

Minutes
Missouri Technology Corporation
Monday, October 26, 2009

The Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) met in regular session on Monday, October 26, 2009, beginning at 10:12 a.m. The meeting was held at the Donald Danforth Plant Science Center, 975 North Warson Road, St. Louis, Missouri.

The following members of the Board were present or absent:

Joe Bannister	Chair	Present
Jim Baker	Member	Absent
Dan Devers	Member	Present
Victoria Gonzalez	Member	Present
Sen. John Griesheimer	Member	Absent
Rep. Steve Hobbs	Member	Present
Mr. Garry Kemp	Member	Present
Daniel Mehan	Vice Chair	Present (joined meeting at 1:00 p.m.)
Mike Nichols	Member designee-MU	Present
Donn Rubin	Member	Present
Katie Steele Danner	Member-DED	Present
Greg Steinhoff	Member	Present
Frank Stokes	Treasurer	Present
Mike Wetle	Member	Present

Honorary (Non-Voting) Members of the Board present or absent:

Don Reeves (on behalf of Colonel Williams)	Honorary member-Fort Leonard Wood	Present
Krishna Krishnamurthy	Honorary member-RAM	Present
Nasser Arshadi	Honorary member-RAM	Absent

Outside Legal Counsel and Staff present:

Jason Hall	MTC Executive Director
Bill Anderson	MTC Deputy Director
J. Powell Carman	Bryan Cave LLP, MTC Legal Counsel
Stacey Hirst	MTC Director of Operations
Tom Litz	Thompson Coburn LLP, MTC Special Counsel
Karen Winn	DED General Counsel

Guests:

Jim Brasunus	iTEN
Jay DeLong	St. Louis RCGA
Bob Donnelly	DED-Information Technology
Marcia Mellitz	Center for Emerging Technologies
Julie Murphy Finn	DED-Legislative Liaison
Jim Spencer	Newsy
Phyllis Ellison	Innovate Venture Mentoring Service
Heschel Raskus	Raskas Consulting, LLC
Ed Bayham	EXPLOR Bioventures, LLC
Pete Peters	Innovate Venture Mentoring Services

WELCOME AND CALL TO ORDER:

Chair Bannister called the meeting to order at 10:12 a.m. and established a quorum with eleven (11) members present including Chair Bannister, Mr. Devers, Ms. Gonzalez, Rep. Hobbs, Mr. Kemp, Dr. Nichols, Mr. Rubin, Ms. Steele Danner, Mr. Steinhoff, Mr. Stokes, and Mr. Wetle.

INTRODUCTION OF NEW BOARD MEMBERS:

Chair Bannister moved to the first agenda item and asked Director Hall to introduce the new board members. Director Hall introduced Ms. Katie Steele Danner, Interim Director of the Department of Economic Development (“DED”) as the DED member to the MTC. He then introduced Mr. Garry Kemp and Mr. Mike Wetle as new members appointed by Governor Jay Nixon in early October. Director Hall then recognized Mr. Bannister as the Chair of his first face-to-face MTC Board meeting and further recognized Ms. Hirst in her new position as the Director of Operations for the MTC. Finally, Director Hall recognized three members, Mr. Steinhoff, Mr. Rubin and Mr. Stokes, for their past service as Chairs of the MTC and presented them each with a proclamation from Governor Nixon.

APPROVAL OF MINUTES FROM PRIOR MEETINGS:

Chair Bannister moved to the next agenda item which was the approval of minutes from the September 29, 2009 Board meeting. Draft minutes were distributed to the Board prior to the meeting. The following resolution was moved by Mr. Steinhoff, seconded by Rep. Hobbs and unanimously approved:

RESOLVED, the Board hereby approves the minutes from the September 29, 2009 Board meeting as presented.

APPROVAL OF THE TREASURER’S REPORT:

Chair Bannister asked Mr. Stokes to present the Treasurer’s Report, which was distributed to the Board prior to the meeting. Mr. Stokes presented the Treasurer’s Report for the Board’s approval.

Following a detailed discussion, the following resolution was moved by Ms. Steele Danner, seconded by Ms. Gonzalez and unanimously approved:

RESOLVED, the Board hereby approves the Treasurer’s Report as presented.

