

**Minutes**  
**Missouri Technology Corporation**  
**Friday, April 24, 2009**

The Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) met in regular session on Friday, April 24, 2009, beginning at 10:25 a.m. The meeting was held at the MU Life Science Business Incubator at Monsanto Place in Columbia, Missouri.

The following members of the Board were present or absent:

Greg Steinhoff	Chair	Present
Jim Baker	Member	Absent
Joe Bannister	Member	Present
Dan Devers	Member	Present
Jake Fisher	Member	Absent
Nick Franano	Member	Present
Victoria Gonzalez	Member	Present
Sen. John Griesheimer	Member	Absent
Rep. Steve Hobbs	Member	Absent
Daniel Mehan	Vice Chair	Present
Bill McCoy	Member designee-DED	Present
Mike Nichols	Member designee-MU	Present
Donn Rubin	Member	Present
Frank Stokes	Treasurer	Present (joined by phone after lunch)
Ed Timm	Member	Present

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

Colonel John Megnia	Honorary member-Fort Leonard Wood	Absent
Krishna Krishnamurthy	Honorary member-RAM	Absent
Nasser Arshadi	Honorary member-RAM	Absent

Outside Legal Counsel and Staff present:

Bill Anderson	MTC Deputy Director
J. Powell Carman	Bryan Cave LLP, MTC Legal Counsel
Jason Hall	MTC Executive Director
Stacey Hirst	DED staff and MTC support
Rob Monsees	Former MTC Executive Director
Karen Winn	DED General Counsel

Guests Present:

Jay DeLong	St. Louis Regional Chamber and Growth Association
Bob Donnelly	Department of Economic Development
Bill Duncan	Kansas City Area Life Sciences Institute
Jessica Eads	Department of Economic Development
Paul Rehrig	University of Missouri
[Jake Halliday]	[MU Life Science Business Incubator]

**WELCOME AND CALL TO ORDER:**

Chair Steinhoff called the meeting to order at 10:25 a.m. and established a quorum with 10 members present including Chair Steinhoff, Mr. Bannister, Mr. Devers, Dr. Franano, Ms. Gonzalez, Mr. Mehan, Mr. McCoy, Dr. Nichols, Mr. Rubin, and Mr. Timm.

Chair Steinhoff asked Dr. Jake Halliday to welcome the meeting attendees to the MU Life Science Business Incubator. Dr. Halliday welcomed everyone to the meeting and gave a brief presentation regarding the MU Life Science Business Incubator.

#### **APPROVAL OF MINUTES FROM PRIOR MEETINGS:**

Chair Steinhoff moved to the first agenda item which was the approval of minutes from the January 23, 2009 and February 13, 2009 Board meetings. Draft minutes were distributed to the Board prior to the meeting. The following resolution was moved by Ms. Gonzalez, seconded by Mr. Mehan and unanimously approved:

**RESOLVED**, the Board hereby approves the minutes from the January 23, 2009 Board meeting, as presented.

Dr. Franano requested a revision to the minutes from the February 13, 2009 Board meeting to further clarify the charge of the special committee appointed by the Board. After a brief discussion, the following resolution was moved by Mr. Mehan, seconded by Dr. Franano and unanimously approved:

**RESOLVED**, the Board hereby approves the minutes from the February 13, 2009 Board meeting with a revision to Page 2 of 3, last paragraph, to read as follows:

“**RESOLVED**, the Board hereby recommends to Chair Steinhoff that a special committee be appointed to evaluate, develop and negotiate the terms of the MTC’s investment in the Missouri Venture Partners fund with Finistere Ventures (the “Special Committee”).”

#### **UPDATE ON ADMINISTRATIVE ISSUES:**

Chair Steinhoff moved to the next agenda item which was to consider Governor Nixon’s nomination of Jason Hall to serve as the new Executive Director of the MTC. Chair Steinhoff introduced Mr. Hall and asked Mr. Hall to provide his background to the Board. Mr. Hall provided a brief synopsis of his educational background and work experience. After a detailed discussion, the following resolution was moved by Mr. Mehan, seconded by Mr. McCoy and unanimously approved:

**RESOLVED**, the Board hereby selects Jason R. Hall as the Executive Director of the MTC and authorizes Mr. Hall as a signatory on MTC bank accounts.

Chair Steinhoff then moved to the report from the Audit Committee regarding the consideration and approval of several policies which were distributed to the Board prior to the meeting. The draft policies include the: (i) Conflict of Interest Policy; (ii) Whistle-Blower Policy; (iii) Compensation Policy; (iv) Joint Venture Policy; and (v) Record Retention Policy. Due to Mr. Stokes’ absence, Chair Steinhoff reported on behalf of the Audit Committee. He further asked the Board to review and consider each policy separately and to approve the policies under one motion. In his report, Chair Steinhoff stated the Audit Committee had two revisions to the Conflict of Interest Policy in order to expand the definition of “Interested Person” and to clarify the process by which any conflict of interest issue will be resolved.

