

**Minutes**  
**Missouri Technology Corporation**  
**Friday, January 30, 2015**

The regular meeting of the Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) was held on Friday, January 30, 2015 beginning at 10:00 a.m. The meeting was held at 301 W. High Street, Suite 850, Jefferson City, Missouri.

The following members of the Board were present or absent:

Joe Bannister	Chair	Present
Rep. T.J. Berry	Member	Present
Nicole Galloway	Member	Present
Donn Rubin	Member	Present
Mike Downing	Member designee-DED	Present
David Kerr	Member	Present
Garry Kemp	Member	Present
Mike O’Connell	Member	Present
Sen. Ryan Silvey	Member	Present (via phone)
Elizabeth Canuteson	Member	Absent
Hank Foley	Member designee-MU	Absent
Dr. Jim Baker	Secretary-Treasurer	Absent
Mike Wetle	Member	Absent

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

Colonel Williams	Honorary member-FLW	Absent
Ray Tait	Honorary member-RAM	Absent
Nasser Arshadi	Honorary member-RAM	Absent

Staff and Outside Legal Counsel present:

Bill Anderson	MTC Acting Executive Director
Dan Kaemmerer	MTC Associate
Tori Benson	DED staff
Laura Weiler	MTC staff
Dawn Overbey	DED staff
Tom Litz	Thompson Coburn LLP, MTC Legal Counsel

Guests present (for portions of meeting):

Steve Wyatt	University of Missouri for Hank Foley
Marie Carlie	Prosper Women Entrepreneurs
Dr. Mary Jo Gorman	Prosper Women Entrepreneurs
Dr. Robert Calcaterra	Exeteur

**WELCOME AND CALL TO ORDER:**

Chair Bannister called the meeting to order at 10:14 a.m., but was unable to establish quorum with only seven members present, including Chair Bannister, Ms. Galloway, Mr. Kerr, Mr. Rubin, Mr. Kemp, Mr. O’Connell and Rep. Berry. Chair Bannister introduced and welcomed the newest Board member, Mr. Mike O’Connell of St. Louis.

**EXECUTIVE DIRECTOR REPORT:**

Chair Bannister asked Director Anderson to present the MTC Executive Director report. Director Anderson reported that seven IDEA Fund transactions closed since the preceding Board meeting with

\$1.4 million disbursed alongside more than \$1.9 million in leveraged capital from other sources. Overall, 74 IDEA Fund financings have closed, totaling \$19.5 million alongside leveraged capital from other sources of more than \$175 million. Director Anderson stated that MTC staff will continue to work toward fulfillment of Board-approved applications for financial assistance and noted that, at this time, they do not anticipate opening a funding cycle for Q3. Staff will explore the need to have an Investment Committee meeting to discuss due diligence and exit possibilities. He then reviewed second quarter activities and closed his report by reviewing activities the MTC staff planned to undertake in the third quarter. Director Anderson noted that Prosper Accelerator and Yield Lab announced their inaugural classes, St. Louis was named top city for startups by Popular Mechanics and Think Big Accelerator opened in Kansas City.

#### **EXECUTIVE COMMITTEE REPORT:**

Chair Bannister reported that the Executive Committee met twice during the second quarter. The Executive Committee reviewed and approved transaction documents for several IDEA Fund investments that previously had been approved by the Board. The Executive Committee also reviewed the compensation of the MTC Acting Executive Director recommended certain adjustments.

#### **BOARD ORGANIZATIONAL MATTERS:**

At this point, Mr. Downing (in person) and Senator Silvey (by phone) had joined the meeting and, accordingly, a quorum was established. Chair Bannister appointed Dr. Jim Baker to be Vice-Chair of the MTC Board, and Ms. Nicole Galloway to be Secretary/Treasurer of the MTC Board. He stated that Mr. O'Connell and Mr. Rubin will be joining the Audit and Finance Committee, and he re-appointed all members and the respective chairs to the Executive Committee, Audit and Finance Committee, and Investment Committee. A list of each committee's members will be distributed to the Board. Chair Bannister then updated the Board on the Acting Executive Director's salary adjustment. Mr. Anderson excused himself from the meeting for this discussion.

