

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE  
RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION**

**JOBS DEVELOPMENT ACT RESOLUTIONS**

**DECEMBER 21, 2009**

**(With Respect to Jobs Development Act Determination for  
Inquest Technologies, Inc.)**

**VOTED:** That the Rhode Island Economic Development Corporation, pursuant to the economic impact analysis attached and in accordance with R.I.G.L. §42-64.5-5 of the Jobs Development Act, hereby determines that:

- (a) But for the incentives available under the Jobs Development Act, Inquest Technologies, Inc. is not likely to retain, expand, or add employment in Rhode Island; and
- (b) Inquest Technologies, Inc. has provided reasonable evidence supporting a finding that the jobs retained, expanded, or added would generate new tax revenue for the State that is at least equivalent to the value of the incentives granted pursuant to the Jobs Development Act.

**RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION  
ECONOMIC ANALYSIS OF INQUEST TECHNOLOGIES, INC. EXPANSION  
FOR JOB DEVELOPMENT ACT  
PURSUANT TO R.I.G.L. § 42-64.5-5**

As required by §42-64.5-5 of the Rhode Island General Laws, the Rhode Island Economic Development Corporation ("EDC") has prepared the following Jobs Development Act economic analysis of the expansion of InQuest Technologies, Inc. in Rhode Island.

The Job Development Act offers corporate rate reduction that is permanent, as long as the company maintains the same level of employment that it had at the end of the third year following the company's self-selected base period. New employees must be paid at least 250% of the state minimum wage (the current state minimum wage is \$7.40/ hour), which is \$18.50/hr.

This project is a relocation of InQuest corporate headquarters to Rhode Island. The company anticipates that employment will increase by 76 full-time employees over the next three years. All of these jobs are eligible to be counted for the tax rate reduction according to Job Development Act requirements at the date of hire. The project hiring schedule includes 32 qualifying in 2009, 16 qualifying jobs in 2010, and 28 qualifying jobs in 2011. These jobs will result in estimated annual personal income tax revenue of \$110,148 in 2009, \$150,349 in 2010, and \$234,766 in 2011, totaling \$495,264 over three years.

InQuest Technologies, Inc reports no taxable Rhode Island income for 2009. It is estimated that the company's future taxable income will be \$500,000 in 2010 and \$700,000 in 2011. Under the act the company has three years to add jobs in order to maximize the rate reduction. Based on the RI law § 42-64.5 and the current projections, InQuest Technologies Inc. expects that they will have added enough jobs at or above the 250% hourly minimum state wage requirement to lower their corporate income tax rate from the statutory 9% to 7.25% by 2011. This reduced tax rate would yield a tax savings of \$6,767 from 2009 through 2011. Comparing the three year income tax benefit to the state to the three year corporate tax opportunity cost, results in a net fiscal benefit of \$488,497.

InQuest Technologies is the developer of IQ9, an application platform that can be used by non-technical users to assemble web-based applications without coding. Each application or database is called a "SmartApp" and can be configured in just hours to solve practically any business problem across industries and functions. With IQ9, business users and IT professionals are able to configure their own applications to solve their most challenging business problems, or are able to choose from a library of preconfigured, world-class applications. Leading international organizations such as ADT, Verizon, Gilbane, National Grid, Con Edison and The US Navy have already chosen InQuest solutions to streamline their information and improve their businesses.

InQuest's relocation to Rhode Island is not expected to have a negative impact on the state's software publishers industry. The marketplace for software products is global, and InQuest competes within a niche market for leading international business clients from around the world. Therefore, InQuest is not likely to displace production by existing Rhode Island software publishers.