After a detailed discussion, the following resolution was moved by Mr. Mehan, seconded by Dr. Franano and unanimously approved:

**RESOLVED**, the Board hereby refers the Conflict of Interest Policy back to the Audit Committee in order to consider further changes to said policy.

Mr. Devers requested a revision to the Record Retention Policy by changing the schedule to retain Intellectual Property records from “7 years” to “2 years after expiration.” Ms. Gonzalez asked if the Board members would need to acknowledge their understanding of each policy. Mr. Carman suggested a cover note by which each Board member and MTC staff member acknowledge their understanding and commitment to comply with the policies.

After a brief discussion, the following resolutions were moved by Mr. Mehan, seconded by Ms. Gonzalez and unanimously approved:

**RESOLVED**, the Board hereby approves the following policies, as submitted: (i) Compensation Policy, (ii) Joint Venture Policy, and (iii) Whistle-Blower Policy.

**FURTHER RESOLVED**, the Board hereby approves the Record Retention Policy, with the revision noted by Mr. Devers.

Chair Steinhoff then moved to the next administrative item which was directors and officers insurance. Chair Steinhoff referred to a report submitted by The Daniel & Henry Co., which was distributed to the Board prior to the meeting. Following a discussion, Chair Steinhoff directed the MTC staff to work with the Missouri Chamber of Commerce & Industry to have the directors and officers insurance re-evaluated and brought back to the Board with recommendations.

#### **APPROVAL OF THE TREASURER’S REPORT:**

Chair Steinhoff then asked Ms. Hirst, due to the absence of Mr. Stokes, to present the Treasurer’s Report which was distributed to the Board prior to the meeting. Mr. Hirst presented the Treasurer’s Report for the Board’s approval.

Following a detailed discussion, the following resolution was moved by Mr. Bannister, seconded by Mr. Mehan and unanimously approved:

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

#### **REVIEW STATUS OF LAWSUIT:**

Chair Steinhoff moved to the next agenda item and asked Mr. Anderson to provide a report on the status of the lawsuit by the Missouri Roundtable for Life (“MRL”). Mr. Anderson reported the MRL appealed the Circuit Court decision to the Missouri Supreme Court. This appeal was filed in early February 2009. The Attorney General’s Office (“AGO”) is now representing the MTC, along with the other defendants in the lawsuit. Mr. Jim Layton is the lead attorney for the lawsuit and his expectation is the appeal will be argued in late September or October of 2009. Mr. Carman reported that the AGO has not yet entered their appearance on behalf of the MTC.

#### **REPORT FROM THE INNOVATION CENTER COMMITTEE:**

Chair Steinhoff asked Ms. Gonzalez to present the report from the Innovation Center Committee due to the absence of the committee chair, Dr. Baker. Ms. Gonzalez referred to the committee report which was distributed to the Board prior to the meeting. After a detailed discussion, the following resolution was moved by Mr. McCoy, seconded by Mr. Timm and unanimously approved:

**RESOLVED**, the Board hereby accepts the Innovation Center Committee Report and approves the following Innovation Centers to maintain their Innovation Center designation: Missouri Research Corporation (Cape Girardeau); Missouri Innovation Center (Columbia); Newman Business Center (Joplin); Brush Creek Enterprise Center (Kansas City); Missouri Rural Enterprise and Innovation Center (Kirksville); Missouri Enterprise (Rolla); Springfield Innovation, Inc. (Springfield); Institute for Industrial and Applied Life Sciences (St. Joseph); Center for Emerging Technologies (St. Louis); and the Institute for Entrepreneurial Studies and Development (Warrensburg).

### **STATUS OF LEWIS AND CLARK DISCOVERY INITIATIVE PROJECTS:**

Chair Steinhoff moved to the next agenda item which was a review of the Lewis and Clark Discovery Initiative Projects.

#### Animal Health and Nutrition Center:

Chair Steinhoff called on Dr. Bill Duncan to report on the status of the Animal Health and Nutrition Center. The Phase II report was distributed to the Board prior to the meeting. Dr. Duncan presented a summary on the findings of the Brakke Study regarding the Animal Health and Nutrition Center.

