Area for Foreign-Trade Zone No. 105 under the Alternative Site Framework.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF RHODE ISLAND COMMERCE CORPORATION AS FOLLOWS:

1. That Rhode Island Commerce Corporation, Grantee of Foreign-Trade Zone No. 105, acting by and through any one of the Chair, Vice Chair, CEO, COO & President or CFO (the "Authorized Officers"), is hereby duly authorized to submit an Application for General-Purpose Foreign-Trade Zone No. 105 to expand the Service Area under the Alternative Site Framework to include the Counties of Bristol, Kent, Newport, Providence, and Washington and any of the Authorized Officers is hereby authorized to execute an agreement with any prospective companies to be in the Zone and to take such other actions as may be consistent with the approval granted herein.

2. That any subsequent administrative actions, such as the addition of a usage driven application to be filed at the Foreign-Trade Zones Board relating to the approved application, and all acts reasonably necessary or deemed in the best interests of the Corporation by any of the Authorized Officer in connection with such administrative actions are also specifically authorized.

3. That this Resolution takes effect from and after its date of adoption on October 30, 2017.

(Seal) Rhode Island Commerce Corporation

_____

Thomas E. Carlotto, Secretary

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT I

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

October 30, 2017

(With Respect to the Position of Defense Commercialization Director)

WHEREAS, the Rhode Island Commerce Corporation (the "Corporation"), acting by and through its Board of Directors, received a presentation and recommendation regarding the funding of the position of Defense Commercialization Director.

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 and take such other acts necessary or appropriate in connection with the funding of the position of Defense Commercialization Director for an amount not to exceed $100,000 a year for a period of two years, subject to approval of the Corporation's annual budget by the Board providing for such expenditure.

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

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT J

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

October 30, 2017

WHEREAS, the Rhode Island Commerce Corporation (the "Corporation") approved a resolution on August 19, 2015 approving the retention of Dunn & Bradstreet ("Vendor") as a vendor to provide online data services to support its business development efforts;

WHEREAS, the Corporation executed a contract ("the Contract") with the Vendor, which was renewed on September 19, 2016 by a vote of the Corporation's Board of Directors ("the Board"); and

WHEREAS, the Corporation wishes to again renew the Contract for three additional years.

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

Section 1: Any of the Chairperson, Vice Chairperson, Secretary of Commerce, Chief of Staff, President and COO, Chief Financial Officer and/or Managing Director of Financial Services, acting singly, shall have the authority to negotiate and execute any and all documents in connection with the renewal of the Contract for a term of thirty-six months for an amount not to exceed $480,000.

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

OCTOBER 30, 2017 PUBLIC SESSION MEETING MINUTES

EXHIBIT K


Wavemaker
RHODE ISLAND COMMERCE CORPORATION

OVERVIEW

2016 cohort:

