



State of Rhode Island and Providence Plantations  
One West Exchange Street  
Providence, RI 02903  
401-222-2601

November 30, 2005

Michael McMahon  
Executive Counselor  
to the Governor on Economic  
Growth and Community  
Development

Honorable Donald L. Carcieri  
Governor  
State House  
Providence, RI 02903

Re: Gateway Eight Limited Partnership


Dear Governor Carcieri:

Please consider this letter to be the certificate of the Rhode Island Economic Development Corporation (the "RIEDC") provided to you in accordance with the terms of the Limited Recourse Guaranty of the Rhode Island Economic Development Corporation dated December 1, 1999 ("Limited Guaranty") with respect to a \$5,000,000 loan extended by the Employees' Retirement System of Rhode Island (the "ERS") to the Gateway Eight Limited Partnership of even date with said Limited Guaranty. We are enclosing a copy of the Limited Guaranty for your review.

In accordance with Paragraph 10 of the Limited Guaranty, the RIEDC hereby certifies and states that it is necessary to pay the obligation in the amount of \$3,000,000 to the ERS, and the RIEDC hereby requests that you submit to the General Assembly a budget including an appropriation for the specific purpose of paying the obligation of the RIEDC pursuant to the Limited Guaranty. We are also enclosing a copy of the demand of the ERS forwarded to us detailing the total deficiency owed to the ERS in the amount of \$3,601,382.75.

Please do not hesitate to contact us should you have any questions regarding the foregoing.

THE RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION

By:   
Michael McMahon, Executive Director/CEO

cc: Brian J. Spero, Esq.  
Andy Hodgkins, Esq.



RHODE ISLAND

**Economic Development Corporation**

315 Iron Horse Way, Suite 101 • Providence, Rhode Island 02908

PHONE: 401-278-9100 • FAX: 401-273-8270 • [www.riedc.com](http://www.riedc.com)

Via first class mail

August 28, 2013

Honorable Lincoln D. Chafee  
Governor  
Office of the Governor  
82 Smith Street  
Providence, RI 02903

**Re: Gateway Eight Limited Partnership**

Dear Governor Chafee:

Please accept this correspondence as the certificate of the Rhode Island Economic Development Corporation ( "RIEDC") as required pursuant to the terms of that certain Limited Recourse Guaranty of RIEDC dated December 1, 1999 ("Limited Guaranty") with respect to a \$5,000,000 loan extended by the Employees' Retirement System of Rhode Island (the "ERSRI") to the Gateway Eight Limited Partnership.

In accordance with Paragraph 10 of the Limited Guaranty, RIEDC hereby provides notice that the ERSRI has indicated that the sum necessary to pay the obligation under the Limited Guaranty totals \$1,749,148.29, exclusive of interest that may have accrued (the "Obligation"). RIEDC hereby requests that you include in the next budget to be submitted to the General Assembly an appropriation for the specific purpose of paying the Obligation. Please note that pursuant to the terms of the Limited Guaranty, the Obligation does not constitute a debt, liability or obligation of the State of Rhode Island and RIEDC is only obligated to the extent monies are appropriated for the payment of the Obligations. Enclosed herewith is a copy of the demand of the ERSRI sent to RIEDC detailing the total deficiency owed in the amount of \$1,749,148.29 together with a copy of the Limited Guaranty.

THE RHODE ISLAND ECONOMIC  
DEVELOPMENT CORPORATION

By:   
Marcel A. Valois, Executive Director

Enclosure

cc: Thomas E. Carlotto, Esq.

