

**RHODE ISLAND INDUSTRIAL  
FACILITIES CORPORATION**

*Financial Statements*  
*Years Ended June 30, 2009 and 2008*

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**JUNE 30, 2009 AND 2008**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Rhode Island Industrial Facilities Corporation  
Providence, Rhode Island

We have audited the accompanying basic financial statements of the RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION (the Corporation), a component unit of the State of Rhode Island, as of June 30, 2009 and 2008, as listed in the table of contents. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

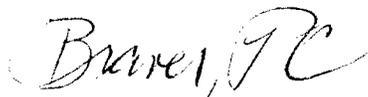
We conducted our audits in accordance with auditing standards generally accepted in the United States and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of June 30, 2009 and 2008 the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with Government Auditing Standards, we have also issued our report dated August 31, 2009 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 2 through 4 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

August 31, 2009  
Providence, Rhode Island



Boston

Newton

Providence

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Rhode Island Industrial Facilities Corporation (the Corporation), we offer readers of the Corporation's financial statements this narrative overview and analysis of the financial activities of the Corporation as and for the years ended June 30, 2009 and 2008. This information should be read in conjunction with the Corporation's financial statements.

### **Financial Highlights**

- Total assets exceeded total liabilities by \$315,752 and \$473,709 (net assets) at June 30, 2009 and 2008, respectively. The Corporation's net assets are unrestricted and may be used to meet the Corporation's operating requirements.
- Income before transfer for the year ended June 30, 2009, (2009) decreased by \$63,459 when compared to the year ended June 30, 2008 (2008). No transfer took place during 2008 as the Corporation is contributing towards an administrative overhead to the Rhode Island Economic Development Corporation. In 2009 a transfer of \$125,000 was made to the RI Economic Development Corporation's Small Business Loan fund to match a portion of an EDA grant application submitted. As of the report date the corporation is waiting for a response from the EDA on the status of the grant application.
- Net assets decreased by \$157,957 during 2009 as compared to an increase of \$30,502 during 2008 primarily due to the transfer noted above.
- During 2009, the Corporation issued \$4 million in bonds on behalf of Neurotech for its facility in Highland Industrial Park.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements.

The Corporation engages only in business-type activities, that is, activities that are financed in whole or in part by charges to external parties for services. As a result, the Corporation's basic financial statements include the statement of net assets, the statement of revenues, expenses and changes in net assets, the statement of cash flows, and the notes to the financial statements. These basic financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the Corporation's net assets may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating. You might also need to consider other non-financial factors when evaluating the Corporation's financial position. The statement of revenues, expenses, and changes in net assets presents information on how the Corporation's net assets changed during the year.

All assets and liabilities and changes in net assets are reported using the accrual basis of accounting for governmental entities. All assets and liabilities and changes in net assets are reported as soon as the underlying event giving rise to the asset or liability and resulting change in net assets occurs, regardless of the timing of when the cash is received or paid. Consequently, certain revenues and expenses reported in the statement of revenues, expenses and changes in net assets will result in cash flows in future periods.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

### **Financial Analysis of the Corporation (Continued)**

Total net assets decreased by 33.3% in 2009 compared to an increase of 6.9% in 2008, primarily due to the Corporation's transfer of funds to Rhode Island Economic Development Corporation in 2009 as noted above. Several bond issues were paid off in 2009 and payments on existing issues have exceeded new issues causing a decrease in bond administration fees.

### **Requests for Information**

This financial report is designed to provide a general overview of the Corporation's finances for all those interested in the Corporation's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Treasurer, Rhode Island Industrial Facilities Corporation, 315 Iron Horse Way Suite 101, Providence, Rhode Island 02908.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis of the Authority

#### STATEMENT OF NET ASSETS

	<u>2009</u>	<u>2008</u>	<u>% of Change</u>	<u>2008</u>	<u>2007</u>	<u>% of Change</u>
Noncurrent asset	\$ 696,069	\$ 688,500	1.1%	\$ 688,500	\$ 662,555	3.9%
Current and other assets	473,016	609,803	-22.4%	609,803	634,112	-3.8%
<b>Total assets</b>	<b>1,169,085</b>	<b>1,298,303</b>	<b>-10.0%</b>	<b>1,298,303</b>	<b>1,296,667</b>	<b>0.1%</b>
Long-term liabilities	696,069	688,500	1.1%	688,500	662,555	3.9%
Other liabilities	157,264	136,094	15.6%	136,094	190,905	-28.7%
<b>Total liabilities</b>	<b>853,333</b>	<b>824,594</b>	<b>3.5%</b>	<b>824,594</b>	<b>853,460</b>	<b>-3.4%</b>
<b>Net assets</b>						
Unrestricted	315,752	473,709	-33.3%	473,709	443,207	6.9%
<b>TOTAL NET ASSETS</b>	<b>315,752</b>	<b>473,709</b>	<b>-33.3%</b>	<b>473,709</b>	<b>443,207</b>	<b>6.9%</b>

#### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

<b>Operating revenues:</b>						
Bond administrative fees	72,928	110,907	-34.2%	110,907	113,595	-2.4%
Other	3,500	9,152	-61.8%	9,152	4,551	101.1%
<b>Total operating revenues</b>	<b>76,428</b>	<b>120,059</b>	<b>-36.3%</b>	<b>120,059</b>	<b>118,146</b>	<b>-1.6%</b>
Non operating revenues, interest income	4,867	19,012	-74.4%	19,012	28,003	-32.1%
<b>Total non operating revenues</b>	<b>4,867</b>	<b>19,012</b>	<b>-74.4%</b>	<b>19,012</b>	<b>28,003</b>	<b>-32.1%</b>
<b>TOTAL REVENUES</b>	<b>81,295</b>	<b>139,071</b>	<b>-41.5%</b>	<b>139,071</b>	<b>146,149</b>	<b>4.8%</b>
<b>Operating expenses</b>						
Administration	85,421	61,801	38.2%	61,801	-	0.0%
Insurance	16,866	16,535	2.0%	16,535	15,750	5.0%
Contractual services	11,936	29,579	-59.6%	29,579	15,887	86.2%
Other	29	654	-95.6%	654	18	3533.3%
<b>Total operating expenses</b>	<b>114,252</b>	<b>108,569</b>	<b>5.2%</b>	<b>108,569</b>	<b>31,655</b>	<b>-243.0%</b>
Income before transfer	(32,957)	30,502	-208.0%	30,502	114,494	-73.4%
Transfer to RI Economic Dev. Corp.	(125,000)	-	0.0%	-	(150,000)	-100.0%
Change in net assets	\$ (157,957)	\$ 30,502	-617.9%	\$ 30,502	\$ (35,506)	-185.9%

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)**

**STATEMENTS OF NET ASSETS**

**JUNE 30, 2009 AND 2008**

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**ASSETS**

	<u>2009</u>	<u>2008</u>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 465,320	\$ 536,993
Bond administration fees receivable (net of \$1,000 allowance in 2009 and 2008)	969	4,982
Due from State agencies:		
Rhode Island Industrial-Recreational Building Authority	6,727	67,828
<b>Total current assets</b>	<u>473,016</u>	<u>609,803</u>
<b>Non-current asset, restricted assets:</b>		
Restricted cash and cash equivalents	<u>696,069</u>	<u>688,500</u>
<b>TOTAL ASSETS</b>	<u>1,169,085</u>	<u>1,298,303</u>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities:</b>		
Deferred revenue	113,039	136,094
Due to Rhode Island Economic Development Corporation	44,225	-
<b>Total current liabilities</b>	<u>157,264</u>	<u>136,094</u>
<b>Non-current liabilities:</b>		
Due to Rhode Island Industrial-Recreational Building Authority	<u>696,069</u>	<u>688,500</u>
<b>Total liabilities</b>	<u>853,333</u>	<u>824,594</u>
<b>Net assets, unrestricted</b>	<u>\$ 315,752</u>	<u>\$ 473,709</u>

SEE NOTES TO FINANCIAL STATEMENTS.

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)  
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
JUNE 30, 2009 AND 2008**

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	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services, bond administration fees	\$ 72,928	\$ 110,907
Other	3,500	9,152
<b>Total operating revenues</b>	<u>76,428</u>	<u>120,059</u>
<b>Operating expenses:</b>		
Administrative	85,421	61,801
Insurance	16,866	16,535
Contractual services	11,936	29,579
Miscellaneous	29	654
<b>Total operating expenses</b>	<u>114,252</u>	<u>108,569</u>
<b>Operating income</b>	(37,824)	11,490
<b>Non-operating revenues:</b>		
Interest income	<u>4,867</u>	<u>19,012</u>
<b>Income before operating transfers</b>	(32,957)	30,502
<b>Operating transfers:</b>		
Transfer to Rhode Island Economic Development Corporation	<u>(125,000)</u>	-
<b>Change in net assets</b>	(157,957)	30,502
<b>Net assets, beginning of the year</b>	<u>473,709</u>	<u>443,207</u>
<b>Net assets, end of the year</b>	<u>\$ 315,752</u>	<u>\$ 473,709</u>

SEE NOTES TO FINANCIAL STATEMENTS.

