



CREDIT COMMITTEE MEETING

Thursday, January 23, 2020

9:00 AM

Schrafft's City Center, 529 Main Street, Suite 201, Charlestown, MA 02129

AGENDA

- I. Establishment of Quorum

- II. Administrative Matters and Governance
 - Review and Approval of Minutes
 - May 16, 2019
 - September 19, 2019

- III. Loans for Consideration
 - 61 American Legion Highway, LLC (Edna's Autobody): \$750,000
 - Tri-Wire Engineering Solutions, Inc: \$1,000,000

- IV. Business Interiors (Modification)

- V. Loan Activity Reports
 - Internally Approved Loans = or < \$500,000.00
 - Credit Committee Approved Loans > \$500,000.00

- VI. Loans Approved within \$500,000 In-House Lending Authority
 - Brax Restaurant Management, Inc: \$50,000
 - Coastal Medical Transportation Services: \$495,000
 - McCREA's Capital Advisors Inc. d/b/a McCREA's CANDIES: \$450,000
 - The Wondering Stage: \$20,000

- VII. Pipeline Report

Adjourn

Next Meeting: Thursday, March 5, 2020

Members in Attendance: Chair: Esther Schlorholtz, John Farmer, Peter Milano, Carmen Panacopoulos, Jim Reardon

Members Not in Attendance:

Other Attendance: Larry Andrews, Shunya Kitazawa, Katie Janowski, Rick Lewis, Neil Martin, Chuck Merrill, Angela Miele, Alison Moronta, John Santos

Quorum

The Chair welcomed everyone, established that a quorum existed and called the meeting to order.

The Committee and staff introduced themselves to Peter Milano, the Committee's newest member.

Review and Approval of the Credit Committee Minutes

Following discussion and upon a motion duly made and seconded, it was:

VOTED: To approve the Minutes of the Credit Committee Meeting held on May 16, 2019 and September 19, 2019.

A motion was made to go into Executive Session to discuss potential transactions involving financial and commercial information of applicants and their competitive position in their industry under Section 2(1) of M.G.L. 40W and expressing its intent to reconvene in Open Session after Executive Session. Following a roll call vote, it was unanimously voted in favor, to enter Executive Session to discuss the following items:

- Review and Approval of Executive Session Minutes: May 16, 2019 & September 19, 2019
- Loans for Consideration:
 - 61 American Legion Highway, LLC (Edna's Autobody)
 - Tri-Wire Engineering Solutions, Inc.
- Business Interiors (Modification)
- Loan Activity Reports
- Loans Approved within \$500,000 In-House Lending Authority:
 - Brax Landing Management, Inc.
 - Coastal Medical Transportation Services
 - McCREA;s Capital Advisors Inc. d/b/a McCREA's CANDIES
 - The Wondering Stage
- Pipeline Report

The Committee returned to Open Session, whereupon the following were presented for approval:

61 American Legion Highway, LLC (Edna's Autobody)

Following discussion of the credit, held in Executive Session, and upon a motion duly made and seconded, it was:

VOTED: To approve a \$750,000 five-year term loan with 20-year amortization. The interest rate on the loan will be 7%, 2% above the senior bank's 1st mortgage loan rate. Fee will be 1%. Collateral will be a second mortgage on 212 Everett Avenue in Revere and second lien on the primary residence of borrower.

The company currently has 12 full-time employees and is projected to have 14 full-time employees.

Along with the standard MGCC conditions to close, it was discussed that additional requirements are needed as discussed during Executive Session.

Tri-Wire Engineering Solutions, Inc.

Following discussion of the credit, held in Executive Session, and upon a motion duly made and seconded, it was:

VOTED: To approve a \$1,000,000 five-year term loan with 6-months interest only and 54-month amortization thereafter. The interest rate on the loan will be prime +5% floating, with a floor of 10%. Fees will be a 1.5% committee fee and a 1.5% fee at closing. Collateral will be a second lien on A.B.A.

The company currently has 375 full-time employees and is projected to have 375 full-time employees.

Along with the standard MGCC conditions to close, it was discussed that additional requirements are needed as discussed during Executive Session.

Business Interiors (Modification)

Following discussion of the credit, held in Executive Session, and upon a motion duly made and seconded, it was:

VOTED: To approve the 30-day extension of the commitment on a \$1,000,000 five-year term loan, with 6 months of interest only, on a 7-year amortization. The interest rate on the loan will be prime +5% floating, with a floor of 10%. Fees will be a 1% commitment fee and 1% at closing. Collateral will be an available lien on all corporate assets, personal guaranty secured by primary residence with available equity of \$520M.

The company currently has 138 full-time employees and is projected to have 138 full-time employees.

After discussion concluded, it was

VOTED: To adjourn the meeting.

Recorder: Katie Janowski