

## Choose Columbia

Columbia Economic Development Corporation

## COLUMBIA ECONOMIC DEVELOPMENT CORPORATION NOTICE OF MEETING

Please take notice that there will be a meeting of the Columbia Economic Development Corporation Loan Committee held on January 22, 2020 at 9:30pm at the offices of Columbia Economic Development Corp. located at One Hudson City Centre, Suite 301, Hudson, NY 12534 for the purpose of discussing any matters that may be presented to the Committee for consideration.

Dated: January 15, 2020

Sarah Sterling

Secretary, Columbia Economic Development Corporation

### **CEDC Loan Committee**

### Chairman:

### Members:

David Fingar

Robert Sherwood Sarah Sterling

John Lee Kenneth Leggett

Brian Stickles

Seth Rapport

- 1. Minutes, November 12, 2019\*
- 2. Portfolio Review
  - a. Monthly Loan Report\*
- 3. 2019 Discharged Duties\*
- 4. Quarterly Risk Analysis Review\*
- 5. Loan Committee Charter Review\*
- 6. Lending Fee Review\*
- 7. Public Comment

### **Attachments:**

Draft November 12, 2019 minutes Portfolio Report 2019 Discharged Duties Loan Committee Charter

\* Requires Approval



## Meeting Minutes COLUMBIA ECONOMIC DEVELOPMENT CORPORATION LOAN COMMITTEE

Tuesday, November 12, 2019 4303 Route 9 Hudson, New York

A regularly scheduled meeting of Columbia Economic Development Corporation's (CEDC) Loan Committee was held at the Columbia County Chamber of Commerce office Located at One Hudson City Centre, Suite 301, Hudson, NY 12534 on November 12, 2019. John Lee, Acting-Chairman, called the meeting to order at 8:32am.

Attendee Name	Title	Status	Arrived/Departed
David Fingar	Committee Member	Present	
John Lee	Committee Member	Present	
Seth Rapport	Committee Member	Present	
Bob Sherwood	Committee Member	Excused	
Sarah Sterling	Committee Member/Alternate	Present	Arrived 8:41am
Brian Stickles	Committee Member/Alternate	Present	Departed 8:52am
F. Michael Tucker	President/CEO	Present	
Andy Howard	CEDC Attorney	Present	-
Martha Lane	Business Development Specialist	Present	
Erin McNary	Bookkeeper	Present	
Edward Stiffler	Economic Developer	Present	
Carol Wilber	Marketing Director	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Kayla Duntz	CEDC Intern	Present	
Amy Bonville	Outsourced Partner	Present	Arrived 9:29am

### **Minutes:**

Mr. Lee asked for any questions or changes to the minutes of October 22, 2019. Mr. Fingar made a motion, seconded by Mr. Rapport to approve the minutes as presented. Carried.

### **Train Time Express:**

Mr. Tucker stated the principals had contacted the office requesting their loan be modified due to slow initial season. Ms. Lane recommended a 6 month deferment on their CEDC loan, with continued payment on their SBA loan. Mr. Stickles made a motion, seconded by Mr. Fingar to



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approve a 6 month deferment on the CEDC loan and continued payment of the SBA loan, contingent upon meeting with a technical assistance provider. Carried.

### Portfolio Review:

Ms. Lane noted EZ Foods had sent in a check and was now current. She noted Calcagno continued to pay monthly, it was anticipated his loan would pay off by the end of the year. Ms. Lane stated Ms. McNary was in touch with les collines regarding their payment. She informed the Committee Serenity Wellness was behind but stated she would be sending a check. Mr. Fingar made a motion, seconded by Mr. Stickles to recommend approval of the portfolio review to the full board. Carried.

### Risk Rating Review:

Ms. Lane handed out a sheet explaining the difference between the Downhome risk rating system and the current risk rating table in the Loan Policy Manual. She noted that Downhome was not in alignment with the Loan Policy Manual charts, which will need to be updated, Mr. Stickles asked if the Downhome system could be customized to adhere to the CEDC charts.

### Philmont Beautification Inc. Update:

Ms. Lane stated Philmont Beautification Inc. had asked it's attorney to draft a document stating the terms of the agreement were being met.

### Recusal:

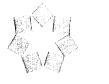
Mr. Stickles stated he had a conflict of interest with the remaining three loan requests due to his banking relationship with the clients. He left the meeting at 8:52am, prior to any discussions.