Mr. Stokes then discussed two documents, a memo dated October 20, 2009 with the subject *MTC Program Fund Reallocation Recommendations* and *MTC Profit and Loss by Class* report, which were distributed to the Board prior to the meeting. Following a detailed discussion the following resolution was moved by Rep. Hobbs, seconded by Ms. Steele Danner and unanimously approved:

RESOLVED, the Board hereby approves the reallocation recommendations as presented.

Mr. Stokes then discussed the report titled *MTC Administrative Budget-FY2010*, which was distributed to the Board prior to the meeting. After a detailed discussion the following resolution was moved by Ms. Gonzalez, seconded by Mr. Steinhoff and unanimously approved:

RESOLVED, the Board hereby approves the administrative budget for FY2010 as presented.

Finally, Mr. Stokes discussed the engagement letter from Williams-Keepers, LLC for accounting services provided to the MTC, which was distributed to the Board prior to the meeting. After a detailed discussion

the following resolution was moved by Mr. Steinhoff, seconded by Rep. Hobbs and unanimously approved:

RESOLVED, the Board hereby approves the engagement letter from Williams-Keepers, LLC as presented.

BOARD GOVERNANCE ISSUES:

Election of New Officers:

Chair Bannister then moved to the election of new MTC officers including the Vice Chair and the Secretary-Treasurer positions. The Chair asked for nominations for the Vice Chair position.

The following resolution was moved by Rep. Hobbs, seconded by Mr. Rubin and unanimously approved:

RESOLVED, the Board hereby elects Mr. Dan Mehan as the Vice Chair of the MTC.

Chair Bannister brought forth a motion to nominate Dr. Baker to fill the Secretary-Treasurer position. The motion was seconded by Mr. Stokes and unanimously approved:

RESOLVED, the Board hereby elects Dr. Jim Baker as the Secretary-Treasurer of the MTC.

Approval of the MTC Bank Account Signatories:

Chair Bannister moved to the next action item and stated the MTC bank account currently has four signatories, the Chair, Vice Chair, Secretary-Treasurer and the Executive Director. Checks totaling \$1,000 and above require two of the four signatures in order to be processed. The Executive Director is authorized to sign checks for less than \$1,000. Mr. Mehan and Director Hall currently have authority to sign checks on behalf of the MTC.

The following resolution was moved by Ms. Steele Danner, seconded by Dr. Nichols and unanimously approved:

RESOLVED, the Board authorizes Mr. Joe Bannister as Chair and Mr. Jim Baker as Secretary-Treasurer to sign checks on behalf of the MTC.

Election of Executive Committee:

Chair Bannister moved to the next item and the appointment of the MTC Executive Committee ("Executive Committee"). He stated the bylaws call for the Executive Committee to have five members with the Chair filling one slot, which leaves four positions to be filled. Chair Bannister further reported that in the past, the MTC has appointed the Vice Chair and Secretary-Treasurer to serve on the Executive Committee, and then elected two other members to serve. Chair Bannister recommended that Mr. Mehan (Vice Chair) and Mr. Baker (Secretary-Treasurer) be appointed as members of the Executive Committee. Dr. Nichols brought forth the nomination of Mr. Kemp and Ms. Gonzalez to serve as members of the Executive Committee.

After a detailed discussion the following resolution was moved by Ms. Steele Danner, seconded by Dr. Nichols and unanimously approved:

RESOLVED, the Board hereby re-appoints Mr. Dan Mehan and elects Dr. Jim Baker, Mr. Garry Kemp and Ms. Vicki Gonzalez as members of the Executive Committee.

Election of Audit Committee:

Chair Bannister stated the Audit Committee also has five members per the bylaws, with the Secretary-Treasurer serving as the Chair and the Chair serving as a member, which leaves three positions to be filled. Chair Bannister recommended that Mr. Mehan and Mr. Stokes continue to serve as members of the Audit Committee and opened the floor for nominations for one vacant position. Mr. Steinhoff brought forth the nomination of Mr. Devers to serve as a member of the Audit Committee.

After a brief discussion, the following resolution was moved by Dr. Nichols, seconded by Ms. Gonzalez and unanimously approved:

RESOLVED, the MTC hereby re-appoints Mr. Dan Mehan and Mr. Frank Stokes and elects Mr. Dan Devers as members of the MTC Audit Committee.

