

**Minutes**  
**Missouri Technology Corporation**  
**Audit and Finance Committee**  
**Friday, April 18, 2014**

The Audit and Finance Committee (the “Audit Committee”) of the Board of Directors of the Missouri Technology Corporation (the “MTC”) met in regular session on Friday, April 18, 2014, beginning at 2:02 p.m. The meeting was held by teleconference.

Members Participating:

Jim Baker	Chair
Joe Bannister	Member
Beth Canuteson	Member
Nicole Galloway	Member

Staff and Legal Counsel Participating:

Bill Anderson	MTC Acting Executive Director
Tara Dampf	MTC Manager, Finance and Grant Administration
Dan Kaemmerer	MTC Associate
Dawn Overby	DED
Greg Patterson	Thompson Coburn LLP, MTC Legal Counsel

Guests Participating:

Emily Kampeter	Government Account Officer, Central Bank
Les Renn	Chartered Financial Analyst, Central Bank

**WELCOME AND CALL TO ORDER:**

Chair Baker called the meeting to order at 2:02 p.m. and declared a quorum to be present with four members of the Audit Committee participating, including Mr. Bannister, Ms. Canuteson, Ms. Galloway and Chair Baker.

**APPROVAL OF MINUTES:**

Chair Baker moved to the first agenda item and asked if there were any comments on the draft minutes of the Audit Committee’s meeting held December 19, 2013, which had been distributed to the Audit Committee prior to the meeting. On motion by Mr. Bannister, seconded by Ms. Canuteson, the following resolution was unanimously approved:

**RESOLVED**, the Audit Committee hereby approves the minutes of its meeting held December 19, 2013, as submitted.

**REVIEW SHORT-TERM CASH INVESTMENTS:**

Chair Baker then asked Director Anderson to review MTC’s short-term cash investments. Director Anderson stated this meeting served as the regular Audit Committee review of the Short-Term Investment Policy and MTC’s accounts and then asked Ms. Kampeter and Mr. Renn to review the account.

Ms. Kampeter stated that the current MTC account held a balance of approximately \$13.4 million and the repurchase or sweep account which invests funds overnight and is currently earning a fixed rate of approximately 25 basis points per annum. The Certificates of Deposit earn 25 basis points per annum and are locked for one year. Mr. Renn then reviewed current market conditions and stated that investment terms dictate the strategy used by the MTC. He stated that funds would have to be held for at least 18

months to earn more than the current 25 basis points per annum. The Audit Committee members agreed to maintain the current policy of keeping cash in the sweep account.

### **CLOSED SESSION**

On motion by Mr. Bannister, seconded by Ms. Galloway the following resolution was approved by roll call vote as follows:

**RESOLVED**, the Audit Committee hereby approves entering into Closed Session at 2:12 p.m. pursuant to Sections 610.021 (1), (12), (14) and (15) RSMo, to review a conflict of interest waiver.

Mr. Bannister aye  
Ms. Canuteson aye  
Ms. Galloway aye  
Chair Baker aye

On motion by Mr. Bannister, seconded by Ms. Galloway the following resolution was approved by roll call vote as follows:

**RESOLVED**, the Audit Committee hereby reconvenes from Closed Session at 2:20 p.m.

Mr. Bannister aye  
Ms. Canuteson aye  
Ms. Galloway aye  
Chair Baker aye

Chair Baker reported that the Audit Committee took no action in the Closed Session after a discussion confined to the matters stated above. The Audit Committee continued its discussion in Open Session.

On motion by Ms. Galloway, seconded by Mr. Bannister, the following resolutions were unanimously approved by those members participating:

**RESOLVED**, the Audit Committee has reviewed MTC's proposed investment in Adarza and has been informed of the nature of the long-standing relationship of its external counsel, Thompson Coburn LLP, with the third-party that intends to co-invest with MTC and provide the matching funds for MTC's investment; and

**FURTHER RESOLVED**, in cases where Thompson Coburn LLP has a potential conflict of interest, the MTC Board has engaged Lewis Rice to represent MTC and MTC intends to engage Lewis Rice to represent MTC in the proposed investment in Adarza; and

**FURTHER RESOLVED**, the Audit Committee has determined that, with Lewis Rice's representation in this instance, MTC's interests are adequately protected in the proposed investment in Adarza and, accordingly, the conflict waiver requested by Thompson Coburn LLP is appropriate; and

**FURTHER RESOLVED**, the Audit Committee on behalf of the MTC Board hereby authorizes the MTC Acting Executive Director to confirm the conflict waiver on behalf of MTC.

### **ADJOURNMENT:**

As no further business was brought before the Audit Committee, on motion by Chair Baker, seconded by Mr. Bannister, the following resolution was unanimously approved.

**RESOLVED**, the Audit Committee hereby adjourns the meeting at 2:21 p.m.

**MEETING ADJOURNED**