### Robert Castellano:

Ms. Lane stated the request was for a \$30,000 CEDC loan and a \$30,000 SBA loan to be used for restaurant equipment purchases and working capital. The interest rate proposed was 5% on the CEDC loan and 7% on the SBA loan. The terms of both loans were 72 months. Collateral would be a third position on real estate and a personal guarantee. *Ms. Sterling made a motion, seconded by Mr. Rapport to recommend the loan to the full board as presented, contingent upon the client obtaining mortgage financing. Carried.* 

### **Tivoli Farm Inc.:**

Ms. Lane stated the loan request was for \$75,000: \$25,000 from SBA funds and \$50,000 from CEDC loan funds. The interest rate proposed was 5% on the CEDC loan and 7% on the SBA loan. The funds would be used for inventory, working capital and buildout for a second retail store. The term on both loans was 72 months. Collateral was a lien on all business assets relating to the new store including equipment, furniture, fixtures, inventory and accounts receivable. *Ms. Sterling* 



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made a motion, seconded by Mr. Rapport to recommend the loan to the full board for approval. Carried.

### JEM Woodworking and Cabinets Inc.:

Ms. Lane stated the loan request was for \$75,000; \$25,000 from the SBA and \$50,000 from CEDC. The funds would be used for working capital. The interest rate would be 5% on the CEDC loan and 7% on the SBA loan. The terms would be 72 months on the SBA loan and 84 months on the CEDC loan. Collateral would be a second position on cash, accounts receivable and all non-equipment assets, as well as the personal guaranty of the principal. Mr. Fingar made a motion, seconded by Ms. Sterling to move the loan to the full board for their review upon receipt of satisfactory financials with no comments or recommendations. Carried.

With no further business, Ms. Sterling made a motion, seconded by Mr. Fingar to adjourn the meeting. Carried. The meeting adjourned at 9:41am.