Ratification of Standing Committees:

Chair Bannister stated that according to the bylaws the Chair has the authority to appoint standing committee members. It is the recommendation of the Chair and the Executive Director to re-constitute several committees and create several new committees in order to carry out the various activities of the MTC. The Chair recommended the appointment of the Chairs for the Committees and asked the MTC to ratify the committees and Chair appointments. He requested the MTC members contact him and Director Hall if they were interested in serving on a committee. Chair Bannister further requested the Chairs of the committees to send to him and Director Hall the names of possible committee members and stated the committees members did not have to be a Board member; however, the Committees should have a fair representation of members from the Board.

After a detailed discussion, the following resolution was moved by Chair Bannister, seconded by Rep. Hobbs and unanimously approved:

RESOLVED, the MTC hereby ratifies the creation of the following standing committees with the Chairs as recommended: (i) Innovation Center Committee, chaired by Mr. Greg Steinhoff; (ii) Fort Leonard Wood Committee, chaired by Mr. Joe Bannister; (iii) Missouri Plant Science Center Committee, chaired by Ms. Vicki Gonzalez; (iv) Missouri Technology Innovation Program Committee, chaired by Mr. Frank Stokes; (v) Intellectual Property Management Fund Committee, chaired by Mr. Dan Devers; (vi) Capital Formation and Entrepreneurship Committee, chaired by Mr. Mike Wetle; and (vii) Strategic Planning and Policy Committee, chaired by Mr. Donn Rubin.

General Counsel RFP:

Chair Bannister moved to the next board governance agenda item and asked members to comment on the draft RFP respecting the general counsel for the MTC which was distributed to the Board prior to the meeting.

After a detailed discussion, the following resolution was moved by Ms. Gonzalez, seconded by Mr. Steinhoff and unanimously approved:

RESOLVED, the Board hereby approves the General Counsel RFP in substantially the form as presented.

Conflict of Interest Policy:

Chair Bannister asked Director Hall to provide a status report of the Conflict of Interest Policy. Director Hall stated he had reviewed a Standards of Conduct Policy recently adopted by the Missouri Housing Development Commission (“MHDC”), which contained language regarding how to handle conflict of interest issues. He believed it to be a policy for the MTC to review and consider as the MHDC is very similar in structure to the MTC. His recommendation was for the Board to delegate the review of the Standards of Conduct Policy to the Audit Committee for drafting, and within 30 days, provide a recommendation to the full MTC. After a detailed discussion, the following resolution was moved by Mr. Kemp, seconded by Mr. Steinhoff and unanimously approved:

RESOLVED, the Board hereby delegates the review of the Standards of Conduct Policy to the Audit Committee for final recommendation within 30 days to the MTC Board.

Directors and Officers Insurance Policy:

Chair Bannister entertained a motion to enter closed session and asked all guests to exit the room.

The following resolution was moved by Rep. Hobbs, seconded by Ms. Gonzalez and approved by a roll call vote:

RESOLVED, the Board hereby enters Closed Session at 11:06 a.m. pursuant to Section 610.021, subsection 1, RSMo, relating to legal advice regarding the Directors and Officers Insurance proposal as presented.

Mr. Devers	aye	Ms. Steele Danner	aye
Ms. Gonzalez	aye	Mr. Steinhoff	aye
Rep. Hobbs	aye	Mr. Stokes	aye
Mr. Kemp	aye	Mr. Wetle	aye
Dr. Nichols	aye	Chair Bannister	aye
Mr. Rubin	aye		

The following resolution was moved by Mr. Kemp, seconded by Dr. Nichols and approved by a roll call vote:

RESOLVED, the Board hereby reconvenes from Closed Session at 11:20 a.m.

Mr. Devers	aye	Ms. Steele Danner	aye
Ms. Gonzalez	aye	Mr. Steinhoff	aye
Rep. Hobbs	aye	Mr. Stokes	aye
Mr. Kemp	aye	Mr. Wetle	aye
Dr. Nichols	aye	Chair Bannister	aye
Mr. Rubin	aye		

Upon exiting closed session Chair Bannister asked Ms. Hirst to report on resolutions made during the closed session. Ms. Hirst report the following resolution was moved by Mr. Steinhoff, seconded by Mr. Devers and approved by a roll call vote:

RESOLVED, the Board hereby delegates the negotiation or terms and final approval of the Directors and Officers Insurance Policy to the Executive Committee.