On motion by Mr. Kerr, seconded by Mr. Kemp, the following resolutions were unanimously approved by those members present:

**RESOLVED**, the Board hereby ratifies the appointment of Dr. Jim Baker as Vice-Chair of the MTC Board;

**FURTHER RESOLVED**, the Board hereby ratifies the appointment of Ms. Nicole Galloway as Secretary/Treasurer of the MTC Board;

**FURTHER RESOLVED**, the Board hereby ratifies the appointment of members to the Executive Committee, Audit and Finance Committee, and Investment Committee, as presented and as set forth on Exhibit A hereto; and

**FURTHER RESOLVED**, the Board hereby approves the salary adjustment for the MTC Acting Executive Director proposed by the Department of Economic Development providing for an increase in annual salary from \$85,500.08 gross pay to \$91,000.08 gross pay, effective as of December 1, 2014.

#### **APPROVAL OF MINUTES:**

Chair Bannister asked if there were any comments on the draft minutes of the October 24, 2014 Board meeting and Annual Public Hearing, which had been distributed to the Board prior to the meeting. There were no comments. On motion by Mr. Kerr, seconded by Ms. Galloway, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the minutes of the Board meeting held on October 24, 2014, as submitted; and

**FURTHER RESOLVED**, the Board hereby approves the minutes of the Annual Public Hearing held on October 24, 2014, as submitted.

**AUDIT AND FINANCE COMMITTEE REPORT:**

In the absence of Dr. Baker, Chair Bannister asked Director Anderson to present the Audit and Finance Committee report. Director Anderson distributed the approved MTC Program Administration Budget for fiscal 2015, asking the Board to consider increasing the travel budget from \$15,000 to \$25,500. Director Anderson then presented the FY2015 Second Quarter Treasurer's Report, which was distributed to the Board prior to the meeting. After discussion, and on motion by Mr. Kerr, seconded by Mr. Rubin, the following resolutions were unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the 2nd Quarter FY2015 Treasurer's Report dated January 30, 2015, as submitted; and

**FURTHER RESOLVED**, the Board hereby approves the modification to MTC's Fiscal Year 2015 administrative budget as presented.

Director Anderson then reviewed the 2015 Williams Keepers Engagement Letter, noting there were only minor changes from last year. After discussion, and on motion by Rep. Berry, seconded by Ms. Galloway, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves the 2015 engagement letter for accounting services provided by Williams-Keepers LLC, as presented.

**CLOSED SESSION:**

On motion by Mr. Kerr, seconded by Rep. Berry, the following resolution was approved by the following roll call vote:

**RESOLVED**, the Board hereby approves entering Closed Session at 11:20 a.m. pursuant to Sections 610.021 (1) and (17) RSMo.

Rep. Berry	aye	Mr. Kerr	aye
Mr. Rubin	aye	Ms. Galloway	aye
Mr. Downing	aye	Rep. Silvey	aye
Chair Bannister	aye	Mr. O'Connell	aye
Mr. Rubin	aye		

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

**RESOLVED**, the Board hereby approves exiting Closed Session at 11:38 a.m.

Rep. Berry	aye	Mr. Kerr	aye
Mr. Rubin	aye	Ms. Galloway	aye
Mr. Downing	aye	Rep. Silvey	aye
Chair Bannister	aye	Mr. O'Connell	aye
Mr. Rubin	aye		

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

On motion by Mr. Kemp, seconded by Mr. O'Connell, the following resolution was unanimously approved by those members present:

**RESOLVED**, that the Board hereby requests that staff proceed with discovery in pending litigation initiated by the MTC arising out of an applicant's failure to comply with its post-award obligations, prior to accepting the defendant's settlement proposal.

On motion by Chair Bannister, seconded by Rep. Berry, the following resolution was unanimously approved by those members present:

**RESOLVED**, the Board hereby approves adding Ms. Nicole Galloway, MTC Secretary/Treasurer, as a signatory on MTC documents.

#### **DEPARTMENT OF ECONOMIC DEVELOPMENT REPORT:**

Chair Bannister asked Mr. Downing to present the Department of Economic Development report. Mr. Downing reported that state exports were up 9% from last year. He stated that he attended the Detroit Auto Show in January with Governor Nixon, noting that the top three trucks are assembled at Missouri plants. He stated that Missouri's unemployment rate is now at 5.4%. He noted that there are 52 counties participating in the Certified Work Ready Communities program, more than any other state.