Respectfully submitted by Lisa Drahushuk

## Trial Balance Report for SBA Loan Fund for the Period 01/01/2019 - 12/31/2019 By Funding Source (All transactions)

01/07/2020 03 2/ PM	03.27 PM							(All tra	(All transactions)							
							8	Cumulative Pmts	Latest Pmts	Pmts ===		- L	Peric	₹ŀ	֓֞֞֞֞֜֞֓֓֓֓֓֓֟֝֓֓֓֓֟֟֝֓֓֓֓֓֓֓֡֟֝֓֡֓֓֓֡֡֞֜֡֓֡֡֡֡֡֡֓֓֡֡֡֡֡֡֡֡֡֓֓֡֡֡֡֡֡֡֓֜֝֡֡֡֡֡֡֡֡	}
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	STATES OF THE PROPERTY OF THE	T DO			NAME OF TAXABLE PARTY.							77				
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1240-24a	D'Arcy Smith DBA	110Z/8Z/80	0 19 S	1000	20,000.00		11,231.51	67.86	11,299.37	7 02/11/2019						
1240-13a	East Chatham Food	OBIOAIZOTE	2 S	050.7	00 000 6	821.29	2,106,28	192.47	900.00	0 11/01/2019	278.75					
1240-16a	EZ Foods of North	300,700	S 15	067.1	25,000,00		11,791.09	541.94	9,739.4	9,739.49 08/07/2019						
1240-08a	J.E.M. Woodworkin	CEUZ/LIVO	72 ETG	7.250	25,000,00		18,475.51	1,549.06	13,586.1	13,586.12 12/20/2019				-		
1240-20a	State 11 Distille	0724220 / LUZ42420	OH 7/	1.63	000000	4 253 78	1.	2 413.49	35,586.73	69	278.75				CHOCK CONTRACTOR	Contraction and the contraction of the contraction
SBA Loan F	SBA Loan Fund - SBA RLF-103: 5 loans 1,459.4 (1) Western Committee				B1,000.00		爛				1.000000000000000000000000000000000000					
Fund-SBA	Fund. SBA Loan Fund, Subfund: SBA RLF-04!	F-44			がいたというない			2005 47	154.9	154 96 12/06/2019						
1245-22a	A Green Beauty	10/18/2017	36 mo	7.250	5,000.00		1,809.06	205.42	240	248 02 42/20/2019						
1245-218	Brown's Car Sales	09/08/2017	60 Mo	7.000	12,500.00	7,411.49	2,549.32	668.49	748.1	\$107/07/71 7						
1245-05a	Dvlson, Inc.	07/30/2013	72 mo	6.000	20,500.00		2,658.12	68.70	339.	339.74 08/12/2019						
1745-739	Hudson-Athens Ret	09/13/2017	72 mo	6.000	25,000.00	16,612.92	3,892.04	1,079.80	414.32	32 11/18/2019						
1245-243	Hudson Clothier	05/17/2018	72 mo	6.500	25,000.00	19,631.66	3,341.80	1,280.95	840.	840.50 11/18/2019	420.25					
404E 489	Nick templans ! [ C	7102/21/2017	60 mo	7,000	5,000,00	2,550.62	972.33	215.79	99.0	99,01 12/16/2019						
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B11-C421	rai atata Cop	CONFIDENCE 72 mg	22 GB	7.500	25,000.00	856.71	4,920.57	266.43	432.	432.25 12/05/2019						
871-6571	הטווויטטא רשינוי ע	- 1	2		00 000 000	AB 572 AB	21 112 86	3,799.58	2,745.00	8	420.25			And the second second	Appropriate Carlo Company	STEEL STREET, STORY OF STREET,
SBA Loan I	SBA Loan Fund - SBA RLF-404: 8 loans Eaglement of the Company of t	S New Year Walter Park			135,000,000	4.7.C.O.	THE PERSON NAMED IN COLUMN	THE MENTAL PROPERTY OF THE PARTY OF THE PART	Note that the second of the se	ELECTRICAL PROPERTY.						
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1250-25a	ACW Millwork & Ca	06/20/2018	. 72 mo	7.000	25,000.00			01 tot1	NO 200	9/15/2019						
1250-01a	Basiffica Industr	04/13/2016	50 mo	7.000	35,000.00	10,557.69		1,018.71	900							
1250-02a	Black Forest Flam	05/27/2014	60 то	7.500	23,000.00			42.60	104	040000000000000000000000000000000000000						
1250-26a	Germantown Laundr	09/14/2018	3 72 mo	7,000	25,000.00	20,616.64	3,537.01	1,578.71	426	426.31 T2/02/03						
1250-27a	G.G. & G. Flower	10/10/2018	3 60 mo	7.000	15,000.00	9,538.02	5,041.72	838.68	168	891.06 12/16/2019						
1250-058	Jim's Small Engin	04/08/2015 60 mo	. 60 mo	7.750	10,000.00		1,613.15	241.30	211	211.65 09/30/2019						
1250-24a	Oak Pizzerla Napo	05/11/2016	5 60 mo	7.250	25,000.00		4,780.79		497	497.98 12/16/2019						
1250.073	Olda Hindson 11.C	12/02/2015	5 72 mo	7.750	35,000.00	13,495.35	5 6,023.45	1,289.35	609	609.40 12/16/2019						
1000	Spicon New York	06/25/2019		8.500	20,000.00	18,175.25	5 1,824.75	549.30	474	474.81 12/02/2019						
1250-403	Talbott Arring &	03/30/2016		7.250	25,000.00	10,687.28	8 4,183.19	962,89	428	428.84 12/27/2019						
1250.502	Twell Farm Inc	12/16/2019		7.000	25,000.00	25,000.00										
800-0021	Manufacier Top 110	09/09/2015	•	7.750	30,000.00		5,265.74	1,002.34	225	522.34 12/06/2019						
871-0671	Verdigins 164, C.C.	20000			293,000,00		8 45,450.16	9,775,00	5,642.74	274						
SBA Loan loans	SBA Loan Fund - SBA KLF-05: 12 loans								A THE RESERVE AND A PROPERTY OF THE PROPERTY O	AND	SECTION RESIDENCE	AND THE PROPERTY.	Chill Rogers	ACT CHEST PRO	The Parket of the	A 100 CO
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1250-17a	2 Dukes & a Princess	03/28/2018 72 mo	8 72mo	7.000	25,000.00											

Trial Balance Report for SBA Loan Fund for the Period 01/01/2019 - 12/31/2019

By Funding Source
(All transactions)

