









































**Part V** Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

  

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

  

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	

7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

**Part V** Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)**Section D - Distributions**

	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2015 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2015:			
a			
b			
c			
d From 2013			
e From 2014			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2015 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2015, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2015. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2016. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c Excess from 2013			
d Excess from 2014			
e Excess from 2015			

Schedule A (Form 990 or 990-EZ) 2015

**Part VI**

**Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8, and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

DRAFT

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2015**

Open to Public  
Inspection

Name of the organization

JEDCO DEVELOPMENT CORPORATION

Employer identification number  
46-2750063

**FORM 990-EZ, PART I, LINE 10, GRANTS AND ALLOCATIONS:**

**FORM 990-EZ, PART I, LINE 16, OTHER EXPENSES:**

DESCRIPTION OF OTHER EXPENSES:	AMOUNT:
TRAVEL & ENTERTAINMENT	254.
SUBSCRIPTIONS	1,505.
ADMINISTRATIVE	35,833.
TOTAL TO FORM 990-EZ, LINE 16	37,592.

**FORM 990-EZ, PART II, LINE 26, OTHER LIABILITIES:**

DESCRIPTION	BEG. OF YEAR	END OF YEAR
SBA ESCROW	1,001.	4,001.

FORM 990-EZ, PART III, PRIMARY EXEMPT PURPOSE - TO PROVIDE U.S. SMALL  
BUSINESS ADMINISTRATION (SBA) LOANS TO SMALL BUSINESSES LOCATED WITHIN  
THE GEOGRAPHIC AREA OF JEFFERSON PARISH, LOUISIANA BY WORKING WITH THE  
SBA AND PARTICIPATING PRIVATE LENDERS.

**FORM 990-EZ, PART III, LINE 28, PROGRAM SERVICE ACCOMPLISHMENTS:**

THE SBA 504 LOAN PROGRAM IS AN ECONOMIC DEVELOPMENT  
PROGRAM OFFERING A FINANCING PACKAGE THAT STIMULATES  
PRIVATE SECTOR INVESTMENT IN LONG-TERM FIXED ASSETS TO  
INCREASE PRODUCTIVITY, CREATE NEW JOBS, AND INCREASE THE LOCAL TAX  
BASE. THE STIMULUS IS PROVIDED BY MAKING LONG-TERM, LOW DOWN PAYMENT,  
REASONABLY PRICED FIXED-RATE FINANCING TO HEALTHY AND EXPANDING  
BUSINESSES WHICH HAVE THE HIGHEST PROBABILITY OF SUCCESSFULLY CREATING

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.  
532211  
09-02-15

Schedule O (Form 990 or 990-EZ) (2015)

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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CMB No. 1545-0047

**2015**

**Open to Public  
Inspection**

Name of the organization

JEDCO DEVELOPMENT CORPORATION

Employer identification number  
46-2750063

NEW JOBS AND COMPETING IN THE WORLD MARKETPLACE.

CERTIFIED DEVELOPEMENT COMPANIES (CDCS) ARE NON-PROFIT CORPORATIONS

CERTIFIED AND REGULATED BY THE SMALL BUSINESS ADMINISTRATION TO

PACKAGE, PROCESS, CLOSE, AND SERVICE 504 LOANS. THESE 504 LOANS ARE

ISSUED THROUGH A PARTNERSHIP WITH CERTIFIED DEVELOPMENT COMPANIES (CDC)

AND PRIVATE SECTOR, THIRD PARTY LENDERS. THERE ARE A SMALL NUMBER OF

FOR-PROFIT CDCS THAT HAVE BEEN GRANDFATHERED INTO THE CURRENT 504

PROGRAM. THE PROVISIONS OF THIS SOP APPLY TO THE NON-PROFIT AND THE

FOR-PROFIT CDCS IN ACCORDANCE WITH THE TERMS OF THE REGULATIONS.

JEDCO DEVELOPMENT CORPORATION IS A CDC IN THE SBA 504 LOAN PROGRAM.

BETWEEN 1990 AND 2015 JEDCO DEVELOPMENT CORPORATION HAS APPROVED 110

SBA 504 LOANS AND FUNDED 73 SBA 504 LOANS.

THE FINANCE DEPARTMENT IS CURRENTLY STAFFED BY 3 EMPLOYEES OF THE

RELATED GOVERNMENTAL ENTITY, JEFFERSON PARISH ECONOMIC DEVELOPMENT

COMMISSION. THE DIRECTOR OF FINANCE MEETS WITH APPLICANTS, GATHERS

INFORMATION NECESSARY TO COMPLETE APPLICATIONS AND SUBMITS APPLICATIONS

TO THE FINANCE COMMITTEE OF JEDCO DEVELOPMENT CORPORATION FOR APPROVAL.

THE FINANCING OPERATIONS MANAGER IS RESPONSIBLE FOR COORDINATING LOAN

CLOSINGS WITH BORROWERS AND CLOSING ATTORNEYS. SHE PREPARES ALL CLOSING

DOCUMENTS, ATTENDS THE CLOSINGS, AND ENSURES THAT ALL LEGAL DOCUMENTS

ARE FILED WITH THE CLERK OF COURT. THE FINANCING PROGRAMS COORDINATOR

INPUTS THE LOAN INFORMATION INTO A SOFTWARE PROGRAM USED TO MONITOR

LOAN REQUIRMENTS FOR THE LIFE OF THE LOAN, WHICH IS TYPICALLY 20 YEARS.

OVER THE LIFE OF JEDCO'S SBA LOAN PROGRAM, 630 JOBS HAVE BEEN CREATED

AND 340 JOBS HAVE BEEN RETAINED. SBA REQUIRES THAT A CDC CREATE/RETAIN

1 JOB FOR EVERY \$65,000 OF SBA LOANS. JEDCO HAS CREATED/RETAINED 1 JOB

LHA For Paperwork Reduction Act Notice, see the instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2015)

532211  
09-02-15

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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OMB No. 1545-0047

**2015**

Open to Public  
Inspection

Name of the organization

JEDCO DEVELOPMENT CORPORATION

Employer identification number  
46-2750063

FOR EVERY \$25,000 OF SBA FUNDING.