#### **INVESTMENT COMMITTEE REPORT:**

Chair Bannister called on Mr. Kerr for the Investment Committee report. Mr. Kerr then asked Mr. Kaemmerer to present. Mr. Kaemmerer called the Board's attention to the Investment Committee report which was distributed to the Board prior to the meeting. Mr. Kaemmerer reported the MTC received a total of 24 IDEA Fund and MOBEC Program Round 13 applications requesting more than \$8 million total; two Venture Capital Co-Investment (VCCI) applications requesting \$2.25 million, four TechLaunch applications requesting \$380,000, seven Seed Capital Co-Investment (SEED) applications requesting \$2.7 million; and eleven Missouri Building Entrepreneurial Capacity (MOBEC) applications for \$2.9 million. The MTC staff evaluated the applications in accordance with customary practice applying MTC's Investment Guidelines. Twelve IDEA Fund applications advanced to the Investment Committee for further consideration. Following a day of presentations and in-person applicant interviews on December 17, 2014, the Investment Committee made funding recommendations for three TechLaunch applications, five SEED applications, and two VCCI applications. The Investment Committee met via WebEx conference on January 16, 2015 to finalize review and recommendations of MOBEC applications, making funding recommendations for seven applications.

#### **CLOSED SESSION:**

On motion by Mr. Kerr, seconded by Rep. Berry, the following resolution was approved by the following roll call vote:

**RESOLVED**, the Board hereby approves entering Closed Session at 12:40 p.m. pursuant to Sections 610.021 (1), (12), (14) and (15) RSMo.

Rep. Berry	aye	Mr. Kerr	aye
Mr. Rubin	aye	Ms. Galloway	aye
Mr. Downing	aye	Rep. Silvey	aye
Chair Bannister	aye	Mr. O'Connell	aye
Mr. Rubin	aye		

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

**RESOLVED**, the Board hereby approves exiting Closed Session at 1:45 p.m.

Rep. Berry	aye	Mr. Kerr	aye
Mr. Rubin	aye	Ms. Galloway	aye
Mr. Downing	aye	Rep. Silvey	aye
Chair Bannister	aye	Mr. O'Connell	aye
Mr. Rubin	aye		

After a detailed discussion confined to the matters stated above by those present, Chair Bannister reported that the Board took no action during Closed Session.

#### **BOARD ACTIONS:**

Chair Bannister stated that, in light of his relationship with BioGenerator and BioSTL, Mr. Rubin exited the meeting and recused himself from the discussion on applications TL-2014-13-001 (HealthyMe Mobile), VCCI-2014-13-001(Akermin), VCCI-2014-13-002 (Benson Hill Biosystems), MOBEC-2014-13-003 (Center for Emerging Technologies), and MOBEC-2014-13-004 (ITEN). Steve Wyatt exited the meeting and recused himself from the discussion on application MOBEC-2014-13-005 (UMKC Innovation Center).

#### **INVESTMENT COMMITTEE RECOMMENDATIONS:**

On motion by Ms. Galloway, seconded by Rep. Berry, the following resolutions were approved by those members present:

**RESOLVED**, the Board hereby approves the following TechLaunch Program awards, subject to satisfying the ordinary program conditions: TL-2014-13-001(HealthyMe Mobile Solutions) in the amount of \$75,000; TL-2014-13-002 (PFITR) in the amount of \$75,000; and TL-2014-13-004 (Sprocket LLC) in the amount of \$50,000, subject to a market analysis satisfactory to the MTC; and

**FURTHER RESOLVED**, the Board hereby delegates to the MTC Executive Committee full power and authority on behalf of the MTC to complete any remaining due diligence and to negotiate, amend, and approve any and all agreements, documents or instruments and to take such other actions as may be required or desirable in connection with, or in furtherance of such awards; and

**FURTHER RESOLVED**, the Board hereby authorizes the MTC Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

On motion by Ms. Galloway, seconded by Mr. Kemp, the following resolutions were approved by those members present:

**RESOLVED**, the Board hereby approves the following Seed Capital Co-Investment Program awards, subject to satisfying the ordinary program conditions: SEED-2014-13-001 (Pushup Social) in the amount of \$125,000; SEED-2014-13-002 (Companion PBx) in the amount of \$125,000; SEED-2014-13-004 (Better Weekdays) in the amount of \$175,000; SEED-2014-13-005 (Moblico Solutions) in the amount of \$300,000; and SEED-2014-00-001 (Eateria) in the amount of \$200,000; and

