

**MINUTES OF THE
BOARD OF DIRECTORS
OF THE
BUFFALO AND ERIE COUNTY REGIONAL
DEVELOPMENT CORPORATION
(RDC)**

- DATE AND PLACE:** January 25, 2017, at the Erie County Industrial Development Agency, 95 Perry Street, 5th Floor ESD Conference Room, Buffalo, New York 14203
- PRESENT:** Hon. Diane Benczkowski, Rev. Mark E. Blue, Dottie Gallagher-Cohen, Richard Lipsitz, Jr., Hon. Joseph C. Lorigo, David L. Lowrey, Louis Panzica, Hon. Mark C. Poloncarz, Sister Denise Roche, and Paul V. Vukelic
- EXCUSED:** Hon. Byron W. Brown, James F. Doherty, Hon. Joseph H. Emminger, Brenda W. McDuffie¹, John J. Mudie, Hon. Glenn R. Nellis, and Hon. Darius G. Pridgen, and Hon. Barry A. Weinstein
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President, Karen M. Fiala, Assistant Treasurer; Gerald Manhard, Chief Lending Officer; and Robert G. Murray, Secretary
- GUESTS:** Andrew Federick, Erie County Senior Economic Development Specialist

In the absence of the presence of the Chair, Vice Chair, Mr. Lipsitz, called the meeting to order at 9:08 a.m.

Mr. Lipsitz welcomed new RDC member, Hon. Joseph C. Lorigo, Chair of the Erie County Legislature Economic Development Committee.

MINUTES

The minutes of the December 21, 2016 Meeting of the Board of Directors of the RDC were presented. Mr. Lowrey moved, and Mr. Blue seconded to approve of the minutes. Mr. Lipsitz called for the vote and the minutes were unanimously approved.

¹ Ms. McDuffie participated via telephone conference call, however, she did not count for quorum purposes and is not considered present or eligible for purposes of voting on any action items.

REPORTS/ACTION ITEMS/INFORMATION ITEMS:

2016 Loan Status Report/Loan Closings. Mr. Manhard presented this report. There being no questions, Mr. Lipsitz directed that the report be received and filed.

APPROVAL OF LOAN CASE:

Sherex Fastening Solutions, Inc., Disc-Lock, LLC, A. Pratt Holdings LLC and 850 Moe Drive, LLC, 400 Riverwalk Parkway, Suite 600, Tonawanda, New York, \$750,000, 84-Month Term Loan, secured and guaranteed. Mr. Manhard reviewed this \$750,000 loan request that was unanimously approved by the RDC Loan Committee. Mr. Manhard reviewed the application and loan case detailing the proposed transfer of all of Mr. Pickren's ownership interest in Sherex Fastening Solutions, Inc. and Disc-Lock, LLC to Mr. Adam Pratt. General discussion ensued. Mr. Poloncarz confirmed that the term of the RDC loan was the same term as that of the participating private lenders. Mr. Lipsitz asked for a motion to approve of the loan as presented and to release Mr. Pickren's personal guaranty from all existing RDC loan facilities. Ms. Benczkowski moved, and Mr. Lowrey seconded, to approve of the loan. Mr. Lipsitz called for the vote, and the requested loan was thereafter unanimously approved.

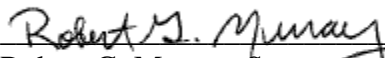
MANAGEMENT REPORT

Mr. Weathers noted that the 2016 charge-off rate for the RDC was 0%, in comparison to an 11% charge-off rate being the highest annual charge-off rate experienced in the prior ten years, and thanked RDC staff for their strong efforts and quality lending.

Mr. Weathers then acknowledged Mr. Poloncarz's efforts resulting in the ability for the RDC to unsequester certain EDA funds which have increased the amount of funds available to the RDC to lend to approximately five million dollars.

There being no further business to discuss, upon motion made by Mr. Poloncarz and seconded by Mr. Blue, and unanimously approved, the meeting was adjourned at 9:23 a.m.

Dated: January 25, 2017


Robert G. Murray, Secretary