IN 2015, NO LOANS WERE FUNDED.

FORM 990-EZ, PART V, INFORMATION REGARDING PERSONAL BENEFIT CONTRACTS:

THE ORGANIZATION DID NOT, DURING THE YEAR, RECEIVE ANY FUNDS, DIRECTLY,  
OR INDIRECTLY, TO PAY PREMIUMS ON A PERSONAL BENEFIT CONTRACT.

THE ORGANIZATION, DID NOT, DURING THE YEAR, PAY ANY PREMIUMS, DIRECTLY,  
OR INDIRECTLY, ON A PERSONAL BENEFIT CONTRACT.





Form 8868  
(Rev. January 2014)

Department of the Treasury  
Internal Revenue Service

## Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

► Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).

OMB No. 1545-1709

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ☒
  - If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3 month extension on a previously filed Form 8868.
- Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

### Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions.	Enter filer's identifying number
	JEDCO DEVELOPMENT CORPORATION	Employer identification number (EIN) or 46-2750063
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 700 CHURCHILL PARKWAY	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. AVONDALE, LA 70094	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

CYNTHIA GROWS

- The books are in the care of ► 700 CHURCHILL PARKWAY - AVONDALE, LA 70094  
Telephone No. ► 504-875-3930 Fax No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2016, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
► ☒ calendar year 2015 or  
► ☐ tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.  
523841 04-01-15

Form 8868 (Rev. 1-2014)

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2015.03050 JEDCO DEVELOPMENT CORPORATI 09080\_\_1

August 25, 2016 JEDCO Development Corporation Quarterly Meeting

26



# JEDCO

Jefferson Parish Economic Development Commission

**TO:** JEDCO Development Corporation  
Board of Directors

**FROM:** Corinne S. Pritchett, Financing Programs Coordinator  
VIA  
Gerald A. Bologna, President/CEO

**DATE:** August 25, 2016

**SUBJECT:** Approval of Amended and Restated Bylaws of the JEDCO Development Corporation (CDC)

**PURPOSE:**

The purpose of this memorandum is to request approval of changes to the Bylaws of JEDCO Development Corporation as required by the U. S. Small Business Administration (SBA).

**BACKGROUND:**

The SBA has published significant changes to the regulations governing the SBA 504 loan program. The required changes impacted the CDC by-laws.

**RECOMMENDATION:**

It is recommended that the request to amend and restate the by-laws of JEDCO Development Corporation be approved.

AMENDED AND RESTATED  
BYLAWS  
OF  
JEDCO DEVELOPMENT CORPORATION

ARTICLE I

OFFICE

The principal office of the Corporation in the State of Louisiana shall be located in the Parish of Jefferson, State of Louisiana. The Corporation's areas of operations shall include the entire State of Louisiana.

The Corporation shall have and continuously maintain in the State of Louisiana a resident agent as required by the Louisiana Not-For-Profit Corporation Act. The resident agent may be changed from time to time by the Board of Directors.

ARTICLE II

BOARD OF DIRECTORS

Section 1.     Board of Directors. The Corporation shall at all times have at least 21 individual members, all of whom must reside or do business in the State of Louisiana. The Board of Directors must have background and experience in internal controls, financial risk management, commercial lending, legal issues relating to commercial lending and corporate governance. The Board must have at least two voting members, other than the CDC manager who must possess commercial lending experience satisfactory to SBA to be present and vote on loan approvals or servicing actions. (Increase in loan amount if over delegated authority threshold, release of guarantors, other servicing actions as set out in SOP 50 55). Voting board members excludes members of staff other than the CDC Manager. The CDC must have at least one voting Director that represents the economic, community or workforce development fields. Directors may be either currently employed or retired. Retirees may represent the field from which they retired.

Section 2.     Place of Meeting. The Board of Directors may designate any place, either within or without the State of Louisiana, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made, the place of meeting for any annual or special meeting shall be the principal office of the Corporation in the State of Louisiana; but if all of the members shall meet at any time and place, either within or without the State of Louisiana, and consent to the holding of a meeting, such meeting shall be valid without call or notice and at such meeting any corporate action may be taken.

Section 3. Notice of Meetings. Notice of meetings shall be given to all members entitled to vote at the meeting.

Section 4. General Powers. The business and affairs of the Corporation shall be managed by a Board of Directors. Subject to Section 5 below, members of the Board of Directors shall be elected by the members of the Board. The Board of Directors must have background and experience in internal controls, financial risk management, commercial lending, legal issues relating to commercial lending and corporate governance. The Board of Directors shall have full power to act on behalf of the Corporation as permitted by the statutes of the State of Louisiana, the Articles of Incorporation and these Bylaws, as shall be amended from time to time.

Section 5. Number, Tenure and Qualification. The number of directors shall be at least twenty-one, and shall include all members of the Board of Commissioners of the Commission. The Board of Directors shall have at least one member representing the groups set forth in Article II, Section 1 of these Bylaws, one of which groups must be private sector lending institutions. Each director shall hold office for so long as he or she is a member of the Board of Commissioners of the Commission or until his or her successors shall have been elected or qualified.

Section 6. Regular Meetings. The Board shall meet quarterly on the last Thursday of the months of February, May, August and November. A specific schedule of regular meetings of the Board shall be developed and provided to each member of the Board. Any regular meeting may be adjourned to a later date prior to the next regular meeting, provided that any absent member will be notified of the date and time when the meeting will reconvene. The Chairman may, at his/her discretion, reschedule a regular meeting to a later date prior to the next regular meeting when it becomes known that a quorum will not be available, or when additional time is required for preparation of material particularly important to the such regular meeting, provided that all Board members are duly notified in advance of the change in schedule.