**FURTHER RESOLVED**, the Board hereby delegates to the MTC Executive Committee full power and authority on behalf of the MTC to complete any remaining due diligence and to negotiate, amend, and

approve any and all agreements, documents or instruments and to take such other actions as may be required or desirable in connection with, or in furtherance of such awards; and

**FURTHER RESOLVED**, the Board hereby authorizes the MTC Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

On motion by Mr. Kemp, seconded by Ms. Galloway, the following resolutions were approved by those members present:

**RESOLVED**, the Board hereby approves the following Missouri Venture Capital Co-Investment Program awards, subject to satisfaction of ordinary program conditions and subject to identifying an appropriate lead investor satisfactory to the MTC: VCCI-2014-13-001 (Akermin) in the amount of \$125,000; and VCCI-2014-13-002 (Benson Hill Biosystems) in the amount of \$700,000; and

**FURTHER RESOLVED**, the Board hereby delegates to the MTC Executive Committee full power and authority on behalf of the MTC to complete any remaining due diligence and to negotiate, amend, and approve any and all agreements, documents or instruments and to take such other actions as may be required or desirable in connection with, or in furtherance of such awards; and

**FURTHER RESOLVED**, the Board hereby authorizes the MTC Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

On motion by Mr. Kerr, seconded by Ms. Galloway, the following resolutions were approved by those members present:

**RESOLVED**, the Board hereby approves the following Missouri Building Entrepreneurial Capacity Program awards, subject to satisfying the ordinary program conditions: MOBEC-2014-13-001 (Mercy Research and Development) in the amount of \$130,000; MOBEC-2014-13-003 (Center for Emerging Technologies) in the amount of \$75,000; MOBEC-2014-13-004 (ITEN) in the amount of \$190,000; MOBEC-2014-13-005 (UMKC Innovation Center) in the amount of \$150,000; MOBEC-2014-13-006 (Show-Me Innovation Center) in the amount of \$75,000; MOBEC-2014-13-008 (Small Business Synergy Corp) in the amount of \$120,000; and MOBEC-2014-13-011 (Think Big Foundation) in the amount of \$150,000; and

**FURTHER RESOLVED**, the Board hereby delegates to the MTC Executive Committee full power and authority on behalf of the MTC to complete any remaining due diligence and to negotiate, amend, and approve any and all agreements, documents or instruments and to take such other actions as may be required or desirable in connection with, or in furtherance of such awards; and

**FURTHER RESOLVED**, the Board hereby authorizes the MTC Acting Executive Director on behalf of the MTC to execute and deliver all documents relating to such awards.

#### **BRIEFING ON NEW ENTREPRENEURSHIP INITIATIVES:**

Director Anderson introduced special guests Marie Carlie and Dr. Mary Jo Gorman with Prosper Women Entrepreneurs. Prosper is comprised of two divisions: Prosper Institute, a non-profit organization focused on training and mentoring women in the entrepreneurial community, and Prosper Capital, a for-profit organization focused on increasing women entrepreneurs' access to growth capital and the number of women investing in early stage capital markets. They stated that 75% of their investors are women. They invest in three areas – consumer products, health care and technology. They currently have six companies participating in their inaugural 13-week program in St. Louis designed to help women entrepreneurs through investment, mentor with successful women entrepreneurs, and provide training on how to scale their business.

Director Anderson then introduced special guest Dr. Robert Calcaterra with Exeteur Group. He and Dr. Randy Weiss's objective is to form start-ups in the United States or establish a presence in the United States for existing companies, secure funding, recruit an experienced management team, provide board oversight, and achieve an attractive exit for founders and investors for companies and technologies they source from Europe and Israel. He stated they currently have more than 65 possible deals and deal sources identified. That list will be reduced to 10 companies. Exeteur will have 25-40% ownership of each company.

**REVIEW FY 2015 INNOVATION CENTER MID-YEAR REPORTS:**

Director Anderson reviewed the FY2015 Innovation Center Mid-Year Report, which had been distributed to the Board prior to the meeting. Discussion was held.

**NEW BUSINESS:**

Chair Bannister reminded those Board members with expired terms to reapply to the Governor's Office if they wish to remain on the Board.

**ADJOURNMENT:**

Having no further business on the agenda, Chair Bannister adjourned the meeting.

**RESOLVED**, the Board hereby adjourned the meeting at 2:55 p.m.

**MEETING ADJOURNED**