Mr. Devers	aye	Ms. Steele Danner	aye
Ms. Gonzalez	aye	Mr. Steinhoff	aye
Rep. Hobbs	aye	Mr. Stokes	aye
Mr. Kemp	aye	Mr. Wetle	aye
Dr. Nichols	aye	Chair Bannister	recuse
Mr. Rubin	aye		

REVIEW OF LEWIS AND CLARK DISCOVERY INITIATIVE PROJECTS:

AgBiotech Recruitment Fund:

Chair Bannister moved to the next agenda item and asked Mr. Anderson to provide an update to the AgBiotech Recruitment Fund project. Mr. Anderson provided a status report of the PetScreen, Inc. project and stated there were three documents provided to the Board prior to the meeting for which staff were recommending approval: (i) Warrant to Purchase Stock, (ii) Promissory Note, (iii) Security Agreement. Mr. Anderson noted one revision to the Security Agreement, Exhibit A and stated the address would be revised to include the Columbia, Missouri address.

After a detailed discussion, the following resolution was moved by Ms. Steele Danner, seconded by Dr. Nichols and unanimously approved:

RESOLVED, the Board hereby approves the following documents related to the PetScreen, Inc. project, as presented: (i) Warrant to Purchase Stock, (ii) Promissory Note, and (iii) Security Agreement as revised.

Collaboration and Interdisciplinary Project:

Chair Bannister then asked Mr. Jim Spencer from Newsy.com to provide a status report to the Board. Mr. Spencer presented a status report on the Newsy.com project and requested the Board convert the remainder of the loan amount to Series A-1 Preferred Stock.

After a detailed discussion, the following resolution was moved by Rep. Hobbs, seconded by Mr. Stokes and unanimously approved:

RESOLVED, the Board hereby delegates the review and negotiation of the conversion of the Media Convergence Group loan to Series A-1 Preferred Stock to the Executive Committee for recommendation to the Board.

TOUR OF BRDG PARK:

The Board took a break from the meeting at approximately 12:00 p.m. to tour the new BRDG Park facility. Director Hall introduced Representative Jill Schupp. Rep. Schupp welcomed the Board to the facility.

MOTIP Commercialization Assistance Program (CAP):

Upon reconvening the meeting at 12:59 p.m., Chair Bannister asked Ms. Gonzalez to provide a status report of the CAP program. Ms. Gonzalez stated the MOTIP Committee received three responses to the RFP regarding commercialization plan assistance to Missouri companies who were awarded a Phase 1 and need assistance with their Phase 2 proposals. She reported the three respondents were Larta Institute, Dawnbreaker and Foresight Science and Technology. The next step is for the MOTIP Committee to convene, review and determine which companies they feel have the expertise and ability to provide the

assistance. Ms. Gonzalez stated she would work with Mr. Stokes as the new chair of the MOTIP Committee.

MOTIP Phase 0 Grant Report:

Chair Bannister then asked Mr. Chemlier to provide a status report on the MOTIP Phase 0 grant program. Mr. Chemlier provided a status report of the Phase 0 grant program. He requested the Board consider a reallocation or mechanism for reallocation of additional funding to the MOTIP Phase 0 program which has fully utilized the initial allocation.

After a detailed discussion the following resolution was moved by Ms. Steele Danner, seconded by Dr. Nichols and unanimously approved:

RESOLVED, the Board hereby delegates to the MOTIP Committee the authority to review and evaluate the request for additional funding for the MOTIP Phase 0 program and make a funding recommendation to the Board.

BOARD MEMBER TRAINING:

Ms. Winn and Mr. Litz provided training to the Board regarding Sunshine Law and fiduciary responsibility of board members respectively.

Chair Bannister entertained a motion to enter closed session and asked all guests to exit the room.

The following resolution was moved by Mr. Mehan, seconded by Ms. Steele Danner and approved by a roll call vote:

RESOLVED, the Board hereby enters Closed Session at 1:49 p.m. pursuant to Section 610.021, subsection 1, RSMo, relating to legal advice and to review the status of the Missouri Venture Partners program.