Section 7. Special Meetings. The Chairman shall have the right to call special meetings at his/her discretion, but must call a special meeting upon the request of any five (5) Board members. When calling a special meeting, the Chairman shall make known the purpose for which the meeting is called. Only those matters which were included in the call shall be considered at the special meeting unless every member of the Board is present and a quorum agrees to take up other matters. The Secretary shall cause a written notice of the time and place of a special meeting to be mailed, or hand delivered, to each Board member, at the addresses of the Board members as they appear in the records of the Corporation, at least twenty-four hours before the day on which the meeting is to be held, or shall communicate the notice of such meeting to each Board member by electronic correspondence/email, facsimile transmission (fax) or telephone no later than 24 hours before the meeting is to be held.

Section 8. Quorum. A Quorum must be present for the duration of the meeting to transact business. The Quorum shall be set by the CDC but shall be no less than fifty (50%) percent of the voting members of the CDC Board. Attendance may be through any format permitted by state law.

Section 9. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater



number is required by law or by these Bylaws.

Section 10. Compensation. Directors shall not receive any stated salaries for their services but, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. This Section shall not be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 11. Vacancies. Any vacancy occurring in the Board of Directors because of death, resignation or otherwise shall be filled by the member of the Board of Commissioners of the Commission appointed to take the place of the deceased, resigned or otherwise missing Board member for so long as such person is a member of the Board of Commissioners of the Commission.

Section 12. Action without a Meeting. Any action required by law or these Bylaws to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if, prior to such action, a consent in writing, setting forth the action so taken, shall be signed by all of the directors. The written consent shall be filed with the minutes of the meeting of the Board of Directors.

Section 13. Control. No single group shall control. Directors from the commercial lending field must comprise less than 50% of the representation of the Board.

Section 14. Conflict of Interest. There must be no actual or apparent conflict of interest with respect to any actions of the Board.

Section 15. Board Responsibility. The Board shall have and exercise all corporate powers and be responsible for all corporate actions and business. The Board is ensuring that the structure and operation of the CDC, as set forth in the Bylaws, comply with SBA's loan program requirements.

Section 16. Insurance. The Board of Directors shall maintain director's and officer's liability and errors and omissions insurance in amounts established by SBA that are based on the size of the CDC's portfolio and other relevant factors. The sliding scale of D & O and E & O insurance will be published in SBA SOP updates.

Section 17. Certification of Members of Board of Directors. All CDC Directors must annually certify in writing that they have read and understood CFR 120.823, and copies of the certification must be included in the Annual Report to SBA. CFR 120.830 (a) (3) requires Certification of the Board of Directors. Written annual certification by each Board member that he or she has read and understands the requirements set forth in CFR 120.832

Section 18. Affiliations. Other than approved affiliations under CFR 120.820, a CDC may not permit more than one of its Directors to be employed by or serve on the Board of Directors of any single entity (including the entity's affiliates), unless that entity is a civic, charitable, or comparable organization that is not involved in financial services or other economic development activities. No Board member may serve on the Board of another CDC.

Section 19. Investments. Investment in economic development in each of the states in the Areas of Operation in which it has a portfolio, with the Board of Directors approving investments through the CDC's budget review is required. The approval process may happen at any point during the CDC's fiscal year. A written report will be required for each state in which the CDC has an outstanding 504 loan.

### ARTICLE III

#### OFFICERS

Section 1. Officers. The officers of the Corporation shall be a Chairman, Vice-Chairman, a Treasurer and a Secretary. The Board of Directors may elect or appoint such other officers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of Chairman and Secretary.

Section 2. Election and Term of Office. Officers shall be elected annually in November at the regular meeting of the Board, with the term of each office commencing on the date of the first meeting in the following calendar year. The Board, from among its members, shall elect a Chairman, Vice-Chairman, Secretary and Treasurer to hold office for one year or until their successors are elected. The Board shall not be bound by any particular order of succession in the nomination of members for election to the above offices. No office may be held by the same board member for more than two consecutive terms.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. In case a vacancy occurs among the elected officers, due to resignation or other cause, an election shall be held, at a regular or special meeting called for such purpose, to fill the vacant office for the unexpired portion of the term period.

Section 5. Expiration of Term. An officer of the Board, other than the Chairman, whose term of office has expired during the time he serves as an officer or who has resigned without an effective resignation date, but who still retains the qualifications required by law for such office shall continue to serve in such office with full power until a successor shall have been duly appointed. If the Chairman's term of office expires while he/she serves as chairman, he/she shall continue in such office with full power until the end of his or her term as chairman, and then serve one year additional as an ex-officio member of the board. If the chairman resigns during his/her term of service, the rules as stated above shall apply.

#### Section 6. Chairman

The duties of the Chairman shall be:

1. To preside at all meetings of the Board, with the right to vote on all issues.

2. To see that the laws of the State of Louisiana, Parish of Jefferson, and the directives and policies of the Board, are faithfully observed and executed.
3. To call special meetings of the Board, at his/her discretion, or upon the request of five members.
4. To serve as an ex-officio member of all committees, with the right to vote on all issues.
5. To serve as Chief Executive of the Board, and as such, to insure aggressive pursuit of those objectives established by the Board, as provided for by law.
6. To countersign checks with any one of the other Officers of the Board or the President & CEO.
7. To perform such other duties as are usually incumbent upon the Chairman of an economic development office.
8. To establish task forces composed of both Board members and others to study and report on specific topical areas of concern to the Chairman and/or the Board.