**LIMITED RECOURSE GUARANTY OF  
THE RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

In consideration of a FIVE MILLION DOLLAR (\$5,000,000.00) loan (the "Loan") extended by the EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND, ACTING BY AND THROUGH THE STATE INVESTMENT COMMISSION, which was established pursuant to the General Laws of Rhode Island, 35-10-1 ("ERS") having an address of c/o Treasury Department, Office of the General Treasurer, State of Rhode Island and Providence Plantations, Room 102, State House, Attention: General Treasurer, Providence, Rhode Island 02903 to GATEWAY EIGHT, Limited Partnership, a Massachusetts limited partnership ("GATEWAY") having an address of c/o Congress Group Ventures, Inc., One Memorial Drive, Cambridge, MA 02142, Attention: Mr. Dean Stratouly, and as an inducement for ERS to make the Loan to GATEWAY, the RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION ("RIEDC"), a government agency and public instrumentality of the State of Rhode Island and Providence Plantations, having an address of One West Exchange Street, Providence, Rhode Island 02903, in furtherance of its purposes as specified in Chapter 64 of Title 42 of the General Laws of Rhode Island, guarantees payment, to the extent specified in this Limited Recourse Guaranty, to the ERS of all "Obligations" (as hereinafter defined) and pursuant to the following provisions:

1. **INTENTIONALLY OMITTED**

2. This Guaranty is not conditioned or contingent upon the genuineness, validity, or enforceability of any of the documents evidencing or securing the Loan or any other instrument relating to the creation or performance of the Borrower's obligations guaranteed hereunder. Furthermore, RIEDC shall, subject to paragraph 10 hereof and the provisions of this Limited Recourse Guaranty, forthwith pay all sums due to ERS hereunder without regard to any counterclaim, setoff, deduction, or defense of any kind which any party obligated under the Loan may have or assert, and without abatement, suspension, deferment, or reduction on account of any occurrence whatsoever.

3. The term "Obligations" as used in this Limited Recourse Guaranty is defined to include the Loan.

4. This Limited Recourse Guaranty shall operate as a continuing guaranty. The liability of the RIEDC shall be limited to the payment of an amount not to exceed in the aggregate of Three Million Dollars (\$3,000,000.00) subject to the provisions of paragraph 10 hereof and such liability shall continue until all of the Obligations have been paid in full in accordance with the terms thereof or otherwise are expressly discharged in writing by Lender.

5. The RIEDC hereby: (i) waives the benefits of any statute of limitations affecting GATEWAY's liability hereunder and the enforcement thereof; (ii) waives any and all defenses available to a surety or a guarantor except payment and performance in full of all of the Obligations; (iii) waives any defense arising by reason of any disability or other defense of

GATEWAY or by reason of the cessation, from any cause whatsoever (including, without limitation, any intervention of or omission by the ERS) of the liability, either in whole or in part, of GATEWAY to the ERS for the Obligations; (iv) waives, to the full extent permitted by law, any defense arising as a result of the ERS's election, in any proceeding instituted under the federal Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code and any defense based on any borrowing or grant of a security interest under Section 364 of the Bankruptcy Code.

In each case, regardless of whether the same occurs with or without notice to any party liable under any of the documents evidencing or securing the Loan, and with or without consideration, to the fullest extent now or hereafter permitted by applicable law, the liability of RIEDC shall be unaffected by, and RIEDC hereby waives and relinquishes any claim based upon, any of the following: (a) any amendment or modification of the provisions of any Loan Document (but no such amendment or modification shall operate so as to increase the scope of RIEDC's liability hereunder unless such amendment or modification is assented to by RIEDC). Notwithstanding anything to the contrary contained herein or in any of the Loan Documents, that certain Promissory Note of even date in the principal amount of \$5,000,000.00 from Gateway to ERS shall not be modified or amended without RIEDC's prior written consent; (b) any extension(s) of the time for or waiver(s) of a payment obligation under any Loan Document; (c) the release of any party obligated under the Loan from an obligation of payment contained in any Loan Document, whether by operation of law, ERS's voluntary act, or otherwise; (d) any sale, transfer, substitution, exchange, or release of Collateral, or the sale, assignment, or foreclosure of any security interest therein in whole or in part, provided, however, that RIEDC does not waive or relinquish any claim based upon such a transfer if made to an entity other than ERS for a sum paid to ERS in excess of the outstanding and unpaid portion of the Loan Amount (as defined in the Loan Agreement of even date between Gateway and ERS); (e) ERS's failure to record any mortgage or file any UCC financing statement, or ERS's improper recording or filing of any thereof, or ERS's failure to otherwise perfect, protect, secure, or insure any Collateral; (f) the filing of any bankruptcy, reorganization, or similar proceeding for relief from creditors by or against any party obligated under the Loan or any subsequent owner of the Collateral; (g) any right or claim of right to cause a marshalling of the assets of any party obligated under the Loan; (h) all defenses which might constitute a legal or equitable discharge of a surety, indemnitor, accommodation party, or guarantor; or (i) any requirement of notice of the acceptance hereof, notice of incurring indebtedness and obligations by Gateway, presentment, demand for payment, protest, notice of protest, acceleration, or intent to accelerate.