- 208 Fellows
- 110 employers
- ~$1.6M in tax credits over 2 years

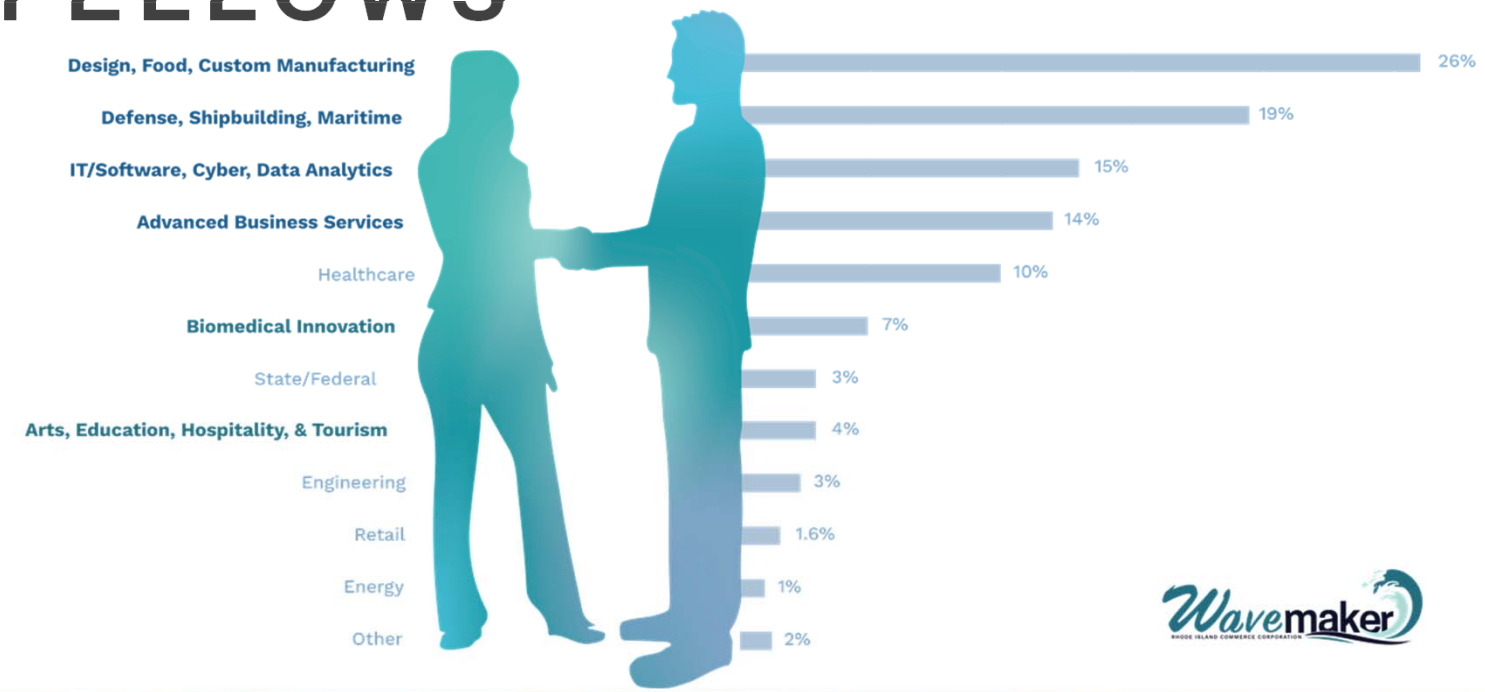
2017 program enhancements:

- Hired a Wavemaker Fellowship Director
- Increased engagement of key stakeholders
- Formalized marketing strategy
- Programming to enhance Fellowship experience

$4.55M Total Funding:

FY16: $1.75 million
FY17: $2 million
FY18: $800,000

2017 FELLOWS



- 328 applications
- 219 new Wavemaker Fellows
- 112 companies represented
- 2 years of funding, ~870,000/year
- Average award: $3,820

- **85% in Brookings industries**
- 54% graduated from RI institution
- 49% of RI grads went to URI or RIC
- 89% RI residents
- 34% female

OVERALL IMPACT

427 STEM & Design professionals accepted into the Fellowship program

182 companies impacted

69% in Brookings industries

$3,820 is the average annual award for Fellows

$3.3 million in tax credits to help defray the cost of student loads and deepen roots in Rhode Island

PROFILES

STEPHEN PETRARCA
Environmental Instrumentation & Engineering Development,
American Ecotech

- NEIT graduate
- American Ecotech has received SBIR matching funds & STAC intern funding
- *"The Fellowship has helped to reduce the stress of student loans & the great programs are helping me transition to a better and more permanent life in RI."*

MIRANDA RAYNER
Algae Curator,
AgCOre Technologies, LLC

- Roger Williams University graduate
- AgCOre has been recipient of an Innovation Voucher
- *"This Fellowship removes the pressure of student loan payments so that I can become financially secure while working for a modest income."*

ASHLEY RUBINO
Account Manager,
Trade Area Systems

- Simmons College graduate
- Trade Area Systems brought to RI with 28 jobs
- *"This will allow me to pay off my student loans faster, which will open the door for the next stage of my life with kids and owning a home."*

TAB 2

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

November 20, 2017

APPROVED

VOTED: To approve Gotham Greens Holdings, LLC for incentives under the Qualified Jobs Incentive Tax Credit program and the Rebuild Rhode Island Tax Credit program pursuant to the Resolution submitted to the Board.