#### Section 7. Vice Chairman

The duties of the Vice Chairman shall be:

1. Whenever the Chairman is absent from any regularly scheduled meeting, or from a special meeting called by the Chairman, the Chairman's duties shall be performed by the Vice Chairman. The Vice Chairman may assume the duties of the Chairman for the purpose of calling a special meeting when the Chairman is temporarily absent from the area, or when the Chairman is temporarily incapacitated through illness or otherwise.
2. Whenever the Chairman's absence from the area, or the Chairman's incapacity due to illness, prevents the Chairman from handling routine but necessary Board business, at times other than official meetings, such business shall be handled by the Vice Chairman.
3. Should a vacancy occur in the office of the Chairman, the Vice Chairman shall succeed to the office of the Chairman with all powers and duties of the Chairman. In such event, the Vice Chairman shall serve in the office of the Chairman until the Board shall elect a new Chairman from a list of nominees prepared by the Nominating Committee.
4. To countersign checks with any of the other Officers of the Board or the President & CEO.

#### Section 8. Secretary

The duties of the Secretary shall be:

1. When required, to attest to any official document of the JEDCO and/or the Board with his/her signature.



2. To keep, or cause to be kept, a record of the minutes of all meetings of the Board.
3. To insure or cause to insure the safekeeping of the records, minutes, papers and documents of the Commission and Board. All minutes, papers and documents of the Board shall be kept at the JEDCO office and shall be available for inspection by Board members at all times.
4. In the absence of the Treasurer, the Secretary shall be acting Treasurer and shall assume all duties of the Treasurer until a new Treasurer is elected by the Board.
5. To countersign checks with any of the other Officers of the Board or the President & CEO.
6. To perform such other duties as are usually incumbent upon the secretary of a commission, board or other entity similar in nature to the Commission.

#### Section 9. Treasurer

The duties of the Treasurer shall be:

1. To insure or cause to insure safekeeping of funds and other securities of JEDCO.
2. To make or cause to be made a monthly financial report of receipts and disbursements, to be presented at regular meetings of the Board. The Treasurer shall also submit any other special reports required by the Chairman or by the Board.
3. To sign documents relating to financial business of JEDCO and the Board as may be directed by the Board.
4. In the absence of the Secretary, the Treasurer shall be acting Secretary and shall assume all duties of the Secretary until a new Secretary is elected by the Board.
5. To countersign checks with any one of the other Officers of the Board or the President & CEO.
6. To perform such other duties as are usually incumbent upon the treasurer of a commission, board or other entity similar in nature to the Commission.

#### Section 10. President & CEO

1. The President & CEO shall be the principal operating officer for the Commission. The President & CEO shall be responsible for executing the policies and projects of the Commission as a prudent administrator. The President & CEO shall have charge of all the overall management and direction of all Commission affairs, and shall be responsible directly to the Board, and its committees, for all administrative, managerial, financial, engineering, operations, traffic, trade development and public relations affairs.
2. It shall be the duty of the President & CEO to keep the Board apprised of the progress of projects or undertakings directed by the Board or any other committee of the Board, and the status of ongoing operations and other endeavors under the cognizance of the Board or any other committee of the Board.

3. It shall be the duty of the President & CEO to keep the Board and any other Committee of the Board apprised of significant happenings in areas of interest to the Board, such as proposed legislation, construction permits, and private or commercial endeavors which might impact the Board's areas of interest and responsibility.

4. The Chairperson, or the President & CEO has the authority to state and disseminate JEDCO's public position on any issue related to economic development in the state of Louisiana, as long as such position is allowable by the applicable Jefferson Parish and Louisiana laws and statutes; and provided further that JEDCO shall not take a public position on any parish, state or federal election that involves persons seeking office in those elections.

5. The President & CEO shall serve as the senior executive and supervisor of all CDC employees.

6. The President & CEO shall have the power and authority to hire, reprimand and dismiss all Commission staff members in the President & CEO's sole and absolute discretion.

7. The President & CEO shall be legally domiciled in Jefferson Parish no later than six months after appointment and shall submit to JEDCO's Human Resources Manager the following documents as proof of domicile in Jefferson Parish:  
a copy of the President & CEO's Louisiana Driver's License or Louisiana Identification Card  
a copy of the President & CEO's Jefferson Parish Voter Registration Card;  
an original affidavit executed by the President & CEO attesting to the President & CEO's residency in Jefferson Parish, similar in form to the affidavit of residency for the qualification of candidates for elective office in Louisiana.

Section 11. Execution of Documents. All contracts, leases, notes, commercial paper, and other instruments in writing and legal documents shall be signed by the Chairman. All bonds, deeds, and mortgages shall be signed by the Chairman and attested by the Secretary or Treasurer.

Section 12. Loans to Officers. No loan of money or property or any advance on account of services to be performed in the future shall be made to any officer or director of the Corporation.

## ARTICLE IV

### COMMITTEES OF THE BOARD

#### Permanent Committees.

A. Committees, optional but if any, must be authorized by the Bylaws. Delegation to Committee(s) does not relieve Board of responsibility imposed by law or 504 Loan Program Requirements.

B. The Loan Committee. The Loan Committee shall serve as the policy-making body of the Board. The duties of the Loan Committee shall also include meeting periodically to consider and rule on recommendations made by staff as to the approval, declination or qualification of new loan requests, as well as to consider and rule on recommendations made by staff as to the servicing,

maintenance and review of existing loans. The Loan Committee shall have final authority with respect to such matters. The Loan Committee shall have the authority to provide credit approval for loans up to \$2,000,000.00. The Board of Directors shall have the authority to provide credit approval for loans greater than \$2,000,000.00. For loans in the amount of \$1,000,000.00 to \$2,000,000.00, the Loan Committee's action must be ratified by the Board of Directors prior to debenture closing.