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)  
STATEMENTS OF CASH FLOWS  
JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash provided by (used for) operating activities:</b>		
Cash received for administration fees	\$ 57,386	\$ 63,013
Cash paid to suppliers for goods and services	(70,027)	(108,569)
<b>Net cash used for operating activities</b>	<u>(12,641)</u>	<u>(45,556)</u>
<b>Cash provided by (used for) noncapital financing activities:</b>		
Operating transfer out	(125,000)	-
Withdrawals from restricted account	7,569	25,945
<b>Net cash provided by (used for) noncapital financing activities</b>	<u>(117,431)</u>	<u>25,945</u>
<b>Cash provided by (used for) investing activities:</b>		
Interest income received	4,867	19,012
Advances to RIIRBA	(118,763)	(124,770)
Repayment of advances to RIIRBA	179,864	81,727
Repayment of advances to SBLF	-	593
<b>Net cash provided by (used for) investing activities</b>	<u>65,968</u>	<u>(23,438)</u>
<b>Net decrease in cash and cash equivalents</b>	(64,104)	(43,049)
<b>Cash and cash equivalents, beginning of the year</b>	1,225,493	1,268,542
<b>Cash and cash equivalents, end of the year</b>	<u>\$ 1,161,389</u>	<u>\$ 1,225,493</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income (loss)	\$ (37,824)	\$ 11,490
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	4,013	(2,235)
Deferred revenue	(23,055)	(54,811)
Due to RIEDC	44,225	-
<b>Net cash used by operating activities</b>	<u>\$ (12,641)</u>	<u>\$ (45,556)</u>
<b>End of the year cash and cash equivalents consist of:</b>		
Unrestricted cash and cash equivalents	\$ 465,320	\$ 536,993
Restricted cash and cash equivalents	696,069	688,500
<b>Total</b>	<u>\$ 1,161,389</u>	<u>\$ 1,225,493</u>

SEE NOTES TO FINANCIAL STATEMENTS.

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Description of organization**

The Rhode Island Industrial Facilities Corporation (the Corporation), was organized in 1966 as a non-business corporation under Rhode Island law, and in 1967 was constituted and established as a public body corporate and agency of the State of Rhode Island (the State) by an act of the Rhode Island General Assembly. The Corporation was granted the power to issue revenue bonds, construction loan notes and equipment acquisition notes for the financing of projects which further industrial development in Rhode Island. The Corporation is a component unit of the State for financial reporting purposes. Accordingly, the financial statements of the Corporation are included in the State of Rhode Island's Comprehensive Annual Financial Report.

The Corporation is exempt from Federal and state income taxes.

The Corporation engages only in business-type activities. Business-type activities are activities that are financed in whole or in part by fees charged to external users.

The Corporation uses the economic resources measurement focus and accrual basis of accounting. The Corporation applies all pronouncements of the Governmental Accounting Standards Board (GASB), as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989 unless they conflict with or contradict GASB pronouncements. In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Government Entities that use Proprietary Fund Accounting," the Corporation has elected not to apply all FASB pronouncements and interpretations issued after November 30, 1989.

The Corporation distinguishes between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Corporation's principal ongoing operations. Operating expenses include the cost of services provided and administrative expenses. All other revenues and expenses are reported as nonoperating revenues and expenses.

**(b) Cash and cash equivalents**

The Corporation considers all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased to be cash equivalents. At June 30, 2009 and 2008, cash equivalents consist of repurchase agreements in the aggregate amount of \$920,209 and \$1,165,220, respectively.

**(c) Revenue recognition and concentrations**

Bond administration fees paid by participants in the Corporation's revenue bond and note programs, calculated as one-eighth of one percent of the principal amount outstanding under conduit debt obligations determined at specified measurement dates, are recognized when earned over the terms of the respective bonds and notes. In certain instances, bond administration fees are paid in full by participants upon the Corporation issuing conduit debt obligations. In these instances, bond administration fees are generally calculated by the Corporation as the present value of one-eighth of one percent of the principal amount outstanding, based upon respective amortization schedules, under such conduit debt obligations at specified measurement dates. Such fees are reported as deferred revenue and recognized as revenue ratably over the term of the conduit debt. Other revenue is recognized when received.

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**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Revenue recognition and concentrations (Continued)**

Bond administration fees from one participant represents 26% and two participants represent 41% of the Corporation's bond administration fees for the years ended June 30, 2009 and 2008, respectively.