6. This Guaranty shall not be directly enforceable against the RIEDC without ERS first resorting to the property securing the Obligations or against any security or liens available to the ERS granted to secure the Loan. Any deficiency shall be established upon completion of foreclosure of the collateral. If (i) ERS purchases the collateral at foreclosure, and (ii) ERS resells the collateral within one (1) year after the date of the foreclosure sale for a resale price, net of all carrying costs, closing costs, and other costs of such sale, (hereinafter referred to as the "Net Resale Price"), and (iii) such Net Resale Price exceeds all amounts due and payable to ERS by Gateway, then RIEDC is entitled to recover, to the extent of its payments, the excess of the Net Resale Price over the amounts due and payable.

7. Upon payment in full of the Obligations, RIEDC shall have a right of subrogation to and shall have a right to enforce any remedy which ERS now has or may hereafter have against Gateway or any collateral securing the Loan or in respect of the Obligations, and the right to any benefit of, and any right to participate in, any security, whether real or personal property, now or hereafter held by ERS to secure the Obligations.

8. The RIEDC represents, certifies and warrants, as a further inducement to the ERS to accept this Limited Recourse Guaranty and for the ERS to make the Loan that the execution and delivery of this Limited Recourse Guaranty by the RIEDC is in furtherance of the legitimate purposes of the RIEDC and all actions required by law, if any, to authorize the execution and delivery of this Limited Recourse Guaranty on behalf of the undersigned have been taken.

9. Upon the occurrence of a default, continuing beyond any applicable grace period, by GATEWAY in the payment of the Obligations and subject to the ERS's compliance with the provisions of paragraph 4 of this Limited Recourse Guaranty then all Obligations, regardless of the terms thereof, and all obligations of the RIEDC hereunder shall, for purposes of this Limited Recourse Guaranty, at the ERS's election, be deemed to have become immediately due and payable, and at the ERS's election, the RIEDC shall pay to the ERS the entire amount of the Obligations, subject to the provisions and time requirements of paragraph 8 of this Limited Recourse Guaranty.

10. ANYTHING ELSE CONTAINED IN THIS LIMITED RECOURSE GUARANTY NOTWITHSTANDING, THE PROVISIONS OF THIS PARAGRAPH 8 SHALL IN ALL RESPECTS BE CONTROLLING AS TO THE LIABILITY OF THE STATE OF RHODE ISLAND AND RIEDC UNDER THIS LIMITED RECOURSE GUARANTY. THE OBLIGATIONS OF THE STATE OF RHODE ISLAND, IF ANY, AND THE RIEDC UNDER THIS LIMITED RECOURSE GUARANTY SHALL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OF RHODE ISLAND OR A GENERAL OBLIGATION OF THE RIEDC, EXCEPT TO THE EXTENT PROVIDED IN THIS LIMITED RECOURSE GUARANTY OR OF ANY POLITICAL SUBDIVISION OF THE STATE OF RHODE ISLAND OTHER THAN THE RIEDC OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF RHODE ISLAND OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE RIEDC BUT SHALL IN ALL EVENTS BE PAYABLE SOLELY FROM THE PLEDGED REVENUES AS HEREINAFTER DEFINED IN THIS PARAGRAPH 8. NEITHER THE FAITH AND CREDIT NOR THE TAXING OR TAKING POWER OF THE STATE OF RHODE ISLAND OR ANY OF ITS POLITICAL SUBDIVISIONS OTHER THE RIEDC, AND THEN ONLY TO THE EXTENT OF THE PLEDGED REVENUES, ARE PLEDGED TO THE REPAYMENT OF THE OBLIGATIONS.