The Loan Committee must:

1. Be comprised of at least eleven (11) Board Members chosen by the Board of Directors. Each member of the Loan Committee shall serve a one (1) year term or until such member's successor is elected by the Board. Committee must include at least two (2) members with commercial lending experience satisfactory to SBA, neither of which is the CDC manager. Members of the Loan Committee must live or work in area of operation where the SBA 504 project is located. No staff or CDC Manager may serve on the Loan Committee.
2. The Loan Committee must have a quorum of at least five (5) committee members authorized to vote with attendance allowed in any method allowed by state law.
3. The CDC must have no actual or appearance of a conflict of interest (including, for example, a Loan Committee member participating in deliberations on a loan for which the Third Party Lender is the Member's employer or the member is otherwise associated with the Third Party Lender.)
4. The CDC must establish and set forth in detail, in a policy manual, its credit approval process.
5. All SBA 504 loan applications must have credit approval prior to submission to the SBA.

#### Standing Committees.

The Nominating Committee. The Nominating Committee shall be comprised of five (5) members of the Board, being the same directors as are members of the Nominating Committee of the Commission, from time to time. Each member of the Nominating Committee shall serve a one (1) year term or until such committee member's successor is elected by the Board. The Nominating Committee shall be responsible for compiling lists of Board members who have the qualifications necessary to carry out the duties of any of the Board's committees. At such time as a vacancy may exist on any of the Board's committees, the Nominating Committee shall compile a list of Board members having those qualifications and qualities deemed necessary to fulfill the duties of the particular vacancy. The Nominating Committee shall compile such list of Board members within the time frame determined by a majority of the Board, and if the Board does not make such a determination, within the time frame as may be established by the Nominating Committee.

#### Other Committees.

The Board shall establish committees as in its discretion are advisable. Guidance for, objectives and composition of a committee shall be fixed at the time of establishment of the committee. Members to any committee established pursuant to this part shall be selected by the Board from a list of Board members compiled by the Nominating Committee. The term for all committee members for committees established pursuant to this part shall not exceed one (1) year.

Section I. Attendance at Board and Committee Meetings.

- A. In addition to the members of the Board, the President & CEO shall attend all meetings of the Board unless excused from attending by the Board or as otherwise provided in the President & CEO's contract, if one exists, or directed by the Board not to attend.
- B. All Board members are expected to attend all regular and special meetings of the Board of the Corporation.

With respect to the Board, a vacancy shall be deemed to exist if a Board member is absent from two (2) regularly scheduled quarterly Board meetings in any calendar year, unless such absences are excused as hereinafter provided. Attendance or lack thereof at special meetings shall not be taken into consideration for purposes of this provision.

In order to have an absence from a regularly scheduled Board meeting approved, the absent Board member shall submit to the Board not later than thirty (30) days after the date of the missed Board meeting, a letter setting forth the reasons for such Board member's absence from the Board meeting. The Board shall decide, by majority vote, whether to excuse such Board member's absence from the Board meeting. If an absence from a regularly scheduled Board meeting is excused by the Board, then such absence shall not be deemed to be an absence for purposes of determining a Board vacancy.

With respect to committees of the Board, a vacancy shall be deemed to exist if a committee member is absent for three consecutive committee meetings or has attended less than fifty (50%) percent of regularly scheduled committee meetings in any calendar year. Attendance or lack thereof at special committee meetings shall not be taken into consideration for purposes of this provision.

## ARTICLE V

### PROFESSIONAL STAFF AND PROFESSIONAL MANAGEMENT

The Corporation shall have a full-time professional staff with capabilities to package, process, close, and service its loans.

The Corporation shall also have professional management ability, including adequate

accounting and legal abilities. The Corporation shall also have the ability to provide management advice and services to small business concerns. These capabilities may be drawn from the staff, the Board of Directors, or the membership of the Corporation, or may be acquired on a contractual basis from qualified individuals or organizations residing or doing business in the Jefferson Parish area. To conduct its business, the Corporation shall maintain an accessible place of business open to the public during normal business hours with a separately listed telephone number and at least one individual to meet with visitors or respond to business matters over the telephone.

## ARTICLE VI

### CONTRACTS, CHECKS, DEPOSITS AND LOANS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, or agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may determine.

Section 3. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

## ARTICLE VII

### BOOKS, RECORDS AND ACCOUNTS

The Corporation shall keep at its principal office correct and complete books and records of account which shall at all times show the financial condition of the Corporation and shall also keep minutes of the proceedings of its members and Board of Directors. All books and records of the Corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time. An annual financial audit of the Corporation shall be conducted by an independent certified public accountant. Written internal control policies for JEDCO Development Corporation have been established in compliance with SBA's Loan Program requirements under the oversight of the Board of Directors.

## ARTICLE VIII

### FISCAL YEAR

The fiscal year of the Corporation shall be from January 1 to December 31.

## ARTICLE IX

## INDEMNIFICATION

Section 1. In General. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor) by reason of the fact that he is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by him in connection with such proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to a criminal proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Actions by or in the Right of the Corporation. The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any Corporation to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case such person is fairly and reasonably entitled to indemnity for the expenses which such court shall deem proper.

Section 3. Definitions of Agent Proceeding and Expenses. For purposes of this Article X, "agent" means any person who is or was a director, officer, employee or other agent of the Corporation, or is or was serving at the request of the Corporation, as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under this Article X.

Section 4. Required Indemnity. To the extent that an agent of a Corporation has been successful on the merits or otherwise in defense of any proceeding referred to in Sections 1 and 2 of this Article X or in defense of any claim, issue or matter therein, the agent shall be indemnified against his expenses actually and reasonably incurred in connection therewith.

Section 5. Authorization of Indemnity. Any indemnification under Section 1 of this Article X, unless ordered by a court, shall be made by the Corporation only as authorized in Section

1 of this Article X and if proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 1. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who are not parties to such proceeding; and (b) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or (c) by the members. Any indemnification under Section 2 must be ordered by as court.

Section 6. Advance Indemnification. Expenses incurred in defending any proceeding may be paid by the Corporation in advance of the final disposition of such proceeding if authorized by the Board of Directors in the manner specified in Section 5 of this Article X, upon receipt of the undertaking by or on behalf of the agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified as authorized in this Article X.