	=== Periods Past Due ===	SIX - FIVE - FIVE											95 138.95						138.55 × 138.55	138,95	138.95
		-	ONE ONE+			261.21							138.95 138.95						400.16 138	1,099,16 130	1,099.16 138.95
g Source actions)	Latest Prints		Amount Date	500.00 12/20/2019	339.23 12/09/2019	262.00 12/06/2019	293.49 12/27/2019	360.00 12/09/2019	513.82 12/03/2019	287.35 12/30/2019	429,23 12/16/2019	300.00 12/09/2019	420.00 09/13/2019	426.23 12/16/2019	Chomonous to the	387.23 (250/2019	426.23 12/27/2019	511.47 12/27/2019	5,882.51	49,856.98	49,856.98
By Funding Source (All transactions)	Crimolative Prits ===		Interest Escrow	397.56	656.71	644.09	783.14	817.84	1,013.83	738.96	1,403.20	349.13	252.18	4 245 45	21:250:1	1,099.15	1,511.68	1,407.39	13,820,81	29,808.88	
	الله الله		Principal	1,353.09	1,378.67	2,231.21	2,738.74	3,500.61	1,555.27	2,709.24	2,889.10	2,950.87	895.77	2760 64	3,703.01	1,998.69	3,603.08	2,684.37	37,972.23	148,818.28	148,818.28
			Principal Balance	11,146.91	15,621.33	9,773.04	10,530.79	8,709.34	28,444.73	9,073.41	22,110.90	3.802.97	3 BOA 78	27 027 57	17,152.40	20,501.31	19,689.81	27,315.63	226,179.69	424 582 49	10
			Loan Amount	12,500.00	17,000.00	13,350.00	15.000.00	15,000.00	30,000.00	12,000.00	25,000,00	9 277 B1	4 500 00	pormon's	25,000.00	22,500.00	25,000.00	30,000.00	281,127.61	788 127 61	788,127.61
			Rate	7.250	7.250	6.500	6.500	2,000	7.000	7.000	7.250	4 000	2007	200.	7.000	7.250	7.000	7.000			
			Close Date Term	05/09/2019 60 mo	05/03/2019 SO mo		١.		06/07/2019 72 mp		000 27 mo	00 00 00 00 00 00 00 00 00 00 00 00 00	מווי סב סומיסס	DM OS BLOZACIZI	10/13/2017 72 mo	04/19/2019 72 mo	06/28/2018 72 mo	04/17/2019 72 mo			
03 27 PM			Borrower	AbravaeTame 11 C	Alle of Schools of	Albert Schutze, G	Aula vaccacina	Delina Dolo	Cormanimum Book F	Som Ouile	Mary II Came	ואותווים פספתא רדים	FIRMING IMIG	Serenity Wellness	SUH6 Enterprises,	Train Time Expres	Wandering Fool, LLC	Willa's Bakery Ca	SBA Loan Fund - SBA RLF-06: 15		SEA Loan Fund: 40 loans Report total: 40 loans
01/07/2020 03 27 PM			CoaniD	4250.353		BOS-0621	ı	120-162	ı			1	- 1	1250-29a	1250-13a	1250-32a	1250-208	1	SBA Loan Fu	Sureo	SEA Loan Fund: 40 loans