**Year 1 - 2009**

Full Time	Total Full Time Payroll	Avg Wage	Hourly	Taxable (single)	Taxable (married)	RI Tax (single)	RI Tax (married)	RI Pers Inc Tax*
2	\$ 73,008	\$ 36,504	\$17.55	\$ 27,154	\$ 17,804	\$ 1,018	\$ 668	\$ 1,686
3	\$ 143,499	\$ 47,833	\$23.00	\$ 38,483	\$ 29,133	\$ 1,636	\$ 1,092	\$ 4,093
3	\$ 172,973	\$ 57,658	\$27.72	\$ 48,308	\$ 38,958	\$ 2,324	\$ 1,461	\$ 5,677
6	\$ 396,490	\$ 66,082	\$31.77	\$ 56,732	\$ 47,382	\$ 2,913	\$ 1,777	\$ 14,070
6	\$ 447,616	\$ 74,603	\$35.87	\$ 65,253	\$ 55,903	\$ 3,510	\$ 2,145	\$ 16,965
6	\$ 513,032	\$ 85,505	\$41.11	\$ 76,155	\$ 66,805	\$ 4,273	\$ 2,908	\$ 21,544
6	\$ 846,997	\$ 141,166	\$67.87	\$ 131,816	\$ 122,466	\$ 8,567	\$ 6,805	\$ 46,113
32	\$ 2,593,615					\$ 24,241	\$ 16,856	\$ 110,148

Year 2 - 2010

Full Time	Total Full Time Payroll	Avg Wage	Hourly	Taxable (single)	Taxable (married)	RI Tax (single)	RI Tax (married)	RI Pers Inc Tax*
1	\$ 45,000	\$ 45,000	\$21.63	\$ 35,650	\$ 26,300	\$ 1,438	\$ 986	\$ 1,212
5	\$ 275,000	\$ 55,000	\$26.44	\$ 45,650	\$ 36,300	\$ 2,138	\$ 1,361	\$ 8,747
2	\$ 130,000	\$ 65,000	\$31.25	\$ 55,650	\$ 46,300	\$ 2,838	\$ 1,736	\$ 4,574
5	\$ 375,000	\$ 75,000	\$36.06	\$ 65,650	\$ 56,300	\$ 3,538	\$ 2,173	\$ 14,277
2	\$ 170,000	\$ 85,000	\$40.87	\$ 75,650	\$ 66,300	\$ 4,238	\$ 2,873	\$ 7,111
1	\$ 95,000	\$ 95,000	\$45.67	\$ 85,650	\$ 76,300	\$ 4,989	\$ 3,573	\$ 4,281
16	\$ 1,090,000							\$ 40,201

Year 3 - 2011

Full Time	Total Full Time Payroll	Avg Wage	Hourly	Taxable (single)	Taxable (married)	RI Tax (single)	RI Tax (married)	RI Pers Inc Tax*
3	\$ 165,000	\$ 55,000	\$26.44	\$ 45,650	\$ 36,300	\$ 2,138	\$ 1,361	\$ 5,248
5	\$ 325,000	\$ 65,000	\$31.25	\$ 55,650	\$ 46,300	\$ 2,838	\$ 1,736	\$ 11,435
10	\$ 750,000	\$ 75,000	\$36.06	\$ 65,650	\$ 56,300	\$ 3,538	\$ 2,173	\$ 28,553
5	\$ 425,000	\$ 85,000	\$40.87	\$ 75,650	\$ 66,300	\$ 4,238	\$ 2,873	\$ 17,777
5	\$ 475,000	\$ 95,000	\$45.67	\$ 85,650	\$ 76,300	\$ 4,989	\$ 3,573	\$ 21,404
28	\$ 2,140,000					\$ 17,739	\$ 11,717	\$ 84,417

InQuest Technologies, Inc. has indicated a desire to hire from within the community and will make efforts with respect to job recruitment in Rhode Island in some of the following ways: the company has a dedicated team who is working with Rhode Island colleges and universities and local staffing agencies who focus on placement of RI talent in an effort to encourage talent to stay within Rhode Island; the company is also participating in local technology programs such as the RI Tech Collective to broaden training of staff and expose others to the technology innovations that the company is creating. The company provides health insurance for its employees. The company also provides a 401(k) plan which allows fulltime employees to defer up to 25% of their salary.