Section 7. Not Exclusive of Other Rights. The indemnification provided by this Article X shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors and administrators of such a person. Nothing contained in this Article X shall affect any right to indemnification to which agents other than directors and officers may be entitled by contract or otherwise under law.

Section 8. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in any such capacity or arising out of the agent's status as such, provided, however, that no indemnification shall be made under any policy of insurance for any act which could not be indemnified by the Corporation under this Article X.

## ARTICLE X

### WAIVER OF NOTICE

A director may make written waiver of any notice required to be given under the provisions of the Louisiana Not-For-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, before, at or after a meeting. The waiver shall be filed with the person designated to act as secretary of the meeting who shall enter it upon the records of the meeting. Appearance at a meeting is deemed a waiver unless it is solely for the purpose of asserting the illegality of the meeting.

## ARTICLE XI

### PRIMARY PURPOSE

The primary purpose of this Corporation is to serve as a Certified Development Corporation pursuant to Section 504 of Title V of the Small Business Investment Act of 1958, as amended, and the Corporation shall be governed by all requirements of said Section 504.

## ARTICLE XII

### AMENDMENTS

These bylaws may be altered or amended at any regular meeting of the Board by a vote of two-thirds (2/3) of the entire Board. However, no such alteration or amendment shall be considered unless (a) notice of the intention to alter or amend the bylaws shall have been given in writing at a previous meeting of the Board, and (b) a draft of the proposed alteration or amendment shall have been sent to each member of the Board at least forty-eight hours in advance of the meeting at which action on such alteration or amendment is to be taken. Such amendments must also be approved by the United States Small Business Administration.

Revised and amended 7/12/16



JEDCO DEVELOPMENT CORPORATION

CERTIFICATE OF SECRETARY

I, James K. Baum, Jr, do hereby certify that:

I am the duly elected Secretary of JEDCO Development Corporation, a corporation organized and existing under and by virtue of the laws of the State of Louisiana.

Attached hereto is a true and correct copy of the corporation's amended and restated Bylaws as adopted by the Board of Directors as of August 25, 2016.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
James K. Baum, Jr.  
Secretary

## RESOLUTION

**WHEREAS**, the U. S. Small Business Administration (SBA) published significant changes in the regulations governing the SBA 504 loan program.

**WHEREAS**, the proposed changes will significantly affect the governance structure and requirements to JEDCO Development Corporation.

**NOW THEREFORE, BE IT RESOLVED** by the JEDCO Development Corporation Board of Directors that:

The entire Bylaws of JEDCO Development Corporation has been amended and restated as required by the SBA;

The foregoing resolution having been submitted to a vote, the vote hereon was as follows:

YEAS

NAYS

ABSENT

The resolution was declared to be adopted on this 25th day of August, 2016

Attested to by:

---

James K. Baum, Jr.  
Secretary



# JEDCO

Jefferson Parish Economic Development Commission

**TO:** JEDCO Development Corporation  
Board of Directors

**FROM:** Corinne S. Pritchett, Financing Programs Coordinator  
VIA  
Gerald A. Bologna, President/CEO

**DATE:** August 25, 2016

**SUBJECT:** Approval of SBA Operations Agreement Between JEDCO Development Corporation and JEDCO

**PURPOSE:**

The purpose of this memorandum is to request approval of an Operations Agreement between JEDCO Development Corporation (CDC) and JEDCO as required by the U. S. Small Business Administration (SBA).

**BACKGROUND:**

According to SBA SOP's, if the staff of the CDC is not hired directly by the CDC, SBA requires a written professional services agreement between the CDC and JEDCO and a management waiver per 13 CFR 120.824 to handle the day to day operations of the CDC.

**RECOMMENDATION:**

It is recommended that the request to approve the Operations Agreement and Management Waiver be approved.

**OPERATIONS AGREEMENT BETWEEN**  
**JEFFERSON PARISH ECONOMIC DEVELOPMENT AND PORT DISTRICT**  
**AND JEDCO DEVELOPMENT CORPORATION**

This Operations Agreement is entered into on this 25<sup>th</sup> day of August, 2016 between the JEFFERSON PARISH ECONOMIC DEVELOPMENT AND PORT DISTRICT ("JEDCO") AND JEDCO DEVELOPMENT CORPORATION (the "CDC") on the following recitals of facts:

- A. For operational efficiency, JEDCO has provided the staff, resources, office space, accounting functions, and services to operate the loan corporations since their inception, and both parties desire to continue to utilize said services ongoing.
- B. JEDCO and JEDCO DEVELOPMENT CORPORATION desire to enter into this Operating Agreement (Agreement), and to fix their rights and duties under it.

Therefore, in consideration of the promise to pay the sum of Ten Dollars (\$10.00) and other good and valuable consideration the parties agree as follows:

**Section 1. Terms**

- 1.01 The term of this Agreement shall be from a period beginning September 1, 2016, and ending August 31, 2021, or until cancelled in writing by JEDCO or the CDC;
- 1.02 Either of the two parties listed above may terminate this Agreement upon sixty (60) days advanced written notice to the other party for any purpose.

**Section 2. Services**

JEDCO shall provide services for the CDC in a manner consistent with good standard practices including but not limited to the following:

- 2.01 **Services.** This contract is for actual services performed for payment of staff and overhead expenses and the CDC shall reimburse JEDCO payment only for services performed. This contract for professional services shall not exceed 75% of the CDC's loan processing and servicing income for the year. Such services must be at a commercially acceptable rate customary for similar services and were established using comparisons with other Certified Development Corporations. The hourly cost in each of the subsequent four (4) years of the contract shall be established by a cost allocation method billed to each program affiliated with JEDCO and will be based on the CDC's usage of those services. JEDCO shall provide the CDC with the following services, listed herein for reference and not to be necessarily limited to: accounting and fiscal services; clerical and support services; facilities and operations and staffing. JEDCO will provide the Employees needed to carry out day-to-day operations.