## Trial Balance Report for CEDC Loan Fund for the Period 01/01/2019 - 12/31/2019 By Funding Source (All transactions)

									(All transactions)	tions)					
							3	Cumulative Pmts		Latest Pmts	mts ===			Per	Periods Past Due
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und: CEDI	und: CEDC Loan Fund, Subfund: CEDC-01.	). -			が で 一切の あっという という という ないない ないかい あいかい あいかい かいかい		(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	がない。						がでいている。 では、では、 では、 では、 では、 では、 では、 では、	
1220-44	2 Dukes & a Princess	03/28/2018	72 mo	5.000	25,000.00	18,435,32	3,833.39	998.05		402.62	12/27/2019				
1220-41	41 Cross Street H	12/13/2017	84 mo	5.000	75,000.00	71,234.19	3,765.81	3,096.89		1,060.04		1,060.04			
1220-60	AbraxasTacos LLC	1	60 mo	7.250	12,500.00	11,565.14	934.86	315.79		250.13		250.13			
1220-45	ACW Millwork & Ca		84 mo	5.000	50,000.00	40,682.19	6,296.17	2,184.11		706.70	11/18/2019				
1220-47	Ajula Woodworks		60 то	6.500	13,350.00	9,760.08	2,243.76	631.13		262.00		261.21			
1220-40	Brown's Car Sales	09/08/2017	60 mo	6.000	12,500.00	7,335.77	2,572.82	568.76		242.32	12/20/2019				
1220-06	Dylson, inc.		72 mo	3.000	32,045.12		3,851.83	43.21		486.88	486.88 08/14/2019				
1220-33	East Chatham Food		60 mo	7.250	15,000.00		8,423.71	50.90		8,474.61	8,474.61 02/08/2019				
1220-66	Germantown Beer F		72 mo	5.000	30,000.00	28,294.96	1,705.04	718.66		484.74	484.74 12/02/2019				
1220-47b	Germantown Laundr	09/14/2018	72 mo	5.000	25,000.00	20,381.23	3,719.49	1,112.67		402.68	402.68 12/16/2019		!		
1220-49	G.G. & G. Flower	10/10/2018	60 mo	5.000	15,000.00	11,817.20	2,740.74	656.10		283.07	283.07 12/16/2019				
1220-50	Hudson-Athens Ret	09/13/2017	72 mo	5.000	25,000.00	16,452.05	3,938.20	895.24		402.62	11/18/2019				
1220-09	Hudson Cruises, Inc.	1	240 mo	7.000	50,000.00	42,299.91	1,628.39	3,023.41		387,65	12/05/2019				
1220-67	Hudson Dev. Corp	10/30/2019	36 mo	5.000	200,000.00	200,000.00		1,666.66		833.33	12/16/2019				
1220-10	J.E.M. Woodworkin		72 mo	6.500	32,066.98		14,888.83	656.85		12,311.44	08/07/2019				
1220-37	Les Collines	03/21/2018	60 mo	6.000	14,222,33	10,254.93	2,095.63	653.97		274.96		274.96			
1220-13	Mario's Home Center	10/01/2009	120 то	2.250	100,000.00		8,304.79	73.10		901.93					
1220-51	Minna Goods, LLC	02/15/2019	72 mo	5.000	45,000.00	39,504.08	5,495.92	1,751.28		724.72	12/16/2019				
1220-54	Mirade Springs F	05/01/2019	84 mo	5.000	100,000.00	100,000.00		2,916.69		416.67	12/03/2019	į			
1220-36	Nick Jennings LLC	04/13/2017	60 то	6.000	10,000.00	5,005.99	1,973.11	346.85		193,33	193.33 12/16/2019				
1220-16	Olde Hudson, LLC	12/02/2015	72 mo	7.750	40,000.00	15,423.25	6,883.83	1,473.69		696.46	696.46 12/16/2019				
1220-48	Old Klaverack Bre	08/15/2018	60 ПО	7.250	15,132.44	11,790,35	2,377.52	864.48		324.20	324.20 11/07/2019	324.20	324.20		
1220-19	Parr Inabar Corp	04/23/2013	72 mo	7.000	35,000.00		2,302.06	33.86		545.76	545.76 04/25/2019			١	1
1220-18	Paul Calcagno, Jr	12/15/2014	42 mo	7.000	60,000.00	61.97	13,027.87	574,35		1,257.02	1,257.02 12/27/2019	7.65	14.90	21.83	17.59
1220-58	Philmont Beautifi	12/17/2019	18 mo	0.000	25,000.00	25,000.00									
1220-21	Phoenix Services	05/01/2015	180 mo	5.000	128,698.92	90,663,41	12,393.24	4,819.64		1,017.74	12/09/2019				
1220-22	Ronnybrook Farm D	02/06/2014	72 mo	7.500	25,000.00	879.78	4,897.50	289.50		432.25	3 12/05/2019				
1220-35	State 11 Distille	02/24/2017	72 mo	5.250	25,000.00		18,176.40	1,056.53		13,149.98	- 1				
1220-43	SUH6 Enterprises,	10/13/2017	72 mo	5.000	25,000.00	16,792.97	3,913.62	918.62	2	402.62	2 12/16/2019				
1220-12	The Pond Restaurant	10/13/2017	120 то	5.000	100,000.00	92,700.48	2,504.33	2,745.67		750.00	07/31/2019				
1220-69	Tivoli Farm Inc.	12/16/2019	72 то	5.000	50,000.00	50,000.00									
1220-53	Train Time Expres	04/19/2019	72 mo	7.250	22,500.00	21,026.23	1,473.77		-	387.2	387.23 10/31/2019				
1220-46	Wandering Fool, LLC	06/28/2018	72 mo	5.000	25,000.00	19,410.38	3,780.14	1,051.30	0	402.6	402.62 12/27/2019				
1220-52	Willa's Bakery Ca	04/17/2019	72 mo	5.000	30,000.00	27,137.08	2,862.92	1,002.28	8	483.1	483.15 12/27/2019				