The RIEDC shall only be liable for the payment of any amounts under this Limited Recourse Guaranty to the extent and only to the extent of any moneys appropriated for the purposes of payment due under this Limited Recourse Guaranty by the General Assembly of the State of Rhode Island pursuant to this paragraph 8 (the "Pledged Revenues"). In the event of the occurrence of a default pursuant to the provisions of paragraph 7 of this Limited Recourse

Guaranty, and the fulfillment by the ERS of the requirements of paragraph 4 of this Limited Recourse Guaranty, the ERS may notify in writing the RIEDC of a default of GATEWAY in GATEWAY's payment of the Obligations and the amount of the Obligations then due under this Limited Recourse Guaranty from the RIEDC. Following the receipt of notice by the RIEDC from the ERS of the foregoing default, the RIEDC will (a) if the Rhode Island General Assembly is then in session and remains so for at least an additional ten (10) days, within ten (10) days of receipt by the RIEDC of the foregoing notice of default make and deliver to the Governor of the State of Rhode Island a certificate stating the sum necessary to pay the Obligations as demanded by the ERS, but in no event to exceed \$3,000,000, and a request that the Governor submit to the General Assembly a budget request for supplemental appropriation for said purpose and to appropriate said sum to the RIEDC for the purpose of paying the Obligations; or (b) if the General Assembly is not then in session by the next succeeding December 1 or, if, the notice of default is received from the ERS by the RIEDC after December 1, within ten (10) days after receipt of said notice of default make and deliver to the Governor of the State of Rhode Island a certificate stating the sum necessary to pay the Obligations, but in no event to exceed \$3,000,000, and request that the Governor submit to the General Assembly copies of a budget including the amount necessary to pay the Obligations, but in no event to exceed \$3,000,000, to be appropriated to the RIEDC for said purpose and to appropriate said sum to the RIEDC for the purpose of paying the Obligations. Any amounts appropriated by the General Assembly for the foregoing purposes to the RIEDC shall be, upon receipt by the RIEDC, immediately paid over to the ERS whereupon the obligations of the RIEDC under this Limited Recourse Guaranty shall be terminated to the extent of the amounts paid over to the ERS provided, however, that if the Obligations in their entirety are satisfied by the amounts paid over to the ERS by the RIEDC then RIEDC's obligations under this Limited Recourse Guaranty shall terminate in full. Should the amounts appropriated to the RIEDC under this paragraph 8 be less than \$3,000,000 and less than the amount necessary to satisfy the Obligations in full, RIEDC shall once again notify the Governor of the State of Rhode Island consistent with the foregoing notice provisions of this paragraph 8 of the remaining amount necessary to satisfy the Obligations provided, however, that in no event shall the RIEDC be required to request of the Governor an amount which will, together with all amounts previously appropriated by the General Assembly pursuant to this paragraph 8, exceed \$3,000,000. Upon the payment of all of the Obligations in full or the payment of Pledged Revenues in the amount of \$3,000,000 under this paragraph 8 by the RIEDC to the ERS, this Limited Recourse Guaranty shall terminate and cease to be of further force and effect.

11. This Agreement shall be construed in accordance with and governed by the laws of the State of Rhode Island.

12. In the event any term or provision of this Limited Recourse Guaranty or the application thereof to any person or circumstance shall, to any extent, be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Limited Recourse Guaranty or the application of such term or provision to persons, circumstances or jurisdictions other than those to which it is so held invalid or unenforceable, shall be valid and enforceable to the fullest extent permitted by law.