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

November 20, 2017

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

WHEREAS: Chapter 64.20 of Title 42 of the General Laws of Rhode Island (the "Rebuild Act"), as amended, authorizes the Corporation to approve the issuance of tax credits in relation to certain development projects in the State; and

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

WHEREAS: The Corporation received an application for incentives under the Acts in relation to a project ("the Project") by Gotham Greens, LLC (the "Recipient") at 586 Atwells Avenue, Providence, Rhode Island; and

WHEREAS: The Corporation has received information from the Recipient establishing that it has an opportunity to locate the Project in Connecticut and the additional estimated cost of establishing the Project in Rhode Island versus Connecticut gives rise to a Project Financing Gap under the Rebuild Act; and

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

WHEREAS: The Board received a presentation inclusive of a term sheet detailing the Project and proposed incentives together with a recommendation from the staff of the Corporation to approve the issuance of incentives to the Recipient in accordance with the Acts.

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

RESOLVED:

1. To accomplish the purposes of the Enabling Act and the Acts, the Corporation approves the issuance of the following incentives:

    a. Under the Rebuild Act, tax credits (the "Rebuild Tax Credits") to the Recipient in an amount not to exceed One Million Three Hundred Thousand Dollars ($1,300,000); and

    b. Under the Jobs Act, tax credits to the Recipient up to the amount of sixty-eight (68) jobs not to exceed Seven Thousand Five Hundred Dollars ($7,500) per new full-time job annually.

2. The authorization provided herein is subject to the following conditions:

    a. The execution of one or more incentive agreements between the Corporation and the Recipient meeting the requirements of the Acts in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

    b. Prior to certification of any award of incentives to the Recipient, verification by the Corporation of compliance with the eligibility requirements of the rules and regulations adopted in relation to the Rebuild Act (the "Rebuild Rules");

    c. The creation of not less than the minimum required new full-time jobs under the Jobs Act; and

    d. Such additional conditions as any of the Authorized Officers, acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Board of the Corporation hereby finds and determines that: (a) the approval will prevent, eliminate, or reduce unemployment or underemployment in the State and will generally benefit economic development of the State; (b) that, to the extent applicable, the provisions of RIGL § 42-64-10(a)(1)(ii) through (v) have been satisfied; (c) that the Recipient has demonstrated an intention to create the requisite number of new full-time jobs as required under the Jobs Act; (d) the creation of the new full-time jobs would not occur in the State but for the provision of the tax credits under the Jobs Act; (e) that 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 Act; (f) 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 Rebuild Act and the Rebuild Rules; (g) the total amount of Tax Credits awarded for the Project is the lesser of thirty (30%) of the total Project Cost or the amount needed to close the Project Financing Gap; (h) that the Chief Executive Officer of the Corporation has provided written confirmation required by the Rebuild Act (a copy of which is annexed hereto as Exhibit 2); (i) the Secretary of Commerce has provided written confirmation required by the Rebuild Act (a copy of which is

annexed hereto as Exhibit 1); (j) the Office of Management and Budget has provided written confirmation required under the Rebuild Act (a copy of which is annexed hereto as Exhibit 2); and (k) the Recipient has demonstrated that it will otherwise satisfy the eligibility requirements of the Rebuild Rules for a Commercial Project; provided, however, that the project is located in a Hope Community and any of the Authorized Officers (hereinafter defined) shall have the authority to exempt the project from the cost threshold pursuant to the Rules.

4. Prior to the execution of an incentive agreement with the Recipient, the Corporation shall prepare and publicly release an analysis of the impact that the issuance of the incentives will or may have on the State considering the factors set forth in RIGL § 42-64-10(a)(2) (a copy of which is annexed hereto as Exhibit 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 Authorized Officers of the Corporation shall have no obligation to take any action with respect to the authorization granted hereunder and the Corporation shall in no way be obligated in any manner to the Recipient by virtue of having adopted this Resolution. The Secretary or the Assistant Secretary of the Corporation, and each, acting singly, is hereby authorized to affix a seal of the Corporation on any of the documents authorized herein and to attest to the same.

