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Motion: S. Hunt
Second: R. Bacon
NCA LRC Approved: 6/14/2018

**North Country Alliance Local Development Corporation
Loan Review Committee Meeting
May 10th, 2018 at 2 PM
Minutes**

The North Country Alliance Local Development Corporation held a NCA Loan Review Committee meeting on Thursday, May 10th, 2018 at 2:00 PM via conference call. Dial information 1-800-977-8002 Participant Code 368009#.

Present: Al Dunahm, Ross Pancoe, Tom Plastino, Deb McAtee, Ron Charette, Ron Bacon, and Steve Hunt

Excused: Brian Gladwin, and Marijean Remington

Others: Matt Siver (DANC)

Call to Order: The meeting was called to order at 2:00 PM by Tom Plastino (Chair)

I. New Business:

- a. Meeting Minutes (Approval of Minutes from April 12, 2018 meeting)
 - i. S. Hunt had a modification to the April minutes showing him recusing/abstention
 - ii. Motion: R. Charette
 - iii. Second: S. Hunt
 - iv. All Approved
- b. NCA Loan Review Committee Request (Working Capital Request) for \$75,000 for 5 years at 5%. Tom Plastino acted as the loan sponsor for this request to the NCA on behalf of the St. Lawrence County IDA LDC. Tom Plastino abstained and recused himself and had Ron Charette take over as the Chair of the NCA Loan Review Committee for this request. M. Siver gave an overview of the request and then turned it over to T. Plastino for further detail and questions. Tom Plastino gave background on Kingston Pharma and how it related to PurinePharma as Venkat was involved with Purine Pharma that received funding and paid off its loan with the North Country Alliance. T. Plastino indicated that Venkat might possibly put in a CFA for Phase III and will explain clearly that Venkat's other awards are different than this request. T. Plastino indicated to the committee that he has been in touch with the other investors involved. A. Dunham

asked T. Plastino if he was comfortable with the Pro Forma and T. Plastino indicated that he was. R. Bacon asked if T. Plastino if he was aware of the loan from Quarterspot as R. Bacon thought he had a major investor so he did not need to secure high interest rate loans. T. Plastino indicated that he was not aware initially of the Quarterspot loan and asked Venkat about the reason behind it. Venkat indicated to T. Plastino that he needed the loan in order to make purchases as a stop gap measure to move product as the timing for additional funding from his main investor was coming but not fast enough. R. Pancoe touched on the collateral available for the loan and indicated that the request was lacking in collateral and he proposed that Venkat assign his life insurance cash value to the NCA and SLC IDA to beef up collateral for the request. M. Siver indicated to the committee that he would add that as a contingency for the request. R. Pancoe also asked about cash flow and the payments by Star Funding. M. Siver indicated that he spoke with Venkat about the Star Funding factoring agreement and gave M. Siver a rough figure to utilize for the cash flow analysis. S. Hunt asked T. Plastino if Kingston required any FDA approvals and T. Plastino indicated that the approvals from the FDA are already in place and transferred from Purine to Kingston Pharma.

- i. Motion to approve: A. Dunham
 - ii. Second: D. McAtee
 - iii. Abstain: T. Plastino
 - iv. All Approved
- c. NCA Subordination Request for Swift Labs, LLC. to NBT Bank. M. Siver presented the request. NBT Bank is in the process of renewing their mortgage with Swift Labs, LLC. and consolidating their first mortgage position and taking out Dwayne Stewart's second mortgage position. The new loan for 1st and 2nd mortgage position for NBT Bank will be for \$260,000 for 5 years at 5.5% with a 20 year amortization. The Development Authority, North Country Alliance, and St. Lawrence County Chamber of Commerce were all originally behind Dwayne Stewart in the original project.
- i. Motion to approve: R. Charette
 - ii. Second: R. Pancoe
 - iii. All Approved.

II. Adjournment: The meeting was adjourned at 2:45 PM.

The next North Country Alliance Loan Review Committee meeting is scheduled to be held on June 14th, 2018 at 2 PM.