# Trial Balance Report for CEDC Loan Fund for the Period 01/01/2019 - 12/31/2019 By Funding Source (All transactions)

01/07/2020 03 29 PM

						ਫ਼ 	=== Cumulative Pmts ===		Latest Prints	1 2			3	and year cooling I
_oanID Borrower	Close Date	Term Rate Loan Amount	te Loan	Amount	Principal Balance	Principal Interest	1.0	Escrow	Amount Date ONE ONE+ TWO+ THREE+ FO	Date	ONE	ONE+	TWO+	THREE+
CEDC Loan Fund - CEDC-01: 34 loans			7,4	,488,015.79	1,003,908.94	003,908.94 153,005.69	38,039,85		49,351.47		2,178.19	2,178.19 339.10 21.83 17.59	21.83	17.59
EDC Loan Fund: 34 loans			4.	,488,015.79	1,003,908.94	153,005.69	38,039.85		49,351.47		2,178.19 339.10 21.83 17.59	339.10	21.83	17,59
eport total 34 loans			1.4	1.488.015.79		003.908.94 153.005.69	38,039,85		49,351.47		2,178.19	11 13	339.10 21.83 17.59	17.59

### 2019 CEDC Loan Committee Report of Discharged Duties

### During 2019 the CEDC Loan Committee:

- Work continued on the Loan Program business plan.
- Work continued on the financial procedure manual.
- Loan software was installed and integrated with Quickbooks.
- Reviewed twenty four loan requests, thirteen CEDC and eleven SBA.
  - o Twenty four recommended to the full board for approval.
  - o One approved by the loan committee.
  - o Eight approved Microloans closed.
  - o Nine CEDC loans closed.
  - o \$182,000 total lent by SBA.
  - o \$515,000 total lent by CEDC.
  - o Two previously written off loans continue to pay.
- Reported 6 SBA and 6 CEDC loans paid off in 2019.
- Reviewed the portfolio risk ratings.

### Columbia Economic Development Corporation Loan Committee Charter

### Purpose:

Pursuant to Article IV, Section 1 of the Corporation's bylaws, the purpose of the Loan Committee is to: (i) assist the Board in setting the strategic direction for the Corporation's lending operations, (ii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's lending (iii) assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's loan servicing operations and (iv) fulfill such other responsibilities as assigned to it by the Board.

### **Duties of the Loan Committee:**

It shall be the responsibility of the loan committee to:

- The primary responsibility of the Committee is to review and recommend loans and aggregate loan relationships with any individual customer and his or her affiliates that exceed a minimum amount and up to and not to exceed the legal lending limit of the Corporation.
- In connection with the review and approval of any loan request, the Committee shall consider such information as it determines to be consistent with prudent lending practices, including financial statements of the borrower and any guarantors, the ability of the borrower to generate cash flow to support its debt obligations and other cash flow needs, the value and adequacy of the collateral for the loan, recent trends and statistics, and other relevant information.
- Review annually and provide recommendations to the Board regarding the overall strategic plans and initiatives for the Corporation's lending operations, and monitor the implementation of such plans including, markets served and marketing activities.
- Recommend lending policies and procedures to the Board of Directors, and monitor the implementation of such policies.
- Receive monthly reports regarding collections and delinquencies.
- Receive periodic reports regarding other significant issues within the lending operations
  regarding matters such as, but not limited to, compliance, staffing or other operational
  issues.
- Provide recommendations to the Board based upon the Committee's activities.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Charter and request board approval for proposed changes.
- Review and recommend changes to the Corporation's lending fee schedules.

### Composition of Committee and Selection of Members

The Loan Committee shall consist of not less than three independent members of the board of Directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Corporation's board shall appoint the Loan Committee members. Members shall serve on the committee at the

discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

### Meetings

The Loan Committee shall meet at least monthly, unless the Chair deems a meeting unnecessary. Members of the Loan committee are expected to attend each committee meeting,. The Loan committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the committee members present shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to Loan committee members along with briefing materials five (5) business days before the scheduled Loan committee meeting. The Loan committee may act only on the affirmative vote of a majority of the members present or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Reviewed and adopted 1/31/17 Reaffirmed 10/23/18