

MEMORANDUM

To: Ginne-Rae Clay, Interim Executive Director, Social Equity Council

From: Komla Matrevi, Staff Attorney at Social Equity Council

Date: 03/14/2022

Re: Proposed Definition of Ownership and Control

PROPOSED DEFINITION OF OWNERSHIP AND CONTROL

A. OWNERSHIP

- 1. The possession of at least 65% of the company's ownership stake must be owned by individual person or persons that meets the definition of a social equity applicant as provided under PA 21-1. Ownership stake means shares held in a body corporate, or the votes that a person and all the entities controlled by the person may exercise at an annual meeting or to elect directors.**

- 2. The social equity owner must maintain its principal place of business in the state of Connecticut and must meet the residency and income requirements established under PA 21-1.**

B. CONTROL

A social equity applicant owner who:

- 1. Meets the criteria of social equity applicant as defined by the Social Equity Council.**

- 2. Exercises operational authority over daily affairs of the business.**

- 3. Has the power to direct the management, agents, and policies and receives the beneficial interests of the business.**