Bond administration fees receivable from three participants represent 89% and two participants represent 86% of the Corporation's bond administration fees receivable at June 30, 2009 and 2008 (respectively).

**(d) Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. CONDUIT DEBT**

From time to time, the Corporation issues revenue bonds, notes, equipment acquisition notes and construction loan notes to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities. The bonds and notes are secured by the property financed and are payable solely from payments received on the underlying mortgage loans and lease agreements. Upon repayment of the bonds and notes, ownership of the acquired facilities transfers to the private-sector entity served by the bond or note issuance. The Corporation is not obligated in any manner for repayment of the bonds and notes. Accordingly, the bonds and notes are not reported as liabilities in the accompanying financial statements.

During the fiscal years ended June 30, 2009 and 2008, the Corporation issued in the aggregate \$4,000,000 and \$675,000, respectively, of revenue bonds, notes, equipment acquisition notes and construction loan notes to finance various capital expenditures for Rhode Island businesses. The interest rates for outstanding debt range from fixed rates of 4% to 13% as well as floating rates set as a percentage of the prime interest rate. Maturity dates for the bonds and notes range from 2009 to 2037.

Under the terms of the various indentures and related loan and lease agreements, the business entities make loan and lease payments directly to the trustees of the related bond and note issues in amounts equal to interest and principal payments due on the respective issues. Accordingly, the payments are not shown as receipts and disbursements of the Corporation. The aggregate amount outstanding on this debt at June 30, 2009 and 2008 was approximately \$102,000,000 and \$112,000,000 respectively.

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(CONTINUED)

**RHODE ISLAND INDUSTRIAL FACILITIES CORPORATION**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

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**3. CASH DEPOSITS**

The Corporation adopted the provisions of GASB Statement No. 40, "Deposit and Investment Risk Disclosures".

The Corporation assumes levels of custodial credit risks for its cash and cash equivalents. Custodial credit risk is the risk that in the event of a bank failure, the Corporation's deposits may not be recovered. The Corporation is authorized to invest excess funds by the provisions of the General Laws of the State, Chapter 37, Section 45-37.1-6, in obligations of the State and of the United States Government or certain agencies thereof, and in certificates of deposit. The Corporation also is authorized to enter into repurchase agreements.

In accordance with State of Rhode Island General Laws, Chapter 35-10.1, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, are required, at a minimum, to insure or pledge eligible collateral equal to one-hundred percent of time deposits with maturities greater than sixty days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators are required to insure or pledge eligible collateral equal to one-hundred percent of deposits, regardless of maturity. The Corporation does not have a separate deposit policy for custodial credit risk.

Cash deposits with financial institutions at June 30, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Carrying amount of cash deposited - checking.....	<u>\$241,181</u>	<u>\$60,273</u>
Bank balances:		
Covered by federal depository insurance.....	<u>\$241,181</u>	<u>\$60,273</u>

At June 30, 2009 and 2008, repurchase agreements, reported as cash equivalents in the accompanying financial statements, are collateralized with securities held by the pledging financial institution's trust department or agent but not in the Corporation's name. The Corporation does not have a separate policy for custodial credit risk.

**4. RESTRICTED CASH EQUIVALENT**

The Rhode Island Industrial-Recreational Building Authority (RIIRBA), a component unit of the State, guarantees principal and interest payments required under first mortgages and first security agreements issued to private-sector entities. At June 30, 2009 and 2008, the Corporation is holding funds of the Rhode Island Economic Development Corporation (RIEDC) required to be established and held in escrow on behalf of RIIRBA relating to RIIRBA's guarantee of the revenue bond issued for a private-sector entity. RIIRBA's funds ordinarily are held by the State, but in order to segregate such funds from the State's general fund, the Corporation holds such escrow funds on behalf of RIIRBA.

The escrow funds held on behalf of RIIRBA are held in a repurchase agreement in the Corporation's name and the restricted repurchase agreement and related amount due to RIIRBA have been recorded separately in the accompanying financial statements.

(CONCLUDED)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Rhode Island Industrial Facilities Corporation  
Providence, Rhode Island

We have audited the financial statements of Rhode Island Industrial Facilities Corporation (the Corporation), a component unit of the State of Rhode Island, as of and for the year ended June 30, 2009, and have issued our report thereon dated August 31, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors  
Rhode Island Industrial Facilities Corporation

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's Financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Directors and management of Rhode Island Industrial Facilities Corporation, the Rhode Island Department of Administration, and the Rhode Island Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

August 31, 2009

Providence, Rhode Island

A handwritten signature in black ink, appearing to read "Bruce J. C.", written in a cursive style.