Mr. Devers	aye	Mr. Rubin	aye
Ms. Gonzalez	aye	Ms. Steele Danner	aye
Rep. Hobbs	aye	Mr. Stokes	aye
Mr. Kemp	aye	Mr. Wetle	aye
Mr. Mehan	aye	Chair Bannister	aye
Dr. Nichols	aye		

The following resolution was moved by Ms. Steele Danner, seconded by Mr. Mehan and approved by the following roll call vote:

RESOLVED, the Board hereby reconvenes from Closed Session at 2:36 p.m.

Mr. Devers	aye	Mr. Rubin	aye
Ms. Gonzalez	aye	Ms. Steele Danner	aye
Rep. Hobbs	aye	Mr. Stokes	aye
Mr. Kemp	aye	Mr. Wetle	aye
Mr. Mehan	aye	Chair Bannister	aye
Dr. Nichols	aye		

Upon exiting closed session Chair Bannister asked Ms. Hirst to report the resolution made during closed session.

Ms. Hirst reported the following resolution was moved by Mr. Devers, seconded by Mr. Mehan and carried unanimously:

RESOLVED, the Board hereby reaffirms its prior resolution delegating to the Executive Committee the authority on behalf of MTC to negotiate with Finistere Ventures and other interested parties regarding the terms of the potential MTC investment in the proposed Missouri Venture Partners fund, which authority shall include causing MTC to make any disclosure in connection therewith that the Executive Committee determines, in consultation with special counsel, is necessary or advisable.

REVIEW STATUS OF LIFE SCIENCES RESEARCH TRUST FUND:

Chair Bannister moved to the next item and asked Mr. Anderson to provide a status report of the Life Sciences Research Trust Fund. Mr. Anderson reported that 66 full proposals were invited by the Life Sciences Research Board (“LSRB”) and 64 proposals were received. The proposals are currently undergoing the peer review and being reviewed by the screening committees. The LSRB will meet on December 2, 2009 to make the final funding decisions.

REVIEW STATUS OF MISSOURI PLANT SCIENCE CENTER PROJECT:

Chair Bannister moved to the next agenda item which was a review of the Missouri Plant Science Center (“MPSC”) project in Mexico, Missouri. He asked Director Hall to provide a status report of the MPSC project. Director Hall stated the MPSC JV Members are the University of Missouri, City of Mexico and MTC, each with a one-third authority. The JV Members continue to work on the project and the goal is to break ground in mid-November. The total project cost is \$12.5 million.

REVIEW 2009 MTC ANNUAL REPORT:

Chair Bannister asked Director Hall to review the 2009 MTC Annual Report which was distributed to the Board prior to the meeting. Director Hall reviewed the Annual Report and stated by statute the report is due each year to the Governor and General Assembly by November 1st.

After a detailed discussion, the following resolution was moved by Ms. Steele Danner, seconded by Rep. Hobbs and unanimously approved:

RESOLVED, the Board hereby approves the 2009 MTC Annual Report with any modifications that may need to be made by MTC staff.

UPDATE ON STATUS OF THE MTC STRATEGIC PLAN:

Chair Bannister moved to the next agenda item and asked Director Hall to provide a status report of the MTC Strategic Plan. Director Hall stated a draft plan has been prepared by staff and would be shared with Mr. Rubin as the Chair of the Strategic Planning and Policy Committee.

REVIEW MTC LEGISLATIVE ITEMS:

Chair Bannister asked Director Hall and Ms. Steele Danner to provide a review of legislative items for the upcoming session. Ms. Steele Danner stated the budget will continue to be the focus of the legislature. She stated the DED is currently developing their legislative proposal which will focus on three items: (i)

what programs will bring dollars into the state; (ii) what programs will help retain and expand existing business; and (iii) what programs will attract new business. Ms. Murphy Finn stated the proposal will contain several items that will have impact on the MTC and she is working with Mr. Hall to further develop the proposal.

NEW BUSINESS:

Chair Bannister then moved to New Business on the agenda and asked the Board to review the list of 2010 MTC board meetings which was distributed to the Board prior to the meeting.

The following resolution was moved by Ms. Steele Danner, seconded by Mr. Mehan and unanimously approved:

RESOLVED, the Board hereby approves the MTC 2010 meeting schedule as presented.

ADJOURNMENT

Having no further business on the agenda, Chair Bannister entertained a motion to adjourn.

The following resolution was moved by Ms. Steele Danner, seconded by Mr. Mehan and unanimously approved:

RESOLVED, the Board hereby adjourns.

Meeting adjourned at 3:02 p.m.