Employees will be employed by JEDCO for the purpose of streamlining payroll taxes, withholding taxes, health and disability insurance, and retirement plans.

- 2.02 JEDCO shall not charge borrowers of the affiliate loan corporations for the same services. JEDCO is specifically prohibited from requiring loan applicants or borrowers to purchase other services from it as a condition of furnishing staff via this agreement.

- 2.03 **Employees Compensation Under the Contract.** The reimbursement for employees' compensation shall be established by the Board of the CDC and shall be provided by JEDCO under the Contract for the period Beginning September 1, 2016, and ending August 31, 2021 as follows:

**Director of Financing of CDC:** Responsible for loan processing, application preparation management, marketing and planning for both corporations. The hourly charge for the salary of this employee shall not exceed \$43.01 per hour based on actual hours worked for the CDC and shall be increased annually based on the salary of the employee as approved by the Board.

**Financing Operation Manager of CDC:** Responsible for closing and servicing of all loans for both corporations. The hourly charge for the salary of this employee shall not exceed \$24.60 per hour based on actual hours worked for the CDC and shall be increased annually based on the salary of the employee as approved by the Board.

**Financing Programs Coordinator of CDC:** Responsible for servicing, policy and compliance of all loans for both corporations. The hourly charge for the salary of this employee shall not exceed \$30.30 per hour based on actual hours worked for the CDC and shall be increased annually based on the salary of the employee as approved by the Board.

**Operations Administrator of CDC:** Responsible for servicing all loans for both corporations. The hourly charge for the salary of this employee shall not exceed \$19.86 per hour based on actual hours worked for the CDC and shall be increased annually based on the salary of the employee as approved by the Board.

**Controller of CDC:** Responsible for servicing, bookkeeping for both corporations. The hourly charge for the salary of this employee shall not exceed \$47.20 per hour based on actual hours worked for the CDC and shall be increased annually based on the salary of the employee as approved by the Board.

- 2.04 **Services Fee.** In addition to staff costs, JEDCO will bill the CDC monthly for the expenses as outlined in Sections 2.0.1 through 2.03 above incurred on behalf of the CDC. The CDC will only repay JEDCO fees for services that are commercially reasonable comparable to other services available in the geographical area. Payment for said services shall be submitted to JEDCO by the CDC within ten (10) days.

Additional compensation from CDC fee income, including but not limited to multipliers or bonuses, is not permitted.

- 2.05 **Sources of Compensation from the CDC to JEDCO.** The sources of compensation from the CDC to the JEDCO for the services outlined herein shall be the following:

The CDC. Servicing fees, processing fees, interest income, and packaging fees associated with operating the U.S. Small Business Administration 504 loan program.

All compensation paid by the CDC to JEDCO under this contract, shall come only from the sources of income stated above and shall not come from any borrower. Under no circumstances will the CDC or JEDCO, require a borrower to purchase other services from either party as a condition of JEDCO performing staff or management functions under this contract.

### **Section 3. General Agreements of Parties**

- 3.01 The property, files, notes receivables, and bank accounts of the CDC are the property of JEDCO, but are subject to the oversight and examination of the U.S. Small Business Administration. For purposes of expenses and expenditures the funds of the CDC are deemed to be non-federal funds.
- 3.02 The Parties hereto agree that both JEDCO and the CDC shall receive disclosure of confidential information and trade secrets, namely, disclosure of certain financial and operations secrets regarding the businesses that seek the services of the CDC. JEDCO and the CDC agree that its employees, agents, and servants shall not disclose said information to anyone else, nor use said information for its own benefit or for the benefit of others. Parties hereto agree that all parties are subject to and will conform with the Freedom of Information Act in accordance with the Code of Federal Regulations and will under no circumstances reveal or disclose financial related information unless ordered to do so by a court of law.
- 3.03 Both Parties hereto agree that all records, files, and books of account shall be made available to any State or Federal Agency that has oversight over any of the entities undersigned during regular business hours. The CDC acknowledges and agrees that any records and accounts of the CDC shall be made available to the State of Louisiana as required by law.
- 3.04 The CDC Board of Directors specifically acknowledge and retain ultimate responsibility for all loan approvals, loan decisions and loan servicing actions and such responsibility must be carried out independently of any control by JEDCO. JEDCO and the CDC acknowledge that any other decision governing day to day activities of the CDC shall be made independently of and without day to day control of JEDCO.

- 3.05 No employees, contractors or associates of JEDCO shall be a voting or non-voting member of the CDC's Membership or Board of Directors.

#### **Section 4. Defaults; Termination**

- 4.01 The failure of either party to perform, keep or fulfill any of the other covenants, undertaking, obligations or conditions set forth in this Agreement and the continuance of any such default for a period of 45 days after notice of such failure shall constitute an event of default.
- 4.02 In any of such events of default, the nondefaulting party may give to the defaulting party notice of intention to terminate this Agreement after the expiration of a period of 15 days from the date of such notice, and upon the expiration of such period this Agreement shall terminate. If, however, upon receipt of such notice, the defaulting party shall promptly and with due diligence cure the default, continue to take action to cure such default with all due diligence (if such default is not susceptible of being cured within such 15-day period), then such notice shall be of no force and effect. The rights granted under this Agreement shall not be in substitution for, but shall be in addition to, any and all other rights and remedies at law or in equity for breach of contract available to the nondefaulting party under the applicable law. Notwithstanding the foregoing, neither party shall be deemed to be in default under this Agreement if a bona fide dispute with respect to any of the foregoing events of default has arisen between the parties.