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 adoption.

EXHIBIT 1

From: Stefan Pryor, Secretary of Commerce and Chief Executive Officer of the Rhode Island Commerce Corporation
Darin Early, 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: November 20, 2017

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

- To consider the application of Gotham Greens, LLC, for tax credits of $1,300,000 for a Commercial Project.

This memo serves as the written confirmation, pursuant to Rhode Island General Laws § 46-64.20-6, of the following:

1. The Corporation staff has reviewed the application submitted 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.*

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

EXHIBIT 2

EXHIBIT 3

TAB 3

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

November 20, 2017

APPROVED

VOTED: To approve the applicants for awards under the Network Matching Grant program pursuant to the Resolution submitted to the Board.

RHODE ISLAND COMMERCE CORPORATION
RESOLUTION AUTHORIZING THE ISSUANCE OF
INNOVATION NETWORK MATCHING GRANTS
UNDER THE INNOVATION INITIATIVE ACT

November 20, 2017

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

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

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

WHEREAS: The Corporation received applications from the applicants identified on Exhibit 1 (the "Recipients") for award of the Grants; and

WHEREAS: The Board of Directors of the Corporation (the "Board") received a presentation detailing the Grants proposed to be granted to the Applicants together with a recommendation from the staff of the Corporation to approve the award of Grants 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 Grants to the Recipients in the amounts identified in Exhibit 1 and determines that the awards are granted in compliance with the Grant Application Review and Evaluation Principles adopted by the Corporation.

2. The authorization provided herein is subject to the following conditions:

    a. The execution of a Grant Agreement between the Corporation and each Recipient meeting the requirements of the Innovation Act and the Rules in such form as one of the Authorized Officers (hereinafter defined) shall deem appropriate in the sole discretion of such Officer;

b. Verification by the Corporation of compliance with the Eligibility Requirements of the Rules prior to issuance of a Grant; and

c. Such additional conditions as any of the Authorized Officers (defined below), acting singly, shall deem appropriate in the sole discretion of such Officer.

3. The Authorized Officers of the Corporation for purposes of this Resolution are the Chair, the Vice Chair, the Secretary of Commerce, the President & COO, the Chief Financial Officer or the Innovation Director (the "Authorized Officers"). Any one of the Authorized Officers of the Corporation, acting singly, is hereby authorized to execute, acknowledge and deliver and/or cause to be executed, acknowledged or delivered any documents necessary or appropriate to consummate the transactions authorized herein with such changes, insertions, additions, alterations and omissions as may be approved by any such Authorized Officers, and execution thereof by any of the Authorized Officers shall be conclusive as to the authority of such Authorized Officers to act on behalf of the Corporation. The 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.

EXHIBIT 1

Recipient	**Amount**
New England Medical Innovation Center	$ 150,000
Venture Mentoring Service of Rhode Island	$ 81,000

TAB 4

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

November 20, 2017

APPROVED

VOTED: To approve a grant to the URI Foundation pursuant to the Resolution submitted to the Board.

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

November 20, 2017

(With Respect to a Grant to the URI Foundation)

WHEREAS, the Rhode Island Commerce Corporation (the "Corporation") received a presentation regarding a grant to the University of Rhode Island Foundation (the "Foundation").

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

Section 1: The Corporation agrees to provide a grant (the "Grant") of up to $80,000 to the Foundation in connection with the Foundation's assistance in relation to economic development endeavors of the Corporation as presented at the November 20, 2017 meeting of the Board of Directors.

Section 2: Any of the Chairperson, Vice Chairperson, Chief Executive Officer, President & Chief Operating Officer or Chief Financial Officer, acting singly, is hereby authorized to negotiate and execute such documents, and to take such actions as may be reasonably necessary in relation to the Grant and implementing this resolution.

Section 3: This resolution shall take effect immediately on passage.