

N.F.C. DEVELOPMENT CORP.

January 28, 2013

TO: NFC Board of Directors
FROM: Richard Zucco, N.F.C. General Counsel
RE: North American Credit Managers (NACM) Upstate NY Annual Fee

In the past, NFC has used NACM Upstate NY to provide credit reports. The organization requires an annual payment of \$300.00, and reports cost \$16.00 each. We collect the cost of the reports from the loan and grant applicants, so the cost for each report is not a cost to NFC. The annual fee is a cost to NFC.

This payment arrangement has been in place for some time, although I believe this is the first time this has come before the board of directors.

Will the directors vote to approve the NACM Upstate NY annual fee for 2013 in the amount of \$300?