#### **Section 5. Successors and Assigns**

- 5.01 Assignment by JEDCO. With the consent of the CDC, JEDCO shall have the right to assign its rights under this Agreement, to any affiliate and to any assignee who also acquires all, or substantially all, of the assets of JEDCO and assumes JEDCO's obligations including those under this Agreement. The term "affiliate" shall mean a corporation included in an "affiliated group" as the term is defined in Section 1504(a) of the Internal Revenue Code as presently in effect. The parties acknowledge that a corporation acquisition which does not result in a change of the identity of JEDCO or an assignment of this Agreement shall not require approval of the CDC.
- 5.02 Binding on Successors. Subject to the limitations on assignment under this Agreement, the terms, provisions, covenants, undertaking, agreements and obligations of this Agreement shall be binding upon and shall inure to the benefit of the transferees, successors in interest and the assigns of the parties with the same effect as if mentioned in each instance where the party is named or referred to.

#### **Section 6. Notices**

- 6.01 All notices, request and approvals required or permitted to be given under this

Agreement shall be in writing and shall be signed, acknowledged and received by the other. Any mailed notices shall be deposited in the United States mails, with postage prepaid, registered or certified, and if intended for the CDC addressed to: JEDCO, 700 Churchill Parkway, Avondale, LA 70094, Attention: Jerry Bologna; and for JEDCO DEVELOPMENT CORPORATION, 700 Churchill Parkway, Avondale, LA 70094.

- 6.02 Any notice, requested or approval required or permitted to be given under this Agreement shall be deemed to be given to and received by the addressee on the third business day after mailing. Any of the foregoing parties may change the address for the purposes by such party giving notice of such change of each of the other foregoing parties in the manner provided above.
- 6.03 In the event that any of the provision, or portions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions, shall not be affected.

## **Section 7. Waiver**

The waiver by a party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenants or condition or any subsequent breach of the same or any other term, covenant or condition contained in this Agreement. The subsequent acceptance by a party of performance by the other shall not be deemed to be a waiver of any preceding breach of any term, covenant or condition of this Agreement, other than failure to perform the particular duties so accepted, regardless of knowledge of such preceding breach at the time of acceptance of the performance.

## **Section 8. Governing Law**

This Agreement shall be governed and construed in accordance with the laws of the State of Louisiana and/or those statutes, rules and regulations governing the U.S. Small Business Administration. In any action or proceeding arising under this Agreement, the 24<sup>th</sup> Judicial District Court for the Parish of Jefferson and/or the United States District Court for the Eastern District of Louisiana, shall have and may exercise exclusive personal jurisdiction over all of the parties hereto, and in any such action or proceeding venue shall be proper in either of said courts. In any action or proceeding, service of process upon any party may be perfected, in addition to any other manner provided by applicable law, by personal delivery or by mail in accordance with Section 6 hereof.



IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed with seals affixed this day, month, and year first above written.

JEFFERSON PARISH ECONOMIC  
DEVELOPMENT AND PORT DISTRICT

Witness: \_\_\_\_\_ BY: \_\_\_\_\_  
James Mark Maddera, Chairman

Witness: \_\_\_\_\_ BY: \_\_\_\_\_  
Gerald A. Bologna, President and CEO

\_\_\_\_\_  
Notary Public

JEDCO DEVELOPMENT CORPORATION

Witness: \_\_\_\_\_ BY: \_\_\_\_\_  
James Mark Maddera, Chairman

Witness: \_\_\_\_\_ BY: \_\_\_\_\_  
Gerald A. Bologna, President and CEO

\_\_\_\_\_  
Notary Public



August 11, 2016

Kimberly Chuday, Financial Analyst  
U.S. Small Business Administration  
Office of Financial Assistance, 504 Branch  
Washington, D.C.

Re: Request for Management Waiver

Dear Ms. Chuday,

This letter serves as an official request for a waiver of the requirement that JEDCO Development Corporation (CDC) have a full time salaried professional employee that is employed directly full-time to manage the CDC as permitted in 13 CFR § 120.824(a)(1), as the Jefferson Parish Economic Development Commission is another non-profit entity that has the economic development of the CDC's Area of Operations as one of its principal activities and will contribute the management of the CDC. The manager will also work on and manage other loan programs administered by the Jefferson Parish Economic Development Commission, but will be available to small businesses interested in the 504 program and to 504 loan borrowers during regular business hours.

Please contact me at (504) 875-3924 or e-mail at [aqueral@jedco.org](mailto:aqueral@jedco.org) if you have any questions or concerns about our request for a manager waiver.

Sincerely,

Alberto Queral,  
Director of Financing

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF JEDCO DEVELOPMENT CORPORATION**

Whereas, the Board of Directors of JEDCO Development Corporation held a meeting on August 25, 2016, Avondale, LA, where a quorum was present, and;

Whereas, JEDCO Development Corporation has agreed to enter into an Operations Agreement with the Jefferson Parish Economic Development and Port District ("JEDCO").

Whereas, as a condition of the contract, the U.S. Small Business Administration requires certain certifications from JEDCO Development Corporation as a condition of the contract to remain in good standing as a Certified Development Company ("CDC") operating the U.S. Small Business Administration ("SBA") 504 Loan Program.

Now therefore in order to accomplish the above, the following is adopted by unanimous consent of the Board of Directors of JEDCO Development Corporation:

- 1) The Operations Agreement between JEDCO and JEDCO Development Corporation is in compliance with the U.S. Small Business Administration policies and procedures. More particularly the contract is in compliance with 13 CFR sections 120.824 and 120.825.
- 2) As a condition of allowing JEDCO Development Corporation to contract for management and operations services, JEDCO Development Corporation acknowledges that the contract is subject to pre-approval and a yearly review by the SBA.
- 3) JEDCO Development Corporation agrees that a copy of the contract will be included with its Annual Report filed each year with the SBA.
- 4) JEDCO Development Corporation has established that the fees charged for the services provided in the management contract are customary and reasonable.

The foregoing resolution having been submitted to a vote, the vote hereon was as follows:      YEAS                      NAYS                      ABSENT

This resolution adopted this \_\_\_\_\_ day of August, 2016, in Avondale, Louisiana.

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James K. Baum, Jr., Secretary