#### Missouri Technology Incentive Program (MOTIP) - Phase 0:

Chair Steinhoff then asked Dr. Paul Rehrig to provide an update on the status of the MOTIP Phase 0 program. The MOTIP 3<sup>rd</sup> Quarter FY 2009 Report was distributed to the Board prior to the meeting. Dr. Rehrig reported on the status of the Phase 0 program.

#### Report from the MOTIP Bridge Loan Committee:

Chair Steinhoff moved to the next agenda item and asked Ms. Gonzalez, as the Chair of the MOTIP Bridge Loan Committee, to give her report regarding the MOTIP Bridge Loan Program. Ms. Gonzalez reported on the status Bridge Loan program and recommended a change to the program to be re-titled "MOTIP Commercialization Assistance Program" ("CAP"). The recommendation is to provide a \$10,000-\$12,000 forgivable loan to select Phase I awardees to develop their commercialization plans in preparation for their Phase II application. The payment would be made to a qualified vendor selected by the Phase I awardee to assist with the development of the commercialization plan. The proposal included a start date of July 1, 2009, and established a presentation and review process with total expenditures to be approximately in the range of \$300,000 for the first year.

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

**RESOLVED**, the Board hereby approves the change to the MOTIP Bridge Loan Program as recommended by the MOTIP Bridge Loan Committee to be re-titled the MOTIP CAP; and

**FURTHER RESOLVED**, the Board hereby delegates to the MOTIP CAP Committee the authority to revise and approve all documents and applications required by the new program.

#### AgBiotech Recruitment Fund Projects:

Chair Steinhoff then asked Mr. Anderson to review two AgBiotech Recruitment Fund projects.

Mr. Anderson provided a status report to the Board regarding the PetScreen and Tiller Dairy projects, which were approved in concept by the Board at the January 23, 2009 Board meeting. Additional details and documentation on each of these projects are being developed and both projects are subject to Executive Committee approval.

**Intellectual Property Management Fund (“IPMF”) Program:**

Chair Steinhoff asked Mr. Anderson to provide a status report of the IPMF program. Mr. Anderson provided a status report of the IPMF program and stated the IPMF Committee, chaired by Mr. Devers, will be meeting in the next two to three weeks to review two pending applications.

**Missouri Venture Partners (“MVP”) Program:**

Chair Steinhoff entertained a motion to enter closed session. The following resolution was moved by Mr. Mehan, seconded by Mr. Stokes and approved by the following roll call vote:

**RESOLVED**, the Board hereby enters Closed Session at 2:05 p.m. pursuant to Section 610.021, subsections 1 and 12, RSMo., relating to the MVP program.

Mr. Bannister	aye	Mr. Rubin	aye
Mr. Devers	aye	Mr. McCoy	aye
Dr. Franano	aye	Mr. Stokes	aye
Ms. Gonzalez	aye	Mr. Timm	aye
Mr. Mehan	aye	Chair Steinhoff	aye
Dr. Nichols	aye		

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

**RESOLVED**, the Board hereby reconvenes from Closed Session at 2:58 p.m.

Mr. Bannister	aye	Mr. Rubin	aye
Mr. Devers	aye	Mr. McCoy	aye
Dr. Franano	aye	Mr. Stokes	aye
Ms. Gonzalez	aye	Mr. Timm	aye
Mr. Mehan	aye	Chair Steinhoff	aye
Dr. Nichols	aye		

Upon exiting from closed session, the following resolution was moved by Mr. Devers, seconded by Mr. McCoy and unanimously approved:

**RESOLVED**, the Board hereby agrees to use separate counsel to represent the MTC in future negotiations with Finistere Ventures, LLC; and

**FURTHER RESOLVED**, the Board hereby authorizes the MTC Executive Committee to enter into further negotiations with Finistere Ventures, LLC.

Chair Steinhoff further reported the MTC Executive Committee will discuss a process for training Board members on fiduciary responsibility.

## **NEW BUSINESS:**

Chair Steinhoff brought forth new business relating to a request by the Department of Economic Director Linda Martinez for the MTC to develop a strategic plan. He recognized Director Hall to provide information about the strategic planning process. Director Hall stated on advice of the Chair, he has asked that a special committee consisting of three to four Board members and the executive director to draft the first version of the strategic plan. After a brief discussion, the Board recommended to the Chair that a special committee be formed in order to prepare a first draft of the MTC strategic plan.

## **ADJOURNMENT**

As no further business was brought forth, the following resolution was moved by Ms. Gonzalez, seconded by Mr. Timm and unanimously approved:

**RESOLVED**, the Board declares the meeting adjourned.

Meeting adjourned at 3:06 p.m.

*The next regularly scheduled MTC Board meeting is Friday, June 26, 2009 at 10:00 a.m. It will be held in Kansas City (location is yet to be determined).*